



ANNUAL REPORT

February 28, 2011

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**Financial Statements
February 28, 2011 and February 28, 2010
(Canadian Funds)**

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Uranium North Resources Corp.

We have audited the accompanying financial statements of Uranium North Resources Corp. which comprise the balance sheets as at February 28, 2011 and 2010 and the statements of operations and comprehensive loss, cash flows, and shareholders' equity for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Uranium North Resources Corp. as at February 28, 2011 February 28, 2010 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

“DAVIDSON & COMPANY LLP”

Vancouver, Canada

Chartered Accountants

May 25, 2011



URANIUM NORTH RESOURCES CORP

Balance Sheets Canadian Funds

	February 28, 2011	February 28, 2010
ASSETS		
Current		
Cash	\$ 7,625,019	\$ 738,794
Receivables	61,485	7,844
Prepaid expenses	12,751	12,078
	<u>7,699,255</u>	<u>758,716</u>
Mineral properties (Note 4)	11,224,164	11,249,740
Deposit	13,525	-
Equipment (Note 5)	24,341	22,420
	<u>\$ 18,961,285</u>	<u>\$ 12,030,876</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 110,479	\$ 78,075
Due to related parties (Note 9)	85,112	244,123
	<u>195,591</u>	<u>322,198</u>
Future income tax liability (Note 11)	-	267,000
	<u>195,591</u>	<u>589,198</u>
SHAREHOLDERS' EQUITY		
Share capital (Note 6)	22,339,828	14,310,053
Option compensation	988,255	1,033,202
Contributed surplus	516,406	160,034
Deficit	(5,078,795)	(4,061,611)
	<u>18,765,694</u>	<u>11,441,678</u>
	<u>\$ 18,961,285</u>	<u>\$ 12,030,876</u>

Nature and Continuation of Operations (Note 1)

Commitments (Note 12)

Subsequent Event (Note 14)

On behalf of the Board:

Mark Kolebaba

Geir L. Liland

See Accompanying Notes to the Financial Statements

URANIUM NORTH RESOURCES CORP

Statements of Operations and Comprehensive Loss

Canadian Funds

	Years Ended	
	February 28, 2011	February 28 2010
Expenses		
Accounting and audit	\$ 80,600	\$ 79,980
Administration and management fees	95,433	77,162
Amortization	6,970	7,718
Annual report and meeting	14,293	10,771
Consulting fees	2,878	1,540
Directors' fees	89,000	75,000
Filing fees	9,616	9,620
Insurance	22,642	13,208
Investor relations and promotion	187,601	175,679
Legal fees	4,057	5,394
Office and miscellaneous	23,963	23,377
Rent	43,042	52,233
Stock-based compensation <i>(Note 6(d))</i>	40,573	204,523
Transfer agent fees	14,555	13,810
Wages and benefits	25,363	35,967
	(660,586)	(785,982)
Other items		
Interest income	4,390	11,851
Property investigation	(284)	(3,817)
Write-off of mineral properties <i>(Note 4)</i>	(848,454)	(1,489,248)
Loss before income taxes	(1,504,934)	(2,267,196)
Future income tax recoveries <i>(Note 11)</i>	487,750	618,875
Loss and comprehensive loss for the year	\$ (1,017,184)	\$ (1,648,321)
Basic and diluted loss per share	\$ (0.02)	\$ (0.04)
Weighted average number of common shares outstanding	55,598,850	45,001,732

See Accompanying Notes to the Financial Statements

URANIUM NORTH RESOURCES CORP

Statements of Cash Flows

Canadian Funds

	Years Ended	
	February 28, 2011	February 28, 2010
Cash flows used in operating activities		
Loss for the year	\$ (1,017,184)	\$ (1,648,321)
Items not involving cash		
Amortization	6,970	7,718
Stock-based compensation	40,573	204,523
Write-off of mineral properties	848,454	1,489,248
Future income tax recoveries	(487,750)	(618,875)
Net change in non-cash working capital items		
Receivables	(53,641)	28,266
Prepaid expenses	(673)	(9,484)
Deposit	(13,525)	-
Accounts payable and accrued liabilities	944	8,878
Due to related parties	(120,605)	102,963
	(796,437)	(435,084)
Cash flows used in investing activities		
Expenditures on mineral properties, net of recoveries	(853,285)	(888,113)
Purchase of equipment	(8,891)	(1,787)
	(862,176)	(889,900)
Cash flows provided by financing activities		
Shares issued for cash, net of issue costs	8,544,838	268,648
Increase (decrease) in cash and cash equivalents	6,886,225	(1,056,336)
Cash, beginning of year	738,794	1,795,130
Cash, end of year	\$ 7,625,019	\$ 738,794

Supplemental Disclosure with Respect to Cash Flow (Note 7)

See Accompanying Notes to the Financial Statements

URANIUM NORTH RESOURCES CORP
Statements of Shareholders' Equity

Years Ended February 28, 2011 and February 28, 2010
Canadian Funds

	Share Capital		Option	Contributed	Deficit	Total
	No. of Shares	Amount	Compensation	Surplus		Shareholders' Equity
	(Note 6)		(Note 6(d))			
Balance, February 29, 2009	42,962,953	\$ 13,904,724	\$ 852,387	\$ 135,430	\$ (2,413,290)	\$ 12,479,251
Shares issued for cash						
Private placements, net of issue costs	2,262,517	268,648				268,648
Issued for other consideration						
Tax cost on flow-through shares renunciation		(67,875)				(67,875)
Issue of shares for debt	600,000	205,452				205,452
Stock-based compensation			204,523			204,523
Fair value of finder's fee warrants		(896)		896		-
Fair value of options cancelled			(23,708)	23,708		-
Loss for the year					(1,648,321)	(1,648,321)
	2,862,517	405,329	180,815	24,604	(1,648,321)	(1,037,573)
Balance, February 28, 2010	45,825,470	14,310,053	1,033,202	160,034	(4,061,611)	11,441,678
Shares issued for cash						
Private placements, net of issue costs	37,666,185	8,409,410				8,409,410
Exercise of options	853,750	100,875				100,875
Exercise of warrants	92,430	11,092				11,092
Issued for other consideration						
Tax cost on flow-through shares renunciation		(220,750)				(220,750)
Stock-based compensation			40,573			40,573
Fair value of finder's fee warrants		(332,274)		332,274		-
Fair value of options cancelled			(24,098)	24,098		-
Transfer to share capital on exercise of options		61,422	(61,422)			-
Loss for the year					(1,017,184)	(1,017,184)
	38,612,365	8,029,775	(44,947)	356,372	(1,017,184)	7,324,016
Balance February 28, 2011	84,437,835	\$ 22,339,828	\$ 988,255	\$ 516,406	\$ (5,078,795)	\$ 18,765,694

See Accompanying Notes to the Financial Statements

URANIUM NORTH RESOURCES CORP

Notes to Financial Statements

Years Ended February 28, 2011 and February 28, 2010

Canadian Funds

1. Nature and Continuance of Operations

The Company was incorporated on March 2, 2006 pursuant to the *Company Act* (British Columbia) and on December 7, 2006 the common shares of the Company were listed for trading on the TSX Venture Exchange ("Exchange"). The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The Company is considered to be in the exploration stage and does not have operating cash flow.

These financial statements have been prepared on a going concern basis in accordance with Canadian generally accepted accounting principles, which assumes the realization of assets and liquidation of liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent on continued financial support from its shareholders and other related parties, the ability of the Company to raise equity financing, and the attainment of profitable operations, external financings and further share issuances to meet the Company's liabilities as they become payable. These financial statements do not reflect adjustments in the carrying value of the assets and liabilities, the reported expenses, and the balance sheet classifications used, that would be necessary if the Company was unable to realize its assets and settle its liabilities as a going concern in the normal course of operations, and that such adjustment could be material. Management believes it has sufficient working capital to maintain its operation for the upcoming fiscal year.

2. Significant Accounting Policies

(a) Basis of Presentation

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and the functional currency is the Canadian dollar.

(b) Mineral Properties

Acquisition costs of mineral properties and direct exploration and development expenditures thereon are capitalized on an individual prospect basis. Costs relating to properties abandoned are written-off when such decision is made. When production is attained, these costs will be reclassified as mining assets and amortized using the unit-of-production method based upon estimated recoverable reserves.

If, after management review, it is determined that the carrying amount of a mineral property is impaired, that property is written down to its estimated net realizable value. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to develop the properties and future profitable production from the properties or proceeds from disposition.

Ownership in mineral interests involves certain inherent risks due to the difficulties of determining the validity of certain mineral claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral interests. The Company has investigated title to its mineral interests and, to the best of its knowledge, ownership of its interests are in good standing

URANIUM NORTH RESOURCES CORP

Notes to Financial Statements

Years Ended February 28, 2011 and February 28, 2010

Canadian Funds

2. Significant Accounting Policies (Continued)

(c) Property Option Agreements

From time to time, the Company may acquire or dispose of properties pursuant to the terms of option agreements. Due to the fact that options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as mineral property costs or recoveries when the payments are made or received. The Company does not accrue the estimated costs of maintaining its mineral interests in good standing.

(d) Equipment

Equipment is recorded at cost less accumulated amortization. Amortization is recognized using the following:

Furniture and fixtures - 20% declining balance
Computer equipment - 30% declining balance
Leasehold improvements – straight line basis over term of lease

(e) Stock-Based Compensation

The Company accounts for stock-based payments to directors, employees and non-employees, including direct awards of stock, using the Black-Scholes option pricing model, a fair value based method, and are recorded over the period the stock-based payments are vested with a corresponding increase in shareholders' equity under option compensation. When stock options are exercised the corresponding fair value is transferred to share capital. When stock options are forfeited, cancelled or expired the corresponding fair value is transferred to contributed surplus.

(f) Earnings (Loss) per Share

Basic earnings (loss) per share is computed by dividing income (loss) available to common shareholders by the weighted average number of common shares outstanding during the period. The computation of diluted earnings per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on earnings per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the "if converted" method. The dilutive effect of outstanding options and warrants and their equivalents is reflected in diluted earnings per share by application of the treasury stock method.

For the years presented, this calculation proved to be anti-dilutive and is not presented separately.

(g) Asset Retirement Obligation

An asset retirement obligation is an obligation associated with the retirement of tangible long-lived assets that the Company is required to settle. The Company recognizes the fair value of a liability for an asset retirement obligation in the year in which it is incurred when a reasonable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability.

The Company does not have any significant asset retirement obligations.

URANIUM NORTH RESOURCES CORP

Notes to Financial Statements

Years Ended February 28, 2011 and February 28, 2010

Canadian Funds

2. Significant Accounting Policies (Continued)

(h) Share Capital

Share capital is comprised of proceeds from share issuances, net of issue costs. Shares issued for consideration other than cash are valued at the quoted market price on the date of issue.

Canadian tax legislation permits a company to issue flow-through common shares whereby the deduction for tax purposes relating to qualified resource expenditures is claimed by the investor(s) rather than the company. The Company records a future income tax liability and a reduction in share capital for the estimated tax benefit transferred to the investor(s), when expenditures are renounced.

When flow-through expenditures are renounced, a portion of future income tax assets not recognized in previous years, due to the recording of valuation allowance, will be offset against related future income tax liabilities and recognized as a recovery of future income taxes in the Statement of Operations.

(i) Future Income Taxes

Future income taxes are recorded using the asset and liability method whereby future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment or enactment occurs. To the extent that the Company does not consider it more likely than not that a future tax asset will be recovered, it provides a valuation allowance against the excess.

(j) Management's Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas of estimate include the impairment of assets and rates for amortization, accrued liabilities, future income tax balances and valuation allowances, and the determination of stock-based compensation. Actual results may differ from those estimates and may impact future results of operations and cash flows.

URANIUM NORTH RESOURCES CORP

Notes to Financial Statements

Years Ended February 28, 2011 and February 28, 2010

Canadian Funds

2. Significant Accounting Policies (Continued)

(k) Financial Instruments

The Company classifies all financial instruments as either held-for-trading, available-for-sale, held-to-maturity, loans and receivables or other financial liabilities. Financial instruments are required to be measured at fair value on initial recognition. Measurement in subsequent periods depends on the financial instruments classification. Held-for-trading instruments are measured at fair value with unrealized gains and losses recognized in results of operations. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income. Instruments held-to-maturity, loans and receivables and other financial liabilities are measured at amortized cost.

The Company has classified its cash and cash equivalents as held-for-trading. Receivables are classified as loans and receivables. Accounts payable and accrued liabilities and amounts due to related parties are classified as other financial liabilities; all of which are measured at amortized cost.

The Company follows CICA Handbook Section 3862, *Financial instruments – disclosures*, which requires entities to provide disclosures in their financial statements that enable users to evaluate (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the balance sheet date, and how the entity manages such risks.

The Company also follows CICA Handbook Section 3863, *Financial instruments – presentation*, which establishes standards for presentation of financial instruments and non-financial derivatives. It deals with the classification of financial instruments, from the perspective of the issuer, between liabilities and equity, the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities are offset.

(l) Capital disclosures

The Company follows CICA Handbook Section 1535 *Capital Disclosures*, which sets out standards for disclosing information about an entity's capital and how it is managed. See Note 8 for disclosure.

(m) Comprehensive Income

Comprehensive income is defined as the change in equity (net assets) from transactions and other events from non-owner sources. Other comprehensive income is defined as revenues, expenses, gains and losses that, in accordance with primary sources of GAAP, are recognized in comprehensive income, but excluded from net income. This would include holding gains and losses from financial instruments classified as available-for-sale. The Company does not have any comprehensive income items.

URANIUM NORTH RESOURCES CORP

Notes to Financial Statements

Years Ended February 28, 2011 and February 28, 2010

Canadian Funds

3. Recent Accounting Pronouncements

(a) International Financial Reporting Standards (“IFRS”)

In February 2008, the Canadian Accounting Standards Board announced that 2011 is the changeover date for publicly-listed companies to use the IFRS, replacing Canada’s own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of March 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended February 28, 2011.

(b) Business Combinations, Non-controlling Interest and Consolidated Financial Statements

In January 2009, the CICA issued Handbook Sections 1582 *Business Combinations*, 1601 *Consolidated Financial Statements* and 1602 *Non-controlling Interests* which replace CICA Handbook Sections 1581 *Business Combinations* and 1600 *Consolidated Financial Statements*. Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combinations accounting standard under IFRS. Section 1582 is applicable for the Company’s business combinations with acquisition dates on or after January 1, 2011. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. Section 1601 is applicable for the Company’s interim and annual consolidated financial statements for its fiscal year beginning January 1, 2011. Early adoption of these Sections is permitted and all three Sections must be adopted concurrently.

The Company does not anticipate the adoption of the above standards will have a significant impact on the Company’s consolidated financial statements.

URANIUM NORTH RESOURCES CORP

Notes to Financial Statements

Years Ended February 28, 2011 and February 28, 2010

Canadian Funds

4. Mineral Properties

At February 28, 2011 and 2010, expenditures made on mineral properties by the Company are as follows:

	Amer Lake Nunavut	S. Baker Nunavut	Hepburn NWT	Yathkyed Nunavut	Gold Properties	Total
Balance, February 28, 2010	\$5,873,788	\$3,984,262	\$847,547	\$389,321	\$154,822	\$11,249,740
Additions during period:						
Acquisition costs	-	-	-	-	2,097	2,097
Exploration:						
Airborne	-	-	-	-	832	832
Camp costs	6,000	46,674	-	-	15,958	68,632
Drilling	-	-	-	-	94,156	94,156
Environment	-	954	-	-	5,204	6,158
Geology	13,137	8,136	907	2,828	288,705	313,713
Mob/Demobilization	76,709	-	-	-	7,740	84,449
Permitting	-	-	-	-	165,464	165,464
Property	2,384	-	-	-	85,083	87,467
	98,230	55,764	907	2,828	663,142	820,871
Less:						
Recoveries	-	-	-	-	(90)	(90)
Write-off	-	-	(848,454)	-	-	(848,454)
	-	-	(848,454)	-	(90)	(848,544)
Net additions	98,230	55,764	(847,547)	2,828	665,149	(25,576)
Balance, February 28, 2011	\$5,972,018	\$4,040,026	\$ -	\$392,149	\$819,971	\$11,224,164

URANIUM NORTH RESOURCES CORP

Notes to Financial Statements

Years Ended February 28, 2011 and February 28, 2010

Canadian Funds

4. Mineral Properties (Continued)

	Amer Lake Nunavut	S. Baker Nunavut	Thelon NWT	Hepburn NWT	Sask.	Yathkyed Nunavut	Gold Properties	Total
Balance, February 28, 2009	\$4,787,534	\$4,388,701	\$210,779	\$825,175	\$1,276,718	\$369,199	\$ -	\$11,858,106
Additions during period:								
Acquisition costs	-	-	-	-	-	-	85,799	85,799
Exploration:								
Airborne	-	1,772	-	-	-	506	-	2,278
Camp costs	153,441	6,000	-	18,343	-	69	-	177,853
Drilling	849,383	2,261	-	-	-	-	-	851,644
Environment	815	-	-	-	-	-	-	815
Geology	78,151	16,960	577	4,029	1,149	8,099	10,165	119,130
Mob/Demobilization	11,134	7,560	-	-	-	-	-	18,694
Modelling	33,776	-	-	-	-	-	-	33,776
Permitting	3,303	1,775	-	-	-	-	-	5,078
Property	6,159	5,235	-	-	25	11,448	58,858	81,725
	1,136,162	41,563	577	22,372	1,174	20,122	69,023	1,290,993
Less:								
Recoveries	(49,908)	(446,002)	-	-	-	-	-	(495,910)
Write-off	-	-	(211,356)	-	(1,277,892)	-	-	(1,489,248)
	(49,908)	(446,002)	(211,356)	-	(1,277,892)	-	-	(1,985,158)
Net additions	1,086,254	(404,439)	(210,779)	22,372	(1,276,718)	20,122	154,822	(608,366)
Balance, February 28, 2010	\$5,873,788	\$3,984,262	\$ -	\$847,547	\$ -	\$389,321	\$154,822	\$11,249,740

URANIUM NORTH RESOURCES CORP

Notes to Financial Statements

Years Ended February 28, 2011 and February 28, 2010

Canadian Funds

4. Mineral Properties (Continued)

The Company holds the following mineral claims and permits:

(a) Amer Lake, Nunavut

The Company holds a 100% interest in certain claims subject to a 2% gross overriding royalty ("GOR") in respect of diamonds, a 5% royalty on uranium production and a 2% net smelter returns royalty ("NSR") in respect of other metals.

The claims are subject to a 3% royalty on uranium payable to MPH, of which the Company may purchase two-thirds of this royalty for total cash payments of \$2,000,000. In addition, the permits are also subject to a 2% NSR, a 3% royalty on uranium and a 2% GOR on diamonds, all payable to Diamonds North Resources Ltd. ("Diamonds North"), a company related by virtue of directors in common.

(b) S. Baker, Nunavut

The Company holds a 100% interest in certain claims subject to a 2% GOR in respect of diamonds, a 5% royalty on uranium production and a 2% NSR in respect of other metals.

(c) Hepburn, NWT

The Company holds a 100% interest to explore for and develop uranium subject to a 5% uranium royalty.

During the year ended February 28, 2011, the Company wrote off acquisition and exploration costs of \$848,454. The Company still holds the uranium rights on the property and due to the prospective nature, may further fund and explore in the future.

(d) Yathkyed, Nunavut

The Company holds a 100% interest in mineral claims located in the Thelon Region of Nunavut.

(e) Gold Properties

i) Mallery Lake, Nunavut

The Company holds a 100% interest in certain claims acquired by staking.

ii) Aura, Nunavut

The Company holds a 100% interest in certain prospecting permits and mineral claims.

iii) Garry, Nunavut

The Company holds a 100% interest in certain prospecting permits located northwest of the Amer Lake property

URANIUM NORTH RESOURCES CORP

Notes to Financial Statements

Years Ended February 28, 2011 and February 28, 2010

Canadian Funds

4. Mineral Properties (Continued)

(f) Carswell East, Saskatchewan

The Company held a 100% interest in claims acquired by staking. During the year ended February 28, 2010, the Company allowed the claims to lapse and accordingly, wrote-off expenditures of \$1,277,892.

(g) Thelon, NWT

The Company held a 100% interest subject to an agreement with Bayswater Uranium Corp. ("Bayswater") who has an option to earn an 80% interest, and holds the right to explore for and develop uranium and all other metals (except diamonds) in additional claims subject to a 5% royalty on uranium production and a 2% NSR in respect of other metals.

In order to earn their 80% interest, Bayswater was required to make staged exploration expenditures totaling \$4,000,000, of which \$2,000,000 has been incurred to date. The Company and Bayswater have agreed to suspend the remaining required exploration expenditures due to permitting restrictions.

Due to uncertainty regarding permitting, the Company has written off acquisition and exploration costs of \$211,356 during the fiscal year ended February 28, 2010.

5. Equipment

Details are as follows:

February 28, 2011	Cost	Accumulated Amortization	Net Book Value
Furniture and fixtures	\$ 12,778	\$ (6,026)	\$ 6,752
Computer equipment	31,313	(18,152)	13,161
Leasehold improvements	4,920	(492)	4,428
	<u>\$ 49,011</u>	<u>\$ (24,670)</u>	<u>\$ 24,341</u>

February 29, 2010	Cost	Accumulated Amortization	Net Book Value
Furniture and fixtures	\$ 12,777	\$ (4,337)	\$ 8,440
Computer equipment	27,343	(13,363)	13,980
	<u>\$ 40,120</u>	<u>\$ (17,700)</u>	<u>\$ 22,420</u>

6. Share Capital

(a) Authorized

Unlimited common shares without par value.

URANIUM NORTH RESOURCES CORP

Notes to Financial Statements

Years Ended February 28, 2011 and February 28, 2010

Canadian Funds

6. Share Capital (Continued)

(b) Share Issuances

Fiscal 2011

- i) On July 7, 2010, the Company completed the first tranche of a non-brokered private placement for the issuance of 3,350,000 flow-through common shares at \$0.08 per share and 400,000 non flow-through units at \$0.08 per unit. Each unit consists of one common share and one-half share purchase warrant. Each whole share purchase warrant will entitle the holder to purchase one common share at a price of \$0.12 until July 5, 2011. Finder's fees of \$1,680 were paid and 35,000 warrants to purchase up to 35,000 common shares at a price of \$0.12 per share were issued. The warrants expire on July 5, 2011. Using the Black-Scholes option pricing model, a fair value of \$1,058 was assigned to these warrants and added to contributed surplus. The fair value of the compensatory warrants was estimated using the Black-Scholes option pricing model with a risk free rate of 0.88%, an expected life of 1 year, an expected volatility of 71.93% and an expected dividend yield of 0%. The Company incurred additional share issue costs in the amount of \$4,285 in connection with the placement.
- ii) On July 13, 2010, the Company completed the second tranche of a non-brokered private placement for the issuance of 6,437,500 flow-through common shares at \$0.08 per share and 1,275,000 non flow-through units at \$0.08 per unit. Each unit consists of one common share and one-half share purchase warrant. Each whole share purchase warrant will entitle the holder to purchase one common share at a price of \$0.12 until July 7, 2011. Finder's fees of \$26,120 were paid and 451,500 warrants to purchase up to 451,500 common shares at a price of \$0.12 per share were issued of which 14,000 warrants expire on July 5, 2011 and 437,500 warrants expire on July 7, 2011. Using the Black-Scholes option pricing model, a fair value of \$5,413 was assigned to these warrants and added to contributed surplus. The fair value of the compensatory warrants was estimated using the Black-Scholes option pricing model with a risk free rate of 0.88%, an expected life of 1 year, an expected volatility of 71.93% and an expected dividend yield of 0%. The Company incurred additional share issue costs in the amount of \$19,564 in connection with the placement.
- iii) On July 14, 2010, the Company completed the final tranche of a non-brokered private placement for the issuance of 1,250,000 flow-through common shares at \$0.08 per share. Finder's fees of \$6,000 were paid. The Company incurred additional share issue costs in the amount of \$500 in connection with the placement.
- iv) On February 8, 2011, the Company completed a brokered private placement for the issuance of 6,423,685 flow-through common shares at \$0.38 per share and 18,530,000 non flow-through units at \$0.30 per unit. Each unit consists of one common share and one-half share purchase warrant. Each whole share purchase warrant will entitle the holder to purchase one common share for a period of eighteen months at a price of \$0.38 per share for the first twelve months of the term and \$0.45 per share for the remainder of the term. Finder's fees of \$450,000 were paid and 1,418,274 warrants to purchase up to 1,418,274 common shares at a price of \$0.30 per share were issued. The warrants expire on August 8, 2012. Using the Black-Scholes option pricing model, a fair value of \$326,861 was assigned to these warrants and added to contributed surplus. The fair value of the compensatory warrants was estimated using the Black-Scholes option pricing model with a risk free rate of 1.15%, an expected life of 1 year, an expected volatility of 98.08% and an expected dividend yield of 0%. The Company incurred additional share issue costs in the amount of \$99,440 in connection with the placement.

URANIUM NORTH RESOURCES CORP

Notes to Financial Statements

Years Ended February 28, 2011 and February 28, 2010

Canadian Funds

6. Share Capital (Continued)

(b) Share Issuances (Continued)

Fiscal 2010

- (i) In June 2009, the Company completed a non-brokered private placement for the issue of 2,262,517 flow-through common shares at a purchase price of \$0.12 per share. Finder's fee warrants of 32,666 were issued to purchase up to 32,666 common shares at a price of \$0.20 per share. The warrants expired on June 22, 2010. Using the Black-Scholes option pricing model, a fair value of \$896 was assigned to these warrants and added to contributed surplus. The fair value of the compensatory warrants was estimated using the Black-Scholes option pricing model with a risk free rate of 0.28%, an expected life of 1 year, an expected volatility of 121% and an expected dividend yield of 0%. The Company incurred additional share issue costs in the amount of \$2,853 in connection with the placement.
- (ii) In May 2009, the Company issued 600,000 common shares to settle payables of \$205,452.

(c) Stock Options

Options to purchase common shares have been granted to directors, officers, employees and consultants at an exercise price determined by reference to the market value on the date of grant. Under the Company's stock option plan, the Company may grant stock options for the purchase of up to 9,165,000 common shares. Vesting of stock options is either at 25% on the date of grant and 12.5% every quarter thereafter, or at the discretion of the board of directors.

As at February 28, 2011, the Company had stock options outstanding for the purchase of 4,915,578 common shares (2010 – 5,970,577) of which 4,493,078 stock options (2010 – 4,278,077) were exercisable with a weighted average exercise price of \$0.47 (2010 - \$0.52) per option.

	Shares	Weighted Average Exercise Price
Outstanding at February 28, 2009	4,689,573	\$ 0.53
Granted	1,730,000	0.10
Cancelled/Expired	(448,996)	0.54
Outstanding at February 28, 2010	5,970,577	0.40
Granted	-	-
Exercised	(853,750)	0.12
Cancelled/Expired	(201,249)	0.80
Outstanding at February 28, 2011	4,915,578	\$ 0.44

URANIUM NORTH RESOURCES CORP

Notes to Financial Statements

Years Ended February 28, 2011 and February 28, 2010

Canadian Funds

6. Share Capital (Continued)

(c) Stock Options (Continued)

The following summarizes information about stock options outstanding at February 28, 2011:

Expiry Date	Exercise Price	Number of Shares
April 12, 2011	0.848	234,328
October 11, 2011	0.750	1,875,000
May 1, 2012	0.920	150,000
February 8, 2013	0.500	200,000
September 19, 2013	0.150	1,270,000
November 25, 2014	0.100	1,186,250
Options outstanding		4,915,578

Subsequent to February 28, 2011, 234,328 options with an exercise price of \$0.848 expired unexercised.

(d) Stock-Based Compensation

During the year ended February 28, 2011 the Company granted stock options to employees, directors and consultants to acquire up to Nil common shares at an exercise price of \$Nil per share (2010 – 1,750,000 common shares at an exercise price of \$0.10 per share).

The fair value of options granted during the fiscal year was \$Nil (2010 - \$86,947) or \$Nil (2010 - \$0.05) per option. Total stock based compensation expense recognized for options that vested during the fiscal year was \$40,573 (2010 - \$204,523). The fair value of unvested options outstanding at fiscal year end was \$3,360(2010 - \$43,933).

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted average assumptions:

	February 28, 2011	February 28, 2010
Risk-free interest rate	-	1.98%
Expected dividend yield	-	-
Expected stock price volatility	-	113%
Expected option life in years	-	4.25

URANIUM NORTH RESOURCES CORP

Notes to Financial Statements

Years Ended February 28, 2011 and February 28, 2010

Canadian Funds

6. Share Capital (Continued)

(e) Warrants

At February 28, 2011, the Company had outstanding warrants to purchase an aggregate of 11,900,844 common shares as follows:

Exercise Price	Expiry Date	Outstanding at February 28, 2010	Issued	Exercised	Expired	Outstanding at February 28, 2011
\$0.20	June 22, 2010	32,666	-	-	(32,666)	-
\$0.12	July 5, 2011	-	235,000	(92,430)	-	142,570
\$0.12	July 7, 2011	-	1,075,000	-	-	1,075,000
\$0.38	*August 8, 2012	-	9,265,000	-	-	9,265,000
\$0.30	August 8, 2012	-	1,418,274	-	-	1,418,274
		32,666	11,993,274	(92,430)	(32,666)	11,900,844

* These warrants have an exercise price of \$0.38 for the first year and \$0.45 for the following six months.

Subsequent to February 28, 2011, 7,070 warrants with an exercise price of \$0.12 were exercised for gross proceeds of \$848.

7. Supplemental Disclosure With Respect To Cash Flows

	2011	2010
Significant non-cash investing and financing activities:		
Income tax effect on flow-through share renouncement	\$ 220,750	\$ 67,875
Fair value of finder's fee warrants issued	332,274	897
Shares issued for outstanding payables relating to mineral properties	-	205,452
Share issuance costs included in accounts payable	23,461	-
Mineral property expenditures included in accounts payable	32,793	24,794
Mineral property expenditures included in due to related parties	33,247	71,653
Other cash flow information		
Interest paid	-	-
Income taxes paid	-	-

URANIUM NORTH RESOURCES CORP

Notes to Financial Statements

Years Ended February 28, 2011 and February 28, 2010

Canadian Funds

8. Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company defines its capital as shareholder's equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets.

In order to facilitate the management of its capital requirements, the Company prepares periodic expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. These budgets require approval by the Board of Directors.

In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to keep its cash treasury on deposit in an interest bearing Canadian chartered bank account.

9. Related Party Transactions

- (a) For the year ended February 28, 2011, an officer of the Company charged a total of \$30,000 (2010 - \$30,000) which has been expensed as administration fees.
- (b) For the year ended February 28, 2011, an officer of the Company charged a total of \$42,000 (2010 - \$37,800) for accounting services.
- (c) For the year ended February 28, 2011, the president of the Company was paid \$60,000 (2010 - \$60,000) for administration and geological consulting, of which \$54,000 (2010 - \$54,000) of geological consulting has been charged to mineral properties.
- (d) For the year ended February 28, 2011, a director of the Company charged a total of \$Nil (2010 - \$1,750) for geological consulting fees, which has been charged to mineral properties.
- (e) For the year ended February 28, 2011, the four independent directors were paid an aggregate of \$72,000 in directors' fees with the members of the audit committee paid an additional \$17,000 for a total of \$89,000 (2010 - \$75,000).
- (f) For the year ended February 28, 2011, administration fees of \$27,968 (2010 - \$24,902), rent of \$43,042 (2010 - \$52,233) and management fees of \$37,465 (2010 - \$22,260) were charged by Diamonds North.
- (g) Amounts due to related parties, totalling \$85,112 (2010 - \$244,123), consists of \$4,719 (2010 - \$129,095) for expenses owed to a director and an officer of the Company, and \$80,393 (2010 - \$115,028) to Diamonds North for shared administrative expenses and exploration costs.

The above transactions, occurring in the normal course of operations, are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

10. Segmented Information

The Company has one operating segment, being mineral exploration, and all assets of the Company are located in Canada.

URANIUM NORTH RESOURCES CORP

Notes to Financial Statements

Years Ended February 28, 2011 and February 28, 2010

Canadian Funds

11. Income Taxes

The Company has accumulated non-capital losses for Canadian income tax purposes of approximately \$3,700,000 (2010 - \$2,900,000). The losses may be carried forward to reduce taxable income in future years and, unless utilized, will expire through 2031.

Significant components of the Company's future tax assets and liabilities are as follows:

	February 28, 2011	February 28, 2010
Future income tax assets		
Non-capital losses carried forward	\$ 933,000	\$ 734,000
Temporary differences on other assets	164,000	86,000
	1,097,000	820,000
Future income tax liability		
Mineral properties	(1,095,000)	(1,087,000)
Valuation allowance	(2,000)	-
	\$ -	\$ (267,000)

The reconciliation of income tax provision computed at statutory rates to the reported income tax provision is as follows:

	Years Ended	
	February 28, 2011	February 28, 2010
Income tax benefit computed at Canadian statutory rates	\$ 423,890	\$ 676,373
Temporary differences not recognized	(240,944)	(447,389)
Permanent differences not recognized	53,546	(207)
Recognition of previously unrecognized tax assets	251,258	390,098
Future income tax recovery	\$ 487,750	\$ 618,875

The Company renounced \$883,000 (2010 - \$271,502) of its mineral property expenditures to flow-through shareholders. The resultant loss of these tax deductions, which is treated as a cost of issuing flow-through shares, gives rise to a future income tax liability of \$220,750 (2010- \$67,875). This liability has been offset by the Company's recognition of future income tax assets that have been previously offset by a valuation allowance. As at February 28, 2011, the amount of flow-through proceeds remaining to be expended is approximately \$220,870.

URANIUM NORTH RESOURCES CORP

Notes to Financial Statements

Years Ended February 28, 2011 and February 28, 2010

Canadian Funds

12 Commitments

On May 4, 2010, the Company entered into a five-year sub lease agreement with Diamonds North for office premises effective August 1, 2010. Approximate future annual lease payments based on basic rent charges are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2012	30,272
2013	31,901
2014	33,529
2015	34,208
2016	17,104
	<u>\$ 147,014</u>

In addition to basic rent, the Company is also subject to its proportionate share of taxes and operating costs.

13. Financial Instruments

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities and due to related parties. The fair value of these financial instruments, other than cash, approximates their carrying value, due to their short-term nature. Cash are measured at fair value using level 1 inputs.

Credit Risk

Credit risk is the risk of a financial loss to the Company if counterparty to a financial instrument fails to meet its contractual obligations.

The Company's cash are primarily held in major Canadian financial institutions. The Company's receivables consist mainly of GST receivables due from the Federal Government of Canada. Management believes that the credit risk concentration with respect to financial instruments included in receivables is minimal.

Interest Rate Risk

The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and liabilities.

Liquidity Risk

The Company ensures that there is sufficient capital in order to meet annual business requirements, after taking into account administrative, property holding and exploration budgets, against cash and cash equivalent holdings. As the Company does not have operating cash flow, the Company has relied primarily on equity financings to meet its capital requirements.

Foreign Exchange Risk

The Company is not exposed to significant foreign exchange risk as it operates in Canada and makes few foreign currency purchases.

14. Subsequent Event

On April 20, 2011, the Company announced that it had signed an agreement with North Arrow Minerals Inc. to acquire exploration data for the Nowyak property included in Aura, in Nunavut. The purchase price for the data is \$15,000 cash and 75,000 common shares of the Company.

Description of Business

Uranium North Resources Corp. ("the Company" or "Uranium North") is an exploration stage company engaged in the acquisition and exploration of precious metals and uranium properties. The principal properties are located in northern Canada throughout Nunavut ("NU"), and the Northwest Territories ("NWT"). The Company trades on the TSX Venture Exchange ("Exchange") under the symbol "UNR" and is a reporting issuer in British Columbia and Alberta. The following discussion and analysis of the financial position and results of operations for the Company should be read in conjunction with the audited financial statements and the notes thereto for the year ended February 28, 2011.

Forward-Looking Statements

This Management's Discussion and Analysis ("MD&A") may contain forward-looking statements that involve risks and uncertainties. Forward-looking statements in this MD&A are only made as of May 26, 2011 (the "Report Date"). These statements involve known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievement expressed or implied by these forward looking statements.

Factors that could cause actual results to differ materially from these forward-looking statements include market prices, exploration success, and continued availability of capital and general economic, market or business conditions.

This list is not exhaustive and these and other factors should be considered carefully; readers should not place undue reliance on the Company's forward-looking statements. As a result of the foregoing and other factors, no assurance can be given as to any such future results, levels of activity or achievements and neither the Company nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements. The Company disclaims any intention and assumes no obligation to update any forward-looking statement contained in this document, even if new information becomes available, as a result of future events or for any other reason.

Bruce Kienlen, P. Geo and Graham Gill, P. Geo, the Company's qualified persons, reviewing the exploration projects described throughout the MD&A and are responsible for the design and conduct of the exploration programs and the verification and quality assurance of analytical results.

Company Overview and Projects

(a) Highlights for the Year Ended February 28, 2011

On March 24, 2010, the Company announced that it was awarded thirteen prospecting permits totalling 585,326 acres forming the 100% owned Aura consolidated gold property in Nunavut.

On May 4, 2010, the Company entered into a five-year sub lease agreement with Diamonds North for new office premises effective August 1, 2010. (See Commitments)

On May 18, 2010, the Company announced that it had staked and recorded mineral claims over the F13 and Robin prospects adjacent to the Aura prospecting permits.

On July 14, 2010, the Company completed a three tranche non-brokered private placement for the issuance of 11,037,500 flow-through common shares at \$0.08 per share and 1,675,000 non flow-through units at \$0.08 per unit for gross proceeds of \$1,017,000.

On August 12, 2010, the Company announced the expansion of the Mallery gold structure and identified new gold targets further north on the property.

On August 18, 2010, the Company announced that the 2010 exploration program had commenced on the Aura Gold project. The program is designed to develop drill targets on the Robin, F13 and Nowyak zones. The program focused on mapping, prospecting and sampling.

On October 14, 2010, the Company announced results from Phase 1 of the 2010 exploration program on the Mallery Stockwork project.

On November 4, 2010, the Company announced high gold and copper results on its Robin property.

On November 17, 2010, the Company introduced the 100% owned AN project within the Aura Consolidated Gold permits in Nunavut.

On December 1, 2010, the Company announced high gold, copper and silver results on its F13 property.

On January 12, 2011, the Company announced high gold, copper and silver results on its Nowyak property.

On February 1, 2011, the Company announced the results of rock and soil sampling on the Mallery Lake project.

On February 9, 2011, the Company completed a brokered private placement for the issuance of 6,423,685 flow-through common shares at \$0.38 per share and 18,530,000 non flow-through units at \$0.30 per unit for gross proceeds of \$8,000,000.

(b) Events Subsequent to February 28, 2011

On March 15, 2011, 7,070 warrants with an exercise price of \$0.12 were exercised for gross proceeds of \$848.

On April 20, 2011, the Company announced that it had signed an agreement with North Arrow Minerals Inc. to acquire exploration data for the Nowyak property in Nunavut. The purchase price for the data is \$15,000 cash and 75,000 common shares of the Company.

On May 4, 2011 announced that additional claims had been staked at the Mallery Stockwork project.

(c) Mallery Lake, Nunavut

On July 15, 2010 the Company announced that Phase 1 of the Mallery Lake exploration program had commenced. The Phase 1 exploration program was designed to identify high priority drill targets for an anticipated Phase 2 drill program.

Work carried out included prospecting, rock chip sampling and soil sampling over the known Mallery Stockwork structure and other parts of the property.

On October 14, 2010, the Company announced results from Phase 1 of the 2010 exploration program on the Mallery Stockwork project. Samples collected from the Mallery Stockwork have identified and confirmed several zones with high grade gold and silver. At least three high priority drill target areas have been identified. Of the 31 grab sample assays reported to date from the Mallery Stockwork, 16 samples assayed between 0.854 g/T Au and 54.2 g/T Au only three samples contain less than 0.100 g/T Au. The sample containing 54.2 g/T Au also contains 272 g/T Ag.

Detailed Descriptions of Drill Target Areas

The Mallery Stockwork comprises gold and silver bearing quartz veins. The stockwork is exposed in three areas, a North Central, an Eastern, and a Western zone. All surrounding areas are thinly covered by overburden; therefore, mineralization remains open in all directions. Initial results from the 2010 sampling program have outlined drill target areas in all three zones.

At the **North Central Zone**, gold and silver bearing quartz veins occur over an exposed area of 150 by 200 metres before going under overburden. Historical values range from under 1 g/T Au to 5.55 g/T Au. Sampling in 2010 has identified new quartz veins on the west side of the zone one of which, a 0.15 metre vein,

assayed 33.7 g/T Au and 27.3 g/T Ag. This is of particular interest as it may indicate increased gold and silver content westward from this showing.

Rock samples from the **Eastern Zone** highlight an area with high gold and silver assays up to 54.2 g/T Au and 272 g/T Ag. In addition, several discrete areas with angular gold bearing quartz boulders occur intermittently over 30 metres. The Eastern Zone is 250 metres east of the North Central Zone.

Rock samples from the **Western Zone** yield high gold and silver values up to 8.6 g/T Au and 6.7 g/T Ag from a 2.9 metre wide quartz vein. A second vein assayed 2.91 g/T Au and 10.7 g/T Ag. The second vein is of note as it appears to contain gold and silver at a ratio of 1:4 as observed at the Eastern Zone which is currently the highest priority drill target on the property. The Western zone is located 300 metres southwest of the North Central Zone and 700 metres west of the Eastern Zone.

The table below highlights assays of interest from each zone. Please refer to our website for a map and table of full results.

North Central Zone			Eastern Zone			Western Zone		
Sample	Au g/T	Ag g/T	Sample	Au g/T	Ag g/T	Sample	Au g/T	Ag g/T
UNR21	54.2	272	UNR6	33.7	27.3	UNR7	8.60	6.7
PD7	24.2	110	PD1	5.55	NA	UNR8	2.91	10.7
UNR2	6.52	24.5	PD2	3.10	NA	PD9	4.45	NA
UNR3	6.72	25.5	PD3	2.28	NA	PD10	2.21	NA
UNR4	3.64	14.9	PD4	2.14	NA	PD11	1.45	NA
UNR5	1.395	2.30	PD5	2.50	NA			
PD8	4.84	NA	PD6	1.62	NA			

UNR – Uranium North 2010 grab samples

PD – Phelps Dodge 1990's grab samples

The 2010 rock and soil samples collected from the Mallery property suggests that mineralization is significantly more widespread than previously known. Results for rock and soil samples demonstrate that gold is present in the volcanic rock that hosts the gold bearing veins at Mallery. Mineralized veins have yielded gold assays greater than 1 g/T Au up to 54 g/T Au. Silver / gold values occur on a 1:1 to 1:5 ratios with silver ranging from < 1 g/T to 272 g/T. Rock samples collected over sizeable intervals of the volcanic rock hosting the veins have also yielded gold mineralization. Of particular interest is a composite grab sample yielding 2.19 g/T Au over 8 metres, and chip samples of volcanic rocks with minor quartz vein material returning 1.45 g/T Au over 3 metres and 0.92 g/T Au over 2 metres. Recognizing that gold mineralization occurs in the host rock as well as the quartz veins increases the potential for wider zones of mineralization.

Graham Gill, P.Geo., is the Qualified Person as defined by National Instrument 43-101, reviewing the 2010 lab results for the Mallery Lake project. The 2010 sample results described were collected to determine the presence or absence of gold and silver mineralization and should not be interpreted as being representative of average grades. Samples were prepared and analyzed at ALS Canada Ltd. using the ultra low detection limit multi-element package ME-MS41L on a sample size of 0.5 grams. The sample is digested by aqua regia and finished with ICP-AES or ICP-MS. Coarse materials such as native gold may not be detected in such a small sample size so gold content was reanalyzed using analytical method AU-TL43 on a 12.5 gram sample size. This method uses an aqua regia digestion with an ICP-MS finish.

The Company has funded an independent detailed review of the project which has led to the recommendation of several drill holes. Planning for the 2011 core drilling program is underway with an estimated June start date. Drilling will focus on high grade gold / silver quartz veins attempting to prove continuity between zones, determine grade and identify a large area with open pit potential. In addition to drilling the Company will be doing a detailed ground magnetic survey on the property. The Company has staked claims to protect the surrounding land.

(d) Aura Consolidated Gold Project, Nunavut

During the 2010 field season, a total of 190 rock samples, 372 soil samples, and 77 heavy mineral till samples were collected on exploration permits and claims.

i) Robin

On November 4, 2010 the Company announced high gold and copper results on its Robin property. Samples assayed as high as 11.75 g/T gold and 2.18% copper.

A total of 52 rock samples were collected along a north south trending structural linear feature. Six areas along the trend yield samples assaying 1.0 g/T to 11.75g/T Au. These areas are considered immediate high interest for follow up exploration. In addition, 16 samples along the structure contain gold ranging from 0.1 to 0.746 g/T Au and 20 samples assaying 20 to 100 ppm Au that will require additional prospecting and more detailed sampling.

Sampling in 2010 also confirmed the presence of significant copper mineralization with 2 samples assaying 1.9% and 2.2% Cu and nine samples ranging between 0.1% to 0.6% Cu. Other elevated metals identified on the property include silver and lead. Silver assays ranging from 1.0 to 16.2 g/T Ag were observed in 16 samples and lead assays ranging from 0.14% to 1.14% Pb were observed in 4 samples.

The samples were grab samples collected to determine the presence or absence of gold mineralization. The results should not be interpreted as being representative of average grades. Samples were prepared and analyzed at ALS Canada Ltd. 30 grams of each pulverized sample were analyzed by multi-element four acid ICP-AES. Samples with greater than 10 g/T gold were re-analyzed with AA finish.

A review of geochemistry from soil and rock samples collected at Robin has led to planning the 2011 prospecting program. To test nature, continuity and extent of mineral sampling, additional soil sampling to the east, west and south will be undertaken. A magnetic survey over the structure is planned and other geophysical methods such as IP to attempt to develop drill targets.

ii) F13

On December 1, 2010, the Company announced high grade gold, copper and silver on its F13 property. Grab samples from mineralized rocks across the property have yielded numerous high grade assay values including 399.0 g/T gold, 129 g/T Ag and 17.1% copper.

A total of 44 rock samples were collected, 23 samples assayed greater than 1 g/T gold, 19 assayed greater than 1% copper and 24 assayed greater than 1 g/T silver.

Table 1- Top 30 rock samples collected at F13 in 2010

Au g/T	Ag g/T	Cu %	Au g/T	Ag g/T	Cu %	Au g/T	Ag g/T	Cu %
399	129	8.41	8.52	12.4	1.12	1.95	1.4	0.01
91.1	38	17.1	7.89	9.9	14.45	1.845	1	2.54
55.4	14.8	9.43	7.52	4.7	13.45	1.73	0.4	0.58
48.8	16.1	0.06	7.23	2.1	9.43	0.96	7.5	9.41
21.2	6.9	6.14	6.95	8.1	5.01	0.56	2.1	4.96
20	13.3	4.66	6.71	0.8	0.02	0.39	6.1	3.2
17.75	17.6	0.36	4.45	4.8	2.6	0.31	0.5	1.55
13.15	4	0.14	4.44	0.4	0.64	0.3	2.3	4
9.21	2.6	0.01	3.32	2.2	0.05	0.25	1	0.96
9.11	2.7	0.04	2.5	1.4	6.33	0.05	0.7	1.79

**All samples assayed were grab samples*

The 2010 program confirms historical sample results and has identified additional new high priority areas on the property. In addition, the results highlight two types of mineralization on the property; high gold - high copper/silver and high gold - low copper/silver. A review of the 2010 soil geochemical data and ground magnetics conducted this year is underway for the property. A detailed structural and geological analysis of the property will be completed prior to planning the 2011 exploration program.

The work program for 2011 includes additional soil sampling and detailed outcrop sampling. The program may also include overburden stripping, trenching or portable drill testing in an attempt to evaluate continuity and the extent of mineralization. IP surveying will be completed over areas with mineralization to develop drill targets.

iii) AN

On November 17, 2010, the Company introduced the AN project within the Aura Consolidated Gold permits. Historical surface rock samples at AN yielded high gold, silver and copper including reports of one sample assaying 72 g/T gold, 1193 g/T silver and 6.9% copper.

Plans for the AN project include detailed prospecting and sampling of the known mineralized area in preparation for drilling. Regional prospecting along the extension of the lithological /structural unit will be completed in an attempt to identify additional areas with mineralization. Because of similar geology and proximity to F134, AN will be explored in conjunction to F13.

iv) Nowyak

On January 12, 2011, the Company announced high grade gold, copper and silver on its Nowyak property. Surface grab samples have yielded values as high as 32.9 g/T gold, 1,350 g/T silver and 4.2% copper.

A total of 56 grab samples were collected along the structure. Twenty samples yielded gold values above 1 g/T, 10 samples with greater than 10 g/T silver and 12 samples with greater than 0.1% copper. The top 21 gold samples are shown below.

Table 1.21 rock samples results

Au g/T	Ag g/T	Cu %	Au g/T	Ag g/T	Cu %	Au g/T	Ag g/T	Cu %
32.9	1350	4.24	5.2	31.8	0.33	2.4	2.3	<0.1
26.7	232	0.69	4.3	8.3	0.01	1.7	5.6	<0.1
19.9	66.9	0.82	3.5	1.2	<0.1	1.4	2.4	<0.1
16.7	11.4	0.33	3.0	10.3	0.26	1.4	6.8	<0.1
15.2	3.4	<0.1	2.9	4.4	<0.1	1.1	10.5	<0.1
6.8	2.0	<0.1	2.7	4.3	<0.1	1.0	45.1	1.67
6.3	9.0	<0.1	2.5	7.8	0.14	0.9	82.7	3.24

The Company signed an agreement with North Arrow Minerals Inc. to acquire exploration data for the Nowyak project. The data includes geophysical, geological and sample assay data on the property collected in the late 1990's and early 2000's. The purchase price for this data was \$15,000 cash and 75,000 common shares of the Company.

The first part of the 2011 field season will include mapping, sampling and geophysics working toward a drill target. The second part of the season includes drilling of high priority targets, approximately 500 to 800metres of core drilling is expected.

Bruce Kienlen, P. Geo, is the Qualified Person as defined by National Instrument 43-101, and is responsible for collection of the till samples on the project and has reviewed and approved the technical information relating to the till samples. Linda Erdman, P. Geo and Geoffrey Goodall, P. Geo are responsible for design and execution of the 2010 program and have reviewed historical reports for the property. The historical work has not been verified by the Company; however, it appears to have been completed under standard best practices consistent with the time and appears to be of reasonable quality. Graham Gill, P. Geo, is the Qualified Person as defined by National Instrument 43-101, reviewing the 2010 lab results. 2010 sample results described in this news release were grab samples collected to determine the presence or absence of gold mineralization. The results should not be interpreted as being representative of average grades. Samples were prepared and analyzed at ALS Canada Ltd. 30 grams of each pulverized sample were analyzed by multi-element four acid ICP-AES. Samples with greater than 10 g/T gold were re-analyzed with AA finish.

Outlook

The Company anticipates approximately a \$3,100,000 budget for the 2011 field season.

The Mallery, F13, An, Nowyak and Robin gold opportunities were identified using a regional database owned by the Company. The Company has 100% ownership of these areas and has rapidly advanced these projects from grassroots ideas to now drill ready projects. The Nowyak, F13, Robin, An and Mallery prospects are all within a highly prospective underexplored regions.

Mallery

The company has funded an independent detailed review of the project which has led to the recommendation of several drill holes. Planning for the 2011 core drilling program is underway with an estimated June start date. Drilling will focus on high grade gold / silver quartz veins attempting to prove continuity between zones, determine grade and identify a large area with open pit potential. In addition to drilling the Company will be doing a detailed ground magnetic survey on the property. The Company has staked claims to protect the surrounding land.

Robin

A review of geochemistry from soil and rock samples collected at Robin has led to planning the 2011 prospecting program. To test nature, continuity and extent of mineral sampling, additional soil sampling to the east, west and south will be undertaken. A magnetic survey over the structure is planned and other geophysical methods such as IP to attempt to develop drill targets.

F13

The work program for 2011 includes additional soil sampling and detailed outcrop sampling. The program may also include overburden stripping, trenching or portable drill testing in an attempt to evaluate continuity and the extent of mineralization. IP surveying will be completed over areas with mineralization to develop drill targets.

AN

Plans for the AN project include detailed prospecting and sampling of the known mineralized area in preparation for drilling. Regional prospecting along the extension of the lithological /structural unit will be completed in an attempt to identify additional areas with mineralization. Because of similar geology and proximity to F134, AN will be explored in conjunction to F13.

Nowyak

The first part of the 2011 field season will include mapping, sampling and geophysics working toward a drill target. The second part of the season includes drilling of high priority targets, approximately 500 to 800metres of core drilling is expected

Amer

The Company has finalized contracts and permits for its 2011 work program on its 100% owned Amer Lake uranium property. The planned program will begin with approximately 2,500 metres of reverse circulation drilling on its southern extension of the Main Zone deposit. The Company has mobilized sufficient fuel and supplies to the region providing the option to increase the program to 5,000 metres.

URANIUM NORTH RESOURCES CORP.

Management's Discussion and Analysis
For the Year Ended February 28, 2011

Form 51-102F1

Mineral Property Expenditures Table

	Amer Lake Nunavut	S. Baker Nunavut	Hepburn NWT	Yathkyed Nunavut	Gold Properties	Total
Balance, February 28, 2010	\$5,873,788	\$3,984,262	\$847,547	\$389,321	\$154,822	\$11,249,740
Additions during period:						
Acquisition costs	-	-	-	-	2,097	2,097
Exploration:						
Airborne	-	-	-	-	832	832
Camp costs	6,000	46,674	-	-	15,958	68,632
Drilling	-	-	-	-	94,156	94,156
Environment	-	954	-	-	5,204	6,158
Geology	13,137	8,136	907	2,828	288,705	313,713
Mob/Demobilization	76,709	-	-	-	7,740	84,449
Permitting	-	-	-	-	165,464	165,464
Property	2,384	-	-	-	85,083	87,467
	98,230	55,764	907	2,828	663,142	820,871
Less:						
Recoveries	-	-	-	-	(90)	(90)
Write-off	-	-	(848,454)	-	-	(848,454)
	-	-	(848,454)	-	(90)	(848,544)
Net additions	98,230	55,764	(847,547)	2,828	665,149	(25,576)
Balance, February 28, 2011	\$5,972,018	\$4,040,026	\$ -	\$392,149	\$819,971	\$11,224,164

Selected Annual Information

Selected annual information from the Company's audited financial statements for the years ended February 28, 2011, 2010 and 2009.

	2011 (\$)	2010 (\$)	2009 (\$)
General and administration expenses	(660,586)	(785,982)	(871,592)
Loss for the year	(1,017,184)	(1,648,321)	(523,666)
Basic and diluted loss per share	(0.02)	(0.04)	(0.01)
Cash dividends per share	Nil	Nil	Nil
Other comprehensive income (loss)	Nil	Nil	Nil
Assets	18,961,285	12,030,876	13,720,291
Long-term liabilities	Nil	Nil	Nil

Results of Operations**(a) Current Quarter**

The Company's cash position increased from \$571,350 to \$7,625,019. The Company completed a brokered private placement for gross proceeds of \$8,000,000.

Receivables of \$61,485 include \$46,244 in HST filed and \$10,860 of bonding fees which has been received subsequent to February 28, 2011. Also included in receivables is \$4,380 of accrued interest.

In 2010 and early 2011, senior employees of the Company had mutually agreed to defer 10% of their salaries and the directors of the Company deferred their retainer. The Company has reinstated the senior employees salaries and the director's retainer and repaid the debt of \$236,383 in cash.

The Company received \$11,092 from the exercise of warrants dated July 5, 2011.

The Company received \$100,875 from the exercise of stock options.

Cash exploration funds from the June 2009 and May 2010 flow-through financing funded the \$820,871 in mineral property exploration cash expenditures. Cash exploration funds received from flow-through financings are used for Canadian exploration.

(b) Year Ended February 28, 2011

The Company completed a brokered private placement for the issuance of 6,423,685 flow-through common shares at \$0.38 per share and 18,530 non flow-through units at \$0.30 per unit for gross proceeds of \$8,000,000.

The Company completed a three tranche non-brokered private placement for the issuance of 11,037,500 flow-through common shares at \$0.08 per share and 1,675,000 non flow-through units at \$0.08 per unit for gross proceeds of \$1,017,000.

Result of operations for the year ended February 28, 2011 is discussed in comparison with the year ended February 28, 2011. General and administrative expenses of \$660,586 (2010 - \$785,982) represent a \$125,396 decrease compared to the comparative period. Notable changes include:

Accounting and audit fees were \$80,600 (2010 - \$79,980).

URANIUM NORTH RESOURCES CORP.**Management's Discussion and Analysis
For the Year Ended February 28, 2011****Form 51-102F1**

Administration and management fees of \$95,433 (2010 - \$77,162) increased by \$18,271.

Consulting fees of \$2,878 (2010 - \$1,540) represents an increase of \$1,338.

Investor relations and promotion expense of \$187,601 (2010 - \$175,679) reflects an increased presence at conferences and other trade shows. An increase in travel expenses of \$6,870 is a result of exposure in the European market. A breakdown of investor relations and promotion expenses is provided below:

	2011	2010
Administration	\$ 3,131	\$ 2,141
Advertising	4,454	6,681
Consulting	5,654	5,026
Conferences	43,444	31,214
Media	4,935	4,482
Printing	3,882	1,881
Promotional	6,707	5,356
Travel	13,002	6,132
Salary and benefits	102,392	112,766
	\$ 187,601	\$ 175,679

Directors' fees of \$89,000 (2010 - \$75,000) increased by \$14,000. January and February 2010 directors' fees were not recorded until the second quarter of 2010.

Wages and benefits of \$25,363 (2010 - \$35,967) are allocated as to time spent on exploration.

Insurance of \$22,642 (2010 - \$13,208) increased by \$9,434. The Company's insurance commenced on July 2009 and therefore does not compare to the twelve months of payments made in 2011.

Total stock-based compensation on options vested during the year ended February 28, 2011, resulted in \$40,573 (2010 - \$204,523) being expensed. Stock-based compensation is a non-cash transaction.

The write down of mineral property expenses of \$848,454 was on the Hepburn property in the NWT. The Company has no significant exploration plans for the near future on this property and accordingly, the carrying value has been written down to \$Nil. The write down is for accounting purposes and the Company still holds the uranium rights on the property.

Future income tax recovery of \$487,750 (2010 - \$618,875) was recorded due to the renouncement of exploration expenditures to investors who purchased flow-through shares. The Company renounced \$883,000 in flow-through financing compared to \$271,502 in 2010. This is a non-cash transaction.

The Company's net loss for the period was \$1,017,184 (2010 - \$1,648,321) or \$0.02 per share (2010 - \$0.04) which is not reflective of the operating deficit, due to the future income tax recovery and write down of the mineral property noted above.

Exploration expenditures during the year ended February 28, 2011 were \$822,968 (2010 - \$11,376,792), which consisted of \$2,097 (2010 - \$85,799) in acquisition costs and \$820,871 (2010 - \$1,290,993) in exploration costs.

During the year ended February 28, 2011, the Company had cost recoveries of \$90 (2010- \$495,910).

Summary of Quarterly Results

Financial Data								
Three months ended	May-09	Aug-09	Nov-09	Feb-10	May-10	Aug-10	Nov-10	Feb 11
Exploration expenditures, net	244,773	360,558	105,929	(1,319,626)	56,685	442,437	160,307	161,442
General and administration	186,215	164,662	187,371	247,734	128,026	178,470	137,405	216,685
Stock-based compensation	48,489	16,038	59,245	80,751	9,303	3,291	6,813	21,166
Income (loss)	(180,025)	(161,972)	(248,403)	(1,057,921)	(128,020)	(178,470)	(137,402)	(573,292)
Income (loss) per shares - basic	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Weighted Average common Shares outstanding - basic	43,073,823	45,309,026	45,825,470	45,001,732	45,825,470	53,543,133	58,538,588	55,598,850

The summary of quarterly results are from the Company's financial statement which are prepared in accordance with Canadian generally accepted accounting principles and denoted in the currency of Canada.

Due to seasonal conditions in the Canadian north, the Company's exploration program is mainly done in the second and third quarter.

General and administration expenses for the year 2011 decreased largely to a general overall reduction of expenditures.

Stock-based compensation is a method used by junior exploration companies in retaining staff from larger producing companies which can offer more lucrative or stable employment. The Company will look to using stock-based compensation to compensate staff and directors who have made sacrifices in an effort to conserve cash. The Company has moved to the graded vesting method whereby a greater portion of expense is recorded in the first and second vesting periods compared to distributing the expense equally over all four vesting periods.

The Company is in the exploration stage and does not have operating cash flow. Earnings per share are anomalous and reflect adjustments to future income tax. The Company renounced exploration expenditures under its flow-through share program, resulting in future income tax recovery of \$487,750 (2010 - \$618,875).

Liquidity

The Company ensures that there is sufficient capital in order to meet annual business requirements, after taking into account administrative, property holding and exploration budgets. As the Company does not have operating cash flow, the Company has relied primarily on equity financings to meet its capital requirements.

Currently there are relatively poor market conditions for many junior companies involved in mineral exploration. This can impact credit and liquidity risk:

- liquidity risk increases, as other things being equal, the price of an asset will be reduced if the holder cannot sell the asset immediately;
- credit risk increases, as service providers may not always be able to perform in accordance with the terms of a contract. To help mitigate this risk with contracts that require large advances, the Company may place funds in-trust with a lawyer, to be released on completion of relevant stages.

The Company is in the exploration stage and commodity prices are not reflected in operating financial results. However, fluctuations in commodity prices may influence financial markets and may indirectly affect the Company.

As at February 28, 2011, the Company had a cash position of \$7,625,019 and working capital of \$7,503,664 compared to cash of \$738,794 and working capital of \$436,518 at February 28, 2010.

Management believes it will be able to raise equity capital as required in the long term, but recognizes the risks attached thereto.

Capital Management

The Company considers its capital structure to be shareholders' equity. Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. As an exploration stage company, the Company is unable to finance its operations and has relied primarily on equity financings to meet its capital requirements.

Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financings will be favourable.

The Company's share capital is not subject to any external restriction and the Company did not change its approach to capital management during the period.

Financing Activities

In July 2010, the Company completed a three tranche non-brokered private placement for the issuance of 11,037,500 flow-through common shares at \$0.08 per share and 1,675,000 non flow-through units at \$0.08 per unit for gross proceeds of \$1,017,000.

In February 2011, the Company completed a brokered private placement for the issuance of 6,423,685 flow-through common shares at \$0.38 per share and 18,530 non flow-through units at \$0.30 per unit for gross proceeds of \$8,000,000.

The Company received \$100,875 from the exercise of options and \$11,092 from the exercise of warrants.

Subsequent to the year ended February 28, 2011, the Company received \$848 from the exercise of warrants.

Subsequent to the year ended February 28, 2011, the Company issued 75,000 common shares for the acquisition of exploration data on the Nowyak property.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet financial arrangements.

Related Party Transactions

The Company has engaged a business owned by Janice Davies, an officer of the Company, to provide corporate secretarial services. During the year, the Company was charged the aggregate of \$30,000 (2010 - \$30,000).

The Company has engaged Patricia Tanaka, an officer of the Company, to provide accounting and bookkeeping services. During the year, the Company was charged the aggregate of \$42,000 (2010 - \$37,800).

Mark Kolebaba, the president of the Company was paid \$60,000 (2010 - \$60,000) for administration and geological consulting, of which \$54,000 (2010 - \$54,000) of geological consulting has been charged to mineral properties.

Four independent directors were paid an aggregate of \$72,000 in directors' fees with the members of the audit committee paid an additional \$17,000 for a total of \$89,000 (2010 - \$75,000).

The Company has engaged Daniel Faure, an officer of the Company, to provide project management and geological consulting. During the year, the Company was charged the aggregate of \$Nil (2010 - \$1,750).

For the year ended February 28, 2011, administration fees of \$27,968 (2010 - \$24,902), rent of \$43,042 (2010 - \$52,233) and management fees of \$37,465 (2010 - \$22,260) have been charged by Diamonds North, a company related by virtue of directors in common.

Amounts due to related parties, totalling \$85,112 (2010 - \$244,123), consists of \$4,719 (2010 - \$129,095) for fees owed to directors and an officer of the Company, and \$80,393 (2010 - \$115,028) to Diamonds North for shared administrative expenses and exploration costs.

Commitments

On May 4, 2010, the Company entered into a five-year sub lease agreement with Diamonds North for office premises effective August 1, 2010. Approximate future annual lease payments based on basic rent charges are as follows:

Fiscal Year	Amounts
2012	\$ 30,272
2013	31,901
2014	33,529
2015	34,208
2016	17,104
	\$ 147,014

In addition to basic rent, the Company is also subject to its proportionate share of taxes and operating costs.

Proposed Transactions

None.

New Accounting Pronouncements

A summary of new Canadian GAAP pronouncements which may affect the financial disclosure and results of operations of the Company for future interim and annual periods follows:

Business Combinations, Non controlling Interest and Consolidated Financial Statements

In January 2009, the CICA issued Handbook Sections 1582 "Business Combinations", 1601 "Consolidated Financial Statements" and 1602 "Non-controlling Interests" which replace CICA Handbook Sections 1581 "Business Combinations" and 1600 "Consolidated Financial Statements". Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. Section 1582 is applicable for the Company's business combinations with acquisition dates on or after January 1, 2011. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. Section 1601 is applicable for the Company's interim and annual consolidated financial statements for its fiscal year beginning March 1, 2011. Early adoption of these Sections is permitted and all three Sections must be adopted concurrently.

The Company does not anticipate the adoption of the above standards will have a significant impact on the Company's consolidated financial statements.

International Financial Reporting Standards ("IFRS")

In February 2008, the Canadian Accounting Standards Board announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of March 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended February 28, 2011. The Company has adopted a three phase approach to IFRS consisting of:

- Phase 1 'Preliminary Planning and Scoping';
- Phase 2 'Detailed Impact and Assessment': and

Phase 3 'Implementation'.

The Company has completed Phase 1. Work on Phase 2 will carry on throughout 2010 - 2011.

The Canadian Accounting Standards Board ("AcSB") has ongoing projects and intends to issue new accounting standards during the conversion period. As a result, the final impact of IFRS on the Company's consolidated financial statements can only be measured along with the required disclosure, once all the IFRS accounting standards at the conversion date are known.

Generally, disclosure requirements under IFRS contain more breadth and depth than those required under Canadian GAAP and will result in more extensive financial statement notes.

Set out below are the most significant areas, management has identified to date, where changes in accounting policies may have the potential impact on the Company's consolidated financial statements.

- Stock-based compensation:

IFRS and Canadian GAAP largely converge on the accounting treatment for share based transaction with only a few differences. Starting in 2010, the Company has moved from 'straight line' to 'graded' vesting for the recognition of stock-based compensation expense.

- Mineral properties:

Under IFRS 6, a mining entity has to determine an accounting policy specifying which expenditures on exploration and evaluation activities will be recorded as assets and then apply that policy consistently. It is anticipated the Company will elect, under the provisions in IFRS, to continue the accounting practice of capitalizing all costs related to investments in mineral property interests on a property-by-property basis.

- Flow through shares:

IFRS does not address the accounting treatment for flow-through shares, as it is specific to Canada. Currently, there is no definitive guidance, but it is anticipated that flow-through shares will be treated as compound financial instruments, and accordingly, will give rise to retrospective adjustments as of March 1, 2010.

Financial Instruments and other Instruments

The Company's financial instruments consist of cash and cash equivalents, receivables, accounts payable and accrued liabilities and due to related parties. The fair value of these financial instruments, other than cash and cash equivalents, approximates their carrying value, due to their short-term nature. Cash and cash equivalents measured at fair value using level 1 inputs.

Certification of Interim Filing

The Company adopted BC Securities Commission 52-511 "Relief for Venture Issuers from Certification Requirements." The relief helps small size companies like ours, where there is a lack of segregation of duties which is an ongoing internal control weakness. The Company mitigates this risk through direct involvement of senior management in day to day operations.

Other MD&A Requirements

Additional information relating to the Company is available on SEDAR at www.sedar.com.

As of the Report Date, the Company had 84,519,905 issued common shares outstanding and the following unexercised stock options and warrants:

Stock Options

Expiry Date	Exercise Price	Number of Shares
October 11, 2011	\$0.750	1,875,000
May 1, 2012	\$0.920	150,000
February 8, 2013	\$0.500	200,000
September 19, 2013	\$0.150	1,270,000
November 25, 2014	\$0.100	1,186,250
		4,681,250

Warrants

Expiry Date	Exercise Price	Number of Shares
July 5, 2011	\$0.12	135,500
July 7, 2011	\$0.12	1,075,000
August 8, 2012	\$0.38	9,265,000
August 8, 2012	\$0.30	1,418,274
		11,893,774

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OFFICERS & DIRECTORS

Mark Kolebaba
President, CEO & Director

Maynard E. Brown, LL.B.
Director

Geir Liland
Director

Daniel Faure
Director

Janice Davies
Corporate Secretary

Patricia Tanaka
Chief Financial Officer

LISTINGS

TSX Venture Exchange: **UNR**

CAPITALIZATION

(as of February 28, 2011)

Shares Authorized: Unlimited
Shares Issued: 84,437,835

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