NEXGEN ENERGY LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Three and Six Months Ended June 30, 2018

Dated August 8, 2018

GENERAL

This management's discussion and analysis ("**MD&A**") is management's interpretation of the results and financial condition of NexGen Energy Ltd. ("**NexGen**" or the "**Company**") for the three and six months ended June 30, 2018 and includes events up to the date of this MD&A. This discussion should be read in conjunction with the unaudited condensed consolidated interim financial statements as at and for the three and six months ended June 30, 2018 and the notes thereto (together, the "**Interim Financial Statements**") and other corporate filings including NexGen's annual information form for the year ended December 31, 2017 (the "**AIF**") dated March 2, 2018, all of which is available under the Company's profile on SEDAR at www.sedar.com. All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified. This MD&A contains forward-looking information. Please see the section, "Note Regarding Forward-Looking Information" for a discussion of the risks, uncertainties and assumptions used to develop the Company's forward-looking information.

It is important to note that in accordance with International Financial Reporting Standards ("**IFRS**"), IsoEnergy Ltd.'s ("**IsoEnergy**") financial results are consolidated with those of NexGen, including in this MD&A. However, IsoEnergy is a listed entity with its own management, directors, internal control processes and financial budgets and finances its own operations.

Financial Statements

Management is responsible for the Interim Financial Statements referred to in this MD&A. The Audit Committee of the Company's Board of Directors (the "**Board**") has been delegated the responsibility of reviewing and approving the Interim Financial Statements and MD&A.

The Interim Financial Statements have been prepared in accordance with IAS 34, Interim Financial Reporting, and should be read in conjunction with NexGen's audited financial statements for the year ended December 31, 2017 (the "**Annual Financial Statements**"), which have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("**IASB**"). Based on the nature of the Company's activities, both presentation and functional currency is Canadian dollars.

The Company's Interim Financial Statements have been prepared using 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. The ability of the Company to continue as a going concern is dependent on its ability to obtain financing and achieve future profitable operations.

Technical Disclosure

All scientific and technical information in this MD&A has been reviewed and approved by Mr. Troy Boisjoli, Geoscience Licensee, Vice President – Operations & Project Development for NexGen. Mr. Boisjoli is a qualified person for the purposes of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"), and has verified the sampling, analytical, and test data underlying the information or opinions contained herein by reviewing original data certificates and monitoring all of the data collection protocols.

For details of the Rook I Project including the key assumptions, parameters and methods used to estimate the updated mineral resource and preliminary economic assessment ("**PEA**") set forth below, please refer to the technical report entitled "Technical Report on the Preliminary Economic Assessment of the Arrow Deposit, Rook I Property, Province of Saskatchewan, Canada" dated September 14, 2017 (the "**Rook I PEA Technical Report**") prepared by Jason Cox, David Robson, Mark Mathisen, David Ross, Val Coetzee and Mark Wittrup, each of whom is a "qualified person" under NI 43-101. The Rook I PEA Technical Report is available for review under the Company's profile on SEDAR (www.sedar.com) and EDGAR (www.sec.gov/edgar.shtml).

Natural gamma radiation in drill core reported in the September 15, 2017 news release was measured in counts per second (cps) using a Radiation Solutions Inc. RS-120 gamma-ray scintillometer. The reader is cautioned that total count gamma readings may not be directly or uniformly related to uranium grades of the rock sample measured; they should be used only as a preliminary indication of the presence of radioactive minerals.

BACKGROUND

NexGen was incorporated pursuant to the *Business Corporations Act* (British Columbia) on March 8, 2011 as "Clermont Capital Inc.", a capital pool company within the meaning of Policy 2.4 – *Capital Pool Companies* of the TSX Venture Exchange. On April 19, 2013, the Company completed its "qualifying transaction" and in connection therewith consolidated its common shares on a 2.35:1 basis and changed its name to "NexGen Energy Ltd.".

NexGen is a Canadian based uranium exploration company engaged in the exploration of its portfolio of early stage uranium exploration properties located in the Province of Saskatchewan, Canada. NexGen's principal asset is its 100% interest in the Rook I project, an exploration project in the Athabasca Basin, Saskatchewan (the "**Rook I Project**").

The Rook I Project is located in the southwest Athabasca Basin and is the location of the Company's Arrow discovery in February 2014, the Bow discovery in March 2015, the Harpoon discovery in August 2016 and the South Arrow discovery in July 2017. The Rook I Project consists of thirty-two (32) contiguous mineral claims totaling 35,065 hectares.

The Company is listed on the Toronto Stock Exchange (the "**TSX**") and NYSE American, LLC ("**NYSE American**") under the symbol "NXE" and is a reporting issuer in each of the provinces of Canada other than Québec.

The Company has three wholly owned subsidiaries: NXE Energy Royalty Ltd., NXE Energy SW1 Ltd. and NXE Energy SW3 Ltd. (collectively, the "**Subsidiaries**"). The Company also holds 58.93% of the outstanding common shares of IsoEnergy, as of the date hereof.

In the year ended December 31, 2017, the Company completed a financing raising aggregate gross proceeds of US$110 million (the **"Financing"**) consisting of a private placement of: (a) 24,146,424 common shares at a price of US$2.0707 per share, for gross proceeds of US$50 million (the "**Placement Shares**"); and (b) US$60 million in aggregate principal amount of 7.5% unsecured convertible debentures (the "**2017 Debentures**") with affiliates of CEF Holdings Limited and/or its shareholders (collectively, the "Investors") and in connection therewith (i) extended the maturity date of the existing 7.5% unsecured convertible debentures (the "2016 Debentures" and together with the 2017 Debentures, the "**Convertible Debentures**") from June 11, 2021 to July 22, 2022 to match the maturity date of the 2017 Debentures; and (ii) revised and consolidated certain other non-financial provisions of the 2016 Debentures, including the strategic alignment provisions, into an investor rights agreement, described in detail below under "Discussion of Operations".

OVERALL PERFORMANCE

General

In the six months ended June 30, 2018, the Company continued exploration activities at its Rook I Project including the completion of 33,582.9 metres of drilling both regionally and at the Arrow deposit.

As an exploration stage company, the Company does not have revenues and historically has recurring operating losses. As at June 30, 2018, the Company had cash and cash equivalents of $142,929,234 (December 31, 2017: $164,943,850; June 30, 2017: $46,302,691), short-term investments of $nil (December 31, 2017: $nil; June 30, 2017: $12,977,000), an accumulated deficit of $82,490,124 (December 31, 2017: $88,038,390; June 30, 2017: $54,788,965) and working capital of $140,015,895 (December 31, 2017: $162,745,615; June 30, 2017: $58,718,202).

The Interim Financial Statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Industry and Economic Factors that May Affect the Business

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 and industry. These risks include, but are not limited to, the challenges of securing adequate capital, exploration, development and operational risks inherent in the mining industry; changes in government policies and regulations; the ability to obtain the necessary permitting; as well as global economic and uranium price volatility; all of which are uncertain.

The underlying value of the Company's exploration and evaluation assets 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 the Company's exploration and evaluation assets.

In particular, the Company does not generate revenue. As a result, the Company continues to be dependent on third party financing to continue exploration activities on the Company's properties, maintain capacity and satisfy contractual obligations including servicing the interest payments due on its convertible debentures and repaying the principal amount thereof at maturity (or sooner in the event of redemption in accordance with the terms of the 2017 Debentures and 2016 Debentures, (collectively, the "**Convertible Debentures**"). Accordingly, the Company's future performance will be most affected by its access to financing, whether debt, equity or other means.

Access to such financing, in turn, is affected by general economic conditions, the price of uranium, exploration risks and the other factors described in the section entitled "Risk Factors" in the Company's most recent annual information form, filed March 2, 2018.

At maturity of the Convertible Debentures, the US$120 million principal amount is due in full, and prior to then at a premium upon the occurrence of certain events, including a change of control. The Company holds sufficient US dollars to make all interest payments due under the Convertible Debentures until maturity but not to pay the entire principal amount. Accordingly, the Company is subject to risks associated with fluctuations in the Canadian/US dollar exchange rate that may make the Convertible Debentures more costly to repay. In addition, unless the Company commences generating revenue prior to the maturity date of the Convertible Debentures (or sooner in the event of redemption in accordance with the terms of the Convertible Debentures), the Company will have to raise funds to repay the principal amount of the Convertible Debentures and there can be no assurance that the Company will be able to raise sufficient funds when required, at all, or on reasonable terms.

SELECTED FINANCIAL INFORMATION

The following financial data is derived from the Interim Financial Statements and should be read in conjunction with NexGen's audited Annual Financial Statements and unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2018:

	Note	For the three months ended June 30, 2018	For the three months ended June 30, 2017	For the six months ended June 30, 2018	For the six months ended June 30, 2017
Operating expenses					
Salaries, benefits and directors' fees	10	$ 1,726,221	$ 615,611	$ 2,703,396	$ 1,481,857
Office and administrative		392,305	271,122	865,249	661,327
Professional fees		323,709	546,944	937,652	844,237
Travel		223,376	201,475	426,147	330,487
Depreciation	7	339,970	158,835	623,569	371,112
Share-based payments	9,10	5,433,453	1,740,442	7,141,010	3,740,796
Finance income		(617,126)	(133,549)	(1,209,671)	(308,046)
Mark to market loss (gain) on convertible debentures	8	14,520,153	(8,275,171)	(20,703,483)	11,884,777
Interest expense	8	3,148,350	1,490,640	5,993,926	2,989,365
Foreign exchange loss (gain)		(1,024,967)	365,845	(2,347,525)	512,226
Loss on disposal of equipment		6,815	-	6,065	-
Loss (profit) from operations		**$ 24,472,259**	**$ (3,017,806)**	**$ (5,563,665)**	**$ 22,508,138**
Deferred income tax expense (recovery)		(62,605)	(109,347)	(53,573)	71,275
Loss (profit) and comprehensive loss (profit) for the period		**$ 24,409,654**	**$ (3,127,153)**	**$ (5,617,238)**	**$ 22,579,413**
Loss (profit) and comprehensive loss (profit) attributable to:					
Shareholders of NexGen Energy Ltd.		$ 24,304,876	$ (3,324,392)	$ (5,937,322)	$ 22,152,787
Non-controlling interests in IsoEnergy Ltd.		104,778	197,239	320,084	426,626
Loss (profit) and comprehensive loss (profit) for the period		**$ 24,409,654**	**$ (3,127,153)**	**$ (5,617,238)**	**$ 22,579,413**
Loss (profit) per common share attributable to the Company's					
Basic Loss (profit) per common share		$ 0.07	$ (0.01)	$ (0.02)	$ 0.07
Diluted Loss (profit) per common share		$ 0.07	$ 0.01	$ 0.02	$ 0.07
Weighted average number of common shares outstanding					
Basic		343,884,155	309,363,865	343,259,173	307,883,909
Diluted		343,884,155	309,363,865	406,662,992	307,883,909

Three months ended June 30, 2018 vs three months ended June 30, 2017

In the three months ended June 30, 2018, NexGen incurred a net loss of $24,409,654 or $0.07 per common share, compared to a net profit of $3,127,153 or $0.01 per common share for the three months ended June 30, 2017.

The Company incurred a mark to market loss on Convertible Debentures of $14,520,153 during the three months ended June 30, 2018 as compared to a mark to market gain of $8,275,171 in the three months ended June 30, 2017. This mark to market loss results from the fair value re-measurement of the Convertible Debentures at each report date, with any changes in the fair value being recognized in the loss (profit) and comprehensive loss (profit) for the period. The loss was primarily the result of fluctuations in the Company's share price and foreign exchange rates.

Salaries, benefits and directors' fees increased from $615,611 in the three months ended June 30, 2017 to $1,726,221 in the three months ended June 30, 2018 mainly due to severance payments to management personnel.

Office and administrative costs increased from $271,122 in the three months ended June 30, 2017 to $392,305 in the three months ended June 30, 2018 mainly due to increased regulatory filing fees and marketing in the three months ended June 30, 2018.

Professional fees decreased from $546,944 in the three months ended June 30, 2017 to $323,709 in the three months ended June 30, 2018 due to a decrease in legal fees pertaining to legal fees incurred relative to the NYSE American listing in 2017.

Travel expenses increased from $201,475 in the three months ended June 30, 2017 to $223,376 in the three months ended June 30, 2018, primarily due to increases in marketing-related travel and general corporate activity in the three months ended June 30, 2018.

Depreciation increased from $158,835 in the three months ended June 30, 2017 to $339,970 in the three months ended June 30, 2018 due to an increase in the field equipment.

Share-based payments charged to the statement of loss (profit) and comprehensive loss (profit) increased from $1,740,442 in the three months ended June 30, 2017 to $5,433,453 in the three months ended June 30, 2018. These are non-cash charges derived by the graded vesting method of the Black-Scholes values. Stock options granted to directors and employees vest over two years with the corresponding share-based compensation expense being recognized over this period. Variances in share-based compensation expense are expected from period to period depending on many factors, including whether options are granted in a period and whether options have fully vested or have been cancelled in a period. The Company granted 5,100,000 stock options with a weighted average fair value per option of $1.89 in the three months ended June 30, 2018.

Finance income increased from $133,549 in the three months ended June 30, 2017 to $617,126 in the three months ended June 30, 2018 mainly due to interest earned on increased cash and cash equivalent balances.

Interest expense increased from $1,490,640 in the three months ended June 30, 2017 to $3,148,350 in the three months ended June 30, 2018 due to interest for the full three months on the 2017 Debentures, with the Convertible Debentures bearing interest at a rate of 7.5% per annum, payable semi-annually.

The Company incurred a foreign exchange loss of $365,845 in the three months ended June 30, 2017 compared to a foreign exchange gain of $1,024,967 in the three months ended June 30, 2018. These amounts are derived from foreign exchange rate fluctuations realized on US dollar denominated transactions and payments translated into Canadian dollars as well as unrealized foreign exchange rate fluctuations on US dollar cash and accounts payable balances held on June 30, 2018.

A deferred income tax recovery of $62,605 was incurred in the three months ended June 30, 2018 as compared to $109,347 in the three months ended June 30, 2017. This relates to IsoEnergy's deferred income tax recovery on the income recognition on the flow-through share premium liability, offset by the temporary differences arising from the renunciation of flow-through shares in the three months ended June 30, 2018.

Six months ended June 30, 2018 vs six months ended June 30, 2017

In the six months ended June 30, 2018, NexGen incurred a net profit of $5,617,238 or $0.02 per common share, compared to a net loss of $22,579,413 or $0.07 per common share for the six months ended June 30, 2017.

The Company incurred a mark to market loss on the Convertible Debentures of $11,884,777 during the six months ended June 30, 2017 as compared to a mark to market gain of $20,703,483 in the six months ended June 30, 2018. Mark to market gains and losses result from the fair value re-measurement of the Convertible Debentures at each report date, with any changes in the fair value being recognized in the loss (profit) and comprehensive loss (profit) for the period. The mark to market gain for the six months ended June 30, 2018 is due mainly to a decrease in the Company's share price from $3.21 at December 31, 2017 to $2.43 at June 30, 2018 and the fluctuation in foreign exchange rates.

Salaries, benefits and directors' fees increased from $1,481,857 in the six months ended June 30, 2017 to $2,703,396 in the six months ended June 30, 2018 due to severance payments to management personnel and hiring of new staff.

Office and administrative costs increased from $661,327 in the six months ended June 30, 2017 to $865,249 in the six months ended June 30, 2018 due to an increased regulatory filing fees and marketing.

Professional fees increased from $844,237 in the six months ended June 30, 2017 to $937,652 in the six months ended June 30, 2018 due to an increase in regulatory fees and legal fees pertaining to various corporate and operational matters in the six months ended June 30, 2018.

Travel expenses increased from $330,487 in the six months ended June 30, 2017 to $426,147 in the six months ended June 30, 2018 mainly due to increased marketing related travel and general corporate activity in the six months ended June 30, 2018.

Depreciation increased from $371,112 in the six months ended June 30, 2017 to $623,569 in the six months ended June 30, 2018 due to an increase in the increase infield equipment.

Share-based payments charged to the statement of loss (profit) and comprehensive loss (profit) increased from $3,740,796 in the six months ended June 30, 2017 to $7,141,010 in the six months ended June 30, 2018. These are non-cash charges derived by the graded vesting method of the Black-Scholes values. Stock options granted to directors and employees vest over two years with the corresponding share-based compensation expense being recognized over this period. Variances in share-based compensation expense are expected from period to period depending on many factors, including whether options are granted in a period and whether options have fully vested or have been cancelled in a period. During the six months ended June 30, 2018, the Company granted 5,100,000 stock options with a weighted average fair value per option of $1.89.

Finance income increased from $308,046 in the six months ended June 30, 2017 to $1,209,671 in the six months ended June 30, 2018 due to an increase in interest earned on increased cash and cash equivalent balances.

Interest expense increased from $2,989,365 in the six months ended June 30, 2017 to $5,993,926 in the six months ended June 30, 2018. This increase is due to interest expense for the full six months ended June 30, 2018 of the 2017 Convertible Debenture as compared six months ended June 30, 2017 where no interest was incurred on the 2017 Convertible Debenture as they were not issued until July 2017.

The Company incurred a foreign exchange loss of $512,226 in the six months ended June 30, 2017 compared to a foreign exchange gain of $2,347,525 in the six months ended June 30, 2018. These amounts are derived from foreign exchange rate fluctuations realized on US dollar denominated transactions and payments translated into Canadian dollars as well as unrealized foreign exchange rate fluctuations on US dollar cash and accounts payable balances held on June 30, 2018.

A deferred income tax recovery of $53,573 was incurred in the six months ended June 30, 2018 as compared to a deferred income tax expense of $71,275 in the six months ended June 30, 2017. This relates to IsoEnergy's deferred income tax recovery on the income recognition on the flow-through share premium liability, offset by the temporary differences arising from the renunciation of flow-through shares in the three months ended June 30, 2018.

Financial Position

The following financial data is derived from the Interim Financial Statements and should be read in conjunction with NexGen's audited Annual Financial Statements and unaudited interim financial statements for the three months ended June 30, 2018:

Selected Financial Information

		June 30, 2018		December 31, 2017		June 30, 2017
Exploration and evaluation assets	$	174,476,196	$	152,412,555	$	127,446,789
Total assets	$	325,030,895	$	323,079,350	$	191,478,953
Total current liabilities	$	3,976,862	$	3,014,430	$	1,568,459
Total non-current liabilities	$	151,100,546	$	171,724,215	$	83,123,475
Distributions or cash dividends declared per share	$	-	$	-		-

Financial Position as at June 30, 2018 vs December 31, 2017

NexGen had cash and cash equivalents totaling $142,929,234 as at June 30, 2018 compared to $164,943,850 as at December 31, 2017. This decrease in cash and cash equivalents was due to exploration and evaluation asset and equipment expenditures of $17,605,107 and $1,659,443, respectively, $4,717,690 of cash used in operating activities and $3,888,006 of cash interest paid on convertible debentures; offset by $2,645,334 of cash received from stock option exercises and shares of IsoEnergy issued to non-controlling interests for cash of $924,500.

Exploration and evaluation assets increased from $152,412,555 as at December 31, 2017 to $174,476,196 as at June 30, 2018 due to expenditures made on exploration and evaluation assets.

Current liabilities increased from $3,014,430 as at December 31, 2017 to $3,976,862 as at June 30, 2018. The majority of this increase is related to the timing of payments for exploration and evaluation expenditures.

Non-current liabilities decreased from $171,724,215 as at December 31, 2017 to $151,100,546 as at June 30, 2018 due to the net decrease in fair value of the Convertible Debentures resulting primarily from fluctuations in the Company's share price and foreign exchange rates since December 31, 2017. The principal amount of the Convertible Debentures is US$120.0 million, due July 22, 2022.

DISCUSSION OF OPERATIONS

On May 17, 2017, the Company commenced trading on the NYSE American under the symbol "NXE", and its common shares ceased trading on the OTCQX as of the close of trading on May 16, 2017.

On July 21, 2017, the Company completed the Financing and in connection therewith amended and restated the trust indenture entered into between Computershare Trust Company of Canada and the Company dated June 10, 2016 in respect of the 2016 Debentures to extend the maturity date of the 2016 Debentures to match the maturity date of the 2017 Debentures. In addition, certain non-financial provisions of the 2016 Debentures, including in particular the strategic alignment provisions were revised and consolidated into the investor rights agreement described below.

An establishment fee consisting of 869,271 common shares, calculated as 3% of the aggregate principal amount of the 2017 Debentures at a deemed price of US$2.0707 per share, was paid to the Investors in connection with the Financing.

The Convertible Debentures mature on July 22, 2022 (the "**Maturity Date**") and bear interest at a rate of 7.5% per annum, payable semi-annually in arrears, with 5.0% of such interest payable in cash and the remaining 2.5% payable in common shares of the Company, issuable at a price equal to the volume-weighted average trading price of the common shares calculated in US dollars on the exchange or market which has the greatest trading volume in the Company's common shares for the 20 consecutive trading days ("**20-day VWAP**") ending three trading days preceding the date such interest payment is due.

The 2017 Debentures are convertible at the holders' option, in whole or in part, into common shares at a conversion price (the "2017 Conversion Price") of US$2.6919 per share, subject to adjustment. The Company may redeem the 2017 Debentures, in whole or in part, from July 21, 2020 and prior to the Maturity Date at a price equal to the outstanding principal amount plus accrued and unpaid interest up to the redemption date, provided the 20-day VWAP of the common shares for the period ending three trading days preceding the date immediately prior to the date the redemption notice is given exceeds 130% of the 2017 Conversion Price.

The 2016 Debentures are convertible at the holder's option, in whole or in part, into common shares of the Corporation at a conversion price (the "**2016 Conversion Price**") of US$2.3261 per common share, subject to adjustment. The Company may redeem the 2016 Debentures in whole or in part from June 10, 2019 and prior to the Maturity Date at a price equal to the outstanding principal amount plus accrued and unpaid interest up to the redemption date, provided the 20-day VWAP of the common shares for the period ending three trading days preceding the date immediately prior to the date the redemption notice is given exceeds 130% of the 2016 Conversion Price.

Upon completion, of a change of control (which includes in the case of the Investors' right to require the Company to redeem the Convertible Debentures, a change in the Chief Executive Officer of the Company), the Investors of the Convertible Debentures may require the Company to redeem, or the Company has the right to redeem, any outstanding Convertible Debentures in cash at: (i) on or prior to July 21, 2020 for the 2017 Debenture and on or prior to June 10, 2019 for the 2016 Debenture, 130% of the principal amount; and (ii) at any time thereafter, 115% of the principal amount, in each case plus accrued but unpaid interest, if any. In addition, upon the public announcement of a change of control that is supported by the Board, the Company may require the Investors of the Convertible Debentures to convert the Convertible Debentures into common shares of the Company at the 2017 Conversion Price or 2016 Conversion Price, as applicable, provided the consideration payable upon the change of control exceeds the 2017 Conversion Price or 2016 Conversion Price, respectively, and is either payable in cash or is payable in property or securities which the holders of the 2017 Debentures or 2016 Debentures, as applicable, in their sole discretion, wish to receive.

A "change of control" of the Company is defined as: (i) the acquisition by any transaction, directly or indirectly, by a person or group of persons acting jointly or in concert of voting control or direction over 50% or more of the Company's outstanding common shares; (ii) the amalgamation, consolidation or merger of the Company with or into another entity as a result of which the holders of the common shares immediately prior to such transaction, directly or indirectly, hold less than 50% of voting control or direction over the entity carrying on the business of the Company following such transaction; (iii) the sale, assignment, transfer or other disposition of all or substantially all of the property or assets of the Company to another entity in which the holders of the common shares immediately prior to such transaction, directly or indirectly, hold less than 50% of voting control or direction following such transaction; or (iv) the removal by resolution of the shareholders of the Company, of more than 51% of the then incumbent directors of the Company which removal has not been recommended in the Company's management information circular, or the failure to elect to the Board a majority of the directors proposed for election by management in the Company's management information circular.

In consideration for the increased investment in the Company pursuant to the Financing, the Company and the Investors entered into an investor rights agreement (the "**Investor Rights Agreement**") dated July 21, 2017 which provides for the following and replaced those similar provisions contained in the 2016 Debentures. The Investor Rights Agreement provides that:

(a) for so long as the Investors hold at least 10% of the common shares (on a partially diluted basis), the Investors agreed: (i) not to tender or agree to tender (or convert) the Convertible Debentures or any common shares then held to an unsolicited takeover bid that constitutes a change of control, (ii) to exercise the votes attached to all common shares then held in respect of any change of control transaction, and deposit or tender such common shares, in accordance with the recommendation of the Board, (iii) to abstain or withhold votes in respect of any common shares they hold in respect of the election of individuals to the Board who are not nominees of management, and (iv) in respect of non-change of control matters, not to exercise the votes attached to any common shares they hold contrary to the recommendation of the Board;

(b) for so long as the Investors hold at least 10% of the common shares (on a partially diluted basis), the Investors agreed to a standstill whereby they will, among other things, not acquire any securities of the Company or solicit proxies or otherwise attempt to influence the conduct of security holders of the Company;

(c) for so long as the Investors hold at least 10% of the common shares (on a partially diluted basis), the Investors are subject to restrictions on disposition applicable to any common shares they hold, consisting of giving prior notice to the Company of any proposed disposition (within a 30 day period) of more than 0.5% of the number of common shares then outstanding and either: (i) disposing of such common shares to specific willing investors identified by the Company within a seven-day period; or (ii) thereafter, disposing of such common shares either through a broad distribution on the public markets or in a private transaction or block trade to anyone other than specific investors identified by the Company within the seven-day period; and

(d) for so long as the Investors hold at least 15% of the common shares (on a partially diluted basis), CEF Holdings Limited has the right to nominate one director to the Board.

Each of the foregoing covenants other than (d) shall terminate upon a completion of a Fundamental Change. A Fundamental Change means the occurrence of any of the transactions involved or items (i), (ii) or (iii) of the definition of Change of Control set out above and a change in the Company's Chief Executive Officer.

On September 18, 2017, the Company issued 111,110 common shares for the acquisition of the remaining 40% interest in the Dufferin Lake property ("**Dufferin**"). Dufferin comprises five contiguous mineral dispositions covering an area of 10,910 hectares and is located approximately 360 kilometres northwest of La Ronge, Saskatchewan.

Exploration

The winter drill program was completed on April 8, 2018 with a total of 30,207.7 metres drilled and 54 completed holes.

Highlights of the 2018 winter drill program include the (i) positive infill drill results from the A3 high-grade domains; (ii) step-out holes drilled in key Mineral Resource expansion areas in the A1 and A2 shears; (iii) further exploration to the northwest of the currently defined boundaries of the Arrow Deposit successfully intersected a newly discovered mineralized shear zone, named the A0 shear. The final hole of the 2018 winter program, drilled to the northwest of the A0 Shear also intersected off-scale mineralization. The Arrow Deposit remains open in most directions, with potential for future discoveries in close proximity to existing mineral resources.

On June 12, the Company commenced a 20,400 m summer drill program using four diamond drill rigs. The primary objectives of the summer 2018 drill program are to: (i) test newly identified area 160m northwest of the A0 shear zone where hole AR-18-208c1, the last hole of the winter 2018 drill program, intersected 0.5 m at 0.60% U3O8 (637.5 to 638.0 m) and 3.0 m at 0.35% U3O8 (686.0 to 689.0 m), identifying a potentially new zone of mineralization; (ii) testing of near-Arrow Deposit targets, with systematic wide spread step-outs from known mineralization. These near-Arrow target areas are located along strike to the southwest of AR-16-090c3 which intersected 13.0 m at 8.09% U3O8 and northeast of AR-18-189c4 that intersected 7.0 m at 1.78% U3O8 (819.0 to 826.0 m) including 2.0 m at 5.86% U3O8 (822.5 to 824.5 m) and 36.5 m at 0.56% U3O8 (832.0 to 868.5 m) in the A1 and A2 shear zones; (iii) drilling to determine locations for potential shafts including footwall characterizations holes. Results will be incorporate into the maiden Pre-Feasibility Study ("PFS") to be released late Q3 / early Q4 2018. As of the date hereof, 10,033.64 metres and 13 holes (and 3 holes in progress) have been completed as part of this program.

On March 6, 2017, the Company announced the following updated mineral resource estimate on the Rook I Project having an effective date of December 20, 2016:

Structure	Tonnage (tonnes)	Grade (U3O8%)	Metal U3O8 (U3O8 lbs)
Indicated Mineral Resources			
A2 High Grade	**400,000**	**18.84**	**164,900,000**
A2	790,000	0.84	14,500,000
Total	**1,180,000**	**6.88**	**179,500,000**
Inferred Mineral Resources			
A1	860,000	0.76	14,300,000
A2 High Grade	**30,000**	**12.72**	**8,600,000**
A2	1,100,000	0.76	18,500,000
A3 High Grade	**150,000**	**8.74**	**28,200,000**
A3	1,460,000	1.16	37,300,000
A4	550,000	1.07	12,900,000
180 m SW	110,000	0.94	2,300,000
Total	**4,250,000**	**1.30**	**122,100,000**

Notes:
1. CIM Definition Standards were followed for mineral resources.
2. Mineral resources are reported at a cut-off grade of 0.25% U3O8 based on a long-term price of US$65 per lb U3O8 and estimated costs.
3. A minimum mining width of 1.0 m was used.
4. Numbers may not add due to rounding.

On July 31, 2017, the Company announced the results of the PEA in respect of the Arrow deposit which was based on the updated mineral resource estimate set forth above.

PEA Financial Highlights	
After-Tax Net Present Value ($NPV_{8\%}$)	**CAD $3.49 Billion**
After-Tax Internal Rate of Return (IRR)	**56.7%**
After-Tax Cash Payback	**1.1 Years**
Pre-production Capital Costs (CAPEX)	**CAD $1.19 Billion**
Average Annual Production (Years 1-5)	**27.6 M lbs U3O8**
Average Annual Production (Life of Mine)	**18.5 M lbs U3O8**
Mine Life	**14.4 Years**
Average Unit Operating Cost (Years 1-5)	**CAD $5.53 (US $4.42)/lb U3O8**
Average Unit Operating Cost (Life of Mine)	**CAD $8.37 (US $6.70)/lb U3O8**
Uranium Price Assumption	**USD $50/lb U3O8**
Saskatchewan Royalties (Life of Mine)	**CAD $2.98 Billion**

Note: Exchange rate CAD$1 = USD$0.80.

The PEA is preliminary in nature and includes inferred mineral resources that are too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that PEA results will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Outlook

The Company plans to continue exploring the Rook I Project while progressing its preliminary feasibility study (“**PFS**”) schedule for completion in 2018.

As stated above, the Company does not generate revenue. As a result, the Company continues to be dependent on third party financing to continue exploration activities on the Company’s properties, maintain capacity and satisfy contractual obligations (including servicing the interest payments due on the Convertible Debentures and repaying the principal amount thereof when due). Accordingly, the Company’s future performance and activities will be most affected by its access to financing, whether debt, equity or other means. Access to such financing, in turn, is affected by general economic conditions, the price of uranium, exploration results, and the other factors described below under “Risk Factors”.

SUMMARY OF QUARTERLY RESULTS

The following financial information is derived from the Company’s financial statements, prepared in accordance with IFRS and presented in Canadian dollars. It should be read in conjunction with the Company’s unaudited condensed consolidated interim financial statements for each of the past eight quarters, as well as the Annual Financial Statements.

(Expressed in Canadian dollars)	**2018 Jun 30**	**2018 Mar 31**	**2017 Dec 31**	**2017 Sep 30**	**2017 Jun 30**	**2017 Mar 31**	**2016 Dec 31**	**2016 Sep 30**
Finance income	$ 617,126	$ 592,545	$ 548,994	$ 448,744	$ 133,549	$ 174,497	$ 271,975	$ 51,883
Loss (profit) for the period	$ 24,409,654	$(30,026,892)	$ 32,200,006	$ 2,051,191	$ (3,127,153)	$ 25,706,568	$ 15,508,785	$ (7,396,613)
Loss (profit) for the period attributable to common shareholders	$ 24,304,876	$(30,242,199)	$ 31,977,508	$ 1,828,692	$ (3,324,392)	$ 25,477,182	$ 14,974,486	$ (7,480,320)
Loss (profit) per common share attributable to common shareholders								
- Basic	$ 0.07	$ (0.09)	$ 0.10	$ 0.01	$ (0.01)	$ 0.08	$ 0.05	$ (0.02)
- Diluted	$ 0.07	$ 0.01	$ 0.10	$ 0.01	$ 0.01	$ 0.08	$ 0.05	$ 0.00

NexGen does not derive any revenue from its operations except for interest income from its cash and cash equivalent balances. Its primary focus is the acquisition, exploration and evaluation of resource properties.

The significant fluctuations in loss (profit), particularly for the quarterly periods from September 30, 2016 to June 30, 2018, are mainly the result of mark to market gains or losses recognized on the fair value re-valuation of the Convertible Debentures at each quarter, with any changes in the fair value being recognized in the loss (profit) for the quarter.

Interest income recorded as finance income has fluctuated depending on cash and cash equivalent balances available to generate interest and the earned rate of interest.

The loss (profit) per period has fluctuated depending on the Company’s activity level and periodic variances in certain items. Quarterly periods are therefore not comparable due to the nature and timing of exploration activities.

LIQUIDITY AND CAPITAL RESOURCES

NexGen has no revenue-producing operations, earns only minimal interest income on cash and cash equivalents, and historically has recurring operating losses. As at June 30, 2018, the Company had an accumulated deficit of $82,490,124.

As at the date of this MD&A, the Company has approximately $138.6 million in cash and cash equivalents and approximately $4.5 million in current liabilities. The Company’s working capital balance as at the date of this MD&A is approximately $134.5 million.

On July 21, 2017, the Company completed the Financing raising total gross proceeds of US$110 million. The Financing positions the Company to continue its planned exploration activities at the Rook I Project and planned pre-development activities and assessments, while maintaining current corporate capacity (including servicing the interest payments on the Convertible Debentures), which includes wages, consulting fees, professional fees, costs associated with the Company's office in Vancouver and Saskatoon and fees and expenditures required to maintain all of its tenements.

The Company does not have any commitments for capital expenditures. However, as of the date hereof, the Company has the following contractual obligations:

(Expressed in Canadian dollars)

Contracts and leases	Total	Less than 1 year	1-3 years	3-5 years	After 5 years
Convertible debentures[1]	$ 180,331,667	$ 7,800,000	$ 15,600,000	$ 156,931,667 [3]	$ -
Office leases[2]	5,728,083	348,730	1,991,868	2,233,539	1,153,945
Total contractual obligations	$ 186,059,750	$ 8,148,730	$ 17,591,868	$ 159,165,206	$ 1,153,945

(1) Cash interest payments on 2016 and 2017 Debentures converted from US$ into C$ at a rate of 1.30.
(2) Leases pertain to Vancouver corporate head office, Saskatoon offices and IsoEnergy's corporate head office.
(3) This includes repayment of the US$120 million principal amount of 2016 and 2017 Debentures which, if not converted prior to maturity, will become due and payable (converted from US$ into C$ at a rate of 1.30).

On an ongoing basis, and particularly in light of current market conditions for mineral exploration, management evaluates and adjusts its planned level of activities, including planned, exploration and committed administrative costs, to maintain adequate levels of working capital.

As previously stated, the Company is dependent on external financing, including equity issuances and debt financing, to fund its activities. Even with the recent Financing, circumstances that could impair the Company's ability to raise future additional funds include general economic conditions, the price of uranium and the other factors set forth below under "*Risk Factors*" in the Company's current annual information form and above under "Industry and Economic Factors that May Affect the Business".

The Company has not paid any dividends and management does not expect that this will change in the near future.

Working capital is held in cash and cash equivalents, significantly reducing any liquidity risk of financial instruments held by NexGen.

OFF-BALANCE SHEET ARRANGEMENTS

The Company had no off-balance sheet arrangements as at June 30, 2018 or as at the date hereof.

TRANSACTIONS WITH RELATED PARTIES

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 consists of executive and non-executive members of the Company's Board of Directors, corporate officers and related companies.

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

	For the six months ended	
	June 30, 2018	June 30, 2017
Short-term compensation[1]	$ 1,173,314	$ 1,555,455
Share-based payments (stock options)[2]	$ 6,674,929	$ 3,582,788
	$ 7,848,243	$ 5,138,243

Notes:

(1) Short-term compensation to key management personnel for the six months ended June 30, 2018 amounted to $1,173,314 (2017 - $1,555,455) of which $960,625 (2017 - $1,143,855) was expensed and included in salaries, benefits and directors' fees on the statement of loss and comprehensive loss. The remaining $212,689 (2017 - $411,600) was capitalized to exploration and evaluation assets.

(2) Share-based payments to key management personnel for the six months ended June 30, 2018 amounted to $6,674,929 (2017 - $3,582,788) of which $6,306,141 (2017 - $3,140,387) was expensed and $368,788 (2017 - $442,401) was capitalized to exploration and evaluation assets.

As at June 30, 2018, there was $nil (December 31, 2017 - $542,361) included in accounts payable and accrued liabilities owing to its directors and officers for compensation.

OUTSTANDING SHARE DATA

The authorized capital of NexGen consists of an unlimited number of common shares and an unlimited number of preferred shares. As at August 8, 2018, there were 346,868,068 common shares, 36,000,000 stock options and no preferred shares issued and outstanding.

Set forth below are details regarding the outstanding stock options.

Number of Options	Number Exercisable	Exercise Price	Remaining Contractual Life (Years)	Expiry Date
250,000	250,000	$ 0.30	0.47	December 19, 2018
175,000	175,000	$ 0.40	0.67	February 28, 2019
150,000	150,000	$ 0.46	0.67	February 28, 2019
50,000	50,000	$ 0.50	0.67	February 28, 2019
75,000	75,000	$ 0.64	0.67	February 28, 2019
50,000	50,000	$ 2.65	0.67	February 28, 2019
25,000	25,000	$ 2.24	0.67	February 28, 2019
25,000	25,000	$ 3.39	0.67	February 28, 2019
900,000	900,000	$ 0.46	0.79	April 15, 2019
1,200,000	1,200,000	$ 0.50	0.79	April 15, 2019
300,000	300,000	$ 0.62	0.79	April 15, 2019
1,100,000	1,100,000	$ 0.64	0.79	April 15, 2019
800,000	800,000	$ 2.65	0.79	April 15, 2019
475,000	475,000	$ 2.24	0.79	April 15, 2019
475,000	475,000	$ 3.39	0.79	April 15, 2019
2,450,000	2,450,000	$ 0.40	0.9079	May 23, 2019
3,300,000	3,300,000	$ 0.46	0.901.48	December 24, 2019
2,850,000	2,850,000	$ 0.50	1.9148	May 27, 2020
3,250,000	3,250,000	$ 0.64	2.471.91	December 16, 2020
250,000	250,000	$ 2.69	2.9447	June 8, 2021
4,425,000	4,425,000	$ 2.65	2.984	June 23, 2021
2,800,000	1,866,667	$ 2.24	3.462.98	December 15, 2021
250,000	166,667	$ 3.11	3.8146	April 22, 2022
1,475,000	491,666	$ 2.93	4.383.81	November 13, 2022
3,800,000	1,266,667	$ 3.39	4.46.38	December 14, 2022
475,000	158,333	$ 2.39	4.7946	April 13, 2023
4,525,000	1,508,334	$ 2.85	4.9479	June 8, 2023
100,000	33,333	$ 2.66	4.984	June 20, 2023
36,000,000	**28,066,667**			

CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the condensed consolidated interim 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 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 in the circumstances. Uncertainty about these judgments, estimates and assumptions could result in a material adjustment to the carrying amount of the affected asset or liability in future periods.

Information about significant areas of estimation uncertainty considered by management in preparing the Interim 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 of 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. With respect to exploration and evaluation assets, the Company is required to make estimates about future events and circumstances regarding whether the carrying amount of intangible exploration assets exceeds its recoverable amount. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production or proceeds from the disposition of the exploration and evaluation assets themselves. Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its properties or the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation asset properties.

(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 warrants. The Black-Scholes model involves six key inputs to determine fair value of an option or warrant: 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.

(iii) Fair value of financial instruments

The Company measures its financial instruments at fair value. Where the fair value of financial assets and financial liabilities recorded in the financial statements cannot be derived from active markets, their fair value is determined using valuation techniques including a convertible note valuation model for the Convertible Debentures. The inputs used in these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

CHANGES IN ACCOUNTING POLICIES

The accounting policies followed by the Company are set out in Note 4 to the Annual Financial Statements and have been consistently followed in the preparation of these financial statements except for the following change in accounting policy:

In the period ended June 30, 2018, the Company transitioned to IFRS 9, Financial Instruments, as of January 1, 2018. As the Company has taken an exemption not to restate prior periods with respect to classification and measurement, it has recognized the cumulative effects of retrospective application to shareholders' equity at the beginning of the 2018 annual reporting period that includes the date of initial application. Therefore, the adoption of IFRS 9 resulted in a decrease to opening accumulated deficit on January 1, 2018 of $503,146 with a corresponding adjustment to accumulated other comprehensive (loss) profit. Additional detail on the effect of adopting IFRS 9 are contained in Note 4 to the Interim Financial Statements.

Future Accounting Pronouncements:

The following standards have not been adopted by the Company and are being evaluated to determine their impact:

IFRS 16 is a new standard that will replace IAS 17 for the accounting and measurement of leases with a term of more than 12 months, effective for annual periods beginning on or after January 1, 2019.

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 assets. The Board does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain the future development of the business.

In the management of capital, the Company considers all components of equity and is dependent on third party financing, whether through debt, equity, or other means. Although the Company has been successful in raising funds to date, there is no assurance that the Company will be successful in obtaining the required financing in the future or that such financing will be available on terms acceptable to the Company.

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 determines that there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

As discussed in the section above entitled "Overall Performance", the Company completed a Financing raising gross proceeds of US$110 million in the period ended December 31, 2017. In addition to holding sufficient US dollars to make all interest payments due under the Convertible Debentures until maturity, the Company is investing the remaining funds from the Financing into short-term products offering the highest yields.

The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the six months ended June 30, 2018.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities, and convertible debentures. The risks associated with these financial instruments are discussed below.

The fair values of the Company's cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities approximate their carrying value, due to their short-term maturities or prompt liquidation ability. The Company's cash and cash equivalents are classified as loans and receivables and are initially recorded at fair value and subsequently at amortized cost with accrued interest recorded in amounts receivable.

The fair value of the Company's Convertible Debentures is re-measured at its fair value at each reporting date with any change in fair value recognized in profit or loss.

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

(a) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments potentially subject to credit risk are cash and cash equivalents, short-term investments and amounts receivable. The Company holds cash and cash equivalents and short-term investments with large Canadian and Australian banks. Credit risk is concentrated as a significant amount of the Company's cash and cash equivalents on hand and short-

term investments are held at two financial institutions. Management believes the risk of loss to be remote. The Company's amounts receivable consists of input tax credits receivable from the Government of Canada and interest accrued on cash equivalents and short-term investments. Accordingly, the Company does not believe it is subject to significant credit risk.

(b) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company attempts to manage liquidity risk by maintaining sufficient cash and cash equivalent balances. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital to meet short-term obligations. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2018, NexGen had cash and cash equivalents of $142,929,234 to settle accounts payable and accrued liabilities of $3,795,486.

(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

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company holds its cash and cash equivalents 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 of the Company's cash and cash equivalent balances as of June 30, 2018. The Company manages interest rate risk by maintaining an investment policy for short-term investments held in cash equivalents. This policy focuses primarily on preservation of capital and liquidity. The Company monitors its investments and is satisfied with the credit rating of its banks. The Convertible Debentures, in an aggregate principal amount of US$120 million, carry a fixed interest rate of 7.5% and hence, are not subject to interest rate fluctuations.

(ii) Foreign Currency Risk

The functional currency of the Company and its subsidiaries 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 and US dollar denominated cash and US dollar accounts payable and accrued liabilities. The Company maintains a Canadian and US dollar bank accounts in Canada.

The Company is exposed to foreign exchange risk on its US dollar denominated Convertible Debentures. At maturity the US$120 million principal amount of the Convertible Debentures is due in full, and prior to then at a premium upon the occurrence of certain events, including a change of control. The Company holds sufficient US dollars to make all interest payments due under the Convertible Debentures until maturity but not to pay the entire principal amount. Accordingly, the Company is subject to risks associated with fluctuations in the Canadian/US dollar exchange rate that may make the Convertible Debentures more costly to repay.

(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. Accordingly, significant movements in the Company's share price may affect the valuation of the Convertible Debentures which may adversely impact its earnings.

Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatility. Future declines in commodity prices may impact the valuation of long-lived assets. The Company closely monitors the price of uranium, individual equity movements, and the stock market to determine the appropriate course of action, if any, to be taken by the Company.

(iv) Sensitivity Analysis

As at June 30, 2018, the Company's US dollar net financial liabilities were US$93,694,059. Thus a 10% change in the Canadian dollar versus the US dollar exchange rates would give rise to a $10,100,792 change in loss (profit) and comprehensive loss (profit).

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

RISK FACTORS

The operations of the Company are speculative due to the high-risk nature of its business which is the exploration of mining properties. For a comprehensive list of the risks and uncertainties facing the Company, please see "*Risk Factors*" in the Company's most recent annual information form and above under "*Industry and Economic Factors that May Affect the Business*". These are not the only risks and uncertainties that NexGen faces. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair its business operations. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

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.

NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information and statements include, but are not limited to, statements with respect to planned exploration activities, the future interpretation of geological information, the cost and results of exploration activities, future financings, the future price of uranium and requirements for additional capital.

Generally, but not always, forward-looking information and statements can be identified by the use of forward-looking terminology such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negative connotation thereof or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotation thereof.

Forward-looking information and statements are based on the then current expectations, beliefs, assumptions, estimates and forecasts about NexGen's business and the industry and markets in which it operates. Forward-looking information and statements are made based upon numerous assumptions, including among others, that the proposed transaction will be completed, the results of planned exploration activities are as anticipated, the price of uranium, the cost of planned exploration activities, that financing will be available if and when needed and on reasonable terms, that third party contractors, equipment, supplies and governmental and other approvals required to conduct NexGen's planned exploration activities will be available on reasonable terms and in a timely manner and that general business and economic conditions will not change in a material adverse manner. Although the assumptions made by the Company in providing forward looking information or making forward looking statements are considered reasonable by management at the time, there can be no assurance that such assumptions will prove to be accurate.

Forward-looking information and statements also involve known and unknown risks and uncertainties and other factors, which may cause actual results, performances and achievements of NexGen to differ materially from any projections of results, performances and achievements of NexGen expressed or implied by such forward-looking information or statements, including, among others, negative operating cash flow and dependence on third party financing, uncertainty of the availability of additional financing, the risk that pending assay results will not confirm previously announced preliminary results, imprecision of mineral resource estimates, the appeal of alternate sources of energy and sustained low uranium prices, aboriginal title and consultation issues, exploration risks, reliance upon key management and other personnel, deficiencies in the Company's title to its properties, uninsurable risks, failure to manage conflicts of interest, failure to obtain or maintain required permits and licenses, changes in laws, regulations and policy, competition for resources and financing and other factors discussed or referred to in the Company's Annual Information Form dated March 2, 2018 under "Risk Factors".

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information or implied by forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended.

There can be no assurance that forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements or information. The forward-looking information and statements contained in this MD&A are made as of the date of this MD&A and, accordingly, are subject to change after such date. The Company undertakes no obligation to update or reissue forward-looking information as a result of new information or events except as required by applicable securities laws.

APPROVAL

The Audit Committee and the Board of NexGen have approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it and can be located, along with additional information, on the Company's profile SEDAR website at www.sedar.com or by contacting the Corporate Secretary, located at Suite 3150, 1021 West Hastings Street, Vancouver, BC V6E 0C3 or at (604) 428-4112.