



NEXGEN ENERGY LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS
Three Months Ended March 31, 2014

NEXGEN ENERGY LTD.

MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

OVERVIEW

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 month period ended March 31, 2014 and includes events up to May 22, 2014. This discussion should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three months ended March 31, 2014 and with the annual audited consolidated financial statements for the year ended December 31, 2013.

All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and the MD&A is complete and reliable.

Additional information related to NexGen is available on SEDAR at www.sedar.com, and on the Company's website at www.NexGenEnergy.ca.

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 our forward-looking information.

DESCRIPTION OF BUSINESS

On December 31, 2012, Clermont Capital Inc. ("Clermont"), then a capital pool company listed on the TSX Venture Exchange, 0957633 B.C. Ltd., a wholly-owned subsidiary of Clermont ("Subco") and NexGen Energy Ltd., then a private company ("Old NexGen") entered into an amalgamation agreement (the "Amalgamation Agreement"), whereby Clermont effectively acquired all of the issued and outstanding shares of Old NexGen.

Pursuant to the Amalgamation Agreement, (i) Clermont completed a consolidation of its common shares on a 2.35:1 basis (the "Consolidation"); (ii) Old NexGen amalgamated with Subco and all the outstanding common shares of Old NexGen were exchanged for common shares of Clermont on a one to one basis and (iii) Clermont changed its name to "NexGen Energy Ltd." (the "Qualifying Transaction").

Following completion of the Qualifying Transaction on April 19, 2013, the Company was reclassified as a Tier 2 "mining issuer" and on April 23, 2013 its common shares commenced trading on the Exchange under the symbol "NXE".

The Qualifying Transaction constitutes a reverse takeover under the policies of the TSX Venture Exchange. The acquisition of Old NexGen has been accounted for using the purchase method of accounting as a reverse acquisition, whereby for accounting purposes Old NexGen acquired Clermont and the consolidated financial statements will be a continuity of Old NexGen.

NexGen is an exploration stage entity engaged in the acquisition, exploration and development of uranium properties in Canada. The Company was incorporated pursuant to the provisions of the British Columbia *Business Corporations Act* on March 8, 2011.

NEXGEN ENERGY LTD.

MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

The Company's head office is located in Suite 2450 - 650 West Georgia Street, Vancouver, BC V6B 4N9.

QUALIFIED PERSON

Andrew Browne, NexGen's Vice-President, Exploration and Development, a "qualified person" for the purposes of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* has reviewed and approved the scientific and technical disclosure contained in this MD&A.

CORPORATE HIGHLIGHTS

- On January 15, 2014, the Company entered into a letter agreement with the Optionors which amended the Radio Option Agreement. Under the letter agreement the amount of remaining earn-in expenditures was reduced to \$10,000,000 and had been extended to May 31, 2017. Previously all expenditures were required by March 31, 2015.
- On March 26, 2014, the Company completed its bought-deal short form prospectus financing and issued 25,645,000 units at a price of \$0.45 per Unit, for aggregate gross proceeds of \$11,540,250. Each unit consists of one common share and one-half of one common share purchase warrant, with each whole warrant exercisable at \$0.65 until March 26, 2016.
- On March 31, 2014, the Company announced the successful completion of its winter drill program, including its best hole to date (RK-14-30) at the Arrow Prospect. The result was 7 out of the 8 holes at Arrow Prospect having intersected uranium mineralization over a minimum strike length of 215 meters, which remains open to the south-west. During the 2014 winter program 17 holes were completed totaling 7,442 meters, resulting in a total of 10,474 meters drilled at Rook 1 with including the 2013 summer program. The winter program was extremely successful, resulting in the virgin discovery of the Arrow Prospect, adding to the uranium mineralization found at Area A in summer 2013, and the radiometric anomalism found at Dagger in early winter 2014.
- On April 22, 2014, the Company adopted a shareholder rights plan. The Board has authorized and declared a distribution of one Right in respect of each common share outstanding of the Company at the time of the Agreement entitling each holder thereof to purchase common shares of the Company at a specified exercise price under certain circumstances.
- On April 24, 2014, the Company announced that it has entered into an agreement with Long Harbour Exploration Corp. ("Long Harbour") to acquire a 75% interest, and an option to acquire the remaining 25% interest, in a property located in the Athabasca Basin in northern Saskatchewan, Canada. The purchase price payable by the Company for the initial 75% interest consists of the issuance to Long Harbour of common shares of the Company with a fair value of \$135,000, and \$15,000 were paid in finder's fees. The agreement closed on May 1, 2014.
- On April 29, 2014, the Company announced the completion of a detailed ground gravity survey over the Arrow Discovery Zone. Interpretation of the new data shows an increase in the gravity low intensity and of the areal extent of the main targeted geophysical anomaly over the Arrow Discovery Zone. Newly identified additional geophysical anomalies are now evident to the NE and SW along the conductor strike

NEXGEN ENERGY LTD.
MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

substantially increasing the previously interpreted potential strike length of Arrow. The interpreted data will be invaluable in planning follow-up drill targeting for the upcoming summer drilling program, which is planned for approximately 13,000 meters of diamond drilling with 3 rigs scheduled to commence mid-May 2014.

EXPLORATION AND DEVELOPMENT

Rook I Property

On October 16, 2013, NexGen announced that it had completed its first phase drill program on Rook I totaling 3,032m. Rook I is immediately adjacent to, and up strike approximately 2.1km northeast of the high-grade uranium discovery at Patterson Lake South (PLS) made by Fission Uranium/Alpha Minerals.

Two rigs completed 12 widely spaced holes which tested a 1.6 km x 1.2 km area, with the two closest holes being 200m apart. Fertile receptive basement graphitic lithologies were intersected in 11 of the 12 completed holes below 48.7-82.6m of glacial and Cretaceous overburden. The 11 holes also contained significant clay and hematite alteration. All 12 holes contained evidence of repeated structural dislocation, being primarily brecciation, offset faulting, shearing, and veining. Three of the holes on three separate parallel conductors intercepted radioactive mineralization.

Hole RK-13-05 (which is located on the conductor interpreted to be an extension of the PLS3b conductor which hosts the high grade PLS discoveries) encountered elevated levels of radioactivity (max total gamma 4,379 cps) over 2.7m within a 29m wide shear zone containing breccias, faults, fractures, and a variety of veining. Alteration features include massive silicification, clay alteration, hematite, chlorite, and desilicification). Visible pitchblende was identified at a down-hole depth of 220.5-220.8m, within heavily altered and hematized breccia.

Mineralization in holes RK-13-03 and -06 is located on other parallel conductors interpreted to be possible repetitions of the main PLS 3b conductor.

The Company subsequently received all analytical results from its summer drill program which confirmed uranium mineralization in hole RK-13-05 and a combination of uranium- and thorium-bearing minerals in holes RK-13-03 and -06. All samples were analysed at Saskatchewan Research Council Laboratories ("SRC") by ICP-OES/MS for a suite of elements including Uranium and Thorium.

The following tables show the mineralization assay analysis by SRC and mineralization by gamma probe.

Table 1 Rook 1 mineralization analyses (SRC)

Drill Hole	Mineralized Intervals (m)			ICP-MS (total)	
	Depth From	Depth To	Downhole Width (m)	ppm U ₃ O ₈₈₈ *	ppm Th
RK-13-03	149.0	150.0	1.0	6.7	58.0
	150.0	151.0	1.0	13.7	204.0
	149.0	151.0	2.0	10.2	131.0
	212.0	212.5	0.5	3.2	82.4

NEXGEN ENERGY LTD.
MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

		212.5	213.0	0.5	2.9	76.2
	Mean	212.0	213.0	1.0	3.1	79.3
RK-13-05		220.5	221.0	0.5	509.3	27.0
		221.0	221.5	0.5	709.8	14.0
		221.5	222.0	0.5	220.5	16.3
		222.0	222.5	0.5	270.0	22.4
		222.5	223.0	0.5	28.1	18.6
		223.0	223.5	0.5	37.6	23.7
		223.5	224.0	0.5	379.6	25.0
		224.0	224.5	0.5	483.4	26.8
	Mean	220.5	224.5	4.0	329.8	21.7
RK-13-06		152.0	152.5	0.5	11.8	260.0
		152.5	153.0	0.5	1.2	894.0
		153.0	153.5	0.5	12.5	315.0
		Mean	152.0	153.5	1.5	8.5

* Original analyses from SRC by ICP-MS reported as ppm U, converted to ppm U₃O₈ by NexGen

Table 2 Rook 1 mineralization intercepts by gamma probe

Drill Hole	Mineralized Intervals (m)			Downhole Width (m)	Min cps	Max cps
	Depth From	Depth To				
RK-13-03	131.9	132.7		0.8	350	508
	137.0	137.4		0.4	326	495
	149.9	150.4		0.5	345	1143
	211.5	211.7		0.2	416	700
RK-13-05	220.1	222.8		2.7	380	4379
	223.6	225.3		1.7	347	1771
RK-13-06	151.8	153.9		2.1	481	2297

* Measurement by Mt Sopris 2PGA-1000 gamma probe

On December 2, 2013, NexGen announced the initial results from the recently acquired aerial geophysical surveys along its southern Athabasca Basin margins, at the Rook and Dufferin areas. At least 5 individual zones of elevated U-channel radiometrics have been identified along the Rook I claim block area. Two of these zones are proximal to the area at Rook I drilled during the summer 2013 program. U1 and U2 are to be areas of focus for the upcoming winter drilling program commencing in January 2014. Regional and local basement structures are evident in the aeromagnetic data. Ground follow up of the U-channel zones is planned for next summer season to identify the sources of the elevated radiometrics. This will involve detailed ground radiometric surveys, and boulder mapping and sampling.

On January 20, 2014, NexGen announced that it has commenced a two drill, 6,000 meter program on the Rook I project. The program will focus on the targets generated from the results

NEXGEN ENERGY LTD.

MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

of the 2013 summer drilling program. Further, previously identified targets based on detailed geophysical surveys of the Rook I project will also be tested later in the program. These surveys have included aerial VTEM and magnetics, ground gravity, and DC resistivity. Interpretation of the results from these surveys and from the aerial radiometric and EM survey in late 2013 has revealed further target areas. One interpreted large structural zone will be covered by a detailed ground gravity survey to more closely define drill targets as a part of the winter program.

On February 19, 2014, the Company announced that it drilled 26.2 meters of highly anomalous radioactivity on its first hole at the Arrow Prospect (RK-14-21) on the Rook I property 4.5 km north of its southern boundary. On February 24, 2014 the Company announced further new zones of uranium mineralization within this first hole. The first hole at Arrow was completed at 663.0m. It intersected uranium-mineralised brecciated structural zones over several zones downhole, including 26.2m from 204.8-231.0m, 0.6m from 318.5-319.1m, 26.8m from 517.9-544.5m, and 4.0m from 580.0-584.0m. Four further holes have been completed at Arrow (holes RK-14-24, -25, -26, and -27).

On March 13, 2014, the Company announced the discovery of further new zones of uranium mineralisation within a second hole (RK-14-27) in the Arrow prospect, extending the known zone of uranium mineralisation down dip and along strike. This hole was completed to a depth of 576m. It intersected uraniumiferous structurally-disturbed zones similar to the zones in hole RK-14-21, and interpreted to be continuations of those zones. These include downhole radioactively anomalous intercepts in RK-14-27 of 0.25m from 224.45-224.70m, 15.05m from 240.65-255.70m (Figs 2 and 3), 1.25m from 359.20-360.45m, and 0.20m from 435.70-435.90m

On March 31, 2014, the Company announced its best hole to date (RK-14-30) at the Arrow Prospect. Additionally, holes RK-14-28 and -29 which have been completed since the last drilling report press released on March 13, 2014, also intersected uranium mineralization. This takes the total to 7 out of the 8 holes at Arrow having intersected uranium mineralization over a minimum strike length of 215 meters which remains open to the south-west. These holes are the successful completion of NexGen's winter drilling program at the Rook. In total, 17 holes were completed during the winter for 7,442.2 meters, completing a grand total of 10,474.4 meters having been drilled at Rook 1 including the 2013 summer program.

The winter program was extremely successful, resulting in the virgin discovery of the Arrow Prospect, adding to the uranium mineralization found at Area A in summer 2013, and the radiometric anomalism found at Dagger in early winter 2014.

On April 29, 2014, the Company announced completion of a detailed ground gravity survey over the Arrow Discovery, Rook I South-West Athabasca Basin, Saskatchewan, extending the potential alteration system both adjacent to current drilling and along strike. The recent detailed survey has tightened the grid station spacing to 50 x 50 meters from an original 200 x 50 meter grid. The closely-spaced gravity grid at Arrow consisted of 585 additional gravity stations which were collected in the final weeks of the winter drilling campaign. Data acquisition was performed by MWH Geo-Surveys Ltd. of Vernon, BC, and final interpretation was completed by KOCH Geophysical Consultants of Saskatoon, Saskatchewan. This recently completed ground gravity survey over Arrow will further assist in refining previously identified drilling targets along strike from the known mineralization intersected to date. The interpreted data will be invaluable in planning follow-up drill targeting for the upcoming summer drilling program, which is planned for approximately 13,000 meters of diamond drilling with 3 rigs scheduled to commence mid-May 2014.

NEXGEN ENERGY LTD.

MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

Radio Property

On July 30, 2013, NexGen announced that it had completed the first recorded drill program on the Radio uranium property ("Radio"). Radio is located in the high-grade, uranium-rich northeast Athabasca Basin. The Radio property is 2km east of Rio Tinto's Roughrider uranium deposits, and is along trend of the interpreted east-west structural system hosting the Roughrider uranium mineralization.

The drilling confirmed the presence of significant bleaching, desilicification, clay alteration, and structural disruptions in the overlying Athabasca sandstone, and of clay alteration and structures in the basement rocks, particularly in holes RD-13-06, RD-13-08, and RD-13-09. All of these features are known to occur at or in the vicinity of uranium mineralization in the Athabasca Basin. Several sheared and altered graphitic horizons were intersected at least 200 metres below the unconformity in the basement rocks in hole RD-13-08. Preliminary structural orientations indicate that the graphitic horizons are dipping southeast and will intersect the unconformity 50 to 100 m northwest of RD-13-08.

The helicopter supported drill program tested only the geophysical targets accessible during the summer months. Drilling started on June 20, 2013 and was completed on July 22, 2013 with 3,472.9 metres drilled in 9 holes which tested 5 locations.

The target areas and drill site locations were defined using a combination of the detailed 2011 airborne magnetic and VTEM electromagnetic surveys, and the 2013 ground resistivity and gravity work. The target areas have resistivity and gravity lows coincident with basement structures interpreted from magnetic surveys and weakly conductive basement lithologies defined by the VTEM survey.

Prior to NexGen acquiring an option to acquire a 70% interest in the Radio project, previous exploration on the property had not defined any basement graphitic horizons. Graphitic horizons are the conventional drill targets for uranium mineralization in the Athabasca Basin.

The data from the drilling program, basement geology, alteration, structures, petrophysical measurements on core, geochemical and SWIR analyses, will be reviewed. This data, in combination with a reinterpretation of the existing geophysical data, will be used to re-define drill targets and to plan follow up drilling program. Under the terms of the revised Option Agreement, the Company has until May 31, 2017 to achieve its \$10,000,000 of earn-in expenditures.

REVIEW OF CONSOLIDATED RESULTS

Financial Condition at March 31, 2014 compared to December 31, 2013

NexGen had cash and cash equivalents totaling \$15,078,947 at March 31, 2014 compared to \$7,562,633 at December 31, 2013. This increase in cash and cash equivalents was due to \$10,449,683 of cash received from the issuance of share capital, partially offset by \$3,014,886 of cash used for the acquisition and development of exploration and evaluation assets and acquisition of equipment and \$81,517 of cash provided by operating activities.

Exploration and evaluation assets increased from \$31,017,257 at December 31, 2013 to \$37,159,471 at March 31, 2014 due to increases in expenditures on exploring and acquiring exploration and evaluation assets, which include common shares issued valued at \$3,028,572 relating to the Radio property. Cash used for the acquisition of exploration and evaluation assets for the three months ended March 31, 2014 amounted to \$2,872,368.

NEXGEN ENERGY LTD.
MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

Accounts payable and accrued liabilities increased from \$251,326 at December 31, 2013 to \$869,124 at March 31, 2014. The majority of this increase related to exploration and evaluation costs as the Company was completing its winter drill program at March 31, 2014 but had not yet started its drilling program at December 31, 2013.

Selected Financial Information

	For the Three Months Ended	
	March 31, 2014	March 31, 2013
	\$	\$
Operating expenses		
Salaries, benefits and directors fees	202,914	59,297
Office and administrative	75,281	33,297
Professional fees	114,880	101,863
Travel	69,613	64,457
Depreciation	15,511	386
Share-based payments	225,905	556,575
Foreign exchange gain	(26,880)	-
	(677,224)	(815,875)
Finance income	20,427	4,150
Other income	105,480	-
Net loss and comprehensive loss for the period	(551,317)	(811,725)
Loss per common share - basic and diluted	(0.00)	(0.01)
Weighted average number of common shares outstanding - basic and diluted	142,421,697	64,780,547

Comparison of the Quarters Ended March 31, 2014 (“Q1 2014”) and 2013 (“Q1 2013”)

In Q1 2014, NexGen incurred a net loss of \$551,317, or loss per common share of \$0.00, compared to a loss of \$811,725 or loss of \$0.01 per common share, in Q1 2013. The net loss in Q1 2014 includes \$241,416 of non-cash charges (share-based payments and depreciation) and \$105,480 of other income resulting from making sufficient flow-through expenditures to reduce the previously recognized flow-through premium liability. The net loss in Q1 2013 includes \$556,961 of non-cash charges (share-based payments and depreciation). The Company was a private company during Q1 2013 based out of Australia. The Company completed its Qualifying Transaction on April 19, 2013 and became a publicly listed company, moving its operations and offices to Vancouver in the summer of 2013. The changes in the operating costs between Q1 2013 and Q1 2014, including salaries, benefits and directors fees and office and administrative are due to and are consistent with the changes in level of operations and costs of operating a public company as compared to a private company on its way to becoming public.

NEXGEN ENERGY LTD.
MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

SUMMARY OF QUARTERLY RESULTS

The following financial information is derived from various audited and interim financial statements, prepared in accordance with International Financial Reporting Standards (“IFRS”) and presented in Canadian dollars. These statements do not contain all the information presented in the annual audited financial statements and should, therefore, be read in conjunction with same.

(Expressed in Canadian dollars)	2014 Mar 31	2013 Dec 31	2013 Sep 30	2013 Jun 30	2013 Mar 31	2012 Dec 31	2012 Sep 30	2012 Jun 30
Finance income	\$20,427	\$14,635	\$4,233	\$6,548	\$4,150	\$10,129	\$10,191	\$3,244
Net Loss For Period	\$551,317	\$943,198	\$651,722	\$967,169	\$811,725	\$324,909	\$244,835	\$243,415
Loss Per Share - Basic and Fully Diluted	\$0.00	\$0.01	\$0.01	\$0.01	\$0.01	\$0.02	\$0.01	\$0.01

NexGen does not derive any revenue from its operations except for minimal finance income on its cash balances. Its primary focus is the acquisition, exploration and development of resource properties.

Old NexGen was incorporated, as a private company, on December 20, 2011. Since inception it has been involved mostly in establishing and increasing its portfolio of exploration and evaluation assets, undertaking certain exploration programs and raising funds through the issuance of capital. In general, expenses have consistently increased each quarter consistent with increases in its activities from inception through to the current quarter. The majority of expenses each quarter relate to professional services, compensation, travel and office costs.

LIQUIDITY AND CAPITAL RESOURCES

NexGen has no substantial source of revenue and has negative cash flow. The Company has financed its operations to date through the issuance of common shares. During the year ended December 31, 2013, the Company raised \$13.7 million through the issuance of share capital. During the quarter ended March 31, 2014, the Company raised an additional \$11.5 million through the issuance of share capital. Cash used in operating and investing activities was \$7.5 million during the year ended December 31, 2013 and \$2.9 million in the quarter ended March 31, 2014.

Working capital at March 31, 2014 amounted to \$14.5 million compared to \$7.7 million at December 31, 2013.

Working capital is held almost entirely in cash, significantly reducing any liquidity risk of financial instruments held by NexGen. The Company’s working capital position is determined by the timing of its equity raises and exploration and evaluation expenditures.

The Company has the following contractual obligations in respect of its working capital:

Flow-through shares

During the year ended December 31, 2013, the Company raised \$6,248,413 through the issuance of flow-through shares. Based on Canadian tax law, the Company is required to spend this amount on eligible exploration expenditures by December 31, 2014. As at March

NEXGEN ENERGY LTD.

MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

31, 2014, all eligible exploration expenditures under flow through investment have been made, and the Company has met its obligation.

Office Leases

During the year ended December 31, 2013, the Company entered into office lease agreements in Vancouver for a three-year term and Saskatoon for a two-year term. At March 31, 2014 total lease commitments remaining for these office leases are as follows: \$75,323 in 2014; \$84,103 in 2015; and \$39,536 in 2016.

The Company does not currently have any revenue generating assets or operations. Accordingly, the Company is dependent on external financing to carry out planned exploration and development, and pay for administrative costs, the Company will require additional financial resources to explore, quantify and develop its exploration and evaluation assets and satisfy its contractual obligation. The continued operations of the Company is dependent upon the ability of the Company to obtain necessary financing to maintain capacity, meet planned growth and to fund development growth.

NexGen anticipates being able to obtain further funds, as needed, through equity financings. Although NexGen has been successful in raising funds to date, there can be no assurance that additional funding will be available in the future.

Radio Option Agreement

The Radio Project ("Radio") is located in Northern Saskatchewan. In December 2011, Tigers Realm Minerals Pty Ltd (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.

In order to maintain the Option in good standing and acquire undivided 70% interest in the Radio Project, NexGen must do the following:

- (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); and
 - (iii) The issuance of 26,762,088 common shares and 4,393,939 common share purchase warrants at an exercise price of \$0.50 (Completed). As a result of the issuance, there is also no further obligation under (ii) above.
 - (iv) The issuance of 5,714,286 common shares and 5,714,286 common share purchase warrants at an exercise price of \$0.50 (issued)

NEXGEN ENERGY LTD.
MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

(v) Additionally, the Company issued 2,941,561 and 1,157,589 common shares to the Optionor, on April 19, 2013 and May 29, 2013 respectively, to satisfy the terms of the Radio Option Agreement.

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

The joint venture agreement to be entered into upon NexGen exercising its option to acquire a 70% interest in the Radio Project, shall provide that:

- (i) if, for a period of nine consecutive months, either no work program is proposed or the work program in effect provides only for care and maintenance, the Optionors shall have the right to impose a work program and to the extent the Optionors fund said program and NexGen does not, NexGen's interest shall be diluted by the amount spent by the Optionors on the basis that every \$1 spent shall equal \$1.50;
- (ii) any transfer of a party's interest in the joint venture shall be subject to a right of first offer (replacing a previous provision imposing a right of first refusal) which shall be open for consideration by the non-selling party, for a period of 14 days;
- (iii) both parties shall be entitled to elect to receive its pro rata interest in the products produced from the property in kind or to require the operator to sell such products and remit the proceeds (less verifiable marketing costs incurred); and
- (iv) the Optionors shall have the right, but not the obligation, to lease to the operator of the joint venture any equipment, tools or other machinery at rates no higher than 5% more than the rates available from third party suppliers (provided that if the Optionors cannot or will not provide such equipment, tools or machinery within 45 days the operator may procure the equipment machinery or tools elsewhere).

OFF-BALANCE SHEET ARRANGEMENTS

There are no such existing arrangements.

NEXGEN ENERGY LTD.
MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

TRANSACTIONS WITH RELATED PARTIES

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:

	For the three months ended	
	March 31, 2014	March 31, 2013
Short-term compensation	\$ 225,250	\$ 89,297
Share-based payments (stock options)	217,272	489,111
	<u>\$ 442,522</u>	<u>\$ 578,408</u>

Short-term compensation comprises the following:

- Salaries and benefits paid or accrued to:
 - Leigh Curyer, CEO; Andriyko Herchak, CFO; Andrew Browne, VP Exploration
- Directors fees paid or accrued to:
 - Christopher McFadden, Trevor Thiele, Gordon Bogden, Richard Patricio, Gerry Feldman, James Currie
- Consulting and management fees paid or accrued to:
 - Andrew Browne, VP Exploration; Gordon Bogden

As at March 31, 2014, \$15,299 was included in accounts payable and accrued liabilities to executives and directors for accrued short-term compensation and expense reimbursements.

Other related parties

Tigers Realm is a major shareholder of NexGen Energy Ltd. As at March 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 completion of the Qualifying Transaction and the date which Tigers Realm and NexGen agree that NexGen is in a financial position to repay the loan. No interest is payable on the loan.

NEXGEN ENERGY LTD.
MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

OUTSTANDING SHARE DATA

Authorized: an unlimited number of common shares without par value.

	Common Shares Outstanding	Warrants Outstanding	Stock Options Outstanding
Balance, March 31, 2014	170,025,761	39,505,472	9,635,637
Common shares issued for exploration and evaluation assets	361,930	-	-
Balance, May 22, 2014	170,387,690	39,505,472	9,635,637

Stock Options

Number of Options	Exercise Price	Expiry Date
542,551	\$ 0.24	August 29, 2017
4,800,000	0.40	January 31, 2018
250,000	0.425	April 22, 2018
425,000	0.40	May 29, 2018
3,168,086	0.40	July 30, 2018
100,000	0.40	August 22, 2018
350,000	0.30	December 19, 2018
9,635,637		

Warrants

Outstanding	Exercise Price	Expiry Date
1,949,266	\$ 0.600	December 3, 2014
1,875,000	0.600	December 19, 2014
232,750	0.400	December 28, 2014
1,376,500	0.600	March 12, 2015
700,665	0.425	March 12, 2015
668,750	0.600	April 16, 2015
76,125	0.425	April 16, 2015
1,000,000	0.600	April 19, 2015
17,500	0.425	May 22, 2015
7,142,852	0.550	February 28, 2015
4,393,939	0.500	January 18, 2015
5,714,286	0.500	May 31, 2017
12,822,500	0.650	March 26, 2016
<u>1,535,340</u>	0.450	March 26, 2016
39,505,473		

PROPOSED TRANSACTIONS

None.

NEXGEN ENERGY LTD.

MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

CHANGES IN ACCOUNTING POLICIES

The accounting policies followed by the Company are set out in Note 4 to the audited financial statements for the year ended December 31, 2013, and have been consistently followed in the preparation of these consolidated financial statements except for the following policies which were adopted on January 1, 2014:

New standards adopted during the year

Effective January 1, 2014, the following standard was adopted but did not have a material impact on the consolidated 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 or 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, 2018.
- IFRS 9: New standard that replaced IAS 39 for classification and measurement

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Current assets and liabilities

NexGen's current financial instruments are comprised of cash, sales taxes receivable, and accounts payable and accrued liabilities. Current financial instruments are recorded at cost. The fair value of these financial instruments approximates their carrying values due to the immediate or short-term maturity of the financial instruments.

Financial instruments that are current assets are used to finance NexGen's operations and investments in exploration and evaluation assets. Financial instruments that are current liabilities are incurred in the course of the Company's operations and investments in exploration and evaluation assets.

The portfolio investments are the only financial instruments exposed to valuation risk. NexGen manages the risk of portfolio investments by reviewing the portfolio periodically and adjusting the investments in the portfolio based on management's judgment. Decreasing the value of the portfolio investments relative to the other financial instruments held minimizes the amount at risk.

Non-current items

Due to related party is a non-current financial instrument.

NEXGEN ENERGY LTD.

MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

Financial Instruments

The Company's financial instruments consist of cash, sales taxes receivable, accounts payable, accrued liabilities and due to related party. The fair values of the Company's cash, receivables, accounts payable and accrued liabilities and due to related party approximate the carrying value, which is the amount on the consolidated statements of financial position due to their short-term maturities or ability of prompt liquidation.

As at March 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 two financial institutions. Management believes the risk of loss to be remote.

The Company's receivables consist 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 March 31, 2014, NexGen had a cash balance of \$15,078,947 (December 31, 2013 - \$7,562,633) to settle total liabilities of \$869,127 (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 March 31, 2014. Future cash flows from interest income on cash and cash equivalents 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 Company's 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 and liability 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 will maintain Australian dollar bank accounts in

NEXGEN ENERGY LTD.

MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

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 price 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.

Sensitivity Analysis

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

As at March 31, 2014, the Company's net Australian dollar financial assets were AUD\$284,037. Thus a 10% change in Canadian dollar versus Australian dollar exchange rate would give rise to a \$33,283 change in net loss.

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

RISKS & UNCERTAINTIES

The discovery, development and acquisition of exploration and evaluation assets are in many respects unpredictable events. Future metal prices, capital equity markets, the success of exploration programs and other property transactions can have a significant impact on the Company's capital requirements.

Additional Funding Requirements for Initial Drilling and Exploration

The Company will require additional financing to continue its operations, its initial drilling and program at the Radio Project and Rook I, as well as the exploration and development of its other mineral projects. There can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financing will be favorable, for further exploration and development of its exploration and evaluation assets. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the Company's mineral exploration properties with the possible dilution or loss of such interests. Revenues, financings and profits, if any, will depend upon various factors, including the success, if any, of exploration programs and general market conditions for natural resources.

NEXGEN ENERGY LTD.

MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

Property Interests

Certain of the Company's property interests, including its interest in the Radio Property will be held by way of option only, as a result, if the Company fails to pay any part of an option payment, it may lose all of its interest in such property, and will not be entitled to a refund of any of its option payments, share issuances or expenditures. There is no guarantee the Company will be able to raise sufficient funding in the future to make all payments under its property agreements. Specifically, under the Radio Option Agreement, the Company is required to incur \$10 million in expenditures between January 1, 2014 and May 31, 2017. There can be no assurance the Company will be successful in obtaining the funds required to compete the balance of these obligations, a failure to do so would constitute an event of default allowing the Radio Optionors to terminate the Radio Option Agreement.

Limited Operating History

NexGen does not have any history of earnings or profitability. All of its properties are in the exploration stage and there are no known commercially mineable mineral deposits on any of the properties.

Limited Business History

The Company has no history of operating earnings. The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complication and delays frequently encountered in connection with the establishment of any business. The Company has limited financial resources and there is no assurance that additional funding will be available to it for further operations or to fulfill its obligations under applicable agreements. There is no assurance that the Company can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

No Known Mineral Reserves or Mineral Resources

There are no known bodies of commercial minerals on the Company's exploration and evaluation assets. The exploration programs undertaken and proposed constitute an exploratory search for mineral resources and mineral reserves or programs to qualify identified mineralization as mineral reserves. There is no assurance that the Company will be successful in its search for mineral resources and mineral reserves or in its more advanced programs. Information concerning mineralization elsewhere in the Athabasca Basin (including Patterson lake South and Rio Tinto's Roughrider deposit) is not necessarily indicative of mineralization at any of NexGen's properties.

Exploration and Development Risks

Exploration and development risks for the business of exploring for minerals and mining are high. Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that exploration programs planned by the Company will result in a profitable commercial mining operation. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. The economics of developing mineral properties are affected by many factors including the cost of operations, variations of the grade of ore mined and fluctuations in the price of minerals produced. Depending on the price of minerals

NEXGEN ENERGY LTD.

MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

produced, the Company may determine that it is impractical to commence or continue commercial production. Although precautions to minimize risk will be taken, processing operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability.

Reliance Upon Management

The Company is dependent upon the continued support and involvement of its principals and management. Should the Company lose the services of one or more of the principals or management, the ability of the Company to achieve its objectives could be adversely affected.

Title to Properties

The Company has diligently investigated all title matters concerning the ownership of all mineral claims and plans to do so for all new claims and rights to be acquired. While to the best of its knowledge, title to the Company's exploration and evaluation assets are in good standing, this should not be construed as a guarantee of title. The Company's exploration and evaluation assets may be affected by undetected defects in title, such as the reduction in size of the mineral titles and other third party claims affecting the Company's interests. Maintenance of such interests is subject to ongoing compliance with the terms governing such mineral titles. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that the Company does not have title to any of its mineral properties could cause the Company to lose any rights to explore, develop and mine any minerals on that property, without compensation for its prior expenditures relating to such property.

Uninsurable Risks

Exploration, development and production of mineral properties are subject to certain risks, and in particular, unexpected or unusually geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to insure fully against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise, they could be an adverse impact on the Company's operations and could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Conflicts of Interest

Directors of the Company are or may become directors of other reporting companies or have significant shareholdings in other mineral resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. The Company and its directors will attempt to minimize such conflicts. In the event that such a conflict of interest arises at a meeting of the directors of the Company, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In appropriate cases the Company will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict. Conflicts, if any, will be subject to the procedures and remedies as provided under the BCBCA. The provisions of the BCBCA require a director or officer of a corporation who has a material interest in a contract or transaction of the corporation, or a director or officer of a corporation who is a director or officer of or has a material interest in a person who has a material interest in a contract or transaction with the

NEXGEN ENERGY LTD.

MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

corporation, to disclose his or her interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless permitted under the BCBCA, as the case may be. Other than as indicated, the Company has no other procedures or mechanisms to deal with conflicts of interest.

Metal Prices

Metal prices may be unstable. The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of mineral resource are discovered, a profitable market will exist for the sale of it. Factors beyond the control of the Company may affect the marketability of any substances discovered. The price of various metals has experienced significant movements over short periods of time, and is affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. The supply of and demand for metals are affected by various factors, including political events, economic conditions and production costs in major producing regions. There can be no assurance that the price of any metal will be such that the Company's exploration and evaluation assets can be mined at a profit.

Permits and Licences

The operations of the Company will require licences and permits from various governmental and non-governmental authorities. The Company has obtained, or will obtain, all necessary licences and permits required to carry on with activities which it is currently conducting or which it proposes to conduct under applicable laws and regulations. However, such licences and permits are subject to changes in regulations and in various operating circumstances. There can be no assurance that the Company will be able to obtain all necessary licences and permits required to carry out exploration, development and mining operations at the Radio Project.

Environmental and other Regulatory Requirements

Environmental and other regulatory requirements affect the current and future operations of the Company, including exploration and development activities and commencement of production on the Company's exploration and evaluation assets, require permits from various federal and local governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. The Company believes it is in substantial compliance with all material laws and regulations which currently apply to its activities. Companies engaged in the development and operation of mines and related facilities often experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. Additional permits and studies, which may include environmental impact studies conducted before permits can be obtained, may be necessary prior to operation of the Company's exploration and evaluation assets and there can be no assurance that the Company will be able to obtain or maintain all necessary permits that may be required to commence construction, development or operation of mining facilities at the Company's exploration and evaluation assets on terms which enable operations to be conducted at economically justifiable costs. Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to

NEXGEN ENERGY LTD.

MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reductions in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Political Regulatory Risks

Any changes in government policy may result in changes to laws affecting ownership of assets, mining policies, monetary policies, taxation, rates of exchange, environmental regulations, labour relations and return of capital. This may affect both the Company's ability to undertake exploration and development activities in respect of present and future properties in the manner currently contemplated, as well as its ability to continue to explore, develop and operate those properties in which it has an interest or in respect of which it has obtained exploration and development rights to date. The possibility that future governments may adopt substantially different policies, which might extend to expropriation of assets, cannot be ruled out.

Competition

Significant competition exists for mineral opportunities. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than the Company, the Company may be unable to acquire additional attractive mining properties on terms it considers acceptable.

Volatility of Share Price

In recent years, the securities markets in the United States and Canada, and the Exchange in particular, have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings.

Dividends

At the present time shareholders are unlikely to receive a dividend on the Company's shares.

NOTE REGARDING FORWARD-LOOKING INFORMATION

This Management Discussion and Analysis ("MD&A") contains "forward-looking information" within the meaning of applicable Canadian securities laws. Generally, but not always, forward looking information is identifiable by the use of words such as "expects", "anticipates", "believes", "projects", "plans", "intends" and other similar words, or statements that an event "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions. Examples of such forward-looking information include, among others, statements regarding: results of the Company's exploration activities and financing activities; and plans of the Company to explore its Canadian mining projects.

NEXGEN ENERGY LTD.

MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

Forward-looking information is based on the then current expectations, beliefs, assumptions, estimates and forecasts about the Company's business and the industry and markets in which it operates. Such information is not a guarantee of future performance and undue reliance should not be placed on forward-looking information. Assumptions and factors underlying the Company's expectations regarding forward-looking information contained herein include, among others: that general business and economic conditions will not change in a material adverse manner; that financing will be available if and when needed on reasonable terms; that the Company's current exploration activities can be achieved and that its other corporate activities will proceed as expected; that third party contractors, equipment and supplies and governmental and other approvals required to conduct the Company's planned exploration activities will be available on reasonable terms and in a timely manner.

Although the assumptions made by the Company in providing forward looking information are considered reasonable by management at the time the forward-looking information is given, there can be no assurance that such assumptions will prove to be accurate. Forward-looking information also involves known and unknown risks and uncertainties and other factors, which may cause actual events or results in future periods to differ materially from any projections of future events or results expressed or implied by such forward-looking information, including, among others: risks related to the availability of financing on commercially reasonable terms and the expected use of the proceeds; changes in the market; potential downturns in economic conditions; industry conditions; actual results of exploration activities being different than anticipated; changes in exploration programs based upon results of exploration; future prices of metal; availability of third party contractors; availability of equipment and supplies; failure of equipment to operate as anticipated; accidents, effects of weather and other natural phenomena and other risks associated with the mineral exploration industry; environmental risks; changes in laws and regulations; community relations; and delays in obtaining governmental or other approvals or financing. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated, estimated or intended. NexGen 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. The reader is cautioned not to place undue reliance on forward-looking information.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

- (a) Exploration and evaluation assets or expenditures. The required disclosure is presented in the schedule of exploration and evaluation assets in the notes to the consolidated financial statements.
- (b) expensed research and development costs. None
- (c) deferred development costs. None.
- (d) general and administrative expenses. The required disclosure is presented in the consolidated financial statements.
- (e) any material costs, whether capitalized, deferred or expensed, not referred to in (a) through (d) above. None

NEXGEN ENERGY LTD.
MANAGEMENT'S DISCUSSION & ANALYSIS – May 22, 2014

APPROVAL

The Board of Directors of NexGen has 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 SEDAR website at www.sedar.com.