Purepoint Uranium Group Inc.
Management's Discussion and Analysis
For the three months ended March 31, 2017

The following discussion and analysis is management's assessment of the results and financial condition of Purepoint Uranium Group Inc. ("Purepoint" or the "Company") and should be read in conjunction with the consolidated audited financial statements for the year ended December 31, 2016, together with the related notes contained therein. The Company's most recent filings are available on the SEDAR website. The date of this management's discussion and analysis is May 25, 2017.

The interim financial statements for the three-month periods ended March 31, 2017 and 2016 are prepared in accordance with International Accounting Standard ("IAS") 34 under IFRS.

Forward looking statements

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Business of Purepoint

Purepoint maintains a focused objective of locating uranium deposits in the Athabasca Basin in Northern Saskatchewan. Purepoint currently maintains seven properties located in the Athabasca Basin. The Company is party to two joint venture agreements and operates one of these projects with Cameco Corporation and AREVA Resources Canada Inc., one of these projects with Cameco Corporation, while the other five projects remain 100% owned. Saskatchewan's Athabasca Basin now provides approximately 25% of the world's uranium production credited primarily to that region's unusually high ore grade deposits.

The 2017 operating plan is discussed under Exploration Activities.

Selected quarterly information

The following selected information is derived from the audited annual and unaudited quarterly consolidated financial statements.

	Quarter ended March 31, 2017	Quarter ended December 31, 2016	Quarter ended September 30, 2016	Quarter ended June 30, 2016	Quarter ended March 31, 2016	Quarter ended December 31, 2015	Quarter ended September 30, 2015	Quarter ended June 30, 2015	Quarter ended March 31, 2015
Net loss	(553,373)	(291,834)	(653,910)	(227,864)	(447,251)	(201,540)	(181,447)	(492,432)	(437,356)
Net loss per share	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Total assets	3,665,478	2,393,798	2,227,299	2,396,337	676,877	538,114	452,970	728,320	1,353,873

Results of operations

The Company's operations during the three-month period ended March 31, 2017 produced a net loss of $553,373 (2016 - $447,251). The primary operational activity continues to be the exploration of the Company's major projects. The expenditures and levels of activity relating to the Company's projects are described in greater detail below following a brief discussion of significant changes in expense line items.

Exploration and evaluation expenditures for the three-month period ended March 31, 2017 amounted to $734,385 (2016 - $578,248). The increase of $156,137 is mainly the result of an increase in joint project operational activities, especially drilling at Hook Lake Property – see Exploration and evaluation expenditures.

Exploration salaries and benefits increased by $8,856 compared to the three-month period ended March 31, 2016 due to an increase in joint project operational activities, especially drilling at Hook Lake Property. For the three-month period ended March 31, 2017 exploration salaries and benefits amounted to $146,877 (2016 – $138,021).

Salaries, compensations and benefits were comparable to the same period in 2016.

There were no new stock option grants in the three-month periods ended March 31, 2017 and 2016.

General and administration were comparable to the same period in 2016.

Investor relations increased by $12,167 compared to the three-month period ended March 31, 2016. The increase is attributable to an increase in marketing activities.

Professional fees decreased by $6,931 compared to the three-month period ended March 31, 2016, primarily due to more legal work done in 2016.

Transfer agent and filing fees were comparable to the same period in 2016.

Travel expenses decreased by $2,393 compared to the three-month period ended March 31, 2016, primarily due to travel to China in 2016.

Operator fees and other expense recoveries with respect to joint projects for the three-month period ended March 31, 2017 amounted to $431,243 (2016 – $370,267). The increase is mainly due to an increase in joint project operational activities, especially drilling at Hook Lake Property.

Exploration and evaluation expenditures

The Company incurred $734,385 and $578,248 in exploration and evaluation expenditures on its properties during the three-month period ended March 31, 2017 and 2016, as follows:

	2017	2016
Red Willow Property	$ -	$ -
Hook Lake Property	734,385	578,248
Smart Lake Property	-	-
Turnor Lake Property	-	-
Umfreville Lake Property	-	-
Henday Lake Property	-	-
McArthur East Property	-	-

Details of the Company's significant exploration activities are as follows.

HOOK LAKE PROJECT - JOINT VENTURE WITH CAMECO AND AREVA

The Company is party to a definitive joint venture agreement with Cameco Corporation and AREVA Resources Canada Inc. for the ongoing exploration of the Hook Lake uranium project in the Athabasca Basin pursuant to its option agreement with Cameco announced February 7, 2007.

Key features:

- Under the original option agreement, Purepoint acquired a 21% interest in the Hook Lake project;
- The remaining 79% of the project is owned by Cameco Corporation (39.5%) and AREVA Resources Canada Inc. (39.5%);
- Purepoint is operating the project on behalf of the Joint Venture and its partners Cameco Corporation and AREVA Resources Canada Inc.

The Hook Lake Project consists of nine claims totaling 28,598 hectares and is situated in the southwestern Athabasca Basin approximately 80 kilometers southeast of the former Cluff Lake mine. The depth to the Athabasca unconformity is very shallow, ranging from zero to 350 metres. Three prospective "corridors" have been identified on the property, each corridor being comprised of multiple EM conductors that have been confirmed by drilling to be the results of graphitic metasediments that intersect the Athabasca unconformity.

Current exploration is targeting the Patterson Lake Corridor, an emerging, world class uranium district that is attracting significant exploration investment. The Patterson Lake corridor is the same conductive trend along which NexGen Energy and Fission Uranium Corp have been expanding their high-grade uranium discoveries. Within the Hook Lake project, the Patterson Corridor displays geophysical evidence of a complex structural history and, where drill tested, the conductors have locally shown favourable signs of alteration, structural disruption and elevated radioactivity.

2017 Winter Drilling Program at Hook Lake

The 2017 drill program has currently conducted 9,162 metres of diamond drilling with 20 holes completed and 4 holes lost before reaching basement rocks. The Company is currently making plans to complete the drill program later this year with the remaining budget.

Highlights:

- The Hook Lake JV portion of the Patterson Shear Zone is now separated into five exploration target areas that are, from southwest to northeast,; The Spitfire Zone, the Hornet Zone, the Dragon Zone, the Hawk Zone and the Sabre Zone;
- The Spitfire Zone has been tested with 28 diamond drill holes, 16 of which are mineralized and 6 of those 16 returned high-grade uranium intervals;
- Neighbouring Harpoon results have now been correlated with Spitfire and the strike length of the Spitfire/Harpoon Deposit is interpreted as being greater than 550 metres;
- Dragon Zone results are promising with the discovery of favourable clay alteration of basement hosted rocks that host hydrothermal quartz, graphitic shears and elevated radioactivity;
- No drilling has yet been completed at the Hawk Zone or the Sabre Zone

Spitfire/Harpoon Deposit

With the release of assays from NexGen Energy Ltd.'s neighbouring Harpoon discovery (NexGen PR of March 23, 2017), Purepoint was able to integrate them with its drill findings and interpret a single deposit of over 550 metres in strike length. Both a long section and plan map are available on the Purepoint website.

Six drill holes totaling 2,152 metres were completed this season in the Upper Spitfire mineralized zone with two holes (HK16-55 and HK17-60) returning high-grade uranium intercepts. HK16-55 intersected 2.92% U3O8 over 9.5 metres that included 13.3% U3O8 over 1.5 metres and hole HK17-60 intersected 0.47% U3O8 over 11.0 metres that included 3.07% U3O8 over 0.7 metres. The three holes testing the Upper Spitfire mineralization down-dip, HK17-57, 58 and 62, intersected the graphitic shear but it was not associated with radioactivity. One of the six holes, HK17-64, targeted the Spitfire graphitic shear on the northern side of an interpreted east-west fault. The HK17-64 hole intersected a major structure but did not intersect the graphitic shear or anomalous radioactivity.

Dragon Zone

Four drill holes totaling 2,087 metres were completed within the Dragon Zone that is located approximately 5 kilometres northeast of Spitfire. The initial hole at Dragon, HK17-70, intersected locally clay altered granodiorite gneiss, strongly hematized mafic intrusive rocks and a 20-metre wide graphitic shear zone before being completed within a carbonatite intrusive. Radiation spikes were returned from fractures located approximately 10 metres up-hole of the graphitic shear zone.

Hole HK17-72 was spotted by backing up the drill 80 metres from the HK17-70 collar location as a follow-up to the anomalous radioactivity and strong clay and chlorite alteration encountered in the basement rocks of that hole. The unconformity was reached at 310 metres, a strongly clay and chlorite altered granodiorite gneiss was drilled to 360 metres, mafic intrusive with strong clay and hematite alteration was then encountered to 385 metres followed by 6 metres of hydrothermal quartz. Elevated radioactivity (100X background) is associated with steeply dipping north-south trending structures (from televiewer results) between the depths of 378 and 380 metres. Clay-altered granodiorite gneiss was drilled from 391 to 432 metres, and then a mafic intrusive cut by two graphitic shear zones was encountered to 500 metres before the hole was completed within carbonatite at a depth of 530 metres.

Hole HK17-73 was drilled 600 metres northeast along strike of HK17-72 and intersected hydrothermal quartz, a 100-metre wide shear zone within granodiorite gneiss associated with clay and hematite alteration, a graphitic shear zone hosted by a mafic intrusive, and was completed within a carbonatite. HK17-74 was collared approximately 1.2 kilometres southwest of HK17-72 and intersected mafic dykes, graphitic shear zones and a wide chloritic shear before being completed in unaltered granodioritic gneiss. Holes HK17-73 and 74 did not encounter anomalous radioactivity.

Drill Hole HK17-75 was a follow-up to the favourable alteration and radioactivity encountered by HK17-72 and was spotted by moving the drill 200 metres southwest along strike from the HK17-72 collar location. Unfortunately, the hole was lost at a depth of 204 metres within a pressurized sand seam similar to those present within the Spitfire Zone.

Hornet Zone

Ten holes totaling 3,995 metres were completed within the Hornet Zone this winter, however, no significant radioactivity was encountered within these holes.

SMART LAKE PROJECT - JOINT VENTURE WITH CAMECO

The Company is party to a definitive joint venture agreement with Cameco Corporation for the ongoing exploration of the Smart Lake uranium project in the Athabasca Basin. The Smart Lake Project consists of two claims totaling 9,860 hectares. The Company holds a 23% interest in the Smart Lake Project.

Liquidity and capital resources

At March 31, 2017, the Company had a working capital surplus of $1,691,044, compared to a surplus of $2,202,539 as at December 31, 2016. The decrease is attributed to an increase in joint project operational activities, especially drilling at the Hook Lake Property.

The Company's sources of capital at present consist of cash on hand, exercise of options and warrants, sale of assets, joint venture financings and public equity raise. Assuming that ongoing capital raise, operations and exploration activity are consistent with recent activity levels management believes that cash on hand is adequate to fund ongoing operations through the next year.

Contractual commitments

Operating leases:

Minimum payments due under operating leases in respect of exploration office space are set out below:

2017 -	$ 46,803
2018 -	46,803
2019 -	46,803
Thereafter	Nil

Critical accounting estimates

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial consolidated statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Off-balance sheet arrangements

The Company had no off balance sheet arrangements as at March 31, 2017 or December 31, 2016.

Financial instruments and other instruments

The Company had no financial instruments other than short-term GIC's, accounts receivable, receivables from project and accounts payable and accrued liabilities and advances to project as at March 31, 2017 and December 31, 2016.

Outstanding share data

Common Shares:

The Company has authorized an unlimited number of common shares, with no par value, of which 189,180,013 shares are issued and outstanding as of the date hereof.

Share Purchase Warrants:

As of the date hereof, 30,167,979 share purchase warrants (including finder's compensation warrants) were outstanding.

Employee Stock Options:

As of date hereof, 14,930,000 options were outstanding under the Company's stock option plan for employees, directors, officers and consultants of the Company.

On September 27, 2016 the Company granted 6,230,000 stock options at an exercise price of $0.10 per option, vesting immediately.

Private placement

On May 5, 2016, the Company closed its non-brokered private placement for gross proceeds of $1,995,750. The financing was transacted in three tranches with the first two tranches closing April 15, 2016 and April 28, 2016 respectively.

The Company issued 21,124,000 common share units at a price of $0.075 per unit and 4,840,000 flow-through units at a price of $0.085 per unit. Each common share unit consists of one common share in the capital of the Company and one common share purchase warrant. Each flow-through unit consists of one common share in the capital of the Company issued on a "flow-through" basis pursuant to the *Income Tax Act* (Canada) and one common share purchase warrant. Each warrant entitles its holder to purchase one common share in the capital of the Company at an exercise price of $0.10 per share for a period of 36 months from the date of issuance.

In connection with the closing of the final tranche of the private placement, the Company paid finders' fees consisting of $45,605 in cash and 591,080 non-transferable compensation warrants. Each compensation warrant entitles its holder to purchase one common share in the capital of the Company at an exercise price of $0.10 per share for a period of 36 months after the closing date.

Related party transactions

The remuneration of key management of the Company for the three-month periods ended March 31, 2017 and 2016 was as follows:

	2017	2016
Aggregate compensation	$ 70,558	$ 70,558
Share-based payments	$ Nil	$ Nil

The Company did not enter into any other significant related party transactions during the period.

Proposed transactions

Management periodically enters into informal discussions with prospective business partners in the normal course of business. However, management does not believe that any of these discussions constitute proposed transactions for the purpose of this report.

Other matters

Risk Factors

Each of Purepoint's uranium properties is at a grassroots stage of exploration and development. Further development of Purepoint's current properties is contingent upon obtaining satisfactory exploration results. Mineral exploration and development involves substantial expenses and a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to adequately mitigate.

Signed: Chris Frostad

Chris Frostad
President & Chief Executive Officer

Signed: Ram Ramachandran

Ram Ramachandran
Chief Financial Officer