The following discussion is management's assessment and analysis of the results and financial condition of Vanadian Energy Corp. (the "Company"), and should be read in conjunction with the accompanying audited financial statements and related notes. The preparation of financial data is in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and follows the same accounting policies and methods of application as the Company's most recent annual financial statements. All figures are reported in Canadian dollars unless otherwise indicated.

Certain information included in this discussion may constitute forward looking statements. Forward looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different from those expressed or implied. The effective date of this report is November 6, 2019.

Overview and Outlook

The Company is a Canadian-based exploration company focused on exploring for vanadium deposits in Manitoba, as well as uranium deposits in Saskatchewan. The Company continues to actively pursue new opportunities to capitalize on management's exploration and financing capabilities.

As at July 31, 2019, the Company had a working capital deficit of $585,063. The Company recorded a loss of $1,897,364 during the year ended July 31, 2019, incurred negative cash flows from operations and had an accumulated deficit of $48,677,508 as at July 31, 2019.

On December 7, 2018 (the "Approval Date"), the TSX Venture Exchange granted final approval of the definitive agreement (the "Agreement") whereby the Company has the right to earn up to 100% interest in the Huzyk Creek Vanadium Property (the "Property") in north-central Manitoba as detailed below.

In December 2018, the Company closed a non-brokered private placement for total proceeds of $1,250,000 through the issuance of 9,375,000 non flow-through units at $0.08 per unit and 5,000,000 flow-through shares at $0.10 per flow-through share. Each non flow-through unit will consist of one common share and one-half of a warrant. Each full warrant will entitle the holder to purchase one common share at $0.17 per common share until December 10, 2020.

There are conditions that cast significant doubt on the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on management's capacity to identify additional sources of capital and to raise sufficient resources in order to fund on-going operating expenditures and the Company's development plan. Although management has been successful in the past, there is no assurance these initiatives will be successful in the future.

The Company is currently undertaking exploration activities in the Property. These consist of both airborne and ground geophysical programs to define targets which will be followed up by diamond drilling. The historic hole (NIM19) that has been shown to host potentially significant vanadium mineralization is the first priority of the drilling program in order to confirm both the potential size and grade of the mineralization at that location. If warranted, further drilling will test strike and dip extensions of any potential mineralized zone.

Additional information relating to the Company is available on the Company's web site at http://vanadianenergy.com/ and on SEDAR at www.sedar.com.

Huzyk Creek Vanadium Property

The Property is located approximately 75 kilometres southeast of the town of Snow Lake, Manitoba and consists of a Mineral Exploration License covering approximately 216 square kilometres. This area has seen significant exploration for base metal mineralization as it lies within the projected extension of both the Flin Flon/Snow Lake belt as well as the Thompson Nickel Belt. Historically, the region has seen no exploration for vanadium.

A historic drill core resampling program by Rocas del Norte Incorporated (the "Vendors") discovered a broad zone of vanadium mineralization. Resampling of a 1997 drill hole (NIM-19) returned a total of 68 meters @ 0.14% V2O5 hosted within a sequence of meta-sediments associated with graphite and sulphides. No other known historic drill holes have been completed on this mineralized zone. At this time the strike, dip and lateral extent of mineralization is not known.

The mineralized interval is associated with a 1.5 kilometer long ground electromagnetic induction ("EM") geophysical anomaly. This ground EM anomaly is associated with a longer, multi-kilometre airborne geophysical anomaly. This geophysical work was completed by previous exploration companies in the region, and the geophysical data was submitted for assessment work at the Manitoba Mining Recorders office.

In April 2019 the Company completed two holes totalling 745 metres of NQ drill core between March 29th and April 8th. Both holes successfully intersected vanadium bearing graphitic metasediments. Drill hole HZ-19-1 encountered 9.74 metres grading 0.22% V_2O_5 within a broader interval of 13.77 metres grading 0.18% V_2O_5. Drill hole HZ-19-2 intersected 14.05 metres grading 0.11% V_2O_5. These two holes define approximately 200 metres of strike along a ground geophysical conductor outlined by historic operators. This geophysical conductor remains open along strike as the lateral extents are not currently known. These results confirm that the graphitic metasediments within the Huzyk Creek Property host potentially significant vanadium mineralization which is a new exploration target in Manitoba.

In mid-April the Company carried out a 1,373 line kilometre airborne Magnetics/EM survey over Mineral Exploration License (MEL) 1091A. The work was completed in late April by Balch Exploration Consulting Inc. using their AirTEM system, with the final report delivered on May 17th. The airborne survey has identified numerous conductive and magnetic trends which will be used to outline future exploration targets within the Property area. Further work is recommended to follow up the diamond drill results as well as the numerous geophysical anomalies outlined by the airborne geophysics program.

Agreement

The Company can earn an initial 49% interest in the Property by making staged payments over 3 years to the Vendors totalling $215,000, issuing 250,000 common shares and a further $150,000 in common shares and completing $2,500,000 of exploration on the Property. The payments are as follows:

- $25,000 in cash and 250,000 common shares paid and issued in December 2018;
- $50,000 in cash, $50,000 in common shares, and $250,000 in exploration expenditures by the first anniversary date of the Approval Date;
- $60,000 in cash, $50,000 in common shares and $750,000 in exploration expenditures by the second anniversary date of the Approval Date; and
- $80,000 in cash, $50,000 in common shares and $1,500,000 in exploration expenditures by the third anniversary date of the Approval Date.

The Company can earn an additional 21% interest in the Property by making a cash payment of $125,000, issuing $50,000 in common shares to the Vendors, and completing $2,225,000 of exploration on the Property which will include a preliminary economic assessment study.

The Company can earn the remaining 30% interest in the Property for a total 100% interest in the Property by completing a pre-feasibility study within 24 months of the 4th anniversary date of the Approval Date, along with a cash payment of $500,000 to the Vendors.

The Vendors will retain a 2% Net Smelter Return royalty ("NSR") on the Property. The Company shall have the option to repurchase 1% of this NSR any time for $1,000,000 in cash or shares. The Company will also have a right of first refusal on the remaining 1% NSR if the Vendors elect to sell this interest.

During the year ended July 31, 2019, pursuant to the terms of the Agreement, the Company paid $25,000 and issued 250,000 common shares to the Vendors. The 250,000 common shares were valued at $0.12 per share, for total consideration of $30,000.

As at July 31, 2019, $422,476 has been spent in exploration expenditures.

Saskatchewan Properties

Clearwater Project

In August 2014, the Company signed a definitive option agreement (the "Forum Agreement") with Forum Uranium Corp. ("Forum"), whereby the Company had an option to earn up to a 70% interest in Forum's Clearwater Project (the "Clearwater Project") in northern Saskatchewan.

In September 2017, the Company and Forum agreed to terminate the Forum Agreement. Forum currently owns 75% and the Company has earned a 25% interest after spending $1.5 million on exploration since August 2014.

As at July 31, 2019, the Company continues to hold its 25% interest in the Clearwater Project. However, due to uncertainty in market conditions, the management of the Company has decided to record an impairment of $1,542,147 to the statements of loss and comprehensive loss during the year ended July 31, 2019.

Pipewrench Lake Property

The Company holds four claim blocks in the Pipewrench Lake and Narrows Lake areas in Saskatchewan. The Company has a 100% interest in these properties, which are carried at $nil.

Quebec Properties

The Company holds two non-contiguous claim blocks in the Baie Johan Beetz, Aguanish and Natashquan corridor along the North Shore of the Gulf of St. Lawrence. The blocks consist of two distinct claim groups: Costebelle and Lac Turgeon. The Company has a 100% interest in these properties, which are carried at $nil.

The following table summarizes the capitalized costs associated with the Company's exploration and evaluation assets:

	Clearwater Property	Huzyk Creek Property	Total
Acquisition costs:			
Balance, July 31, 2017 and 2018	$ 19,056	$ -	$ 19,056
Cash	-	25,000	25,000
Shares issued	-	30,000	30,000
Impairment	(19,056)	-	(19,056)
Balance, July 31, 2019	-	55,000	55,000
Exploration costs:			
Balance, July 31, 2017 and 2018	1,523,091	-	1,523,091
Airborne survey and geophysics	-	134,740	134,740
Drilling	-	238,910	238,910
Logging	-	3,377	3,377
Sampling and analyses	-	22,802	22,802
Supplies and maintenance	-	10,208	10,208
Travel	-	12,440	12,440
Impairment	(1,523,091)	-	(1,523,091)
Balance, July 31, 2019	-	422,476	422,476
Total costs:			
Balance, July 31, 2019	$ -	$ 477,476	$ 477,476

Selected Annual Information

		2019		2018		2017
Total assets, July 31	**$**	**677,489**	$	1,698,292	$	1,597,829
Loss and comprehensive loss	**$**	**(1,897,364)**	$	(467,127)	$	(2,506,310)
Basic and diluted loss per share	**$**	**(0.05)**	$	(0.02)	$	(0.10)

Summary of Quarterly Results

		Q4 July 31, 2019		**Q3 April 30, 2019**		**Q2 January 31, 2019**		**Q1 October 31, 2018**
Revenue	$	-	$	-	$	-	$	-
Loss and comprehensive loss		(72,393)		(1,645,114)		(72,182)		(107,675)
Basic and diluted loss per share	$	(0.00)	$	(0.04)	$	(0.00)	$	(0.00)

		Q4 July 31, 2018		**Q3 April 30, 2018**		**Q2 January 31, 2018**		**Q1 October 31, 2017**
Revenue	$	-	$	-	$	-	$	-
Loss and comprehensive loss		(286,144)		(43,644)		(59,433)		(77,906)
Basic and diluted loss per share	$	(0.01)	$	(0.00)	$	(0.00)	$	(0.00)

Loss and comprehensive loss increased in the three months ended July 31, 2018, due to higher maintenance and rehabilitation costs for the periods. Loss and comprehensive loss increased during three months ended April 30, 2019 primarily due to the write-down of exploration and evaluation assets of $1,542,149.

Overall Performance and Results of Operations

Cash increased by $64,828 during the year ended July 31, 2019, primarily due to proceeds of $1,183,451 from shares issued net of share issue costs, partially offset by repayment of notes payable of $200,000, $475,207 used in operating activities and exploration and evaluation asset expenditures of $443,416.

Three months ended July 31, 2019 and 2018

Loss and comprehensive loss for the three months ended July 31, 2019, decreased by $213,751 from $286,144 for the three months ended July 31, 2018, to $72,393 for the three months ended July 31, 2019. The decrease in loss and comprehensive loss is largely due to:

- A decrease of $144,075 in maintenance and rehabilitation. Maintenance and rehabilitation was $204,075 for the three months ended July 31, 2018, compared to $60,000 for the three months ended July 31, 2019. The decrease was primarily due to field activity expenses for its Quebec Properties that were expensed in the prior period.

Years ended July 31, 2019 and 2018

Loss and comprehensive loss for the years ended July 31, 2019, increased by $1,430,237 from $467,127 for the year ended July 31, 2018, to $1,897,364 for the year ended July 31, 2019. The increase in loss and comprehensive loss is largely due to:

- An increase of share-based compensation of $64,400 which related to 1,495,000 share options granted during the current year.

- An increase of write-down of exploration and evaluation assets of $1,542,149 which primarily related to the impairment of the Clearwater Property in the current period.

The increase in loss was partially offset by:

- A decrease of $153,145 in maintenance and rehabilitation. Maintenance and rehabilitation was $242,286 for the year ended July 31, 2018, compared to $89,141 for the year ended July 31, 2019. The decrease was primarily due to field activity expenses for its Quebec Properties that were expensed in the prior year.

Liquidity and Capital Resources

As at July 31, 2019, the Company had a working capital deficit of $585,063 and cash of $176,200 to settle current liabilities of $777,324 (which excludes flow-through share premium as a non-cash liability). The Company recorded a loss of $1,897,364 during the year ended July 31, 2019, and had an accumulated deficit of $48,677,508 as at July 31, 2019. In December 2018, the Company closed a non-brokered private placement for total proceeds of $1,250,000. These conditions cast significant doubt on the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on management's capacity to identify additional sources of capital and to raise sufficient resources in order to fund ongoing operating expenditures and the Company's development plan. Although management has been successful in the past, there is no assurance these initiatives will be successful in the future.

The sources of funds currently available to the Company for its acquisition and exploration projects are due from debt and equity financing. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company.

Outstanding Share Data

The Company has authorized an unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

As at July 31, 2019 and the date of this report, 41,111,150 common shares are issued and outstanding.

As at July 31, 2019 and the date of this report, 3,810,000 share options are outstanding and exercisable.

As at July 31, 2019 and the date of this report, 4,687,500 warrants are outstanding and exercisable.

Related Party Transactions

During the year ended July 31, 2019, the Company:

(a) Incurred consulting fees of $120,000 (2018: $120,000) and share issue costs of $12,500 (2018: $nil) to a company of which a director of the Company is an officer. As at July 31, 2019, $79,500 (July 31, 2018: $110,000) is due to this company and included in amounts payable in the statement of financial position.

(b) Incurred geological consulting fees of $40,688 (2018: $64,816) to a company of which a director of the Company is an officer and director. As at July 31, 2019, $121,557 (2018: $78,835) is due to this company and included in amounts payable in the statement of financial position.

(c) Incurred legal fees of $40,223 (2018: $18,414) and share issue costs of $11,038 (2018: $nil) to a firm of which a director of the Company is a partner. As at July 31, 2019, $42,153 (2018: $46,349) is due to this firm and included in amounts payable in the statement of financial position.

(d) Repaid $200,000 of notes payable to a director of the Company. As at July 31, 2019, notes payable of $180,000 (2018: $380,000) and accrued interest of $54,918 (2018: $39,778) is due to this director and included in notes payable and amounts payable respectively in the statement of financial position.

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Remuneration attributed to key management personnel includes:

Compensation of $43,588 (2018: $76,031) was paid for the CEO of the Company during the year ended July 31, 2019.

During the year ended July 31, 2019, key management personnel compensation included share-based compensation of $57,938 (2018: $nil).

Risks and Uncertainties

The Company is subject to a number of risk factors due to the nature of the mining business in which it is engaged, including adverse movements in commodity prices, which are impossible to forecast. The Company seeks to counter these risks to the extent possible by selecting exploration areas on the basis of their recognized geological potential to host economic deposits. The Company is subject to significant risks including, but not limited to, the following:

Industry

The Company is engaged in the acquisition and exploration of mineral properties, an inherently risky business, and there is no assurance that an economic mineral deposit will ever be discovered and subsequently put into production. Most exploration projects do not result in the discovery of commercially mineable ore deposits. The geological focus of the Company is on areas in which the geological setting is well understood by management.

Vanadium, Uranium and Metal Prices

The price of vanadium is affected by numerous factors beyond the control of the Company including the relative exchange rate of the U.S. dollar with other major currencies, demand, political and economic conditions and production levels. In addition, the price of vanadium has been volatile over short periods of time due to speculative activities and supply shortages. The price of other metals and mineral products that the Company may explore for have the same or similar price risk factors.

The price of uranium is affected by numerous factors beyond the control of the Company including producer hedging activities, the relative exchange rate of the U.S. dollar with other major currencies, demand, political and economic conditions and production levels. In addition, the price of uranium has been volatile over short periods of time due to speculative activities. The price of other metals and mineral products that the Company may explore for have the same or similar price risk factors.

Dependence on Management

The Company strongly depends on the business and technical expertise of its management team and there is little possibility that this dependence will decrease in the near term.

Critical Accounting Policies and Estimates

The Company has prepared the accompanying financial statements in accordance with IFRS. Significant accounting policies are described in Note 3 of the Company's financial statements as at and for the year ended July 31, 2019.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

Recent Accounting Standards

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC. The standards listed below include only those which the Company reasonably expects are applicable to the Company.

The following have been adopted by the Company during the year ended July 31, 2019:

- IFRS 9 – Financial instruments: New standard that replaced IAS 39 for classification and measurement of financial assets, which is effective for annual periods beginning on or after January 1, 2018. The Company has determined that there is no significant measurement impact of adoption of IFRS 9 on its financial statements.

The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 16 – Leases: New standard to establish principles for recognition, measurement, presentation and disclosure of leases with an impact on lessee accounting, effective for annual periods beginning on or after January 1, 2019. The Company is currently assessing the impact of the adoption of this proposed new standard. The Company expects adoption of this standard will not have a significant measurement or disclosure impact on the Company's financial statements.

Financial Instruments

Financial Risk Management

Cash, amounts payable and notes payable are held at amortized cost which approximates fair value due to the short-term nature of these instruments.

Financial Instrument Risk Exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes.

Credit Risk

Credit risk arises from the potential for non-performance by counterparties of contractual financial obligations. The Company's exposure to credit risk includes cash and cash equivalents and amounts receivable. The Company reduces its credit risk on cash and cash equivalents by maintaining its bank account with a large international financial institution. The maximum exposure to credit risk is equal to the carrying value of its cash.

Liquidity Risk

At July 31, 2019, the Company had cash of $176,200 to settle current liabilities of $777,324 (which excludes flow-through share premium as a non-cash liability), and had a working capital deficit of $585,063. Management has concluded that the Company does not have adequate financial resources to settle obligations as at July 31, 2019, and will require additional funding to continue operations for the next twelve months.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity prices, and equity prices:

I. Interest Rate Risk

The Company's notes payable bear interest at fixed rates and the Company's bank account earns interest at variable rates. The fair value of its financial instruments is relatively unaffected by changes in short-term interest rates.

II. Commodity Price Risk

Although the Company is an exploration stage company, it is subject to price risk from fluctuations in market prices of natural resource commodities since its future profitability is dependent on the market price of these commodities. The prices of commodities are affected by numerous factors beyond the Company's control. Fluctuations in commodity prices could result in future commercial production that is impracticable to the Company. Therefore, management regularly monitors natural resource commodity prices to determine the appropriate course of action to be taken by the Company.

III. Equity Price Risk

Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Management's Report on Internal Control over Financial Reporting

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited condensed interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.