Management's Discussion and Analysis
For the year ended December 31, 2014

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, 2014, 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 April 16, 2015.

The annual financial statements for the years ended December 31, 2014 and 2013 are prepared in accordance with International Financial Reporting Standards ("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 eight properties located in the Athabasca Basin. The Company entered into joint venture agreements and operates one of these projects with Cameco Corporation and AREVA Resources Canada Inc. while the other seven 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 2015 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 December 31, 2014	Quarter ended September 30, 2014	Quarter ended June 30, 2014	Quarter ended March 31, 2014	Quarter ended December 31, 2013	Quarter ended September 30, 2013	Quarter ended June 30, 2013	Quarter ended March 31, 2013
Total revenues - interest income	$ 27	$ 187	$ 42	$ 44	$ 47	$ 35	$ 78	$ 77
Net loss	(290,405)	(347,241)	(188,847)	(491,380)	(162,154)	(149,694)	(241,761)	(265,064)
Net loss per share	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Total assets	1,370,349	542,383	898,900	1,515,408	2,106,700	798,771	969,760	1,584,342

Selected annual financial information

The following selected information is derived from the audited financial statements.

	Year Ended December 31		
	2014	**2013**	**2012**
	(dollars)		
Total revenues	300	237	5,438
Net loss	(1,317,873)	(818,673)	(1,969,599)
Net loss per share – basic and diluted	(0.01)	(0.01)	(0.02)
Total assets	1,370,349	2,106,700	1,292,843

Results of operations

The Company's operations during the year ended December 31, 2014 produced a net loss of $1,317,873 (2013 - $818,673). 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.

Share based payments in the amount of $165,583 have been recognized during the year ended December 31, 2014 (2013 - $89,240). Share based payments increased by $76,343 as the fair value of the 2014 award was higher than that of 2013 and more options were awarded in 2014 than in 2013. Fair value assigned to new grants was expensed in the same period when granted.

Professional fees increased by $6,534 compared to 2013, primarily due to increased legal fees for general corporate matters. Salaries and benefits decreased by $16,522 compared to 2013, due to reduced number of employees in 2014 compared to 2013.

The decrease in general and administration expenses of $7,388 for the year ended December 31, 2014, compared to 2013, is attributable to expired rent obligation for 360 Bay Street office in May 2013.

Drill equipment and drill accessories were sold in September 2014 for a proceeds of $65,000, resulting in net loss of $242,300 (2013 – $Nil).

Equipment rental and other expense recoveries covers rental of the Company's equipment and premises and recoveries of expenses related mainly to operations of joint projects. For the year ended December 31, 2014 it amounted to $277,551 (2013 – $102,386). Increase is mainly due to increase in joint operations overall, where the company acted as a manager of a project.

Mining properties and exploration expenditures increased by $375,245 compared to 2013 due to increased joint project operational activities, especially drilling at Hook Lake Property – see Exploration and evaluation expenditures.

Exploration and evaluation expenditures

The Company incurred $824,994 and $449,749 in exploration and evaluation expenditures on its properties during the years ended December 31, 2014 and 2013, as follows:

	2014	2013
Red Willow Property	$ 34,119	$ -
Hook Lake Property	691,586	348,918
Smart Lake Property	85	-
Umfreville Lake Property	99,204	44,939
Forsythe Lake Property	-	720
McArthur East Property	-	55,172

During 2014, the Company carried out the following significant activities:

HOOK LAKE PROJECT - JOINT VENTURE WITH CAMECO AND AREVA

The Company entered into 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:

- By spending $3,350,000 on exploration since 2007, Purepoint has 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 defined on the property, each corridor being comprised of multiple conductors that have been confirmed to be the results of graphitic metasediments that intersect the Athabasca unconformity.

The Patterson Lake corridor is the same conductive trend along which the Fission Uranium Corp has been expanding their high-grade uranium discovery. Within the Hook Lake project, the Patterson Corridor displays geophysical evidence of a complex structural history and, where drill tested, the conductors have shown favourable signs of alteration and structural disruption.

2014 Exploration Program at Hook Lake

The 2014 exploration program at the Hook Lake JV project included diamond drilling, an airborne magnetic and electromagnetic (VTEM plus survey) and a ground electromagnetic survey.

The drilling program was conducted by TEAM Drilling of Saskatoon, SK between January and March, 2014. Ten diamond drill holes were completed and two were abandoned for a total of 3,704 metres with a budget of $2,500,000.

The 2014 diamond drill program focused on the highly prospective “Patterson Lake Corridor”, the same conductive trend that hosts Fission’s Patterson Lake South (PLS) uranium discovery and the recent Arrow discovery by NexGen Energy Ltd. Of the ten diamond drill holes completed during the 2014 winter drill program, six holes were drilled within the Spitfire area where significant radioactivity was intersected, 3 holes targeted the Patterson Lake EM conductor and 1 hole tested an EM conductor beneath Jed Lake.

Uranium mineralization was discovered within the Spitfire area during the program by drill hole HK14-09 that intersected strongly chloritized and sheared quartz-rich semi-pelitic gneiss with 0.32% U3O8 over 6.2 metres and included an interval of limonitic fault gouge that assayed 1.1% U3O8 over 0.5 metres. The follow-up hole, HK14-11, encountered strongly sheared graphitic pelitic gneiss that returned 0.57% U3O8 over 0.9 metres and an additional interval of 0.11% U3O8 over 2.0 metres.

The Spitfire area mineralization occurs within a shallowly dipping shear (~45o) that is associated with a bend in the northeast trending, southeasterly dipping graphitic and pyritic shear zone. Quartz-rich, semi-pelitic gneiss hosts the mineralized Riedel shears (or weak splay faults) that are weakly limonitic and strongly chloritized with disseminated pitchblende occurring along foliation planes. The mineralized shears are spatially located in the hanging wall of the graphitic-pyritic shear zone at a depth of approximately 200 metres and is seen extending from the graphitic shear for approximately 60 metres. The strike of the mineralized shears is approximately 25 degrees and the median dip is 55 degrees to the east-southeast. True width of the primary mineralized zone within drill holes HK14-09, 11 and 17 is considered to vary between 2 and 6 meters, close to intercept thickness, while the secondary mineralized zone is less than 1 metre in width.

The three Patterson Lake holes failed to explain the electromagnetic conductors they were designed to test but favourable geochemistry suggests the area remains an exploration target. The single Jed Lake drill hole intersected a graphitic/pyritic shear zone that was associated with anomalous metal concentrations and anomalous intervals of geochemical chlorite and illite.

A helicopter-borne magnetic and EM (VTEM plus) survey were flown over the prospective target area in October 2014 by Aeroquest of Aurora, Ontario. A ground stepwise moving loop EM survey has been completed in November to aid in the location of EM conductors for drill targeting. Proper positioning of EM conductors within the target area was considered critical for the next drilling program since the PLS, Arrow and Spitfire discoveries are all associated with graphitic rocks.

2015 Winter Drilling Program at Hook Lake

On January 13, 2015 the Company reported that drilling has commenced at the Hook Lake Project on the Western edge of the Athabasca Basin Saskatchewan. Highlights from the press release:

1. Drilling will focus on high priority targets along the Patterson Lake Corridor;
2. Last year's Spitfire discovery sits along the same conductive trend, northeast of Fission Uranium Corp's Triple R high grade deposit;
3. A budget of $2,900,000 has been approved by the Joint Venture partners for this winter's program which will be operated by Purepoint;
4. It is anticipated that the program will deliver a minimum of 4,200 metres of drilling across 13 holes;

PRELIMINARY RESULTS FROM THE 2015 HOOK LAKE WINTER DRILL PROGRAM

On March 31, 2015 the Company announced preliminary results from the 2015 Hook Lake winter drill program with the highlight that drill hole HK15-27 hit 12.90% U3O8 Over 0.4 Metres Within 2.23% U3O8 over 2.8 Metres near Patterson Lake, SK. The new high-grade uranium intercept by hole HK15-27 is located 240 metres along strike (northeast) and 180 metres down dip of last year's Spitfire Discovery (press release dated March 10, 2014). Uranium mineralization is controlled by a semi-brittle structure that is coincident with the upper contact of a thick, strongly sheared Graphitic-pyritic Pelitic Gneiss unit. Drilling is following up the HK15-27 high-grade mineralized intercept.

Highlights:

- High-grade uranium mineralization has been discovered 240 metres northeast of the Spitfire discovery approximately 390 metres below surface;
- Hole HK15-27 intersected 2.23% U3O8 over 2.8 metres from the upper contact of a graphitic unit (depth of 390 metres) and contains 20 centimetres of semi-massive pitchblende;
- Hole HK15-25 intersected 0.10% U3O8 over 4.3 metres (depth of 310 metres) from the same structure hosting the high-grade mineralization in HK15-27, and an additional interval of 0.13% U3O8 over 1.2 metres (depth of 255 metres);
- The current drill season will allow for a few more follow-up drill holes to the HK15-27 intercept

Eleven diamond drill holes (5,438 metres) have now been completed during the ongoing 2015 winter drill program that is expected to continue into early April. Five of the eleven drill holes have been drilled northeast of the Spitfire discovery area along strike.

RED WILLOW PROJECT – FORMERLY JOINT VENTURE WITH RIO TINTO

The Red Willow property covers 25,612 hectares on the eastern edge of the Athabasca Basin. The Athabasca sandstone is shallow and the depth to unconformity varies from zero to 80 metres. The basement rocks are composed of intensely deformed and metamorphosed sedimentary, volcanic and plutonic rocks trending NE to SW. Six major uranium deposits are located along a NE to SW mine trend that extends through the Red Willow Project. The Red Willow property adjoins AREVA Resource Canada Inc.'s claim group that contains the JEB, Sue, McClean and Caribou uranium deposits to the west and, to the south adjoins UEX's Hidden Bay property that surrounds Cameco Corporation's Rabbit Lake, Collins Bay and Eagle Point uranium deposits.

2014 Winter Drilling Program at Red Willow option

At the Technical Committee meeting held in October 2013, Rio Tinto Exploration Canada Inc. presented plans for a 2,500 metre drill program this winter at Purepoint's Red Willow Project in Saskatchewan's Athabasca Basin.

Highlights

- Approximately 2,500 metres of diamond drilling was planned for this winter within four target areas identified from geophysics, geochemistry and historic drill logs;
- Rio Tinto, as manager and operator, must incur exploration expenditures of $5,000,000 before December 31, 2015 in order to earn an initial 51% interest in the project. To date, Rio has incurred expenses of approximately $2,250,000;
- On November 30, 2012 Purepoint filed a National Instruments 43-101 compliant technical report on its Red Willow uranium project. The report can be found on SEDAR.com or on Purepoint's website (www.purepoint.ca).

Exploration Target Areas

One of the drill targets this winter was the electromagnetic (EM) conductors at Geneva that are within a distinct fold structure as highlighted by the aeromagnetic results. Eldorado Resources, a predecessor to Cameco, intersected a graphitic fault zone in hole RAD-27 that returned 0.22% U_3O_8 over 1.0 metres during a 1984 drill program. Cameco ranked the basement alteration of 366 historic drill holes on their Rabbit Lake project during 1995 using pathfinding elements (Pb, Ni, Cu, U, total clay and chlorite) and a hole from the Geneva area, RAD-17, returned the highest alteration score.

Like Geneva, the Osprey area is a fold structure locally associated with strong hydrothermal alteration and anomalous uranium mineralization. A primary drill target this winter will be an interpreted E-W graphitic structure coincident with a multi-point, multi-element soil anomaly east of the main Osprey conductor where a 0.20% eU_3O_8 over 5.8 metres intercept was previously identified.

Drill targets within the Lasby and Mustang areas are based on historic diamond drill results where significant intercepts of clay alteration were noted, interpreted as strong hydrothermal alteration, however the shallow depths of the holes did not fully test these prospective areas.

Results for Ten-hole Drill Program at Red Willow

On July 18, 2014, the Company reported results from the recently completed ten-hole, 2,734-metre drill program at the Red Willow JV project in Saskatchewan's Athabasca Basin. The Red Willow program was managed and operated by Rio Tinto Exploration Canada Inc. ("Rio Tinto") under the terms of an option agreement.

The Geneva target area returned the most encouraging drill results from the four target areas tested during the 2014 exploration program. Hole 14RDW-008 at Geneva intersected 30 metres of strongly clay/chlorite altered graphitic pelitic gneiss that returned an assay of 0.68% U_3O_8 and 0.54% Cu over 0.3 metres, and an additional assay of 3.5% Co, 1.0% Ni and 5.7% As over 0.85 metres. Drilling at the Mustang Target confirmed a near surface 50 metre thick zone of weak to very strong clay alteration associated with hematite considered to be hydrothermal. Below the alteration zone, an assay of 948 ppm U over 0.3 metres was returned from a sub-horizontal fracture within pelitic gneiss. The Osprey Northeast and Lasby Lake Target areas were tested by three drill holes that did not encounter significant alteration or radioactivity.

Rio Tinto Earn-In Agreement

In July 2014, the Company was notified that Rio Tinto has decided not to complete the exercise of their first earn-in. As a result, 100% ownership of the Red Willow project has been returned to the Company as well as all data, studies, models and interpretations developed by Rio Tinto over the past 4 years.

Liquidity and capital resources

At December 31, 2014, the Company had a working capital surplus of $1,191,928, compared to a surplus of $936,147 as at December 31, 2013. The increase is attributed to a successfully completed rights offering that raised approximately $53,542, net of costs (see Rights Offering) and a successfully completed private placement of flow-through units that raised approximately $951,676, net of costs (see Private Placement).

The Company's sources of capital at present consist of cash on hand, short-term investments, exercise of options, a sale of assets, joint venture financings and public equity raise. Assuming that ongoing 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. In order to meet future expenditures and cover administrative costs, the Company will need to raise additional financing. Although the Company has been successful in raising funds to date there can be no assurance that adequate funding will be available in the future.

Contractual commitments

Operating leases:

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

2015 -	$ 61,086
2016 -	33,378
2017 -	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 December 31, 2014 or December 31, 2013.

Financial instruments and other instruments

The Company's excess cash reserves are held in short-term flexible GIC's. The Company had no financial instruments other than these GIC's, accounts receivable and accounts payable and accrued liabilities and advances on project as at December 31, 2014 and December 31, 2013.

Outstanding share data

Common Shares:

The Company has authorized an unlimited number of common shares, with no par value, of which 142,425,171 shares are issued and outstanding as of the date hereof.

Share Purchase Warrants:

As of the date hereof, 26,085,349 share purchase warrants were outstanding.

Employee Stock Options:

As of date hereof, 10,890,000 options were outstanding under the Company's stock option plan for employees, directors, officers and consultants of the Company.

On April 24, 2013 the Company granted 1,940,000 stock options at an exercise price of $0.10 per option, vesting immediately. Pursuant to the transitional provisions of a bulletin issued by the TSX Venture Exchange ("The Exchange") on August 14, 2013, the minimum acceptable exercise price for options granted between January 1, 2013 and August 14, 2013 may be retroactively reduced from $0.10 to $0.05 subject to certain conditions. Accordingly, the Company has applied and received approval from the Exchange pursuant to the transitional provisions for reducing the exercise price of all of its incentive stock options granted on April 24, 2013 from $0.10 to $0.07.

On January 30, 2014 the Company granted 2,510,000 stock options at an exercise price of $0.075 per option, vesting immediately.

Related party transactions

The remuneration of key management of the Company for 2014 and 2013 was as follows:

	2014	2013
Aggregate compensation	$ 205,000	$ 339,479
Share-based payments	$ 155,228	$ 86,940

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

Fourth quarter

Rights offering

On November 25, 2014, the Company completed a rights offering for aggregate gross proceeds of $131,519. The rights offering was fully subscribed with a total of 13,865,224 rights being exercised for 1,733,153 units pursuant to the basic subscription privilege and 897,233 units issued pursuant to the additional subscription privilege. Each unit was issued at a price of $0.05 and was comprised of one common share of the Company and one half of a common share purchase warrant. Each whole warrant entitles the holder to acquire one common share of the Company at a price of $0.08 expiring in six months from the date of issuance or at a price of $0.10 expiring 24 months from the date of issuance. In total, 2,630,386 common shares and 1,315,193 warrants were issued pursuant to this rights offering.

The proceeds have been prorated to Common Shares and Warrants based on the relative fair value of each component, with $8,118 being allocated to Warrants. The Black-Scholes option pricing model was used to determine the fair value of the Warrants using the following assumptions: expected dividend yield - nil; expected volatility - 133%; risk free interest rate - 1.13%; and an expected life of 2 years.

Private placement

On December 16, 2014 the Company completed a private placement where the Company issued 18,179,200 flow-through units at a price of $0.055 per unit for gross proceeds of $999,856. 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 half (1/2) of a 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 $0.08 per share for a period of 24 months from the date of issuance. In connection with the closing of the private placement, the Company paid finder's fees consisting of $31,988 (plus applicable taxes) in cash and issued 581,600 non-transferable compensation warrants to certain finder. Each compensation warrant entitles its holder to purchase one common share in the capital of the Company at an exercise price of $0.08 per share for a period of 24 months after the closing date. All securities issued in connection with the private placement are subject to a four-month hold period pursuant to the applicable securities laws with an expiry date of April 17, 2015.

The Company incurred cash costs of $48,180 and non-cash Compensation Warrants valued at $14,348. The proceeds have been prorated to Common Shares and Warrants based on the relative fair value of each component, with $204,745 being allocated to Warrants. The Black-Scholes option pricing model was used to determine the fair value of the Warrants and the Compensation Warrants using the following assumptions: expected dividend yield – nil; expected volatility – 132%; risk free interest rate – 1.13%; and an expected life of 2 years.

The net proceeds of this private placement will be used to further advance the Company's uranium exploration projects in Saskatchewan. Canadian exploration expenses incurred using the proceeds of the private placements will be renounced to the purchasers of the flow-through common shares in accordance with applicable law.

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.

Chris Frostad
President & Chief Executive Officer

Ram Ramachandran
Chief Financial Officer