



MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the Three and Six Months Ended June 30, 2012
As at August 7, 2012

This Management's Discussion and Analysis ("MD&A") provides a discussion and analysis of the financial condition and results of operations to a reader to assess material changes in the financial condition and results of operations as at and for the periods ended June 30, 2012 and 2011. The MD&A is intended to supplement the interim condensed consolidated financial statements and notes thereto ("Statements") of Laramide Resources Ltd. ("Laramide" or the "Company") as at and for the periods ended June 30, 2012 and 2011. You are encouraged to review the Statements in conjunction with this document.

All amounts included in the MD&A are in Canadian dollars, unless otherwise specified. This report is dated August 7, 2012, and the Company's filings, including its most recent Annual Information Form, can be reviewed on the SEDAR website at www.sedar.com.

OVERVIEW AND HIGHLIGHTS

Laramide is a publicly listed company engaged in the exploration and development of high-quality uranium assets based in Australia and the United States. The Company is listed on the Toronto Stock Exchange (TSX) under the symbol "LAM", with 70,767,592 shares issued and outstanding, as at June 30, 2012. Laramide provides investors exposure through its portfolio of uranium projects chosen for their production potential, including Westmoreland in Australia and two development stage assets, La Sal and La Jara Mesa, in the United States. Within the portfolio are also joint ventures in Australia, strategic equity positions and a portfolio of uranium royalties in the Grants Mineral District of New Mexico, USA..

The Company also has investments in precious metal properties in Canada and Mexico through its equity stake in Treasury Metals Inc. ("Treasury Metals"), which was spun off from Laramide in August 2008.

Management believes the development of uranium properties remains one of the more attractive areas in resource development globally. Uniquely positioned to capture a larger share of a growing worldwide energy market, nuclear power is an integral part of electricity production and industrial infrastructure.

In terms of energy demand, nuclear power represents the most economic and CO₂ efficient option for many countries to increase their energy supply security and to diversify away from carbon-intensive sources. This is particularly true in emerging markets such as China and India. According to the World Nuclear Association, nearly 440 nuclear reactors today produce electricity around the world, providing 377,000 MWe of total capacity, with an additional 60 under construction and 150



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planned for construction. This represents 14% of current global electricity generation and it is anticipated to steadily increase as this additional capacity comes on-stream.

The longer term uranium supply picture continues to reflect a deficit of primary mined uranium relative to consumption, with the shortfall being made up by supply of decommissioned nuclear warheads, a source that is expected to decline with the end of the Russian-U.S. HEU Agreement, scheduled in 2013.

Further, the primary uranium mine capacity remains challenged due to sovereign risk, regulatory risk, funding uncertainty and a scarcity of quality development projects. The current macro-economic environment has also delayed exploration activities for both new entrants and for existing companies in the sector. Most recently Cameco Corporation ("Cameco") decided to place the Kintyre project in Western Australia on hold and BHP is considering the delay of a \$30 billion expansion of its Olympic Dam mine in the far north of South Australia. All of these have meaningful implications for the forecasted uranium supply/demand balance.

In 2012, the Company completed a number of significant corporate milestones and the industry experienced a number of positive fundamental changes including:

- Completion of CAD\$5 million loan facility due December 31, 2015 and Churchrock royalty option with Anglo Pacific Group PLC;
- The above mentioned capital injection on August 10, 2012 allows Laramide to accelerate exploration and development plans on its flagship Australian assets in the third quarter;
- Receipt of Permit, Positive Record of Decision, Approved Plan of Operations and Final Environmental Assessment issued for La Sal Project, Utah (BLM);
- Receipt of Draft Environmental Impact Statement on La Jara Mesa Project, Grants, New Mexico (US Forest Service);
- Finalized Exploration Tenement Joint Venture transaction with Rio Tinto of highly prospective and strategically located landholdings in Northern Territory;
- A significant corporate de-risking event occurred on March 24, 2012 with Queensland State Election, which saw the Liberal National Party ("LNP") defeat the Australian Labour Party (ALP) by securing 78 of 89 seats; as a result the Company anticipates commencing the permitting process for Westmoreland in late 2012 and into 2013;
- The restart of two idled reactors at the Ohi plant in Japan since Fukushima. This is expected to open the door for additional reactor restarts and will positively influence near-term uranium demand; and
- Public M&A transactions involving majors such as Rio Tinto, Cameco and Denison have started to impact investor sentiment towards uranium equities and are likely indicative of future investor demand.

PROPERTIES AND INVESTMENTS

Australian Properties

Westmoreland, in Queensland, Australia, the Company's flagship project:



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- is one of the largest uranium deposits not controlled by a senior producer or utility
- is one of a small percentage of known deposits expected to have compelling economics at uranium prices of below \$60/lb
- An updated NI 43-101 resource estimate in April 2009, reported an Indicated Mineral Resource totaling 36.0 million pounds of uranium (U₃O₈) contained in 18.7 million tonnes at an average grade of 0.089% U₃O₈, and an additional Inferred mineral resource totaling 15.9 million pounds of uranium (U₃O₈) contained in 9.0 million tonnes at an average grade of 0.083% U₃O₈.

Three contiguous joint ventures in Northern Territory, Australia

- the NuPower-Lagoon Creek Joint Venture
- the Gulf Mines Joint Venture
- the Rio Tinto – Murphy Farm-In and Joint Venture.

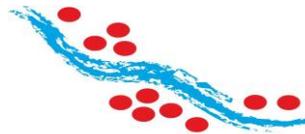
See section below entitled “Northern Territory Properties, Northern Territory, Australia”.

U.S. Properties

La Sal, in Utah – The United States Bureau of Land Management (“BLM”) issued a Record of Decision approving the Plan of Operations at the Company’s La Sal Project in Utah in June 2012. The issuance of this permit from the BLM allows Laramide to commence underground exploration and development activities which if positive, could ultimately lead towards commercial production. In addition, as a result of the BLM’s finding of no significant impact, the preparation of an environmental impact statement will not be required. The La Sal project hosts 2.7 million pounds of U₃O₈ (historical non-compliant with NI 43-101) and has significant mine infrastructure in place from its previous operator, Homestake Mining Company. La Sal is located in close proximity to Energy Fuels’ (formerly Denison’s) White Mesa Blanding mill that is actively seeking ore feed

La Jara Mesa Project – Located in the prolific Grants Mineral Belt, NM, La Sal hosts 10.5 million pounds U₃O₈ and is currently undergoing permitting (see discussion below in the section entitled “Homestake Uranium Properties”). Data collection for an Environmental Impact Statement has been collected in compliance with Forest Service protocol. On May 18, 2012, the U.S. Forest Service (“USFS”) issued a Draft Environmental Impact Statement (“DEIS”) for the Company’s La Jara Mesa uranium project. The DEIS represents a significant milestone in the mine permit process, which would allow underground development activities and mine production at the La Jara Mesa project.

With the completion of this stage of USFS’s review and notice of availability of the DEIS published in the Federal Register, there has been a public review of the DEIS for a 60 day comment period ending 17 July 2012. Progress will continue with the National Environmental Policy Act (NEPA) review process of La Jara Mesa, which will ultimately lead to the completion of the Final Environmental Impact Statement and Record of Decision (ROD) expected later this year.



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Sliding scale uranium royalties, in the Grants Mineral District of New Mexico, USA – The royalty portfolio covers four separate parcels of mineral leases (Section 8, a portion of Section 17, and the Mancos area, which comprises all of Section 13 and portions of Section 12 and 7) in the Church Rock area of McKinley County, which is located 20 miles northeast of Gallup, New Mexico (the “Royalty”). The properties are presently owned by a subsidiary of Uranium Resources, Inc. (“URI”), a U.S. publicly traded company. On Oct. 18, 2011, URI announced that the Nuclear Regulatory Commission (NRC) reactivated its Source Materials License to conduct in-situ recovery (ISR) uranium mining in McKinley County, New Mexico. The reactivation effectively enables the use of the license by URI for the production of uranium as defined in the license which is Church Rock Section 8. URI is now providing market guidance that Church Rock should see feasibility in the third quarter of 2012, followed by construction in 2012/2013, and initial production in late 2013 at a rate of one million pounds per annum.

Laramide’s Royalty is a gross revenue based sliding scale royalty, ranging from 5-25% based on uranium prices, but is also indexed to inflation based on the Producer Price Index. At the last calculation date, and using the June 2012 PPI value, the Royalty will be based on gross sales prices of U3O8 with a royalty of 15.9% on a gross sales price of US\$62/lb, with a maximum royalty of 25% when sales prices reach US\$87.58/lb or higher.

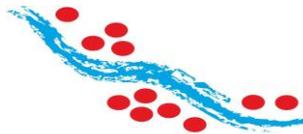
Subsequent to the end of the second quarter, the Company completed a transaction with Anglo Pacific Group PLC (“Anglo Pacific”) in connection with the Royalty. The Company was provided a loan of CDN\$5 million due in December 2015 from Anglo Pacific. In return for the loan facility Anglo Pacific was granted an option to acquire a 5% gross revenue royalty (the “GRR”) on the Churchrock properties for an exercise price of US\$15 million. The GRR covers the same parcels of mineral leases as the Royalty. The loan bears interest at a rate of 7% per annum payable quarterly in arrears and the option expires on December 31, 2015.

Equity Holdings

- 7.3 million shares of Khan Resources Inc.
- 4.9 million shares of Alligator Energy Limited (“Alligator”), a company incorporated in Australia and listed on Australian Securities Exchange
- 5.0 million shares of Treasury Metals Inc., which were retained in connection with the spin-off transaction and distribution by Return of Capital to Laramide shareholders
- other significant equity holdings include 10,000 shares of Pan American Silver Corp. (non-uranium, and 7.0 million shares of Uranium Equities Limited (“UEL”).

All of the equity holdings are discussed in the “Investments” section, and the Treasury Metals spin-off is detailed in the MD&A for the third quarter of 2008.

The Company operates through its wholly owned U.S. subsidiaries Laramide Resources (USA) Inc., Laramide La Sal, Inc., and its wholly owned Australian subsidiaries Lagoon Creek Resources Pty Ltd., Westmoreland Resources Pty Ltd., and Tackle Resources Pty Ltd. Its wholly owned Mexican



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subsidiary is inactive. The organization chart contained in the 2011 Annual Information Form depicts the intercorporate relationships.

RESULTS OF OPERATIONS – EXPLORATION AND DEVELOPMENT

The following is a summary of exploration activities and deferred exploration expenses:

| Property | Balance 30-Jun-11 | Incurred in three months ending | | | | Balance 30-Jun-12 |
|--|----------------------|---------------------------------|------------------|------------------|------------------|----------------------|
| | | 30-Sep-11 | 31-Dec-11 | 31-Mar-12 | 30-Jun-12 | |
| Westmoreland, Queensland, Australia | | | | | | |
| Cost | 45,722,142 | 1,154,370 | 908,270 | 809,571 | 701,245 | 49,295,598 |
| Translation Adjustment | 4,936,544 | (857,782) | 1,232,393 | (429,007) | 472,292 | 5,354,440 |
| | 50,658,686 | 296,588 | 2,140,663 | 380,564 | 1,173,537 | 54,650,038 |
| Northern Territory JVs, Australia | | | | | | |
| Cost | 7,435,035 | 9,195 | 275,407 | (104,368) | 41,893 | 7,657,162 |
| Translation Adjustment | 1,153,500 | (150,932) | 214,995 | (116,282) | 75,395 | 1,176,677 |
| | 8,588,535 | (141,737) | 490,402 | (220,650) | 117,288 | 8,833,839 |
| Homestake properties, USA | | | | | | |
| Cost | 6,877,714 | 279,037 | 150,972 | 134,933 | 854,164 | 8,296,820 |
| Translation Adjustment | (922,042) | 562,673 | (203,866) | (121,620) | 151,025 | (533,830) |
| | 5,955,672 | 841,710 | (52,894) | 13,313 | 1,005,189 | 7,762,990 |
| UNC Mineral Royalty, USA | | | | | | |
| Cost | 4,382,227 | - | - | - | - | 4,382,227 |
| Translation Adjustment | (449,660) | 341,271 | (127,213) | (79,508) | 83,993 | (231,117) |
| | 3,932,567 | 341,271 | (127,213) | (79,508) | 83,993 | 4,151,110 |
| Total | | | | | | |
| Total Cost | 64,417,118 | 1,442,602 | 1,334,649 | 840,136 | 1,597,302 | 69,631,807 |
| Total Translation Adjustments | 4,718,342 | (104,770) | 1,116,309 | (746,417) | 782,705 | 5,766,170 |
| | 69,135,460 | 1,337,832 | 2,450,958 | 93,719 | 2,380,007 | 75,397,977 |

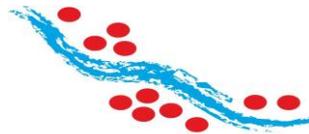


WESTMORELAND PROPERTY, Queensland, Australia

The Westmoreland Project in Queensland, Australia is Laramide's flagship uranium project, acquired in the third quarter of 2005 following an initial option agreement in June 2004. Laramide owns 100% of Westmoreland (subject to a 1% Net Smelter Royalty "NSR" to Royal Gold Inc., with cumulative payments capped at AUD\$10 million indexed to inflation) and has advanced the project through a series of drilling campaigns, updated resource estimates, environmental studies and metallurgical studies.

The project is located in northwest Queensland near the Northern Territory border. The Westmoreland project was discovered by Mount Isa Mines and has had a long history of exploration. Most recently, the project was held by Rio Tinto Exploration from 1990 to 2000 during which time it completed a pre-feasibility study. Laramide acquired Westmoreland in June 2004 and has subsequently completed an extensive program of airborne geophysics, drilling and environmental work. The Company completed two separate resource calculations and in March 2007 completed a mining scoping study with GRD Minproc of Perth, Australia. The chronology of Laramide's activity at Westmoreland has been summarized in prior MD&As, with activity over the three most recent years summarized as follows:

- July 2008: First phase of Westmoreland drilling by Laramide was completed, with 121 holes over 11,248 metres. Drilling results were consistent with predecessor data, or better than expected.
- October 2008: Assay results from 31 drill holes at Westmoreland were reported, including Hole WDD08-75 at Redtree which returned 48 metres @ 0.11% U_3O_8 and WDD08-084 which intersected 31 metres @ 0.08% U_3O_8 . These results represented the last holes in the first phase program.
- December 2008: Final assay results were reported, for drilling up to the cut-off date for upcoming NI 43-101 compliant resource estimate on Westmoreland, expected in the first half of 2009. Highlights included Hole WDD08-096, containing 10 metres @ 0.66% U_3O_8 . The majority of holes reported within the Jack Lens of the Redtree deposit intersected mineralization within 10 metres of surface. The Redtree deposit is the Westmoreland area containing most of the resource.
- April 2009: An updated resource estimate was announced, with Mining Associates reporting an Indicated Mineral Resource totaling 36.0 million pounds of uranium (U_3O_8) contained in 18.7 million tonnes at an average grade of 0.089% U_3O_8 , and an additional Inferred mineral resource totaling 15.9 million pounds of uranium (U_3O_8) contained in 9.0 million tonnes at an average grade of 0.083% U_3O_8 on the property.
- November 2009: Laramide announced the start of the next drill program at Westmoreland, to comprise 3,000 metres testing exploration targets along a three-kilometre structural corridor between the Huarabagoo and Junnagunna deposits. The drilling is planned on 300 – 500 metre centres in order to cover a large ground area with a fairly conservative program. First results were reported in early 2010.



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- August 2010: After a long rainy season with unusually high precipitation in April, the environmental survey studies characterizing the rainy season were performed in the third quarter of 2010, and drilling at both the Northern Territory JV properties (mainly the Hartz Range / Gulf Resources JV property) and at Westmoreland was completed. A total of 19 holes (1,378 metres) were drilled at Westmoreland between the Huarabagoo (7 holes) and Sue-Outcamp areas (12 holes). Assay results for these holes were announced in November 2010. Metallurgical work also commenced, with the engagement of Rolly Nice, a consulting metallurgical engineer with extensive and diversified expertise in uranium mineral processing worldwide (Elliot Lake, Jabiluka, Ranger). The metallurgical test work is described in more detail below.
- November 2010: The environmental program for flora, fauna and ground and water sampling was continued. The wet season started in December 2010 and ground access to the camp became difficult. Some ground and surface sampling continued throughout the wet season.
- July 2011: Details of comprehensive metallurgical test work carried out by the Australian Nuclear Science and Technology Organisation were completed. High recoveries of 97% were achieved using a conventional uranium processing route. The report also identified definitive process route options to provide engineering design data sufficient to support a pre-feasibility level of study.
- July 2011: Jacobs Engineering Group Inc. was commissioned to compile an updated scoping study.

Activity Q2 2012

Efforts in the quarter and throughout the year 2012 were focused on completing a further program of environmental baseline data collection which has been concentrated on ground and surface water monitoring. This program will bring an end to collection of major data for the eventual Environmental Study, with the commencement of a feasibility study and file for permits. Ongoing monitoring of environmental information such as weather will continue.

As a result of the new capital injection announced on August 10, 2012, Laramide will now accelerate exploration and development plans on its flagship Australian assets during the third quarter. Work will be completed at Westmoreland and at the Company's new joint ventured property with Rio Tinto in the Northern Territory. Further details of these programs will be announced by press release.

Queensland Political Developments

In recent history, acquiring mine development permits in Australia for uranium was complicated by a policy platform of one of the two main political parties in Australia – the Australian Labor Party (“ALP”). The policy platform, most commonly known as the Three Mines Policy, restricted uranium mining to existing permitted operations. At the April 2007 National ALP Conference, the ALP voted in favour of overturning the policy. This was a major milestone in the federal political climate, as the Liberal National Party (“LNP”) is already pro-uranium mining. The change in the ALP stance means that both parties at the federal level support uranium mining.



Although the sentiment at the federal level has evolved progressively, permitting is dealt with at the individual State government level. Until March 24, 2012, the Queensland government was an ALP government that had traditionally been opposed to new uranium mine development and remained opposed to change despite the change in the federal ALP stance. This was a party policy of the ALP at the state level and is not state legislation in Queensland.

On Saturday, March 24th the Queensland State election was held and following five consecutive terms (fifteen years) in office, the ALP was defeated as the LNP won a landslide victory, securing 78 of 89 seats in the state parliament.

While the new Queensland state government has not stated what its policy will be with respect to uranium development, should the state party adopt the Federal LNP position, which is supportive of uranium mining, this would have materially positive implications for Laramide. Western Australia followed a similar course of events when the LNP state government defeated the ALP in 2008. Queensland remains the only Australian state with significant uranium deposits that advocated a restrictive uranium mining policy. Laramide expects this position to be definitively clarified in the short-term.

NORTHERN TERRITORY JOINT VENTURES, Northern Territory, Australia

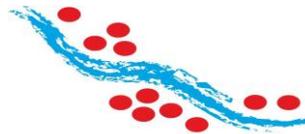
As part of its strategy to control ground contained within a large mineralized system in Australia, the Company entered into joint venture agreements to control several large properties adjacent to Westmoreland in the Northern Territory, where exploration is continuing, and no state policy prohibiting the mining of uranium exists.

The Northern Territory is federally controlled and one of the jurisdictions favourable to uranium mining. At June 30, 2012, Laramide controls approximately 1,030 square miles under exploration licenses in the Northern Territory. This includes three joint venture agreements, one with NuPower Resources Ltd. (formerly Arafura Resources NL), one with Gulf Mines Ltd. (through its subsidiary Hartz Range Mines). Much of this area has only received preliminary exploration in the past. A third joint venture is with Rio Tinto Exploration Pty Limited (RTX). The recently announced Farm-In and Joint Venture Term Sheet with RTX provided access to tenements that are situated geologically within the highly prospective Murphy Uranium Province and are along strike from Laramide's flagship Westmoreland Project in northwest Queensland.

The summary terms of the Company's joint ventures in the Northern Territory are as follows:

NuPower-Lagoon Creek Joint Venture

In May 2005, Laramide (Lagoon Creek Pty) entered into an agreement with Arafura Resources NL (now NuPower Resources Ltd.) pursuant to which the Company can farm-in to NuPower's granted exploration license EL23573, Lagoon Creek, in the Northern Territory, approximately 380 kilometres NNW of Mt Isa. The Company's minimum expenditure commitment before withdrawal was AUD\$1 million. As part of the agreement, Laramide made two installments of AUD\$50,000 each and to June 30, 2012 has made qualifying exploration payments fulfilling the expenditure requirement of



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AUD\$3 million over a four-year period (2009) required for 50% equity in the tenement which has been formally transferred to the Company from NuPower.

On October 19th, 2011, a joint venture meeting was held to discuss the renewal of the exploration licence. It was agreed to conduct a helicopter geophysical survey over the tenement to a cost of approx. \$240,000 (50/50 contributions by JV partners). This survey was commissioned in early November and the contractor commenced in late November. Due to the early wet season the contractor had difficulties with access. It was decided to suspend the program and recommence in 2012.

The licence renewal was approved by the Northern Territory Government and the licence has been extended for two years until December 22, 2013.

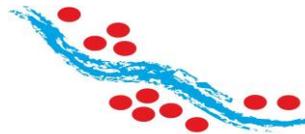
Gulf Mines Joint Venture

Immediately north of the NuPower-Lagoon Creek tenement are three tenements held by Australian explorer Gulf Mines Ltd. (through its subsidiary Hartz Range Mines). These tenements exhibit similar geologic potential and are a part of what is a very significant and under-explored mineral district. Laramide in the second quarter of 2005 signed an option to earn 90% of any resource pegged under mining tenure consequent to exploration over a defined area on the three Exploration Permits (EPM's) that Hartz Range owned in the Northern Territory. Laramide's interest encompasses all minerals with the exception of diamonds. To earn 90%, Laramide has to complete a bankable feasibility study on a prospect within the area and following this, obtain a mine permit. During September 2009, the area covered by this joint venture was reduced to one tenement which held the best exploration potential. A program involving a scintillometer grid survey and soil sampling was commenced over targeted areas in the tenement. Results from the Phase 1 scintillometer survey undertaken during the third quarter were plotted and contoured, providing a ground radiometric signature of the target areas. Phase 2 soil survey grids were proposed based on these results. The Phase 2 program collected 529 soil samples for analysis, over target areas. Laramide followed up the assay results by drilling in July and August 2010 approximately 1,000 metres on EL 10335 to test three structural targets in the Westmoreland sandstone, which have an associated radiometric signature along strike. Drilling assay results were released in November 2010. To June 30, 2012, the Company has incurred \$3.3 million of exploration costs.

During October 2011 some surface sampling work was completed on the tenement. The JV partner Hartz Range Mines has attempted to terminate the Joint Venture, however Laramide does not consider that they have the ability to do this under the terms of the agreement and are opposing the attempted termination.

Benmarra Properties, Northern Territory, Australia

The Benmarra properties consist of two 100% Laramide owned tenements in the Northern Territory. In June of 2010, the Company entered into a joint venture agreement with a private Australian exploration company, under which the private company will spend or commit AUD\$300,000 on the tenements by March 1, 2011 as an option commitment, and can earn a 51% interest in the properties by spending AUD\$2 million over four years. In November 2010 the JV partner concluded



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an IPO and is now listed on the ASX as Predictive Discovery Limited (symbol: PDI). A tenement with a cumulative expenditure of \$117,715 was dropped by the Joint Venture and surrendered in February 2011. The expenditure has been written down from the properties accounts and recorded in the statement of operations of the year 2011.

A Joint Venture meeting was held on Dec 1, 2011. The joint venture partner has expended in excess of \$460,000 on the tenement and has completed Geophysical inversion studies, Numerical modeling, an AAPA survey, and an RC and diamond drilling program totalling 1,750 meters.

In January 2012, following disappointing drilling results, the Joint Venture partner withdrew from the Joint Venture.

The licence expired in March 2012 and no renewal was sought. A \$193,341 expenditure relating to this licence was written off to the Consolidated Statements of Operations in March.

Murphy Joint Venture, Northern Territory, Australia

In May 2011, the Company announced the signing of a Binding Farm-In and Joint Venture Term Sheet with Rio Tinto Exploration Pty Limited (RTX) pursuant to which the Company can joint venture two strategically located uranium tenements in the Northern Territory (“Project”) comprising tenement applications, EL 9319 (579 km²) and EL 9414 (387 km²), that are situated geologically within the highly prospective Murphy Uranium Province and are along strike from Laramide’s flagship Westmoreland Project in northwest Queensland. The Murphy Uranium Province produced high-grade uranium during the 1950s and stands out amongst the world’s attractive underexplored uranium provinces, having not seen any meaningful exploration since the 1970s.

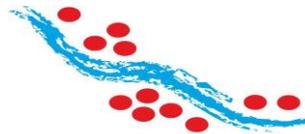
Under the terms of the agreement, Laramide can earn 51% in the Project with the expenditure of AUD\$10 million over a 4-year period on exploration and development. The first AUD\$1 million of this earn-in is a firm commitment by Laramide, and it will be dedicated to a large-scale helicopter-supported airborne survey that will include magnetics and radiometric which is expected to commence in Q3 of 2012 and which will be followed up by a drilling program. The planned exploration program has been submitted to the traditional landowners for approval as is necessary for the program to commence.

The tenements were granted by the Northern Territory government in November and December 2011. EL 9319 was granted as four separate tenements due to the non-contiguous nature of the areas.

As a result of the recent capital injection an exploration program will now be commenced on the Murphy Uranium JV. Additional details of the program will be provided by press release.

AUSTRALIAN PROPERTIES – TENEMENT RENEWALS AND EXTENSIONS

Exploration permits are granted initially for a five-year period in Queensland and a six-year period in the Northern Territory. The Northern Territory normally grants extensions for two-year periods while Queensland often grants extension on a year-to-year basis. During the initial five-year period in



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Queensland, it is normally required that after the second year, the tenement is reduced by 50% in each of the remaining three years so that at the end of year five, the holder will hold only 12.5% of the original ground covered by the tenement.

In Q3, 2010 applications were made for extensions of the two Queensland tenements which were due for renewal in the quarter. The tenements have been extended for an additional three years. For the principal tenement, the Company was able to negotiate to keep 100% of the original tenement. During the three year extension period, 100% of the tenement is maintained after the first year, 80% after the second year, and 60% at the end of year three. The Company intends to negotiate to retain 100%.

The two other tenements in Queensland expire in 2012 and renewal applications will be lodged in due course.

Initial grants and extension involve commitments for rents and exploration expenditures throughout the term of the grant or extension. The newly extended tenement in Queensland requires commitments over the three year extension as follows: AUD\$3.9 million in year one, AUD \$4.1 million in year two, and AUD\$5.0 million in year three. The second tenement that was extended requires commitments of AUD\$1.3 million in year one, AUD\$1.5 million in year two, and AUD\$1.9 million in year three. The current commitments for all tenements as at June 30, 2012 are detailed in this report in the Commitments section and in Note 20(a) to the June 30, 2012 Interim Condensed Consolidated Financial Statements.

HOMESTAKE URANIUM PROPERTIES – Grants Mineral Belt, NM and Lisbon Valley, Utah

In November 2005, the Company acquired from Homestake Mining Company of California and La Jara Mesa Mining Company (both wholly owned subsidiaries of Barrick Gold Corp.), three uranium properties and an option to purchase a fourth uranium property (La Sal), all of which are in the western United States. The properties acquired and acquirable by exercise of option (the La Jara Mesa, Los Ochos, Melrich, and La Sal properties) are located in the Colorado Plateau in Utah, the Upper Gunnison Basin in Colorado and in the Grants Mineral Belt, New Mexico. The two most significant of the four properties are the La Jara Mesa and the La Sal projects.

The Homestake acquisition has a total purchase price of US\$3.75 million which includes a series of milestone payments tied to progress on the four underlying assets and in addition, included a royalty to be paid of US \$0.25 (CAD \$0.30) per pound of uranium (“U₃O₈”) on any production in excess of eight million pounds from the La Jara Mesa property. To date, a total of US\$1.5 million (CAD\$1.6 million) has been paid including US\$500,000 for the La Sal property option exercise. As part of the 2005 acquisition of uranium properties from Homestake, Laramide purchased an option to acquire the La Sal property. This option was exercised in the third quarter of 2010 for US\$500,000 plus related transfer costs which accounts for the main expenditure in that quarter. The option exercise was conditional upon Homestake completing final administrative items required to transfer title (see press release dated September 13, 2010). All of the Homestake assets are considered advanced exploration or development projects.



La Jara Mesa Property

La Jara Mesa is a sandstone hosted roll-front style deposit located within the formerly producing Grants Uranium District, approximately 10 miles northeast of the town of Grants in Cibola County, New Mexico, USA. Since the 1950s, considerable historic uranium exploration and mining activity has been done on La Jara Mesa and the surrounding area. Companies including United Nuclear Corporation, Gulf Mineral Resources Inc., Power Resources and Homestake Mining Company performed exploration work, comprising over 700 drill holes penetrating the various lithologies of the site as well as metallurgical test work. Metallurgical studies on La Jara exhibited strong recoveries (in the range of 92%) and potential underground access is quite straightforward via an inclined ramp from the valley floor. The mineral resource estimated for La Jara Mesa (Alinco GeoServices Inc., 2006) estimates Measured and Indicated mineral resources totaling 7,257,817 pounds of uranium (U_3O_8) that are contained in 1,555,899 tons at an average grade of 0.23% U_3O_8 , and an additional 3,172,653 pounds of uranium (U_3O_8) contained in 793,161 tons at an average grade of 0.20% U_3O_8 as Inferred mineral resources on the property.

On the basis of encouraging results from drilling in 2007, Laramide submitted in April 2008, (amended October 2008) to the USDA Forest Service ("Forest Service") an Amended Plan of Operations for Underground Development and Mine Production. Costs incurred in 2008 and throughout 2009 relate to the compilation and submission of data required to conform to regulatory practice, and to responses to requests from Forest Service for specific amendments. The proposed plan (updated in October 2008 based on comments and requests from Forest Service) seeks permits to proceed with an underground development program that will construct dual parallel inclines and an escape raise to access the body of mineralization. From underground in the mineralized zone, Laramide proposes to conduct mapping, longhole drilling with gamma probing, test mining and collection of bulk samples for metallurgical and mill compatibility studies. The resource lies approximately 700 feet below the surface and approximately 500 to 800 feet above the water table. It is important to recognize that Homestake received approval from Forest Service for a similar program in two separate years, 1984 and 1988. In both years, Homestake chose not to enter into production because of steep declines in the price of uranium.

In the years since these approvals were granted, the permitting process has become more complex and protracted, partly as a result of efforts to designate Mount Taylor (which lies just east of La Jara Mesa) as a so-called Traditional Cultural Property ("TCP"). This designation allows for additional comment and potential appeal from stakeholders who are concerned about potential development impacts to Mount Taylor. Despite this potential additional risk factor, Laramide believes its proposed plan conveys relatively low environmental and technical risk because 1) no mill is proposed to be constructed at site, and 2) the underground workings will be conducted in a "dry" environment well above the water table and as such, should not penetrate any ground water. On February 4, 2011, Laramide and other opponents of the TCP designation were successful in New Mexico State District Court in defeating the imposition of a TCP designation under several points. This decision was then advanced to the New Mexico Court of Appeals. The Appellant Court certified the TCP Appeal to the New Mexico Supreme Court. The US Forest Service continues to manage the Mount Taylor area as a TCP.

Data collection for the Environmental Impact Statement is collected in compliance with Forest



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Service protocol. Pursuant to this exercise, Laramide contracted Golder Associates (“Golder”) to work directly with the Forest Service in March 2009, in order to collect the required Environmental Impact Statement (“EIS”) data. Golder will also provide support to the Forest Service in public meetings that will be required as part of the EIS process. Laramide has also entered into formal discussion with the New Mexico Mining and Minerals Division, which requires documentation similar to that required by the Forest Service. The Golder engagement will also include development of a sampling and analysis plan for the State’s review and concurrence.

On May 18, 2012, the U.S. Forest Service (“USFS”) issued a Draft Environmental Impact Statement (“DEIS”) for the Company’s La Jara Mesa uranium project. The issuance of the DEIS represents a significant milestone in the mine permit process, which would allow underground development activities and mine production at the La Jara Mesa project.

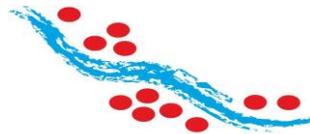
With the completion of this stage of USFS’s review and notice of availability of the DEIS published in the Federal Register, there has been a public review of the DEIS for a 60 day comment period ending 17 July 2012. Progress will continue with the National Environmental Policy Act (NEPA) review process of La Jara Mesa, which will ultimately lead to the completion of the Final Environmental Impact Statement and Record of Decision (ROD) expected later this year.

A copy of the DEIS can be found at Laramide’s website (www.laramide.com) or through the following link: http://www.fs.fed.us/nepa/nepa_project_exp.php?project=25654

La Sal Project

As part of the 2005 acquisition of uranium properties from Homestake, Laramide purchased an option to acquire the La Sal property, located within the Big Indian Mining District in Utah. This option was exercised in the third quarter of 2010, as announced by press release September 13 2010. In accordance with the terms of the original purchase agreement, a further payment of US\$250,000 to Homestake will be required upon successful permitting of the La Sal property, with a final payment of US\$500,000 due upon commercial production. In addition, as part of the title transfer process, Laramide will provide disclosure of the required payment options to legacy royalty holders as described in the above-mentioned press release, which will allow for royalty holders to elect to either sell their shares or to receive advance royalties pursuant to a defined schedule. On May 24, 2012 the Company made a proposal to each of the current royalty holders (“unitholders”) on the production from the La Sal property offering to a) purchase the royalty for either \$15 per unit payable June 24, 2012 or \$30 per unit payable 121 days after issuance and receipt of all necessary permits required to bring the mine into production, or b) to pay an advanced royalty of \$8 per unit payable June 24, 2012, or \$12 per unit payable 121 days after issuance and receipt of all necessary permits to bring the mine into production, or \$15 per unit on the date 8,500 tons of saleable ore is produced over any 30 day period or when 50,000 tons of saleable ore has been produced from the La Sal property.

From elections made by and received from the Unitholders, on June 24, 2012 the Company was obligated to pay \$365,667 to unitholders electing the \$8 advanced royalty payment option, and \$154,500 to Unitholders who elected for the \$15, purchase and sale option. This amount was paid in August 2012. Commitments based on receipt of all necessary permits required to bring the mine into production are \$1,566,420 and are \$685,625 based on production thresholds.



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La Sal has a 1,200 metre long access drive into the deposit and as soon as permits are obtained, the project is essentially ready for production. Homestake completed a positive feasibility study on the project in 1978 and was ready to place the project into production when the price of uranium collapsed. The plan of operation was deemed administratively complete by the U.S. Bureau of Land Management. Laramide has submitted permit applications with the federal Bureau of Land Management and the State of Utah for the project development, and will enter into a milling agreement. Progress on both of these initiatives is being made.

In November 2010, Laramide filed a *Plan of Operations* for the underground exploration program with the Bureau of Land Management (BLM). The BLM determined the plan of operations to be administratively complete on April 5, 2011 and, because the exploration activity would be located on BLM-administered public lands, the agency decided to prepare an EA (environmental assessment) in compliance with the NEPA (National Environmental Policy Act).

This EA documents the environmental analysis of the proposed underground exploration program and provides the BLM with information to make an informed decision on whether to approve the project. The EA process also provides a forum for two public reviews and comments on the project and its associated relevant issues and environmental analysis. A final Environmental Assessment ("EA") was prepared by the Moab Field Office of the US Bureau of Land Management ("BLM") and was made public on October 7, 2011. This initiated the final 30 day public comment period following which a decision with respect to the permit could be expected. The public comment period has closed and no formal notifications were received from the BLM. Following successful completion of the second comment period, the BLM would issue a Decision Record (DR) and "Finding of No Significant Impact" (FONSI), approving the selected alternative, whether that is the proposed action or another action alternative.

On June 18, 2012, the Company provided a significant permitting update on the La Sal Uranium Project. The BLM issued a Record of Decision approving the Plan of Operations at the Company's La Sal Project. The issuance of this permit from the BLM allows Laramide to commence underground exploration and development activities which if positive, could ultimately lead towards commercial production. In addition, as a result of the BLM's finding of no significant impact, the preparation of an environmental impact statement will not be required.

A copy of the Final Environmental Assessment ("EA") is available on Laramide's Website (www.Laramide.com). The Record of Decision including Conditions of Approval and Finding of no Significant Impact can be found at the following link to the BLM's Utah Website: http://www.blm.gov/ut/st/en/fo/moab/nepa_enbb.html.

The La Sal property is located approximately 40 miles from Denison Mines' White Mesa Mill, one of only four permitted mills within the USA. The mill has been operational since late April 2008. Denison has implemented an ore-buying program in order to purchase alternate feeds for White Mesa, and La Sal is well positioned to potentially supply ore, once in production.



OTHER HOMESTAKE PROPERTIES, USA

The two other Homestake properties are the Los Ochos and the Melrich properties, both of which are considered to be less significant properties, and neither of which received any exploration expenditures in the first two quarters of 2012 and the years 2011 and 2010.

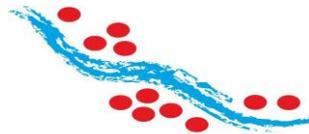
URANIUM RESOURCES, INC. USA – Mineral Royalty

In December 2006, the Company acquired a portfolio of uranium royalties in the Church Rock District of the Grants Mineral Belt of New Mexico, USA from United Nuclear Corporation, a wholly owned indirect subsidiary of General Electric Company (GE) since 1997. The royalty portfolio covers four separate parcels of mineral leases (Section 8, a portion of Section 17, and the Mancos area, which comprises all of Section 13 and portions of Section 12 and 7) in the Church Rock area of McKinley County which is located 20 miles northeast of Gallup, New Mexico. The properties are presently owned by a subsidiary of Uranium Resources, Inc. ("URI"), a U.S. publicly traded uranium producer, which acquired them from United Nuclear in a series of transactions between 1986 and 1991.

Laramide's royalty is a gross revenue based sliding scale royalty, ranging from 5-25% based on uranium prices, but is also indexed to inflation based on the Producer Price Index. At the last calculation date, and using the latest PPI index, the royalty is 15.9% of the gross sales price of U_3O_8 based on a gross sales price of US\$62/lb. The maximum royalty of 25% is reached when sales prices reach US\$87.58/lb or higher. Terms of the acquisition call for Laramide to pay United Nuclear US\$9.25 million in cash, of which \$4.1 million (US\$3.5 million) has already been paid at closing, with the remaining payments subject to permitting milestones. No significant expenditures were made in 2012 on the URI Mineral Royalty. Laramide's remaining payment obligations are described in detail in Note 11 to the Consolidated Financial Statements for the year ended December 31, 2011.

The main focus of URI in Church Rock historically has been the Section 8 mineral lease, as cited above. URI had in 1998 been granted one of the key permits to extract uranium via in-situ recovery ("ISR") by the Nuclear Regulatory Commission ("NRC") and the State of New Mexico Environmental Department, but had never operated because of a variety of court challenges that arose while other final permits were still pending. Most of these legal challenges were jurisdictional in nature and had the support of the Navajo Nation who attempted to assert that URI's land fell under the definition of Indian Country, thereby necessitating EPA authority and not the NRC.

URI's legal position eventually prevailed and with the elimination of the final potential court challenges in the third quarter of 2010, URI was finally able to turn its attention to the development of Church Rock and to the strengthening of its financial and market position. URI is now providing market guidance that Church Rock should see feasibility in mid 2012, followed by construction in 2012, and initial production in late 2013 at a rate of one million pounds per annum. On June 14, 2011, URI announced that the New Mexico Environment Department ("NMED") has confirmed that its discharge plan (New Mexico's terminology for an Underground Injection Control Permit under the federal Safe Drinking Water Act), is in timely renewal and that the NMED is currently conducting technical review of its renewal application. Should URI be able to attain this schedule and with no



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material deterioration in the uranium price, this outcome has the potential to be materially favorable to Laramide. On October 18, 2011 URI announced that the NRC reactivated its Source Materials License to conduct in-situ recovery (ISR) uranium mining in McKinley County, New Mexico. The license, which was originally issued in 1998 to Hydro Resources, Inc., Uranium Resources' wholly-owned subsidiary, has been in timely renewal status since 2003. The reactivation effectively enables the use of the license by the Company for the production of uranium as defined in the license.

URI will now proceed to renew the license for a standard 10-year term. During the renewal process, the active license may be utilized according to its present terms and conditions, which allows for the production of up to 1 million pounds per year from Church Rock Section 8 until a successful commercial demonstration of restoration is made, after which mining on other properties can begin and the quantity of production can be increased to 3 million pounds per year.

In the first quarter of 2012, URI entered into a merger agreement to acquire Neutron Energy, Inc. ("Neutron") in a stock-for-stock transaction, announced a financing agreement that infused \$10 million into URI with Resource Capital Fund V L.P. and commenced a number of ongoing development activities. The acquisition requires URI's and Neutron's shareholder approval and, assuming all closing conditions are met, is expected to close in the third quarter of 2012.

URI's near-term priorities are focused on the advancement of Church Rock Section 8, including the evaluation of the financing component for construction activities and continued discussions with the royalty holders. One of URI's primary focuses in New Mexico continues to be the advancement of its Church Rock Section 8 deposit toward production in the latter part of 2013.

URI commissioned an independent engineering firm to validate the economic viability of the property. The third-party engineering firm concluded that it is an economically viable project requiring an estimated \$50 million in capital expenditures to commence production. URI is currently evaluating the best approach to raising the needed capital for the total project, preparing equipment orders, evaluating construction plans and preparing bids for construction activities.

Subsequent to the end of the second quarter, the Company completed a transaction with Anglo Pacific Group PLC ("Anglo Pacific") in connection with the Royalty. The Company was provided a loan of CDN\$5 million due on December 31, 2015 from Anglo Pacific. In return for the loan facility Anglo Pacific was granted an option to acquire a 5-per-cent gross revenue royalty (the "GRR") on the Church Rock properties for an exercise price of \$15-million (U.S.) and issued 650,000 warrants, with each warrant entitling Anglo Pacific to acquire one Laramide common share at an exercise price of \$1.35 per share on or before Dec. 31, 2015. The GRR covers the same parcels of mineral leases as the Royalty (as noted above). The loan bears interest at a rate of 7% per annum payable quarterly in arrears and the option expires on December 31, 2015.

INVESTMENTS

As detailed in Note 9 to the Interim Condensed Consolidated Financial Statements, the investments carried on the balance sheet at June 30, 2012 are mainly held for strategic investment purposes, with non-uranium holdings providing a source of cash when market conditions favour a sale. The non-uranium holdings include 10,000 shares of Pan American Silver Corp. (worth \$0.17 million



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based on the price at June 30, 2012). Laramide also continues to be the largest shareholder of Treasury Metals Inc. with a disclosed position of 4,986,600 shares at June 30, 2012 (worth \$3.5 million based on the price at June 30, 2012).

Treasury Metals Inc.

Treasury Metals Inc. is a gold focused exploration and development stage company with assets in Canada and is listed on the Toronto Stock Exchange under the symbol TML. The performance of Treasury shares improved appreciably in 2010 and this recovery has continued into 2011 as the exploration and development of Treasury's Goliath Gold Project in northern Ontario accelerates.

During the period the 20,000 metre diamond drilling program was expanded to 48,000 metres and two to three drilling rigs were deployed. The program was aimed at upgrading a significant portion of the current resource and extending the resource. Treasury Metals continued to report a number of high grade intersections throughout the year.

On July 19, 2012, Treasury Metals announced the results of a National Instrument 43-101 Updated Preliminary Economic Assessment ("PEA" or the "Study") on its 100% owned Goliath Gold Project ("Goliath Gold" or the "Project") located about 20 kilometres east of the City of Dryden, Ontario. The PEA was compiled by the Company's engineering team and by independent consultant A.C.A. Howe International Limited ("A.C.A. Howe"). The PEA is an update to the July 2010 PEA and it incorporates the most recent resource report.

The results demonstrate low initial capital requirements with underground ("UG") development expenditures being funded by cash flow from open pit operations during the initial three years. The PEA is based on 51% of the gold ounces outlined in the NI 43-101 Mineral Resource Estimate released on November 9th, 2011. The 2011 Mineral Resource Estimate is re-summarized in this release and the technical report is available on the Company's website.

HIGHLIGHTS OF THE ECONOMIC ASSESSMENT INCLUDE:

- 10+ year combined open pit and underground mine life with processing throughput averaging 2,500 tonnes per day ("tpd");
- Avg. annual production of 80,000 oz Au Eq. with a LOM head grade of 3.05 g/tonne (Au Eq.);
- Average operating cash cost of \$698 per equivalent gold ounce;
- At US\$1,375 per ounce (base case – 3 year trailing average gold), the Life of Mine pre-tax net present value (NPV) of \$199.0 million based on a 5% discount rate, internal rate of return (IRR) of 39.3% and a payback of 2.2 years, payback impacted as a result of funding UG development costs;
- At current Au spot, capital payback period is 1.5 years;
- Initial capital expenditure (based on new equipment) of \$90 million incl. 20% contingency;



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In January 2012, Treasury Metals announced commencement of a new 20,000 meter drill program at the Goliath Gold Project designed to test a number of high priority targets outside of the mineral resource area.

Uranium Investments

Laramide's uranium investments were made for strategic purposes, and include 6,983,218 shares of Uranium Equities Ltd., 7,300,000 shares of Khan Resources Inc., 1,200,000 shares of Virginia Energy Resources Inc, and 4,925,000 shares of Alligator Energy, a newly listed ASX float.

Khan Resources Inc.

Notwithstanding the calibre of its flagship Dornod Project (which was the rationale for Laramide's investment position), Khan has faced progressive uncertainties in Mongolia in recent years in relation to the security of its mineral tenure and in its ability to successfully implement the mining and development agreements that would allow for the commercial development of Dornod.

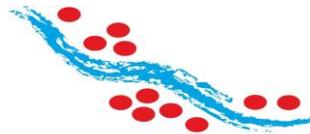
Subsequent to two failed takeover bids and an alleged license invalidation, Khan embarked on a vigorous multi-faceted legal strategy which is ongoing.

On March 12, 2012, Khan announced that it has received the decision of the Superior Court of Justice of Ontario upholding an appeal by Atomredmetzoloto JSC ("ARMZ") of the original decision which had validated service of a statement of claim commenced by Khan and its affiliates against ARMZ and JSC PIMCU. The effect of this new decision, unless overturned on appeal, is that Khan and its affiliates will not be able to proceed in Ontario with their lawsuit commenced against ARMZ and JSC PIMCU. On April 20, 2012 Khan announced that it had filed an appeal with the Court of Appeal for Ontario in relation to the March 9, 2012 decision of the Ontario Superior Court of Justice that allowed an appeal by ARMZ and dismissed Khan's motion to validate, substitute or dispense with service of the Statement of Claim in Khan's \$300 million lawsuit for damages against ARMZ.

On July 26, 2012 announced that the Tribunal hearing the Company's \$200 million international arbitration action against the Government of Mongolia has ruled entirely in Khan's favour on matters of jurisdiction and has dismissed all of Mongolia's objections to the continuance of the suit. The action will now progress to the phase in which the panel will rule as to the merits of the arbitral claims and the amount of damages suffered by Khan arising from the Mongolian Government's expropriatory and unlawful treatment of Khan in relation to the Dornod uranium deposit located in northeastern Mongolia. Khan initiated the international arbitration suit in January 2011.

The tribunal hearing Khan \$200-million international arbitration action against the government of Mongolia has ruled entirely in Khan's favour on matters of jurisdiction, and has dismissed all of Mongolia's objections to the continuance of the suit. The action will now progress to the phase in which the panel will rule as to the merits of the arbitral claims and the amount of damages suffered by Khan arising from the Mongolian government's expropriatory and unlawful treatment of Khan in relation to the Dornod uranium deposit, located in northeastern Mongolia.

On April 3, 2012 Khan announced that they had received a Notice of Delisting from the TSX effective May 14, 2012 and that Khan listed for trading on the CDNX.



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Laramide together with a group of other Khan shareholders are also, separately from KHAN, suing ARMZ. Laramide is one of the largest shareholder of Khan and is supportive of its efforts to either receive adequate compensation for its Dornod interest or restitution of the original mineral tenure.

Virginia Energy Resources Inc. (formerly Santoy Resources Ltd. and Virginia Uranium Ltd.)

In the third quarter of 2007, Laramide made an investment in a private company Virginia Uranium Ltd. (“Virginia Uranium”), which is engaged in the exploration of commercially viable uranium projects in Virginia. Laramide acquired 1,200,000 special warrants which were to be exchangeable on a one-for-one basis for common shares of Virginia Uranium contingent upon the company going public via an initial public offering. On July 23, 2009, Santoy Resources Limited announced the completion of its business combination with Virginia Uranium. Post-closing, Virginia Uranium changed its name to Virginia Energy Resources Inc. and trades on the TSX Venture Exchange under the symbol (“VAE”). Laramide owns 1,200,000 common shares of Virginia Energy Resources Inc.

Virginia Uranium recently announced details of a planned spinout of Virginia Uranium Ltd. (VUL) and its subsequent merger with VA Uranium Holdings. Following the spinout, Virginia Energy Resources will change its name to Anthem Resources Inc. The new company that results from the merger of VUL and Holdco will own 100 per cent of the Coles Hill project and shall take over the name Virginia Energy Resources.

Uranium Equities Ltd.

Uranium Equities (“UEL”) has also been working on a technology which can be applied in extracting uranium from phosphoric acid streams. This “PhosEnergy Process” is being developed by Uranium Equities through a USA registered company, Urtek LLC, which is currently 16.67% owned by UEL. UEL has rights to secure up to 90% interest in Urtek LLC through funding of the ongoing technology development. In March 2009, the PhosEnergy Process received support from a significant uranium producer that conditionally agreed to acquire the majority of UEL’s interest in the PhosEnergy technology development project. In November 2009, UEL confirmed details of the agreement, naming Cameco as the major uranium producer, with plans to acquire up to 70% of UEL’s right to earn a 90% stake in the technology for investment of US\$16.5 million. The investment is to be made in four tranches, with Cameco having the option to cease sole funding at the conclusion of each tranche. Cameco has since made investments of US\$12.5 million in the PhosEnergy Process which includes a recent investment of US\$5 million in the PhosEnergy Process made in June 2011.

In the six-month period ended June 30, 2012, the Company reduced its investment in UEL by selling 1,911,589 shares for proceeds of \$89,356. UEL is listed on the Australian Securities Exchange under the symbol UEQ.



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Alligator Energy Ltd.

Alligator Energy Ltd. (“Alligator”) is an Australian company with uranium exploration tenements in the world class Alligator Rivers Uranium Province in Arnhem Land, Northern Territory. The Alligator Rivers Uranium Province hosts nearly 1 billion pounds of high grade uranium resources and past production, including the Ranger Mine and Jabiluka. The company’s flagship project is the Tin Camp Creek Project which contains the Caramal, South Horn and Two Rocks prospects, each of which have high grade uranium mineralization identified by previous exploration. Laramide purchased seven million pre-IPO shares of Alligator Energy. Subsequently, Alligator Energy completed an AUD\$15 million equity raise and listed on the Australian Securities Exchange on February 1, 2011 under the security symbol AGE.

Alligator Energy has implemented an active strategy to acquire exploration assets in the Alligator Rivers Province. By the purchase of the Tin Camp Creek Project from Cameco and the acquisition of Northern Prospector, Alligator Energy has secured a prospective land holding in the region and a potential pipeline of quality projects. Alligator Energy has drilled 4,500 metres during its 2011 program at the Tin Camp Creek Project. In addition, Alligator Energy is continuing to progress its 11 Exploration License Applications and has recently received approval from the Northern Territory Government to negotiate with the Northern Land Council on ECA 28176. On April 19, 2012, Alligator Energy announced the first JORC compliant mineral resource of an inferred resource of 6.5 million pounds U_3O_8 at 0.31% for its Caramal deposit.

In the six-month period ended June 30, 2012, the Company reduced its investment in Alligator by selling 2,075,000 shares for proceeds of \$215,486. Alligator is listed on the Australian Securities Exchange under the symbol AGE.

RESULTS OF OPERATIONS - FINANCIAL

Selected Quarterly Financial Information

The following table summarizes selected financial data for Laramide for each of the last eight quarters. The information set forth below should be read in conjunction with the June 30, 2012, interim condensed consolidated financial statements and the related notes thereto. The financial information was prepared by management in accordance with International Financial Reporting Standards (“IFRS”), including the relevant prior year comparative amounts. Detailed explanations of quarterly variances are included in each quarterly MD&A filed on SEDAR.



Laramide Resources Ltd.

| | 2012 | | 2011 | | | | 2010 | |
|---|-----------|-----------|----------|-----------|-----------|-----------|---------|----------|
| (\$ 000's except loss per share and Total Assets) | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 |
| Revenues | (\$348) | (\$151) | (\$384) | (\$257) | (\$956) | (\$394) | \$572 | \$312 |
| Expenses | \$641 | \$531 | \$439 | \$418 | \$866 | \$575 | \$493 | \$555 |
| Write-down of Mineral Properties | \$0 | \$193 | \$0 | \$0 | \$0 | \$118 | \$0 | \$0 |
| Deferred income tax gain (loss) | \$0 | \$0 | \$60 | \$0 | \$0 | \$0 | (\$141) | \$0 |
| Net Income (Loss) | (\$989) | (\$875) | (\$763) | (\$675) | (\$1,821) | (\$1,086) | (\$61) | (\$243) |
| Net Income (Loss) per share (basic) | (\$0.01) | (\$0.01) | (\$0.01) | (\$0.01) | (\$0.02) | (\$0.02) | \$0.00 | (\$0.01) |
| Net Income (Loss) per share (fully diluted) | (\$0.01) | (\$0.01) | (\$0.01) | (\$0.01) | (\$0.02) | (\$0.02) | \$0.00 | (\$0.01) |
| Other comprehensive income (loss) | (\$1,211) | (\$1,162) | \$1,953 | (\$2,374) | (\$810) | (\$1,556) | \$7,292 | \$7,318 |
| Total Comprehensive income (loss) | (\$2,200) | (\$2,037) | \$1,190 | (\$3,049) | (\$2,631) | (\$2,642) | \$7,231 | \$7,075 |
| Total Assets (\$ millions) | \$83 | \$83 | \$85 | \$89 | \$92 | \$94 | \$89 | \$88 |

Revenue variances are mainly due to adjustments to market value of investments categorized as “fair-value-through-profit and loss” (“FVTP”) plus any realized gains (losses) on sale of FVTP investments and “available-for-sale” investments. At June 30, 2012 there is an unrealized loss of \$152,912 resulting from the adjustment to market value of Pan American Silver shares which are held as FVTP investments and a realized loss of \$418,130 from the sales of some Uranium Equities Ltd. shares and Virginia Energy Resources shares, partially offset by the \$67,534 realized gain on sales of Treasury Metals Inc. and Corona Gold Corp. shares. Comparatively, during Q3 to Q4, 2010 there were unrealized gains totaling \$1,650,100 resulting from the adjustment to market value of the Pan American Silver shares on hand, offset by a realized loss of \$783,580 mainly on the sale of UEL shares. Similarly, for the four quarters of 2011, there were unrealized losses of \$1,407,924 on the Pan American Silver shares and a realized loss of \$608,282 mainly from the sale of a portion of Pan American Silver shares.

Expense variances quarter to quarter are largely due to the vesting cost of the various stock option issuances. There is \$59,900 recovery of deferred income tax in Q4 of 2011 and an expense of \$141,300 was recorded for income tax in Q4 2010.

The fluctuation in Total Assets from one quarter to the next is primarily a function of cash increases through the issuance of shares and the exercise of warrants and options, the valuation at fair market value of the investments, the translation effect of the net assets kept in the Australian and USA subsidiaries and the use of working capital in the operative expenses of the Company. At June 30, 2012, the \$2.6 million decrease in Total Assets from the balance as of December 31, 2011, is due to \$1.0 million working capital used in operating activities, a \$2.3 million decrease in the market value of the investment portfolio of marketable securities, a \$0.2 million of write-down in the Benmarra Joint Venture, all partially offset by \$0.6 million net cash received for 750,000 shares



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issued on private placement, and from the exercise of 35,000 options.

Three months ended June 30, 2012 compared with three months ended June 30, 2011

The net loss for the second quarter of 2012 was \$988,727 compared to a net loss of \$1,821,397 for the same period of 2011. The variances are summarized as follows:

- Recognition of an unrealized loss in Q2 2012 of \$130,611 versus an unrealized loss in Q2 2011 of \$608,895 on the adjustment to market value of the investment in Pan American Silver Corp. which is held as FVTPL investment.
- A net realized loss of \$219,087 on the sale of Uranium Equities Ltd., Pan American Silver, Treasury Metals, Corona Gold Corporation and Alligator Energy Ltd. shares in Q2 2012, versus \$355,160 realized loss in Q2 2011 on the sale of Pan American Silver shares.
- Administrative expenses in Q2 2012 are \$227,861 lower than the same period of 2011 mainly due to a \$158,339 lower payroll expenses, and \$101,629 of lower investor relations expenses, partially offset by \$35,000 write off of doubtful accounts receivable and \$20,060 of expenses related to 2012 strategy meeting not incurred in 2011.

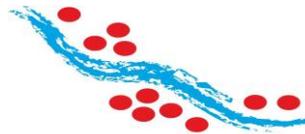
Six months ended June 30, 2012 compared with six months ended June 30, 2011.

The net loss for the six-month period ended June 30, 2012 was \$1,864,133 compared to a net loss of \$2,907,735 for the same period of 2011. The variances are summarized as follows:

- Recognition of an unrealized loss in 2012 of \$152,912 versus an unrealized loss in 2011 of \$968,875 on the adjustment to market value of the investment in Pan American Silver Corp. which is held as FVTP investments.
- A realized loss of \$350,596 on the sale of Uranium Equities Ltd., Pan American Silver and Virginia Energy Resources, Corona Gold Corporation and Alligator Energy Ltd. shares in Q2 2012, versus \$399,987 realized loss in 2011 on the sale of Pan American Silver shares.
- Administrative expenses in 2012 are \$245,307 lower than the same period of 2011 mainly due to a \$156,635 lower payroll expenses and \$133,770 of lower investor relations expenses, partially offset by \$70,000 write off of doubtful accounts receivable not incurred in 2011.
- Lower legal and audit expenses of \$16,902 and lower consulting fees of \$14,174 mainly due to lower services required in 2012.
- Lower expenses were partially offset by the \$193,341 write-down of the Benmarra Joint Venture in Australia in 2012 versus \$117,716 of write down of the same property in 2011.

LIQUIDITY AND CAPITAL RESOURCES

The Company is in the advanced exploration stage at most of its properties and continues to be largely reliant on obtaining equity financing in order to continue its longer term exploration and development activities, and on its working capital for its short and medium term requirements. As at June 30, 2012 the Company is reporting a working capital position of (\$1,509,2169). The Company



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does not have any long term-debt and owns an investment portfolio of shares of mostly publicly listed companies, which has a market value at June 30, 2012 of \$5,684,132. The next phase of active exploration at Westmoreland is planned to commence in Q3 2012, and the Company's 2012 planned exploration program can be fully funded to the end of 2012 from cash on hand and the sale of marketable securities. As reported earlier in this report, on March 24, 2012, the LNP Party won the Queensland election over the ALP. The Company feels this result can lead to accelerated development of the project which, in turn, should enhance its potential to secure the necessary funding.

On August 10, 2012, the Company announced that it had completed a transaction with Anglo Pacific Group PLC ("Anglo Pacific") in connection with the Company's variable rate gross revenue royalty (the "Royalty") on the development stage ISL uranium properties owned by Uranium Resources Inc. ("URI") in the Grants Mineral District of New Mexico, United States.

In return for a loan facility of CAD\$5 million due in December 2015, Laramide has granted Anglo Pacific an option exercisable until December 31, 2015 to acquire a 5% gross revenue royalty for an exercise price of US\$15 million. In connection with the transaction, Laramide has also issued 650,000 warrants, each warrant entitling Anglo Pacific to acquire one Laramide common share at an exercise price of \$1.35 per share on or before December 31, 2015. The facility bears interest at a rate of 7% per annum payable quarterly in arrears and is secured by a pledge of the shares of Laramide Resources (USA) Inc., the wholly owned subsidiary of the Company which directly owns the royalty interest in URI.

CAPITAL

As at June 30, 2012:

- 70,767,592 common shares are issued and outstanding.
- 4,060,000 options are outstanding and can be exercised at prices ranging from \$1.10 to \$1.90 with expiry dates between January 6, 2013 and September 15, 2014. Each option entitles their holder to subscribe to one common share of the Company.
- 1,437,500 warrants are outstanding entitling their holders to subscribe to one common share at \$1.00 with expiry date between December 30, 2013 and January 6, 2014.

Capital Stock, warrants and contributed surplus is \$143,762,591 and up from \$142,795,076 as at December 31, 2011; the increase resulting from \$570,000 net amount received for 750,000 shares issued on private placement at \$0.80 each, \$359,015 of stock-based compensation recognized in the year through contributed surplus, and the exercise of 35,000 options at an exercise price each of \$1.10 for proceeds of \$38,500 during the period.

OPTIONS

The Company has a stock option plan (the "Plan") in place under which it is authorized to grant options to acquire shares of the Company to directors, officers, consultants and other key employees of the Company. This plan requires shareholder approval every three years, and was



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presented to the shareholders at the Annual and Special Meeting of Shareholders in June 2011, and was approved. The number of common shares subject to options granted under the Plan is limited to 10% in the aggregate, and 5% with respect to any one optionee, of the number of issued and outstanding common shares of the Company at the date of the grant of the option. The exercise price of any option granted under the Plan may not be less than the fair market value of the common shares at the time the option is granted, less any permitted discount. Options issued under the Plan may be exercised during a period determined by the board of directors which cannot exceed five years. In 2007, Laramide introduced a vesting schedule which allows for 50% vesting six months after the date of grant and 50% after a year. The board of directors may alter the vesting period on a grant by grant basis.

At June 30, 2012, outstanding options to acquire common shares of the Company were as follows:

| Number of Options | Price | Expiry Date |
|--------------------------|--------------|--------------------|
| 125,000 | \$1.90 | January 6, 2013 |
| 1,810,000 | \$1.10 | May 19, 2013 |
| 2,125,000 | \$1.20 | September 15, 2014 |

On February 5, 2012, the Company granted 2,225,000 options to officers, directors, and consultants to purchase common shares of the Company at an exercise price of \$1.20 per share. The options vest at a rate of 50 per cent every six months, after the date of grant and expire on September 15, 2014. The fair value assigned was estimated using the Black-Scholes option pricing model with the following assumptions: share price \$0.91, dividend yield 0%, expected volatility 75.22%, a risk free interest rate of 1.28%, and an expected maturity of 2 years. As a result, the fair value of the options was estimated at \$671,966, and will be recognized over the periods the underlying options vested.

On May 19, 2010 the Company granted 2,145,000 options to officers, directors and consultants. The fair value assigned was estimated using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, expected volatility 105.98%, a risk free interest rate of 1.38%, and an expected maturity of 3 years. These options vest at a rate of 50% every six months after the date of grant. As a result, the fair value of the options was estimated at \$1,216,179, and was recognized over the periods the underlying options vested. Of the \$1,216,179 fair value, \$694,560 was capitalized to mineral properties and \$521,619 was expensed to the Company's consolidated statement of operations.

On January 6, 2011, 125,000 options were granted to an officer of the Company. The fair value assigned was estimated using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, expected volatility 79.73%, a risk free interest rate of 1.34%, and an expected maturity of 2 years. These options vest at the date of grant. As a result, the fair value of the options was estimated at \$103,308, and was recognized in the statement of operations in the year 2011.

During the period, \$182,331 (2011 - \$132,251) of the vesting option cost was capitalized to mineral properties and \$176,684 (2011 - \$202,631) was expensed to operations and deficit. The offsetting charge was allocated to contributed surplus for \$359,015 (2011 - \$149,940) in aggregate, pertaining to the recognition of the fair value of options vesting during the period.



WARRANTS

The following is a summary of warrants outstanding at June 30, 2012:

| Number of Warrants | Exercise Price (\$) | Expiry Date |
|---------------------------|----------------------------|--------------------|
| 375,000 | \$1.00 | January 6, 2014 |
| 1,062,500 | \$1.00 | December 30, 2013 |

OFF BALANCE SHEET TRANSACTIONS

In 2012 to date and throughout 2011 and 2010, there were no off-balance sheet transactions. The Company has not entered into any specialized financial agreements to minimize its investment risk, currency risk or commodity risk.

COMMITMENTS

In order to maintain current rights to tenure of exploration tenements, the Company will be required to expend amounts in respect of tenement rent to the relevant governing authorities and to meet certain annual exploration expenditure commitments. It is likely that variations to the terms of the current and future tenement holding, the granting of new tenements and changes at renewal or expiry, will change the expenditure commitments for the Company from time to time.

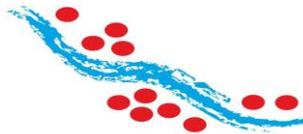
These outlays (exploration expenditure and rent) which arise in relation to granted tenements inclusive of tenement applications granted to June 30, 2012 but not recognized as liabilities are: \$3,586,564 for a period not longer than one year; (\$4,528,204 at December 31, 2011); \$7,189,800 for a period longer than one year but not longer than 3 years (\$7,192,560 at December 31, 2011); and nil past three years. These commitments are detailed in Note 19 to the Interim Condensed Consolidated Financial Statements.

CONTINGENCIES

With respect to the Company's wholly owned Australian subsidiary, Tackle Resources Pty. Ltd., no provision has been made for the possibility of native title claim applications at some future time, under the provisions of the Australian Native Title Act (1993), which may impact on exploration tenements under application. Any substantiated claim may have an effect on the value of the tenement application affected by the claim. The amount and likelihood of any such claim(s) in the future cannot be reasonably estimated at this time.

RELATED PARTY TRANSACTIONS

During the period, the Company was charged \$103,448 (2011 - Nil) for technical and professional services by Ironbark Pacific Pty Limited, a company controlled by Peter Mullens, a director of the Company.



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During the period, \$21,681 (2011 - \$18,932) was charged legal services by a law firm of which Chris Irwin, an officer of the Company, is a partner. \$15,000 is included in accounts payable and accrual liabilities as of June 30, 2012 (December 31, 2011- \$44,239).

At June 30, 2012, there was a net account receivable of \$33,240 from Treasury Metals Inc., a company with a director, Marc Henderson, and an officer, Dennis Gibson, in common with Laramide (December 31, 2011 – net payable of \$27,660). Laramide billed to Treasury Metals \$270,727 (2011 - \$159,682) for office space rent, and financial, investor relations and administrative services, as well as other expenditures paid by Laramide on behalf of Treasury Metals.

Transactions with related parties were conducted on terms that approximate market value and measured at the exchange amounts.

FINANCIAL INSTRUMENTS

The current bank accounts, accounts receivable and accounts payable are non-interest bearing. The majority of cash and cash equivalents are held in short-term investments bearing interest up to 0.25%.

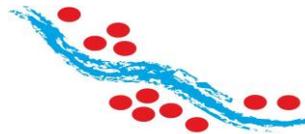
The principal financial instruments affecting the Company's financial condition and results of operations is currently its cash, which it receives from interest and royalty payments, its investment portfolio and any financing transactions entered into by the Company. These sources of revenue are subject to various risks, including production risks with respect to the royalty payments and market risks with respect to the investment portfolio. The investment portfolio is managed by the Company. The Company to date has not used any formal currency hedging contracts to manage currency risk.

RISKS AND UNCERTAINTIES

The Company's Risks and Uncertainties are disclosed in the Laramide March 30, 2012 Annual Information Form which is filed on SEDAR and is herein incorporated by reference. These Risks are updated each quarter when new events or changes in the jurisdictions where the Company operates necessitate new risk analysis.

OTHER INFORMATION

This discussion and analysis of the financial position and results of operation as at June 30, 2012 should be read in conjunction with the interim condensed consolidated financial statements for the period ended June 30, 2012. Additional information can be accessed at the Company's website www.laramide.com or through the Company's public filings at www.sedar.com.



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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The Company's financial statements are the responsibility of the Company's management, and have been approved by the Board of Directors. The interim condensed consolidated financial statements were prepared by the Company's management in accordance with generally accepted Canadian accounting principles. The interim condensed consolidated financial statements include certain amounts based on the use of estimates and assumptions. Management has established these amounts in a reasonable manner, in order to ensure that the financial statements are presented fairly in all material respects.

DISCLOSURE CONTROLS AND PROCEDURES

Management has designed and evaluated the effectiveness of our disclosure controls and procedures and the internal controls on financial reporting and have concluded that, based on our evaluation, they are sufficiently effective as of June 30, 2012 to provide reasonable assurance that material information relating to the Company and its consolidated subsidiaries is made known to management and disclosed in accordance with applicable securities regulations.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for certifying the design of the Company's internal control over financial reporting ("ICFR") as required by Multilateral Instrument 52-109 – "Certification of Disclosure in Issuers' Annual and Interim Filings" and CSA staff notice 52-316 – "Certification of Design of Internal Control over Financial Reporting". Our Internal Control over Financial Reporting is intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with applicable IFRS. Internal Control over Financial Reporting should include those policies and procedures that establish the following:

- maintenance of records in reasonable detail, that accurately and fairly reflect the transactions and dispositions of our assets;
- reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with applicable IFRS;
- receipts and expenditures are only being made in accordance with authorizations of management and the Board of Directors;
- reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, Internal Control over Financial Reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the design of the Company's internal controls over financial reporting as of June 30, 2012 pursuant to the requirements of Multilateral Instrument 52-109. The Company has designed appropriate internal controls over financial reporting for the nature and size of the Company's business, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of



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financial statements for external purposes in accordance with IFRS except as noted herein.

There have been no changes in Internal Control over Financial Reporting during the year ended June 30, 2012 that have materially affected, or are reasonably likely to materially affect the Company's Internal Control over Financial Reporting.

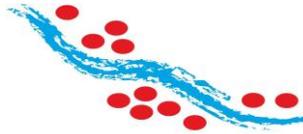
Marc C. Henderson
President and Chief Executive Officer
August 7, 2012

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, information with respect to Laramide's future exploration and drilling plans, environmental protection requirements, business plans and strategy. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved".

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including risks associated with the exploration, development and mining industry such as economic factors as they affect exploration, future commodity prices, obtaining financing, market conditions, changes in interest rates, actual results of current exploration activities, government regulation, political or economic developments, environmental risks, insurance risks, capital expenditures, operating or technical difficulties in connection with development activities, personnel relations, the speculative nature of uranium exploration and development, including the risks of diminishing quantities of grades of reserves; contests over title to properties, and changes in project parameters as plans continue to be refined as well as those risk factors discussed or referred to in this MD&A and in Laramide's Annual Information Form.

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Although the Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on forward-looking information because the Company can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions that may be identified in this MD&A and in Laramide's Annual Information Form, assumptions have been made regarding, among other things: the Company's ability to carry on its exploration and development



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activities, the timely receipt of any required approvals, the price of uranium, the ability of the Company to obtain qualified personnel, equipment and services in a timely and cost-efficient manner, the ability of the Company to operate in a safe, efficient and effective manner, the ability of the Company to obtain financing on acceptable terms, the accuracy of the Company's resources estimates and geological, operational and price assumptions on which these are based and the regulatory framework regarding environmental matters. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions that may have been used.

Although Laramide has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. Laramide does not undertake to update any forward-looking information, except in accordance with applicable securities laws.