



**Management's Discussion & Analysis**  
**For the three months ended**  
**March 31, 2024**

## Introduction

Set out below is management's assessment and analysis of the results of operations and financial condition of enCore Energy Corp. and its subsidiaries ("enCore", or the "Company") for the three months ended March 31, 2024. The following information is prepared as of May 10, 2024, and should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2024 and 2023, and the accompanying notes thereto, as well as Management's Discussion and Analysis for the year ended December 31, 2023, as contained in our Form 40-F Annual Report for 2023, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All Dollar figures included in this management's discussion and analysis ("MD&A") are quoted in United States Dollars unless otherwise indicated. Additional information related to the Company is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## Our Business: America's Clean Energy Company™

### Business (Operations Update and Outlook)

The Company is focused on producing domestic uranium in the United States. The Company only utilizes the proven In-Situ Recovery technology (ISR) to provide necessary fuel for the generation of clean, reliable, and carbon-free nuclear energy.

enCore owns 3 of the 11 licensed and constructed Central In Situ Recovery ISR Uranium Processing Plants (CPPs) in the United States.<sup>1</sup> All of its existing facilities are located in the business-friendly, energy-centric State of Texas. Our plants are designed and permitted to process uranium from a mix of satellite plants and primary sources within South Texas. In addition, the Company has several key mineral resource projects in other jurisdictions within the United States. Our NI43-101 compliant resources are listed below:

Total measured and indicated Mineral Resources	74.42 million lbs U <sub>3</sub> O <sub>8</sub>
Total inferred Mineral Resources	26.47 million lbs U <sub>3</sub> O <sub>8</sub>

Although the United States is the world's largest consumer of uranium and largest producer of nuclear energy, it remains dependent on imported uranium. Due to the current geopolitical environment, the Company expects increasing demand for domestically-produced uranium as US utilities prefer domestic over Russian suppliers. enCore's strategy is to leverage its uranium production to drive value for its shareholders and be a United States preferred supplier. With established and future sales contracts with nuclear utilities, enCore's product will fuel clean, reliable and carbon-free electricity generation. Uranium, used for nuclear energy, is an important green energy fuel source. Unlike most fossil fuels, the cost of nuclear fuel (uranium) constitutes only a small portion of total power generating costs.

With a diverse portfolio of uranium projects, enCore is prioritizing projects that will utilize ISR technology to produce uranium. ISR, when compared to conventional open pit or underground mining, requires less capital and operating expenditures with a shorter lead time to extraction and a reduced impact on the environment, including minimizing groundwater use. The historic worker safety record in the ISR segment of the mining industry is significantly better than that of conventional underground and open pit uranium mining and milling.

enCore's initial production strategy over the next 3 years is centered around two of its fully licensed Texas CPPs; Rosita and Alta Mesa. The CPPs, located at the Rosita and Kingsville Dome projects are designed for, and fully capable of, processing feed resin from relocatable satellite ion-exchange (IX) plants employed at various deposits within a 100-mile radius of each plant.

enCore has a significant economic opportunity in the changing and growing uranium market and nuclear energy industry. Its strong technical team forms the basis for its strength with extensive expertise in ISR operations, reclamation, permitting and exploration. The Company has a broad set of uranium assets that provide a growing production pipeline that includes production and near-term production in Texas followed by pipeline projects in South Dakota and Wyoming with longer term production planned from enCore's extensive resources in New Mexico. The team enjoys access to a large collection of proprietary databases of United States assets. This gives the Company access to exclusive benefits from historic exploration, development and production data generated over almost 100 years by several major companies including Union Carbide, W.R. Grace, UV Industries, Getty Oil, Uranium Resources Inc. and others.

To support the Company's development plans, enCore's uranium sales strategy provides a base level of projected income from sales contracts while preserving significant ability to realize opportunities when strong short-term market fundamentals are present. This strategy assures that the Company will have committed sales to support the capital necessary for construction of new projects while maintaining flexibility to be opportunistic as market conditions continue to change. In February 2024, the Company signed its fifth and sixth supply agreements with two separate US nuclear utilities. enCore's sales contracts typically retain exposure to spot pricing while including minimum floor and maximum ceiling prices, some of which are adjusted upwards annually for inflation. Minimum floor prices are set at levels that provide the Company a comfortable margin over its expected costs of operations in Texas while still allowing the Company to participate in anticipated escalations of the price of uranium. Combined, the Company has 4.1 million lbs U<sub>3</sub>O<sub>8</sub> in committed uranium sales contracts from 2024 to 2033. Three of our current contracts provide optionality to add an additional 1.65 million lbs U<sub>3</sub>O<sub>8</sub> to 2032. The Company will continue to assess opportunities to secure future sales agreements that will support its continued project and production growth strategies.

The Rosita Central Processing Plant is the starting point for enCore's Texas production strategy. In November 2023, the Company announced the commencement of uranium production at Rosita from the Rosita Extension wellfield, PAA-5. Rosita is located

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<sup>1</sup> Domestic Uranium Production Report First-Quarter 2023, Energy Information Administration, May 2023

approximately 60 miles from Corpus Christi, Texas and has an 800,000-pound U<sub>3</sub>O<sub>8</sub> per year production capacity. Newly modernized and refurbished in 2022, the Rosita Plant will act as the central processing site for the Rosita South, Upper Spring Creek, and Butler Ranch Uranium Projects.

In February 2023, the Company acquired 100% of the Alta Mesa Project from Energy Fuels, Inc. for \$120 million. enCore's fully licensed Alta Mesa ISR Uranium CPP is located approximately 100 miles southeast of Corpus Christi, TX, and has a production capacity of 1.5 million lbs U<sub>3</sub>O<sub>8</sub> per year through its ion exchange system located at the plant. The facility has IX elution, precipitation, drying, and packaging capacity for 2.0 million lbs U<sub>3</sub>O<sub>8</sub> per year. This capacity is designed to accept direct production feed to the IX columns in the plant and concurrently accept loaded resin from satellite locations. The Alta Mesa Project includes existing and near-term production areas, including the fully permitted and authorized production areas 6 & 7. The project also has 9 additional mineral resource areas described in the "Our Assets" section of Management's Discussion and Analysis for the year ended December 31, 2023. In total, the project encompasses mineral leases on 200,000 acres of private land. In February 2024, the Company sold a 30% interest in Alta Mesa project to Boss Energy Limited for \$60 million. The injection of capital to the Company from its the sale of a 30% interest in the Alta Mesa Project will allow the Company to accelerate future production levels in South Texas, Wyoming and South Dakota.

The Kingsville Dome Central ISR Uranium Processing Plant (Kingsville Dome CPP) is currently maintained and available to increase production capacity as additional satellite plants and production wellfields are brought into production. This facility, similar in size and design to the Rosita facility, has a capacity of 800,000 lbs U<sub>3</sub>O<sub>8</sub> per year.

Notably, the advanced stage Dewey-Burdock Uranium Project (Dewey-Burdock) in South Dakota has demonstrated ISR resources, including a 2019 PEA citing robust economics. The Company is in the process of reviewing and updating the PEA to reflect current economics and planning. The project has its source material license from the US Nuclear Regulatory Commission (NRC) and its underground injection permits and aquifer exemption from the US Environmental Protection Agency (EPA). In 2023, the Company announced that the NRC approval was considered final when appeals of the license approval were exhausted following a successful outcome from the Circuit Court of Appeals for the District of Columbia. The underground injection permits were appealed to the EPA's Environmental Appeals Board and the aquifer exemption was appealed to the 8th Circuit Court of Appeals. Based on the successful outcome for the company of the appeal of the NRC license, we believe we will also be successful in the appeals of the EPA's underground injection permits and the aquifer exemption.

The Company has commenced the initial permitting work to advance the Gas Hills Uranium Project (Gas Hills) as an ISR uranium recovery operation located in central Wyoming, approximately 60 miles west of Casper, WY. Gas Hills has a current resource and robust economics as described in a 2021 PEA. It is ideally located in the historic Gas Hills Uranium Mining District, a brownfield area of extensive previous mining. The Company has Dewey-Burdock and Gas Hills as its mid-term production assets within the planned production pipeline.

The Company's New Mexico assets represent a major, long-term asset in our planned production pipeline. enCore holds a dominant position in the historic Grants Uranium District in New Mexico through its control of mineral rights over approximately 500 square miles containing significant uranium resources in several different deposits. The Company is committed to the significant work necessary to overcome legacy issues related to historic uranium mining and milling in New Mexico and its effect on indigenous and local communities. The Company is executing an engagement strategy with local communities to educate one another and work together to realize economic and social benefits of collectively exploiting these significant resources in an environmentally superior way, unlocking the value of the assets to all parties' benefit. In addition to these more advanced projects, the Company has significant mineral holdings in Wyoming, Arizona, Utah, and Colorado.

enCore has a clear pathway to production across the western United States and is focusing its expansion efforts within jurisdictions with well-established regulatory environments for the development of ISR uranium projects. Both Texas and Wyoming are NRC Agreement states, whereby the Nuclear Regulatory Commission has ceded its regulatory authority to the individual state regulators. This streamlined and mature regulatory process is a demonstrable benefit to the uranium industry within these jurisdictions. The Company is leveraging the near-term production assets in South Texas to support the South Dakota-based Dewey-Burdock and Wyoming-based Gas Hills projects for mid-term production opportunities with advanced projects and established resources. enCore's significant New Mexico uranium resource endowment provides long-term opportunities and the ability to establish mutually beneficial relationships with indigenous and local communities. The Company also supports communities with local hiring and capital spending in the localities where it works.

## ESG Principles

The long-term success of enCore requires the integration of sustainability into all aspects of its business. Leading environmental, social and governance performance is strongly correlated to strong financial performance and the creation of long-term value for enCore's shareholders and other stakeholders. This includes, striving to meet the highest standards, contributing toward sustainable development, and serving as responsible natural resource stewards for the purpose of making positive and lasting impacts on the communities we operate in. enCore is responsible to its shareholders, governments, and community stakeholders as the Company advances projects forward and considers appropriate best practices and innovative methods to meet and exceed these responsibilities within its financial means.

Please refer to Management's Discussion and Analysis for the year ended December 31, 2023, as contained in our Form 40-F Annual Report for 2023 on [www.sedarplus.ca](http://www.sedarplus.ca) or on the SEC's Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system at [www.sec.gov/edgar](http://www.sec.gov/edgar).

#### Corporate Highlights for 2024

In January 2024, the Company:

- Commenced trading on the Nasdaq Capital Market ("Nasdaq"). The Company shares continue to trade under the ticker symbol "EU" on Nasdaq and continue to trade on the TSX Venture Stock Exchange ("TSXV") under the ticker symbol "EU".
- Sold a total of 15,000,000 common shares of Anfield for approximate proceeds of C\$1,097,900. The shares were sold through the facilities of the TSX Venture Exchange at prices ranging from C\$0.07 to C\$0.08 per share.
- The Company purchased 1,716,260 units of NFI at a price of C\$0.60 per unit. Each unit is comprised of 1 common share and one half of a warrant. This investment maintained the Company's ownership level at 19.9%.

In February 2024, the Company:

- Converted the full outstanding principal amount of a \$20 million convertible promissory note (the "Note") into common shares of the Company. With the repayment of the Note, the company fully eliminated its remaining debt that resulted from the 2023 \$120 million acquisition of the Alta Mesa Project. Pursuant to the conversion of the Note, the Company issued 6,872,143 common shares to the holder.
- Completed the transactions under the Master Transaction Agreement with Boss Energy Limited ("Boss Energy"), and completed the sale of a 30% ownership interest in enCore's Alta Mesa project to Boss Energy for \$60 million, with an added investment of \$10 million into 2,564,102 common shares by Boss Energy.
- Executed the fifth commercial uranium sales contract, with a fourth U.S. utility with deliveries from 2026 through 2032.
- Hosted the Grand Opening of the Rosita Plant in February 2024, just 20 months after work commenced to restart production.

In March 2024, the Company:

- Completed its initial shipment of uranium from the Rosita Project.
- Executed its sixth commercial uranium sales contract with a fifth U.S. utility with deliveries in 2026 and 2027.
- Released the highest grade drill results to date since drilling activities restarted from the Alta Mesa Project in South Texas.
- Released the Nasdaq Opening Bell and hosted the first Annual Investor Day following the Opening Bell Ceremony.

The company issued a total of 495,765 common shares, between the period January 1, 2024 to March 31, 2024, under the At-The-Market (ATM) controlled equity offering program ("ATM Program"). The shares were issued through the facilities of the TSXV and NASDAQ at an average share price of \$4.05 per share for gross proceeds of \$2,008,256 with a commission of \$50,206 paid to the Agent.

#### Highlights Subsequent to March 31, 2024

- On April 4, 2024, the Company suspended its ATM Program with a remaining balance of approximately US\$18.7 million of common shares available for sale. The Company does not anticipate further sales under the ATM program in light of its current cash on hand of approximately US\$80 million, zero debt, revenue from ongoing operations at the Rosita In-Situ Recovery Uranium Central Processing Plant ("CPP") and expected near term production revenue from the Alta Mesa CPP.
- On April 29, 2024 the Company executed all liquidation documents and effectively completed the process to dissolve Azarga Resources (Hong Kong) Ltd.

#### Industry Update and Outlook

In April 2024, the World Nuclear Association reported, globally, there are currently 440 operable reactors and 60 reactors under construction. Many nations that have deployed nuclear power are appreciating its clean energy and energy security benefits, reaffirming their commitment, and developing plans to support existing reactor units while reviewing and developing policies to encourage more nuclear capacity. Several non-nuclear countries continue to emerge as candidates for new nuclear capacity. In the European Union (EU), specific nuclear energy projects have been identified for inclusion under its sustainable financing taxonomy and are therefore eligible for access to low-cost financing. In some countries where phase-out policies were previously in place, there have been policy reversals and potential reactor life extensions with public opinion polls showing growing support. In the U.S., several utilities have announced life extensions and power uprates of existing, operating reactors because of government policy changes that are directly supporting nuclear power. With several reactor construction projects recently approved and many more planned around the world, demand for uranium fuel continues to increase.

Ongoing geopolitical events continuing in 2024, the global focus on the climate crisis, and energy security concerns all continued to provide tailwinds to the nuclear energy industry while further highlighting supply and demand challenges. Driven by a tightened uranium market and growing security of supply concerns, uranium prices reached levels not seen since 2008. Significantly, the continuing Russian invasion of Ukraine is impacting global nuclear supply chains including the ability to reliably deliver enriched uranium from Russia to the United States, and to deliver uranium produced in Kazakhstan to western uranium markets.

The Company believes that these recent events are resulting in a geopolitical realignment for uranium markets. Nuclear energy is seen as a key source of clean, secure, and affordable energy. Currently, according to the World Nuclear Association, Russia supplies approximately 5% of uranium concentrates globally, 38% of conversion capacity, and 46% of enrichment capacity. The realignment that is occurring has highlighted security of supply risk with a growing primary supply gap and shrinking secondary supplies. At the same time we have seen a significant increase in the focus on the origin of supply. To address these risks, utilities continue to evaluate their nuclear fuel supply chains. Nuclear utility contracting to secure their long-term requirements for conversion and enrichment services we saw in 2023 has continued into 2024. Higher prices across the fuel cycle and annual contracting activity that is getting closer to the rate required to replace what is consumed annually indicate that utilities are returning their focus to secure the uranium necessary to feed those services. The Company expects continued competition among utilities to secure long-term contracts for uranium products and services with proven producers who demonstrate strong environmental, social and governance (ESG) performance and from assets in geopolitically attractive jurisdictions on terms that will ensure the availability of reliable supply to satisfy demand.

Over the last decade, the uranium industry has seen underinvestment in new production capacity, and because of persistent low uranium prices, many producers, including the lowest cost producers, made decisions to leave uranium in the ground or idled capacity to preserve long-term value of their resources. Unplanned supply disruptions related to the COVID-19 pandemic also disrupted uranium mining and processing activities. Despite the increase in prices across most segments of the fuel cycle there has been no material increase in global production due to increased costs, inflationary pressures and uncertainty regarding the continuing and changing geopolitical conditions. The World Nuclear Association's 2023 Nuclear Fuel Report highlights that nuclear powers contributes of 10 percent of the global electricity demand, accounts for 25 percent of low carbon electricity production, and is expected to play a growing role in future energy supply in a low-carbon economy. Notably, geopolitical instability has led to increased interest in nuclear power for energy security. Three scenarios for nuclear generating capacity are presented in the report, and referred to as Lower, Reference, and Higher Scenarios. In the Reference Scenario (informed by government & utility targets), total nuclear capacity is expected to increase to 444 GWe by 2030 and 686 GWe by 2040, including 35 GWe of generic small modular reactor (SMR) capacity. In the Lower Scenario, nuclear capacity is projected to reach 409 GWe by 2030 and 487 GWe by 2040. In the Upper Scenario, the figures show a higher increase with 490 GWe nuclear capacity by 2030 and 931 GWe by 2040. The report notes that primary production from uranium mines, conversion, and enrichment plants continue to supply the majority of the demand from nuclear reactors. Secondary supply is projected to have a gradually diminishing role in the market, decreasing from the current level of 11-14 percent of global reactor uranium requirements to 4-11 percent by 2040, depending on the scenario.

#### United States Government Policy

- US President Joe Biden asked Congress to allocate US\$6 billion to enhance energy security, including increasing uranium enrichment capacity. In particular, the specified amount includes \$2.2 billion, which is planned to be allocated through the US Department of Energy for "long-term improvement of internal capacities for the enrichment of low-enriched uranium and high-grade low-enriched uranium."
- The National Defense Authorization Act of 2024 was signed into law by President Biden in April 2024, and it includes language backed by Senate Energy and Natural Resources Chair Senator Joe Manchin (D-WV) and ranking member Senator John Barrasso (R-WY) to promote the domestic availability of High-Assay Low-Enriched Uranium (HALEU) to fuel advanced reactors and direct DOE to create a "Nuclear Fuel Security Program." Additionally, the law funds this program up to \$2.7 billion, contingent on the passage of import restrictions on all forms of Russian uranium.
- The Prohibiting Russian Uranium Imports Act (H.R. 1042), sponsored by Rep. Cathy McMorris Rodgers (R-WA) that passed the House in December 2023 unanimously, also passed the Senate unanimously on April 30, 2024. Once this bill is signed into law by President Biden, it will end all Russian uranium imports within 90 day, subject to waivers to prevent reactor shutdowns due to the lack of alternative sources other than Russia. Additionally, when made law, the \$2.7 billion conditional funding in the 2024 NDAA will be released.

#### Global Market Developments

- Construction of Unit 1 at the Lianjiang Nuclear Power Plant in China's southern Guangdong province has started with the pouring of the first safety-related concrete for the nuclear island. Unit 1 is the first of two CAP1000 reactors planned as the initial phase of the plant, which will eventually house six reactors. The construction of the first two 1,250 MWe CAP1000 reactors—the Chinese version of the Westinghouse AP1000.
- The International Atomic Energy Agency (IAEA) has released its annual outlook for nuclear power in the coming decades, revising up its global growth projections for a third straight year. In both its high and low case scenarios, the IAEA now envisions 25 percent more nuclear energy capacity installed by 2050 than it did as recently as 2020, which underscores how a growing number of countries are looking to nuclear to address the challenges of energy security, climate change, and economic development.
- The European Science Agency (ESA) forecasts a 2 percent increase in gross annual average natural uranium requirements over the next 10 years to approximately 32.3 million pounds U3O8 (12,417 tU). This considers possible changes in national policies or regulatory requirements that result in the construction of new units (projects already granted a construction license); lifetime extensions; early retirement of reactors; and phasing-out or decommissioning. The UAE's Federal Authority

for Nuclear Regulation (FANR) issued an operating license for Unit 4 at the Barakah Nuclear Energy Plant to Nawah Energy Co., which operates the plant located in the Al Dhafra region of Abu Dhabi.

- Japan's Nuclear Regulation Authority issued its approval on November 1 to Kyushu Electric Power Co. to operate Units 1 and 2 (846 MWe PWRs) at its Sendai Nuclear Power Plant, located in Kagoshima Prefecture on the island of Kyushu, for 60 years from the respective starts of the two reactors' commercial operation.

### US Market Events

- The Energy Information Administration (EIA) expects global primary energy consumption to increase through 2050. Non-fossil fuel-based resources, including nuclear and renewables, produce more energy through 2050, but in most of the IEO2023 cases examined, that growth is not sufficient to reduce global energy-related CO2 emissions under current laws and regulations.
- Constellation, operator of the USA's largest fleet of nuclear power plants, has completed its acquisition of NRG Energy Inc.'s 44 percent ownership stake in the South Texas Project Electric Generating Station, a 2,645 MW, dual-unit nuclear plant located about 100 miles northeast of Corpus Christi, TX.
- The US Nuclear Regulatory Commission (NRC) has determined that Pacific Gas and Electric Co.'s (PG&E) License Renewal Application (LRA) for extended operations of the Diablo Canyon Power Plant in the state of California is sufficient for its review. PG&E is seeking to extend the plant's operating licenses by an additional 20 years. Diablo Canyon is currently licensed to operate through November 2, 2024, for Unit 1 and through August 26, 2025, for Unit 2.

### Our Assets

The Company has properties across the Western United States. Approximate locations are shown in Figure 1.



**Figure 1:** Locations of enCore Energy Corp. Projects.

### Arizona

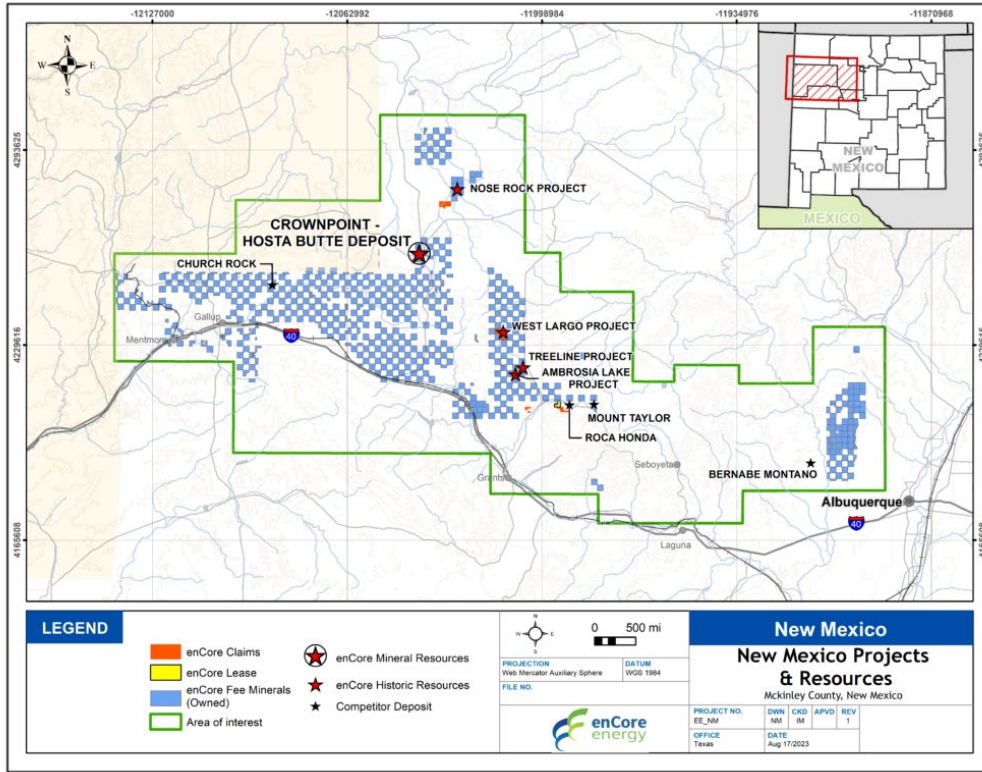
The Company owns or controls several Arizona State mineral leases and unpatented federal lode mining claims covering acreage in northern Arizona Strip district.

### Colorado

The **Centennial Uranium Project** is located in Colorado.

### New Mexico

The Company has several uranium mineral holdings and project areas in New Mexico. They are shown in figure 2.



**Figure 2:** enCore Energy Corp. project and property locations in New Mexico

The **Nose Rock Project** is located in McKinley County, New Mexico.

The **Treeline project** is located in McKinley and Cibola Counties, Grants Uranium District, New Mexico.

The **Crownpoint-Hosta Butte Uranium Project:** the Company owns a 100% interest in the McKinley County properties and a 60 - 100% interest in the adjacent Crownpoint and Hosta Butte properties, all of which are located in McKinley County, New Mexico. The Company holds a 60% interest in a portion of a certain section at Crownpoint. The Company owns a 100% interest in the rest of the Crownpoint and Hosta Butte project area, subject to a 3% gross profit royalty on uranium produced. The 2022 N.I. 43-101 compliant technical report can be found on the Company's website at <https://encoreuranium.com/wp-content/uploads/2022/03/05.-CPHB-Technical-Report.pdf>.

The **West Largo Project** is near the Grants Mineral Belt in McKinley County, New Mexico.

The Company holds several sections of mineral properties in an area located primarily in McKinley County and Cibola County in northwestern New Mexico. These mineral properties are part of the former railroad checkerboard holdings that the company has acquired over the last several years.

**South Dakota**

The **Dewey-Burdock Project** is an in-situ recovery uranium project located near Edgemont, South Dakota. The December 2020 NI 43-101 Technical Report and Preliminary Economic Assessment of the Dewey-Burdock Uranium ISR Project South Dakota, USA, can be found on the Company's website at <https://encoreuranium.com/wp-content/uploads/2022/02/Azarga-Amended-Technical-Report-Compiled.pdf>.

**Texas**

The Company has three licensed and constructed uranium production facilities along with several mineral properties that are owned in fee or leased from private owners. The Figure 3 below describes the location of the uranium production facilities and the production project areas.



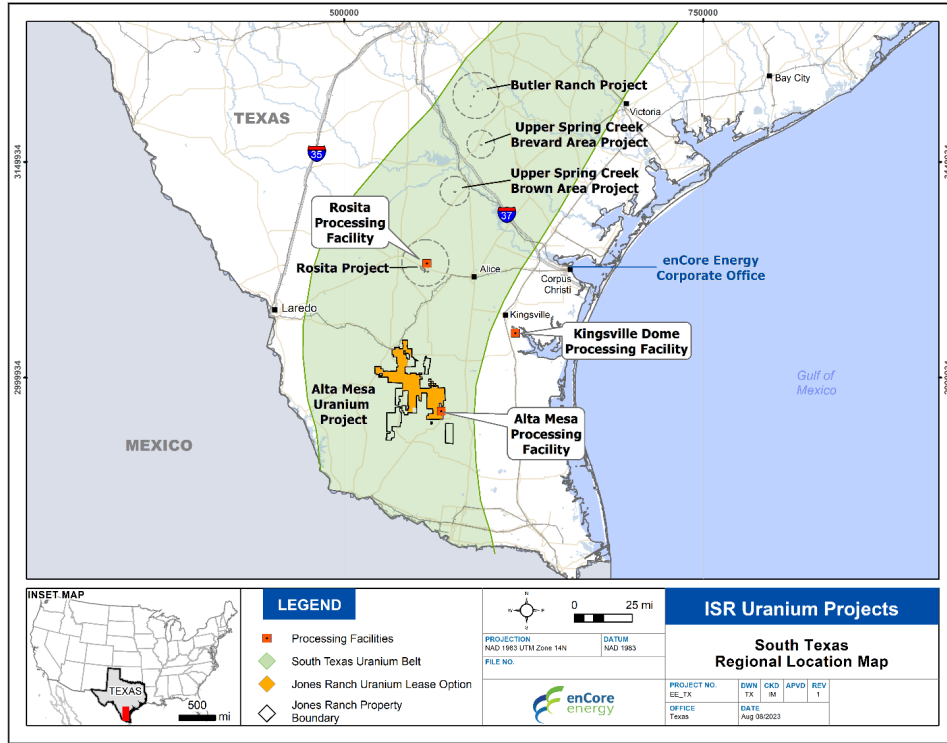


Figure 3: enCore Energy Corp. properties in South Texas.

The **Kingsville Dome project** is located in Kleberg County, Texas. It is a licensed and constructed past operating production facility that is currently maintained in a standby state. The project area consists of mineral properties that are leased by the Company or owned in fee by the Company. The Central Processing Plant is located on land owned by the Company.

The **Rosita Project** is located in Duval County, Texas. It is a licensed and constructed past operating production facility that is currently operating and producing uranium from the nearby Rosita Extension wellfield. The project area consists of mineral properties that are leased by the Company or owned in fee by the Company. The Central Processing Plant is located on land owned by the Company. The Rosita project also includes the **Rosita South Development Area** within the project boundary.

The **Upper Spring Creek Project** consists of two project areas, Brown and Brevard, located in Live Oak and Bee counties in Texas, respectively. The project will be developed and operated as a satellite wellfield operation to be processed at the Rosita Central Processing Plant.

The **Butler Ranch Exploration project** is located in Karnes County, Texas. The Butler Ranch project will be developed as a satellite wellfield to the Rosita Central Processing Plant.

The **Alta Mesa Project** consists of 200,000 acres of leased private mineral properties located in Brooks and Jim Hogg Counties, Texas. This is a past producing uranium project, and the Company is anticipating production restart in the 2<sup>nd</sup> quarter of 2024. In February 2024, the Company entered into a joint venture with Boss Energy, Ltd. to develop and advance the project. The Company retains ownership of 70% of the project and Boss Energy holds 30%. The **Mesteña Grande Exploration project** is a portion of the Alta Mesa Project, and it will be developed as multiple satellite wellfields to feed the Alta Mesa Central Processing Plant. The January 2023 N.I. 43-101 Technical Report Summary for the Alta Mesa Uranium Project, Brooks and Jim Hogg Counties, Texas, USA can be found on the Company's website at <https://encoreuranium.com/wp-content/uploads/2023/02/TechReport.pdf>.

**Utah**

The **Ticaboo project** consists of three portions of a claim block located in Garfield County, Utah, and it consists of low grade uranium ore stockpiles. The Company has a federal Plan of Operation and State of Utah approval for processing of the assets.

The Company owns various mining claims throughout southern Utah, including Emery, Garfield, and San Juan Counties. All of these are in relative proximity to the White Mesa Mill in Blanding County, Utah.

**Wyoming**

The **Gas Hills Project** is located in Fremont and Natrona Counties, Wyoming. The August 2021 NI 43-101 Technical Report and Preliminary Economic Assessment Gas Hills Uranium Project in Fremont and Natrona Counties, Wyoming, USA can be found on the Company's website at <https://encoreuranium.com/wp-content/uploads/2022/08/Gas-Hills.pdf>.



The **Dewey Terrace Exploration project** is located in Weston and Niobrara Counties, Wyoming. The project is adjacent to the Company's NRC licensed Dewey-Burdock Project along the Wyoming-South Dakota state line.

The **Aladdin Exploration project** is located in Weston County, Wyoming.

The **Juniper Ridge Project** is located in southern Sweetwater County, Wyoming, near the state line with Colorado.

### Quarterly Information

The following selected financial data is prepared in accordance with IFRS for the last eight quarters ending with the most recently completed quarter:

	March 31, 2024 \$	December 31, 2023 \$	September 30, 2023 \$	June 30, 2023 \$
Revenue	30,394,700	-	-	-
Cost of goods sold	(28,052,288)	-	-	-
Operating expenses, excluding stock option expense	(8,670,589)	(13,077,861)	(5,489,193)	(5,869,884)
Stock option expense	(1,118,585)	(1,003,448)	(1,525,160)	(1,143,656)
Interest income	415,873	45,363	19,725	7,984
Interest expense	(406,567)	(525,018)	(1,207,011)	(1,200,000)
Foreign exchange gain (loss)	2,683,357	(2,945,741)	1,621,940	(882,750)
Gain on divestment of mineral interests	24,240	-	8,010,687	2,056,638
Gain on change in reclamation estimate	-	221,185	-	-
Gain (loss) on marketable securities	(569,961)	609,859	7,234,293	(1,344,596)
Gain (loss) on sale of asset	(18,028)	(22,000)	638,500	858,500
Net Income (loss)	(5,317,847)	(16,697,661)	9,303,781	(7,517,764)
Basic and diluted earnings (loss) per share <sup>1</sup>	(0.03)	(0.10)	0.06	(0.06)
	March 31, 2023 \$	December 31, 2022 \$	September 30, 2022 \$	June 30, 2022 \$
Operating expenses, excluding stock option expense	(6,867,203)	(4,734,898)	(3,078,477)	(2,402,241)
Stock option expense	(866,483)	(1,050,522)	(1,601,058)	(1,864,891)
Interest income	320,275	232,961	103,921	63,566
Interest expense	(600,000)	2,677	(3,662)	(719)
Loss on write-off of sales tax recoverable	-	(91,289)	-	-
Foreign exchange gain (loss)	(3,941)	(76,139)	30,147	317
Gain (loss) on divestment of mineral interests	24,240	22,481	176	1,552,912
Gain (loss) on change in reclamation estimate	-	(157,227)	-	-
Gain (loss) on marketable securities	(581,721)	167,172	(88,153)	978,386
Gain on sale of uranium investment	1,100,500	(308)	308	-
Gain (loss) from investment in associate	-	9,677	(449,942)	(65,863)
Miscellaneous Income	-	(1,802)	1,802	-
Net Income (loss)	(7,474,333)	(5,677,217)	(5,084,938)	(1,738,533)
Basic and diluted loss per share <sup>1</sup>	(0.06)	(0.05)	(0.05)	(0.02)

<sup>1</sup>Basic and diluted loss per share has been adjusted to reflect the share consolidation that occurred on September 14, 2022.

### Significant items causing variations in Quarterly Results:

- Revenue and cost of goods sold for the three months ended March 31, 2024 was \$30,394,700 and \$28,052,288, respectively, which was generated from the sale of our uranium inventory. The company did not have any sales for the three months ended March 31, 2023.
- Operating expense for the three months ended March 31, 2024, were \$8,670,589 as compared to \$6,867,203 for the three months ended March 31, 2023. This increase primarily reflects the growth and increased activity levels the Company experienced in 2024.
- Losses recognized on the fair value of marketable securities remained fairly constant at \$569,961 for the three months ended March 31, 2024 compared to a loss of \$581,721 for the three months ended March 31, 2023. This is due to losses in Nuclear Fuels largely offset by gains in other investments.
- Interest expense for the three months ended March 31, 2024 and 2023, was \$406,567 and \$600,000, respectively. This reduction is attributable to the Company's debt pay down of \$40,000,000 in 2023 and conversion of the \$60,000,000 convertible promissory note in February 2024.
- Foreign exchange gain for the three months ended March 31, 2024, was \$2,683,358 compared to a loss of \$3,491 for the three months ended March 31, 2023. This change reflects the increase in assets and liabilities as well as the impact of foreign exchange fluctuations on the Company's Canadian Dollar denominated financial assets and liabilities.

The following table sets forth selected operating data and financial metrics for uranium sales for the three months ended March 31, 2024 and 2023.

	Three Months Ended March 31,		Increase (Decrease)	Percent Change
	2024	2023		
Volumes Sold (lbs)	320,000	-	320,000	nm
Realized Sales Price (\$/lb)	95.28	-	95.28	nm
Costs applicable to revenues (\$/lb)	87.66	-	87.66	nm

### Revenues

Revenues from uranium were \$30,394,700 for the three months ended March 31, 2024 due to the completed sale of 320,000 pounds of our inventories to major U.S. nuclear utilities at a realized sales price of \$95.28 per pound of uranium. There were no revenues from uranium for the three months ended March 31, 2023.

### Costs Applicable to Revenues

Costs applicable to uranium were \$28,052,288 for the three months ended March 31, 2024 due to the completed sale of 320,000 pounds of our inventories at a weighted average cost of \$87.66 per pound to a major U.S. nuclear utility. There were no costs applicable to uranium concentrates for the three months ended March 31, 2023.

### Liquidity and Capital Resources

As at March 31, 2024, the Company had cash and cash equivalents of \$90,090,593 (December 31, 2023 - \$7,493,424) and working capital of \$99,824,400 (December 31, 2023 - \$19,045,294).

On February 26, 2024, pursuant to the terms of a Master Transaction Agreement dated December 5, 2023, Boss Energy acquired a 30% equity interest in a new limited liability company (the "JV Company") that was formed to hold the Alta Mesa project, in exchange for a payment to enCore of \$60 million. enCore holds 70% equity in the JV Company. Upon closing of the Transaction, the parties entered into a joint venture agreement (the "JV Agreement") which will govern the JV Company. Pursuant to the JV Agreement, enCore will act as manager of the JV Company and will be entitled to a management fee. The JV Company will distribute uranium from production at Alta Mesa on a pro rata basis according to enCore and Boss Energy's ownership interest. In the event a party's interest falls below 10%, the other party shall have a right to either acquire that interest, or elect to have the interest converted into a 1% production royalty at Alta Mesa.

Concurrently with the establishment of the JV Company, the parties entered into a uranium loan agreement providing for up to 200,000 pounds of uranium to be lent by Boss Energy to enCore. The loan will bear interest of 9% and be repayable in 12 months. Under the agreement enCore may prepay the loan in full or part after six months and would be subject to a prepayment fee of \$200,000. Both the prepayment and the prepayment fee can be paid in cash or uranium at the election of Boss Energy.

Boss Energy also acquired 2,564,102 common shares of enCore at a price of \$3.90 per share for total proceeds to enCore of \$10 million. The share price was fixed under the Master Transaction Agreement dated December 5, 2023 with the common shares subject to a four-month statutory hold period, expiring June 27, 2024.

Finally, the parties also entered into a strategic collaboration agreement for the joint collaboration and research to develop the Company's PFN technology, to be financed equally by each party.

Management estimates that it has adequate working capital to fund planned activities for the next year. The Company's long-term continued operations are dependent on its ability to monetize assets, raise funding from loans or equity financings, deliver uranium into sales at a price above cost, or through other financing arrangements. There is no assurance that future financing activities will be successful.

From January 1 through March 31, 2024, the Company issued:

- 6,872,143 common shares pursuant to the conversion of the outstanding balance on its convertible note by its holder.
- 5,451,669 shares for warrants exercised for gross proceeds of \$16,507,663.
- 697,754 shares for stock options exercised for gross proceeds of \$900,077.
- 495,765 shares for its At-The-Market (ATM) program for gross proceeds of \$2,008,256.
- 127,716 shares pursuant to the exercise of brokers warrants for gross proceeds of \$411,979.

### Contractual Obligations

Type of Obligation	Payments Due by Period				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Finance Lease Obligations	\$ 81,252	\$ 48,751	\$ 32,501	\$ -	\$ -
Purchase Obligations <sup>1</sup>	45,473	45,473	-	-	-
Other Obligations <sup>2</sup>	-	-	-	-	-
<b>Total Contractual Obligations</b>	<b>\$ 126,725</b>	<b>\$ 94,224</b>	<b>\$ 32,501</b>	<b>\$ -</b>	<b>\$ -</b>

1 "Purchase Obligation" means an agreement to purchase goods or services that is enforceable and legally binding

2 "Other Obligations" means other financial liabilities reflected on your company's statement of financial position.

### Transactions with Related Parties

#### Key management personnel and compensation

Related parties include key management of the Company and any entities controlled by these individuals as well as other entities providing key management services to the Company. Key management personnel consist of directors and senior management including the Executive Chairman, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, and Chief Legal Officer.

The amounts paid to key management or entities providing similar services are as follows:

		March 31, 2024	March 31, 2023
		\$	\$
Consulting	(1)	309,280	37,774
Directors' fees	(2)	69,000	27,000
Staff costs		409,161	1,504,754
Stock option expense		651,160	660,962
<b>Total key management compensation</b>		<b>1,438,601</b>	<b>2,230,490</b>

(1) During the three months ended March 31, 2024, the Company incurred communications & community engagement consulting fees of \$42,000 (March 31, 2023 - \$37,774) according to a contract with 5 Spot Corporation in 2024 and Tintina Holdings, Ltd., in 2023. In July 2023, the Tintina Holdings, Ltd contract was reassigned to 5 Spot Corporation, a new Company owned by the spouse of the Company's Executive Chairman. The Company also incurred finance and accounting consulting fees of \$267,280 (March 31, 2023 – nil) according to a contract with Hovan Ventures LLC, a Company owned and operated by the former CFO for the Company.

(2) Directors' Fees are included in staff costs on the consolidated statements of loss and comprehensive loss.

During the three months ended March 31, 2024, the Company granted 250,000 (March 31, 2023 – nil) options to key management, with a fair value of \$496,565.

As of March 31, 2024, and December 31, 2023, the following amounts were owing to related parties:

		March 31, 2024	December 31, 2023
		\$	\$
5 Spot Corp	Consulting services	14,000	12,000
Hovan Ventures LLC	Consulting services	30,100	7,000
Officers and Board members	Accrued compensation	94,780	2,501,594
		<b>138,880</b>	<b>2,520,594</b>

### Financial Instruments and financial risk management

Please refer to the December 31, 2023, consolidated financial statements on [www.sedarplus.ca](http://www.sedarplus.ca) or on the SEC's Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system at [www.sec.gov/edgar](http://www.sec.gov/edgar).

In January 2024, the Company subscribed to a unit offering with Nuclear Fuels Inc. whereby the Company acquired 1,716,260 units at a price of C\$0.60 per unit for gross consideration of C\$1,029,756. Each unit is comprised of one common share and one-half of one share

purchase warrant, with each whole warrant being exercisable into an additional common share at a price of C\$0.80 for a period of 3 years, expiring January 24, 2027.

### Off Balance Sheet Arrangements

At March 31, 2024, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

### Accounting Policies and Critical Accounting Estimates and Judgements:

For a complete summary of all of our material accounting policies refer to Note 2: Material Accounting Policy Information of the Notes to the consolidated financial statements, Consolidated Financial Statements and Management's Discussion and Analysis for the year ended December 31, 2023, in our Annual Report on Form 40-F for 2023 on [www.sedarplus.ca](http://www.sedarplus.ca) or on the SEC's Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system at [www.sec.gov/edgar](http://www.sec.gov/edgar).

### Other MD&A Requirements

Additional disclosure of the Company's technical reports, material change reports, news releases and other information can be obtained on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) or on the SEC's EDGAR system at [www.sec.gov/edgar](http://www.sec.gov/edgar).

### Contingencies

There are no contingent liabilities that have not been disclosed herein.

### Proposed Transactions

There are no proposed transactions that have not been disclosed herein.

### Risk Factors and Uncertainties

There have been no material changes from the risk factors disclosed in Management's Discussion and Analysis of our Annual Report on Form 40-F for the year ended December 31, 2023.

### Cautionary Notes Regarding Forward-Looking Statements

This MD&A contains statements that, to the extent that they are not historical fact, may constitute "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian and United States securities legislation, respectively. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "project", "estimates", "forecasts", "intends", "anticipates", "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements may include, but are not limited to, statements with respect to:

- the Company's future financial and operational performance;
- the sufficiency of the Company's current working capital, anticipated cash flow or its ability to raise necessary funds;
- the anticipated amount and timing of work programs;
- our expectations with respect to future exchange rates;
- the estimated cost of and availability of funding necessary for sustaining capital;
- forecast capital and non-operating spending;
- the Company's plans and expectations for its property, exploration, development, and production;
- the use of available funds;
- expectations regarding the process for and receipt of regulatory approvals, permits and licenses under governmental and other applicable regulatory regimes, including U.S. government policies towards domestic uranium supply;
- expectations about future uranium market prices, production costs and global uranium supply and demand;
- expectations regarding holding physical uranium for long-term investment;
- the establishment of mineral resources on any of the Company's current or future mineral properties (other than the Company's properties that currently have established mineral resource estimates);
- future royalty and tax payments and rates;
- expectations regarding possible impacts of litigation and regulatory actions; and
- the completion of reclamation activities at former mine or extraction sites.

Such forward-looking statements reflect the Company's current views with respect to future events, based on information currently available to the Company and are subject to and involve certain known and unknown risks, uncertainties, assumptions and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed in or implied by such forward-looking statements. The forward-looking statements in this MD&A are based on material assumptions, including the following:

- the Company budget, including expected levels of exploration, evaluation, development, production and operational activities and costs, as well as assumptions regarding market conditions and other factors upon which we have based the Company's income and expenditure expectations;
- assumptions regarding the timing and use of the Company's cash resources;

- the Company's ability to, and the means by which the Company can, raise additional capital to advance other exploration objectives;
- the Company's operations and key suppliers, employees, contractors and subcontractors will be available to continue operations;
- the Company's ability to obtain all necessary regulatory approvals, permits, and licenses for the Company's planned activities under governmental and other applicable regulatory regimes;
- the Company's expectations for the demand and supply of uranium, the outlook for long-term contracting, changes in regulations, public perception of nuclear power, and the construction of new and ongoing operation of existing nuclear power plants;
- the Company's expectations regarding spot and long-term prices and realized prices for uranium;
- the Company's expectations that the Company's holdings of physical uranium will be helpful in securing project financing and/or in securing long-term uranium supply agreements in the future;
- the Company's expectations regarding tax rates, currency exchange rates, and interest rates;
- the Company's decommissioning and reclamation obligations and the status and ongoing maintenance of agreements with third parties with respect thereto;
- the Company's mineral resource estimates, and the assumptions upon which they are based;
- the Company's employees' and contractors', ability to comply with current and future environmental, safety and other regulatory requirements and to obtain and maintain required regulatory approvals; and
- the Company's operations are not significantly disrupted by political instability, nationalization, terrorism, sabotage, pandemics, social or political activism, breakdown, natural disasters, governmental actions, litigation or arbitration proceedings, equipment or infrastructure failure, labor shortages, transportation disruptions, or other development or exploration risks.

The risks, uncertainties, assumptions and other factors that could cause actual results to differ materially from any future results expressed in or implied by the forward-looking statements in this MD&A include, but are not limited to, the following factors:

- exploration and development risks;
- changes in commodity prices;
- access to skilled mining personnel;
- results of exploration and development activities;
- uninsured risks;
- regulatory risks;
- defects in title;
- availability of supplies, timeliness of government approvals and unanticipated environmental impacts on operations;
- risks posed by the economic and political environments in which the Company operates and intends to operate;
- the potential for losses arising from the expansion of operations into new markets;
- increased competition;
- assumptions regarding market trends and expected demand and desires for the Company's products and proposed products;
- reliance on industry manufacturers, suppliers and others;
- the failure to adequately protect intellectual property;
- the failure to adequately manage future growth;
- adverse market conditions; and
- the failure to satisfy ongoing regulatory requirements.

In addition, the risks, assumptions, and other factors set out herein (including under Risk Factors and Uncertainties) and in the Company's public filings, including its most recent Annual Information Form, could cause actual results to differ materially from any future results expressed in or implied by the forward-looking statements in this MD&A. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. These risks, uncertainties, assumptions and other factors should be considered carefully, and prospective investors and readers should not place undue reliance on the forward-looking statements.

Any forward-looking statement speaks only as of the date on which such statement is made, and the Company undertakes no obligation to update any forward-looking statement or information or statements to reflect information, events, results, circumstances or otherwise after the date on which such statement is made or to reflect the occurrence of unanticipated events, except as required by applicable laws. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such fact on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements or information.

All of the forward-looking statements contained in this MD&A are qualified by the foregoing cautionary statements.

**CAUTIONARY NOTE TO U.S. INVESTORS CONCERNING ESTIMATES OF MEASURED, INDICATED AND INFERRED MINERAL RESOURCES:** The Company reports mineral resources on its projects according to Canadian standards, which differ from the requirements of U.S. securities laws. As a result, the Company reports the mineral resources of the projects it has an interest in according to Canadian standards. Canadian reporting requirements for disclosure of mineral properties are governed by National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") and the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") - CIM Definition Standards on Mineral Resources and Mineral Reserves, (the "CIM Standards"). NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. The requirements of NI 43-101 and the CIM Standards differ from the requirements of the SEC

that are applicable to domestic United States reporting companies under subpart 1300 of Regulation S-K ("S-K 1300") under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). As an issuer that prepares and files its reports with the SEC pursuant to the multi-jurisdictional disclosure system of the Exchange Act, the Company is not subject to the requirements of S-K 1300. Any mineral resources reported by the Company in accordance with NI 43-101 and CIM Standards may not qualify as such under or differ from those prepared in accordance with S-K 1300. Accordingly, information included in this MD&A concerning descriptions of mineralization and estimates of mineral resources under Canadian standards may not be comparable to similar information made public by United States companies subject to the reporting and disclosure requirements of S-K 1300.

**OUTSTANDING SHARE DATA AS AT THE DATE OF THIS MD&A**

- a) Issued share capital: 181,732,963 common shares
- b) Outstanding stock options:

<b>Expiry Date</b>	<b>Outstanding Options</b>	<b>Average Exercise Price C\$</b>
June 2024	436,666	0.45
October 2024	66,666	5.76
May 2025	840,499	0.64
September 2025	525,000	1.32
October 2025	5,000	1.20
January 2026	53,333	2.82
February 2026	11,667	3.24
May 2026	233,073	3.57
December 2026	65,000	5.30
January 2027	16,667	5.01
February 2027	2,120,833	4.20
May 2027	83,333	4.32
June 2027	166,667	3.75
November 2027	133,334	3.65
December 2027	50,000	3.30
January 2028	25,000	3.38
February 2028	44,681	3.10
April 2028	67,000	2.61
May 2028	2,070,500	2.79
June 2028	60,000	3.10
August 2028	22,500	3.14
October 2028	35,000	4.24
January 2029	125,000	6.25
February 2029	260,000	6.16
March 2029	40,000	5.37
April 2029	37,000	6.20
	<b>7,594,419</b>	

- c) Outstanding share purchase warrants:

<b>Expiry Date</b>	<b>Outstanding Warrants</b>	<b>Exercise Price C\$</b>
May 2025	56,444	3.251
February 2026	21,191,890	3.806
	<b>21,248,334</b>	

- d) Convertible Promissory note:

A portion of the consideration paid to Energy Fuels, Inc in the Company's acquisition of the Alta Mesa Project was a \$60,000,000 secured vendor take-back convertible promissory note. The Promissory Note has a two-year term and bears interest at 8% per annum.



During the year ended December 31, 2023, the Company paid \$40,000,000 of the principal balance off, reducing the outstanding principal balance at that date to \$20,000,000. In February 2024, the balance was converted by issuance of 6,872,143 common shares to the debt holder eliminating the debt.