MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2023

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This Management's Discussion and Analysis ('MD&A') of Denison Mines Corp. and its subsidiary companies and joint arrangements (collectively, 'Denison' or the 'Company') provides a detailed analysis of the Company's business and compares its financial results with those of the previous year. This MD&A is dated as of November 8, 2023 and should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements and related notes for the three and nine months ended September 30, 2023. The unaudited interim condensed consolidated financial statements are prepared in accordance with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB'), including IAS 34, *Interim Financial Reporting*. Readers are also encouraged to consult the audited consolidated financial statements and MD&A for the year ended December 31, 2022. All dollar amounts in this MD&A are expressed in Canadian dollars, unless otherwise noted.

Additional information about Denison, including the Company's press releases, quarterly and annual reports, Annual Information Form and Form 40-F, is available through the Company's filings with the securities regulatory authorities in Canada at www.sedarplus.com ('SEDAR+') and the United States at www.sec.gov/edgar.shtml ('EDGAR').

Q3 2023 PERFORMANCE HIGHLIGHTS

- **Exceptional Third Quarter Earnings Driven by $63.1 Million Gain on Uranium Investments**

  During the third quarter of 2023, the Company's earnings of $58.2 million ($0.07 per share) were driven by an impressive $63.1 million fair value gain on the Company's investments in uranium. The Company's holdings of 2.5 million pounds U_3O_8 were acquired in 2021, at an average price of $36.67 per pound U_3O_8 (US$29.66 per pound U_3O_8), and have increased in value by 171% to $99.37 per pound U_3O_8 (US$73.50 per pound U_3O_8) for an aggregate value of approximately $248.4 million (US$183.8 million).

- **Landmark Shared Prosperity Agreement signed with English River First Nation**

  In September 2023, Denison announced the signing of a Shared Prosperity Agreement ('SPA') with English River First Nation ('ERFN') supporting the development and operation of Denison's Wheeler River Project in northern Saskatchewan (the 'Project'). The SPA received support from a substantial majority of ERFN members who participated in a ratification vote on its key terms.

  The signing of the SPA follows years of active engagement, including a four-month-long ERFN-led community consultation process ahead of the ratification vote, and represents a significant milestone in the history of both Denison's relationship with ERFN and the Project.

  The SPA acknowledges that the Project is located within ERFN's Ancestral Lands and provides Denison with ERFN's consent to advance the Project. Additionally, the SPA outlines a shared recognition that ERFN is the Knowledge Keeper of the culture, ways, customs, and values of ERFN in relation to the environment and its Members and reflects ERFN's desire to prioritize sustainability. Amongst other key commitments, the SPA provides ERFN and its Members with (i) an important role in environmental monitoring and management, and (ii) benefits from community investment, business opportunities, employment and training opportunities, and financial compensation. Overall, the SPA describes a mutual commitment to maintain an open, respectful, and cooperative relationship between Denison and ERFN to ensure mutual prosperity as the development and operation of the Project progresses.

- **Completion of the Recovered Solution Management Phase of the Phoenix In Situ Recovery Feasibility Field Test**

  In November 2023, the Company announced the successful completion of the recovered solution management phase of the Phoenix In Situ Recovery ('ISR') Feasibility Field Test ('FFT'). The FFT was highlighted by the recovery of 14,400 pounds of U_3O_8 dissolved in solutions generated during the leaching and neutralization phases of the test in late 2022. The solution recovered during the operation of these phases was stored on site in accordance with permit conditions and in anticipation of the commencement of the recovered solution management phase. This final phase of the FFT was initiated during the first half of 2023 and involves the treatment of the recovered solution via an on-site purpose-built treatment system. Following treatment, a uranium precipitate product and a treated effluent were produced. The treated effluent was tested to ensure compliance with permit conditions before being injected into a designated subsurface area. The mineralized precipitates have been recovered from the process with over 99.99% efficiency and are safely stored on surface in accordance with permit conditions.

- **Advancement of the Phoenix Environmental Impact Statement Regulatory Review**

  In August 2023, the Company's responses to approximately 250 comments received in March 2023 from the Canadian Nuclear Safety Commission ('CNSC') from the review of the draft the Environmental Impact Statement ('EIS') were deemed complete, allowing for the Company to advance to the second phase of Federal review. Following the successful resolution of any further comments from the Federal Indigenous Review Team, the Company expects to then be in position to submit a final version of EIS for consideration at a future hearing of the CNSC.

- **Inaugural ISR Field Test Program Completed at Waterbury Lake**

  In November 2023 the Company announced the completion of an inaugural ISR field test program at the Tthe Heldeth Túé uranium deposit ('THT') on the Waterbury Lake property. The program included (i) the installation of an eight well ISR test pattern designed to collect an initial database of hydrogeological data, (ii) testing of a permeability enhancement technique, (iii) the completion of hydrogeologic test work, highlighted by the achievement of hydraulic conductivity values consistent with those from the 2020 Preliminary Economic Assessment ('PEA'), and (iv) the execution of an ion tracer test which established a 10 hour breakthrough time between the injection and extraction wells, while also demonstrating hydraulic control of the injected solution. Overall, the program successfully achieved each of its planned objectives.

- **Closing of Equity Financing to Fund Long-Lead Item Procurement for the Phoenix ISR Project**

  In October 2023, Denison completed an equity financing for total gross proceeds of US$55.13 million (CAD$75.08 million). The Company intends to use the net proceeds from the offering to fund (1) the advancement of the proposed Phoenix ISR uranium mining operation through the procurement of long lead items (including associated engineering, testing and design) identified during the ongoing Front End Engineering Design ('FEED') process and the Phoenix Feasibility Study ('FS'); (2) exploration and evaluation expenditures; and (3) general corporate and administrative expenses, including those in support of corporate development activities, and working capital requirements.

- **Completion of $15 million Strategic Investment in F3 Uranium Corp.**

  In October 2023, the Company entered into and completed a $15 million strategic investment in F3 Uranium Corp. ('F3') in the form of unsecured convertible debentures (the 'Debentures'), which carry a 9% coupon and will be convertible at Denison's option into common shares of F3 at a conversion price of $0.56 per share. F3 has the right to pay up to one third of the quarterly interest payable by issuing common shares. F3 will also have certain redemption rights on or after the third anniversary of the date of issuance of the Debentures and/or in the event of an F3 change of control.

ABOUT DENISON

Denison Mines Corp. was formed under the laws of Ontario and is a reporting issuer in all Canadian provinces and territories. Denison's common shares are listed on the Toronto Stock Exchange (the 'TSX') under the symbol 'DML' and on the NYSE American exchange under the symbol 'DNN'.

Denison is a uranium exploration and development company with interests focused in the Athabasca Basin region of northern Saskatchewan, Canada. The Company has an effective 95% interest in its flagship Wheeler River Uranium Project, which is the largest undeveloped uranium project in the infrastructure rich eastern portion of the Athabasca Basin region of northern Saskatchewan. In mid-2023, a FS was completed for Wheeler River's Phoenix deposit as an ISR mining operation ('Phoenix FS'), and an update to the previously prepared 2018 Pre-Feasibility Study ('PFS') was completed for Wheeler River's Gryphon deposit as a conventional underground mining operation ('Gryphon PFS'). Based on the respective studies, both deposits have the potential to be competitive with the lowest cost uranium mining operations in the world. Permitting efforts for the planned Phoenix ISR operation commenced in 2019 and have advanced significantly, with licensing in progress and a draft EIS submitted for regulatory and public review in October 2022.

Denison's interests in Saskatchewan also include a 22.5% ownership interest in the McClean Lake Joint Venture ('MLJV'), which includes several uranium deposits and the McClean Lake uranium mill, which is contracted to process the ore from the Cigar Lake mine under a toll milling agreement, plus a 25.17% interest in the Midwest Main and Midwest A deposits and a 67.41% interest in the THT (formerly J Zone) and Huskie deposits on the Waterbury Lake property. The Midwest Main, Midwest A, THT and Huskie deposits are located within 20 kilometres of the McClean Lake mill.

Through its 50% ownership of JCU (Canada) Exploration Company, Limited ('JCU'), Denison holds additional interests in various uranium project joint ventures in Canada, including the Millennium project (JCU, 30.099%), the Kiggavik project (JCU, 33.8118%) and Christie Lake (JCU, 34.4508%).

Denison's exploration portfolio includes further interests in properties covering approximately 285,000 hectares in the Athabasca Basin region.

SELECTED FINANCIAL INFORMATION

(in thousands)	As at September 30, 2023	As at December 31, 2022
Financial Position:		
Cash and cash equivalents	$ 60,839	$ 50,915
Working capital[(1)]	$ 80,660	$ 53,660
Investments in uranium[(2)]	$ 248,445	$ 162,536
Property, plant and equipment	$ 250,914	$ 253,505
Total assets	$ 614,011	$ 515,796
Total long-term liabilities[(3)]	$ 62,133	$ 61,365

(1) Working capital is a non-IFRS financial measure and is calculated as the value of current assets less the value of current liabilities, excluding non-cash current liabilities (i.e. working capital at September 30, 2023 excludes $4,914,000 from the current portion of deferred revenue (December 31, 2022 – $4,915,000)). Working capital includes $9,938,000 in investments in uranium classified as current assets due to a sales agreement entered into subsequent to quarter end. See SUBSEQUENT EVENTS for further details.
(2) Investments in uranium is comprised of $9,938,000 classified as current assets (and included in working capital above) and $238,507,000 classified as non-current assets.
(3) Predominantly comprised of the non-current portion of deferred revenue, non-current reclamation obligations, and deferred income tax liabilities.

SELECTED QUARTERLY FINANCIAL INFORMATION

(in thousands, except for per share amounts)	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Total revenues	$ 2,770	$ 3,491	$ 1,084	$ 2,977
Net earnings (loss)	$ 58,237	$ 61	$ (2,400)	$ (5,739)
Basic and diluted earnings (loss) per share	$ 0.07	$ 0.00	$ (0.00)	$ (0.00)

(in thousands, except for per share amounts)	2022 Q3	2022 Q2	2022 Q1	2021 Q4
Total revenues	$ 3,043	$ 6,800	$ 4,125	$ 3,337
Net earnings (loss)	$ (6,383)	$ (16,147)	$ 42,623	$ (2,648)
Basic and diluted earnings (loss) per share	$ (0.01)	$ (0.02)	$ 0.05	$ (0.01)

Significant items causing variations in quarterly results

- The Company's toll milling revenues fluctuate due to the timing of uranium processing at the McClean Lake mill, as well as changes to the estimated mineral resources of the Cigar Lake mine. Toll milling revenue rates were updated for changes to future toll milling production rates at McClean Lake in the first quarter of 2022 and the first and third quarters of 2023. During the first quarter of 2023, this update resulted in negative revenue. See RESULTS OF OPERATIONS below for further details.
- Revenues and operating expenses from the Closed Mines group fluctuate due to the timing of projects, which vary throughout the year in the normal course of business. As of September 2023, Denison ceased providing care and maintenance services to third parties and is thus no longer earning revenue from these services.
- In the second quarter of 2022, the Company recognized $2,986,000 of non-recurring revenue from mineral sales.
- Exploration expenses are generally largest in the first and third quarters, due to the timing of the winter and summer exploration seasons in northern Saskatchewan; however, both the 2021 and 2022 exploration programs at Wheeler River took place during the third and fourth quarters due to the timing of ISR field programs and the FFT.
- Other income and expense fluctuates due to changes in the fair value of the Company's portfolio investments, share purchase warrants, and uranium investments, all of which are recorded at fair value through profit or loss and are subject to fluctuations in the underlying share / commodity price. The Company's uranium investments and certain of its share purchase warrants are also subject to fluctuations in the US dollar to Canadian dollar exchange rate. The impact of fair value changes on the Company's net earnings / loss was particularly significant in the first and second quarters of 2022 and the second and third quarters of 2023. See OTHER INCOME below for more details.
- The Company's results are also impacted, from time to time, by other non-recurring events arising from its ongoing activities, as discussed below, where applicable.

RESULTS OF OPERATIONS

REVENUES

McClean Lake Uranium Mill

McClean Lake is located on the eastern edge of the Athabasca Basin in northern Saskatchewan, approximately 750 kilometres north of Saskatoon. Denison holds a 22.5% ownership interest in the MLJV and the McClean Lake uranium mill, one of the world's largest uranium processing facilities, which is contracted to process ore from the Cigar Lake mine under a toll milling agreement. The MLJV is a joint venture between Orano Canada Inc. ('Orano Canada') with a 77.5% interest and Denison with a 22.5% interest.

In February 2017, Denison closed an arrangement with Ecora Resources PLC ('Ecora', then known as Anglo Pacific Group PLC) and one of its wholly owned subsidiaries (the 'Ecora Arrangement') under which Denison received an upfront payment of $43,500,000 in exchange for its right to receive future toll milling cash receipts from the MLJV under the then current toll milling agreement with the Cigar Lake Joint Venture ('CLJV') from July 1, 2016 onwards. The Ecora Arrangement consists of certain contractual obligations of Denison to forward to Ecora the cash proceeds of future toll milling revenue earned by the Company related to the processing of specified Cigar Lake ore through the McClean Lake mill and, as such, the upfront payment was accounted for as deferred revenue.

During the three and nine months ended September 30, 2023, the McClean Lake mill processed 2.7 million and 10.3 million pounds U_3O_8, respectively, for the CLJV (September 30, 2022 – 3.6 million and 12.7 million pounds U_3O_8) and Denison recorded toll milling revenue of $777,000 and $763,000, respectively (September 30, 2022 – $995,000 and $4,971,000). The decrease in toll milling revenue in the current quarter, as compared to the prior year, is predominantly due to the mill processing fewer pounds of U_3O_8 for the CLJV. The decrease in toll milling revenue in the nine months ended September 30, 2023, as compared to the prior year, is predominantly due to a decrease in the quantity of U_3O_8 processed for the CLJV, as well as a negative $1,946,000 non-cash cumulative accounting adjustment which was recorded in the first quarter of 2023 and which more than offset the revenue recognized from the first quarter's toll milling activity of $964,000. By comparison, in the first quarter of 2022, the Company recognized toll milling revenue of $1,027,000 and a $1,444,000 positive non-cash cumulative accounting adjustment. The true ups recorded in the first quarter of both years were driven by changes in the estimated timing of the processing of the Cigar Lake ore. In the first quarter of 2022, the operators of the Cigar Lake mine announced a reduction in forecasted mine production from 18 million pounds U_3O_8 per year to 15 million pounds U_3O_8 per year in 2022 and 2023, and then to 13.5 million pounds U_3O_8 per year thereafter. In the first quarter of 2023, the operators of the Cigar Lake mine announced that forecasted future mine production was increased back to 18 million pounds U_3O_8 per year. Under IFRS 15, *Revenue from Contracts with Customers*, the change in the estimated timing of the toll milling of the CLJV ores in 2022 resulted in an increase to the implied financing component of the toll milling transaction, thus increasing the total deferred revenue to be recognized over the life of the toll milling contract as well as the deferred revenue drawdown rate. The updated drawdown rate was applied retrospectively to all pounds produced for the CLJV since the inception of the Ecora Arrangement in July 2016, resulting in the increase in revenue in the three months ended March 31, 2022. This was effectively reversed in the first quarter of 2023, resulting in the current period reduction in revenue.

During the three and nine months ended September 30, 2023, the Company also recorded accounting accretion expense of $725,000 and $2,726,000, respectively, on the toll milling deferred revenue balance (September 30, 2022 – $738,000 and $1,919,000). While the annual accretion expense will decrease over the life of the contract as the deferred revenue liability decreases over time, the increase in accretion expense in the nine months ended September 30, 2023, as compared to the prior year, was predominantly due a $483,000 true-up to increase the life-to-date accretion expense recorded in the first quarter of 2023 due to the change in the timing in the estimated CLJV toll milling activities discussed above (September 30, 2022 – $297,000 true-up which reduced the life-to-date accretion expense).

The impact of the current and prior period true-ups to revenue and accretion are non-cash.

Mineral Sales

Mineral sales revenue for the three and nine months ended September 30, 2023 was $nil and $nil, respectively (September 30, 2022 – $nil and $2,986,000). Mineral sales revenue earned in the second quarter of 2022 was from the sale of 40,000 pounds U_3O_8 from inventory at an average price of $74.65 (US$59.25) per pound. The inventory sold in the second quarter of 2022 was from the Company's share of production from the SABRE test mining program completed at McClean Lake in 2021.

Closed Mine Services

Denison's Closed Mines group has provided long-term care and maintenance for closed mine sites since 1997. The Closed Mines group manages Denison's Elliot Lake reclamation projects and until September 2023 also provided related services for certain third-party projects.

Revenue from Closed Mines services during the three and nine months ended September 30, 2023 was $1,993,000 and $6,582,000, respectively (September 30, 2022 – $2,048,000 and $6,011,000). The decrease in revenue in the three months ended September 30, 2023, as compared to the prior period, was due to the end of the Company's long-term third party closed mines services contract at the end of August 2023. The increase in revenue in the nine months ended September 30, 2023, as compared to the prior period, was due to an increase in care and maintenance services performed during the first and second quarters of 2023, slightly offset by a decrease in revenue in September 2023. The Company is no longer earning revenue from Closed Mines services.

OPERATING EXPENSES

Mining

Operating expenses of the mining segment include depreciation and development costs, as well as cost of sales related to the sale of uranium, when applicable. Operating expenses in the three and nine months ended September 30, 2023 were $554,000 and $2,033,000, respectively (September 30, 2022 – $884,000 and $3,405,000).

Included in operating expense is depreciation expense relating to the McClean Lake mill of $422,000 and $1,689,000, respectively (September 30, 2022 – $612,000 and $2,165,000), as a result of processing approximately 2.7 million and 10.3 million pounds U_3O_8, respectively, for the CLJV (September 30, 2022 – 3.6 million and 12.7 million pounds).

Operating expenses for the nine months ended September 30, 2022 also includes $444,000 in cost of sales, selling expenses of $48,000, and sales royalties and resource surcharges of $216,000 related to the sale of 40,000 pounds of U_3O_8.

Closed Mine Services

Operating expenses during the three and nine months ended September 30, 2023 totaled $1,937,000 and $6,025,000 respectively (September 30, 2022 – $1,662,000 and $5,193,000). The expenses relate primarily to care and maintenance services provided to clients, and include labour and other costs. The increase in operating expenses in the current period, as compared to the prior year, is predominantly due to increased activity at certain care and maintenance sites during first and second quarters of 2023. The Company's long-term third party closed mines services contract ended at the end of August 2023.

MINERAL PROPERTY EVALUATION

During the three and nine months ended September 30, 2023, Denison's share of evaluation expenditures was $5,217,000 and $12,601,000, respectively (September 30, 2022 – $6,730,000 and $17,811,000). The decrease in evaluation expenditures, compared to the prior period, was due to a decrease in Wheeler River ISR field activities as well as a decrease in costs associated with the FFT, slightly offset by an increase in ISR evaluation activities at the THT deposit on the Waterbury Lake property.

The following table summarizes the evaluation activities completed during the nine months ended September 30, 2023.

PROJECT EVALUATION ACTIVITIES		
Property	**Denison's ownership**	**Evaluation activities**
Wheeler River	95%(1)	Engineering, FS, metallurgical testing, FFT care and maintenance and Phase 3 operations, environmental and sustainability activities, EIS regulatory reviews, construction license application submission.
Waterbury Lake	67.41%(2)	Field activities including drilling and development of six HQ wells, 2 PQ wells, pump and injection testing, metallurgical sampling, tracer testing and baseline environmental activities.
Midwest	25.17%	Field activities including permeameter testing, hydrogeological characterization of cores, metallurgical testing and desktop work including engineering studies and evaluations.

Notes:
(1) The Company's effective ownership interest as at September 30, 2023, including the indirect 5% ownership interest held through JCU.
(2) Represents Denison's ownership position as at November 30, 2022. Korea Waterbury Uranium Limited Partnership ('KWULP'), which holds the non-Denison interests in Waterbury Lake, has elected not to fund their share of the 2023 evaluation program, and therefore Denison will fund 100% of the program expenditures and its interest in the property will increase.

Wheeler River Uranium Project

On June 26, 2023 Denison announced the results of (i) the Phoenix FS completed for ISR mining of the high-grade Phoenix deposit and (ii) an updated Gryphon PFS for conventional underground mining of the basement-hosted Gryphon deposit.

The Phoenix FS was completed by Wood Canada Limited ('Wood'), WSP USA Environment and Infrastructure Inc. ('WSP'), SRK Consulting (Canada) Inc. ('SRK'), and Newmans Geotechnique Inc. ('Newmans'). The study confirms robust economics and the technical viability of an ISR uranium mining operation with low initial capital costs and a high rate of return.

The Phoenix FS reflects several design changes and the results of a rigorous technical de-risking program completed by Denison over the 4.5 years following the publication of the 2018 PFS, which was highlighted by the then-novel selection of the ISR mining method for Phoenix.

With the benefit of extensive metallurgical and field testing of all key elements of the proposed ISR mining operation, and current cost estimates reflecting recent inflationary pressures, the Phoenix FS is expected to provide Denison with an excellent basis to advance engineering designs in support of a future final investment decision ('FID').

See the following tables for the highlights of the Phoenix FS.

Summary of Economic Results (100% Basis) – Base Case	
Uranium selling price	**UxC Spot Price[1]** (~US$66 to US$70/lb U3O8)
Exchange Rate (US$:CAD$)	1.35
Discount Rate	8%
Operating profit margin[2]	90.9%
Pre-tax $NPV_{8\%}$[3] *(Change from 2018 PFS)*[4]	$2.34 billion (+150%)
Pre-tax IRR[3]	105.9%
Pre-tax payback period[5]	~10 months
Post-tax $NPV_{8\%}$[3]	$1.43 billion
Post-tax IRR[3]	82.3%
Post-tax payback period[5]	~11 months
Adjusted Post-tax $NPV_{8\%}$[3][6]	$1.56 billion
Adjusted Post-tax IRR[3][6]	90.0%
Adjusted Post-tax payback period[3][6]	~10 months

Notes
(1) Spot price forecast is based on "Composite Midpoint" scenario from UxC's UMO (defined below) and is stated in constant (not-inflated) dollars. See Denison news releases dated June 26, 2023 and August 9, 2023 and the Wheeler Technical Report (defined below) for details.
(2) Operating profit margin is calculated as aggregate uranium revenue less aggregate operating costs, divided by aggregate uranium revenue. Operating costs exclude all royalties, surcharges and income taxes.
(3) NPV and IRR are calculated to the start of construction activities for the Phoenix operation and excludes $67.4 million in pre-FID expenditures.
(4) Change from 2018 PFS is computed by reference to the same scenario from the 2018 PFS, adjusted to incorporate certain pre-FID costs for consistent comparability.
(5) Payback period is stated as number of months to payback from the start of uranium production.
(6) The Adjusted Post-tax NPV, IRR and payback period are based on the "adjusted post-tax" scenario, which includes the benefit of certain entity level tax attributes which are expected to be available and used to reduce taxable income from the Phoenix operation. See Denison news release dated June 26, 2023 and the Wheeler Technical Report (defined below) for details.

Summary of Key Phoenix Operational Parameters (100% basis)	
Mine life	10 years
Proven & Probable reserves[1]	56.7 million lbs U_3O_8 (219,000 tonnes at 11.7% U_3O_8)
First 5 years of reserves[2]	41.9 million lbs U_3O_8 (Average 8.4 million lbs U_3O_8 / year)
Remaining years of reserves	14.8 million lbs U_3O_8 (Average 3.0 million lbs U_3O_8 / year)
Initial capital costs[3]	$419.4 million
Average cash operating costs	$8.51 (US$6.28) per lb U_3O_8
All-in cost[4]	$21.73 (US$16.04) per lb U_3O_8

Notes:
(1) See Denison press release dated June 26, 2023 for additional details regarding Proven & Probable reserves.
(2) The first five years is determined by reference to the 60-month period that commences at the start of operations.
(3) Initial capital costs exclude $67.4 million in estimated pre-FID expenditures expected to be incurred before the projects FID has been made.
(4) All-in cost is estimated on a pre-tax basis and includes all project operating costs, capital costs post-FID, and decommissioning costs divided by the estimated number of pounds U_3O_8 to be produced.

The Gryphon Update was prepared by Engcomp Engineering and Computing Professionals Inc. ('Engcomp'), SLR International Corporation ('SLR'), Stantec Consulting Ltd. ('Stantec'), and Hatch Ltd. ('Hatch'), and is largely based on the 2018 PFS, with efforts targeted at the review and update of capital and operating costs, as well as various minor scheduling and design optimizations. The study remains at the PFS level of confidence.

Overall, the Gryphon Update demonstrates that the underground development of Gryphon is a positive potential future use of cash flows generated from Phoenix, as it is able to leverage existing infrastructure to provide an additional source of low-cost production.

See the following tables for the highlights of the Gryphon PFS Update.

Summary of Economic Results (100% Basis) – Base Case	
Uranium selling price	**US$75/lb U_3O_8[(1)]** (Fixed selling price)
Exchange Rate (US$:CAD$)	1.35
Discount Rate	8%
Operating profit margin[(3)]	83.0%
Pre-tax $NPV_{8\%}$[(3)] *(Change from 2018 PFS)*[(4)]	$1.43 billion (+148%)
Pre-tax IRR[(3)]	41.4%
Pre-tax payback period[(5)]	~ 20 months
Post-tax $NPV_{8\%}$[(3)(6)]	$864.2 million
Post-tax IRR[(3)(6)]	37.6%
Post-tax payback period[(5)(6)]	~ 22 months

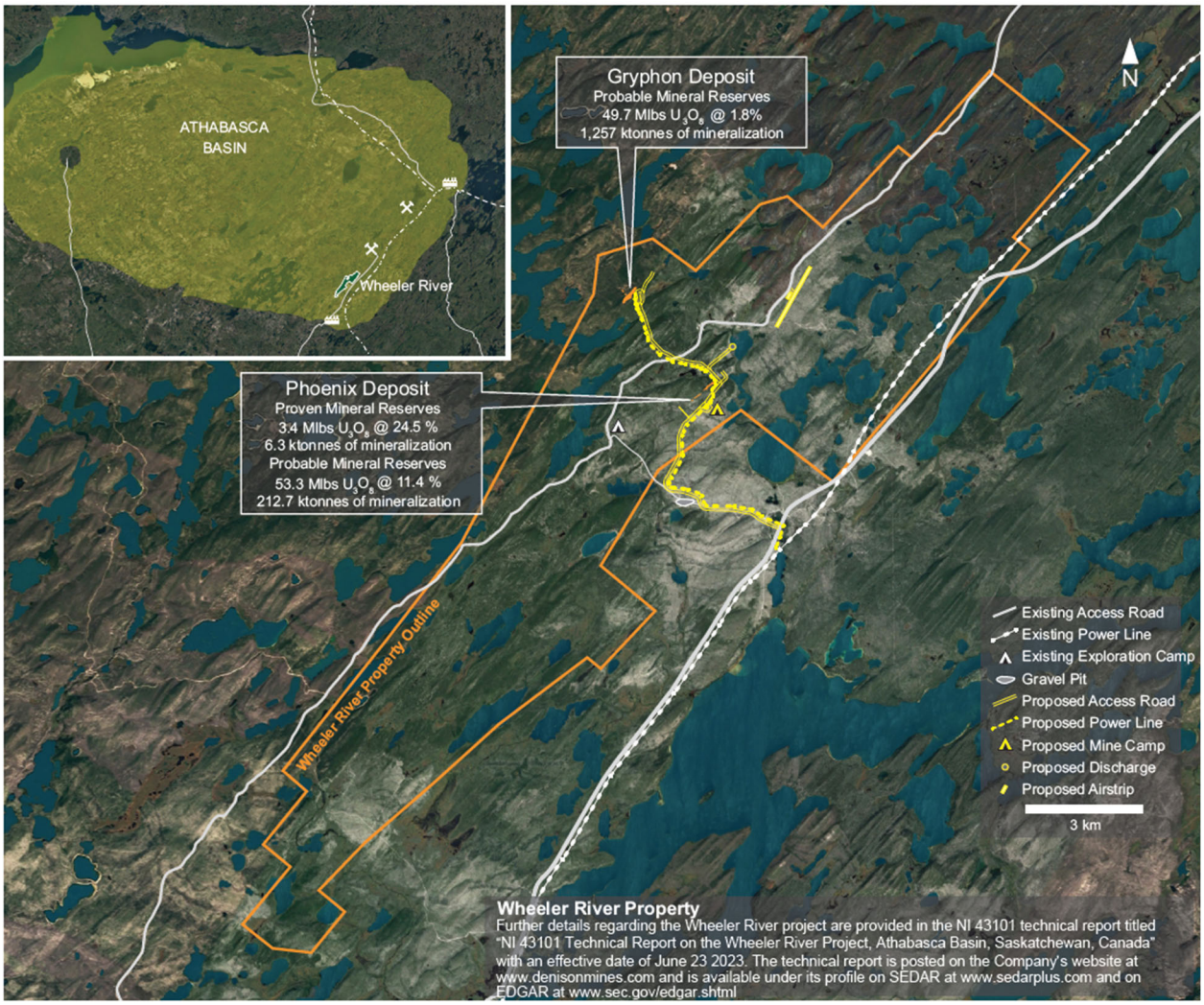
Notes
(1) Fixed selling price is based on the forecasted annual "Composite Midpoint" long-term uranium price from UxC's Q2'2023 UMO (defined below) and is stated in constant (not-inflated) dollars. See Denison news releases dated June 26, 2023 and August 9, 2023 and the Wheeler Technical Report (defined below) for details.
(2) Operating profit margin is calculated as aggregate uranium revenue less aggregate operating costs, divided by aggregate uranium revenue. Operating costs exclude all royalties, surcharges and income taxes.
(3) NPV and IRR are calculated to the start of construction activities for the Gryphon operation, and excludes $56.5 million in pre- FID expenditures.
(4) Change from 2018 PFS is computed by reference to the same scenario from the 2018 PFS, adjusted to incorporate certain pre-FID costs for consistent comparability.
(5) Payback period is stated as number of months to payback from the start of uranium production.
(6) There is no "adjusted" post-tax case for Gryphon, given that the entity level tax attributes of the WRJV owners are assumed to have been fully depleted by the Phoenix operation. See Denison news release dated June 26, 2023 and the Wheeler Technical Report (defined below) for details.

Summary of Key Gryphon Operational Parameters (100% basis)	
Mine life	6.5 years
Probable reserves[(1)]	49.7 million lbs U_3O_8 (1,257,000 tonnes at 1.8% U_3O_8)
Average annual production	7.6 million lbs U_3O_8
Initial capital costs[(2)]	$737.4 million
Average cash operating costs	$17.27 (US$12.75) per lb U_3O_8
All-in cost[(3)]	$34.50 (US$25.47) per lb U_3O_8

Notes:
(1) See Denison press released dated June 26, 2023 for additional details regarding Probable reserves.
(2) Initial capital costs exclude $56.5 million in estimated pre-FID expenditures expected to be incurred before the project's FID has been made.
(3) All-in cost is estimated on a pre-tax basis and includes all project operating costs, capital costs post-FID, and decommissioning costs divided by the estimated number of pounds U_3O_8 to be produced.

Further details regarding Wheeler River, including the estimated mineral reserves and resources for Phoenix and Gryphon, are provided in the Technical Report for the Wheeler River project titled 'NI 43-101 Technical Report on the Wheeler River Project, Athabasca Basin, Saskatchewan, Canada' with an effective date of June 23, 2023 ('Wheeler Technical Report'). A copy of the Wheeler Technical Report is available on Denison's website and under its profile on each of SEDAR+ and EDGAR.

The location of the Wheeler River property, as well as the Phoenix and Gryphon deposits, and existing and proposed infrastructure, is shown on the map provided below.



Evaluation Program

Denison's 2023 evaluation plans for Wheeler River include (1) completing the third and final phase of the FFT, (2) completing the Phoenix FS, (3) completing FEED optimization and initiating detailed design engineering, (4) advancing through the regulatory review of the draft EIS submitted in 2022, (5) initiating activities required to license and permit construction of the proposed Phoenix ISR operation, and (6) advancing the negotiation of impact benefit type agreements with interested parties.

During the three and nine months ended September 30, 2023, Denison's share of evaluation costs at Wheeler River was $4,420,000 and $10,728,000, respectively (September 30, 2022 – $7,213,000 and $18,741,000).

Engineering Activities

Feasibility Field Test

The FFT was designed to use the commercial-scale ISR test pattern installed at Phoenix in 2021 in order to facilitate a combined evaluation of the Phoenix deposit's hydraulic flow properties, with the leaching characteristics that were previously assessed through the metallurgical core-leach testing program.

The successful completion of the leaching and neutralization phases of the FFT in the fourth quarter of 2022 provided further verification of the permeability, leachability, reclamation, and containment parameters needed for the successful application of the ISR mining method at the Phoenix deposit.

The final stage of the FFT, the recovered solution management phase, involves treating the solutions recovered in 2022 during the leaching and neutralization phases to produce a mineralized precipitate and a treated effluent solution that will meet permit criteria for re-injection back into the mineralized formation. The mineralized precipitate will be stored on surface at site and will be monitored in further care and maintenance activities. The recovered solution management phase was initiated in July 2023 and continued throughout the third quarter of 2023. At the end of the third quarter, over 400 cubic metres ('m^3') of recovered solution, representing approximately 71% of the total recovered solution, had been successfully processed, with the treated effluent meeting the criteria allowing for re-injection into the mineralized zone.

The recovered solution management phase was completed in October 2023 with a total of 560 m^3 cubic metres of recovered solution having been processed into treated effluent and a mineralized precipitate containing an estimated 99.99% of the14,400 pounds U_3O_8 previously estimated to be dissolved in the recovered solution. The treated effluent was tested to ensure compliance with permit conditions and was then injected into the mineralized zone. Injection pressures were monitored and the treated effluent was contained to the designated injection area with no migration of the treated effluent observed above, below or outside of the injection area. The results of this phase of the FFT validates the Company's processing designs and assumptions for the future Phoenix processing plant.

With the completion of the recovered solution management phase, Denison has initiated the decommissioning of the FFT facilities, in accordance with its permit conditions. Decommissioning involves the cleaning, deconstruction, and shipment off-site of equipment used during the leaching, neutralization, and solution management phases. Given the expected onset of winter weather conditions, Denison expects to complete the majority of the decommissioning of the FFT site in 2024.

Metallurgical Testing

During the nine months ended September 30, 2023, metallurgical testing continued at the Saskatchewan Research Council Laboratories ('SRC') in Saskatoon including:

- The continuation of core leach testing to further refine the recovery curve of high-grade core;
- Hydrometallurgical testing on Uranium Bearing Solution ('UBS') obtained from previous column leach tests in order to understand the leaching characteristics of different hydrogeological units in the orebody for the purpose of uranium production planning and reclamation activities;
- Leach residue characterization testing to support work on the EIS;
- Studies on the optimization of mining solution management through the recycling of treated effluent and/or the use of barren solution as lixiviant;
- Initiation of pilot plant operations as part of FEED to further inform key equipment sizing for the Phoenix plant, including thickeners/clarifiers, dewatering equipment selection including filtration vs pressure filter vs centrifuge, and to gather more information for yellowcake dryer vendors; and,
- The initial evaluation of technology for concentrating low grade UBS which will inform the UBS cut-off grade.

Feasibility Study

The results of the Phoenix FS were released in June 2023 and the Wheeler River Technical Report was filed in August 2023.

The Phoenix mineral resource estimate has been updated to reflect 70 additional drill holes completed since the previous mineral resource estimate from 2018. The additional drilling consisted primarily of test wells installed to support ISR de-risking activities and certain targeted resource definition drill holes. As a result of the additional drilling, 30.9 million pounds U_3O_8 (64,200 tonnes at 21.8% U_3O_8) have been upgraded from Indicated mineral resources to Measured mineral resources in recognition of the increased confidence in certain areas of Phoenix Zone A.

Phoenix is planned to be the first uranium ISR mining operation in the Athabasca Basin region. Comprehensive field and laboratory test work has been completed to de-risk the use of the ISR mining method at the Phoenix deposit – including the highly successful completion of the leaching and neutralization phases of the FFT at Phoenix in the fall of 2022. Over 3,300 data points have been collected within Phoenix to advance hydrogeological evaluations, and extensive groundwater flow modelling has been completed to develop an advanced three-dimensional estimation of the subsurface flows within and surrounding the Phoenix deposit. The data allowed for modelling of complex hydrogeological and geochemical datasets, which together with the uranium recovery curve, were used to estimate the rate of uranium dissolution within the orebody and facilitate the detailed wellfield design and production planning process.

Mining is planned to occur over a 10-year period, spanning 11 calendar years, with partial years of production occurring in both the first and final calendar year of the production plan. Progressive reclamation and decommissioning is planned to commence in each phase of the ore zone once production has ceased.

The Proven and Probable mineral reserves at Phoenix are estimated to be 56.7 million pounds U_3O_8 (219,000 tonnes at 11.7% U_3O_8). This estimate is based on the aggregate mine feed to the plant and represents 80.6% recovery of the total available uranium (U_3O_8) in the Measured and Indicated mineral resources. Proven mineral reserves are those which were subject to a recovery test during the FFT in 2022.

Consistent with the 2018 PFS, the Phoenix FS calls for the construction of a processing plant on the Wheeler River site, which has been designed to receive UBS from the wellfield for processing to a finished yellowcake product that meets industry standards.

An acidic lixiviant solution is prepared in the processing plant and transferred to an injection solution handling system for distribution in the wellfield. The solution is injected through a series of wells arranged in a pattern surrounding extraction / recovery wells, which are designed to pump the UBS up to surface once the lixiviant has travelled through the ore zone and dissolved the uranium from the host rock.

Once the UBS is received at the processing plant, removal of impurities such as iron ('Fe') and radium ('Ra') occur via Stage 1 ('Fe/Ra') precipitation. Next the purified leach solution feeds the Stage 2 yellowcake precipitation circuit and the yellowcake product is dried and packaged for shipment. The processing plant has been designed based on an average uranium head grade of the UBS recovered from the wellfield of 22 grams per litre and is expected to recover 96.5% of the uranium feed contained in UBS after a 6-month ramp-up period of the plant (when recovery is expected to be initially 93.4%). Taken together with planned subsequent recoveries of uranium contained in the Stage 1 (Fe/Ra) precipitation product, total recovered uranium of 56.2 million pounds U_3O_8 is planned to be available for sale – representing a combined 99% recovery rate.

Overall, the processing plant flowsheet remains largely consistent with the 2018 PFS; however, additional provisions have been included for effluent treatment via a three-stage neutralization process. Whereas the 2018 PFS assumed a "closed loop" processing system, the Phoenix FS design is aligned with the engineering components and criteria included in the Environmental Assessment ('EA') for the project, which allow for the treatment of process solutions and controlled release of a treated effluent to the environment. This is an example of how the iterative nature of the EA process has informed project designs during the Phoenix FS process, to ensure that the plans are aligned and costed to meet or exceed environmental criteria expected to be required by the ongoing regulatory approval process. While this design for effluent treatment has been adopted for the Phoenix FS, the potential remains for ongoing FEED studies to optimize the processing plant design.

The Phoenix FS was prepared by Wood PLC, as the independent lead author, with a level of engineering design necessary to support a Class 3 capital cost estimate (AACE international standard with an accuracy of -15% /+25%).

Capital Costs

The estimated initial direct capital costs of $273.8 million represent a 32% increase compared to the initial direct capital costs from 2018 PFS, which have been adjusted to reflect the movement of offsite infrastructure costs from direct costs to Other (owner's) costs. The increase in initial direct capital costs reflects recent inflationary trends in labour and materials costs and the impact of several design changes resulting from the substantive advancement of project designs from the 2018 PFS. Importantly, the design changes in the Phoenix FS reflect (i) modifications necessary to allow for production plan optimizations, leading to a 43% increase in the rate of production during the first five years of production, (ii) choices made as a result of the iterative EA evaluation process, and (iii) results of the multi-year technical de-risking program.

Initial capital costs are expected to be incurred during a 24-month construction period that will include the establishment of site infrastructure, as well as the freeze wall perimeter around the Phase 1 mining zone and initial wellfield development within Phase 1.

Phoenix Capital Costs ($ millions)			
	Initial	**Sustaining**	**Total**
Wellfield	$63.0	$177.1	$240.1
ISR processing plant	$102.6	$-	$102.6
Surface facilities	$14.7	$2.1	$16.8
Utilities	$34.8	$-	$34.8
Electrical	$19.1	$-	$19.1
Civil and earthworks	$39.6	$-	$39.6
Decommissioning	$-	$88.8	$88.8
Subtotal – Direct Costs	**$273.8**	**$268.0**	**$541.8**
Indirect costs	$70.5	$31.6	$102.1
Other (owner's) costs	$32.7	$-	$32.7
Contingency	$42.6	$23.3	$65.9
Total Capital Costs	**$419.4**	**$322.9**	**742.3**

Note: Figures may not sum due to rounding.

Contingencies reflect approximately 11% of total capital costs, which is considered appropriate given the estimate was prepared to meet AACE Class 3 requirements, as well as Denison's significant experience with key capital cost drivers through the completion of multiple field test programs at Phoenix since the 2018 PFS.

Taken together with estimated indirect costs, owner's costs, sustaining and decommissioning capital costs, contingencies, and with the reallocation of certain costs to the pre-FID period, total life of mine capital costs are estimated at $742.3 million. This represents a 74% increase in life of mine capital costs compared to the 2018 PFS.

As is demonstrated by the project's current NPV, the economic outcome of the project has not been adversely impacted by the increase in life of mine capital costs. Significant contributors to the overall increase in capital costs include the wellfield, ISR processing plant, and decommissioning costs, as further described below:

Wellfield +$141.0 million	The increase includes the adoption of a phased "freeze wall" design to replace the novel "freeze dome" concept included in 2018 PFS. The freeze dome introduced significant technical risk to the ISR mining process and added complexity from an environmental protection standpoint. The cost of the freeze dome was included in initial capital costs, whereas the cost of the freeze wall is spread over the life of mine, thus significantly reducing the impact to the NPV from the overall increase in capital costs. Materials and installation costs for the ISR injection and extraction wells are now based on the Company's actual experience in installing both large and small-diameter test wells during the de-risking process, providing a much more accurate estimate of costs compared to the 2018 PFS.
Processing plant +$47.1 million	The increase reflects a variety of design adjustments to the processing plant, including those which enable an increase in the planned production rate by 43% during the first 5 years, which has a positive impact on the NPV.
Decommissioning +$60.2 million	The increase reflects the incorporation of costs associated with ore zone groundwater remediation to achieve targets proposed in the EA; more detailed management and regulatory cost requirements, improved accuracy in well decommissioning activities, process plant decontamination and demolition including transport and disposal of waste materials, additional costs for decommissioning larger industrial water treatment facilities, and environmental monitoring labour and analytical costs. As these increased capital costs are primarily expected to occur at the end of the mine life, the impact to the NPV from the increased capital costs is minimized.

Operating Costs

Average estimated operating costs of $8.51 (US$6.28) per pound U_3O_8 produced remain highly competitive amongst the lowest-cost uranium mining operations globally. Operating costs during the first five years of production are expected to be $6.64 (US$4.90) per pound U_3O_8, benefitting from the increased scale of operations and higher

concentrations of uranium contained in recovered UBS. During the remaining years of production, operating costs are expected to be $13.69 (US$10.10) per pound U_3O_8.

As a proportion of operating costs per pound, processing costs have increased from the 2018 PFS, now accounting for nearly 62%, as compared to 45% in the 2018 PFS. The biggest contributors to the increased processing costs include reagent usage, as well as estimated costs for reagents, fuel/propane, and labour.

Changes to reagent usage reflect the results of the Company's multi-year technical de-risking process, which has provided a robust data set of metallurgical tests on which the current estimate of reagent usage has been based, as compared to limited preliminary leach data used for the 2018 PFS.

The cost of reagents, fuel/propane, and labour reflect the impact of inflation and supply chain challenges experienced through 2022 and into 2023. Based on the timing of this study, reagent and fuel/propane prices used may be reflective of "peak inflation" pricing and present a possible opportunity for optimization in future years. These cost increases are expected to impact uranium mining operations globally; however, few have completed significant operating cycles and/or estimates of future costs in the current cost environment.

Uranium Selling Price Assumptions

The base case economic analysis assumes uranium sales from Phoenix mine production will be made from time to time throughout the production period at the forecasted annual "Composite Midpoint" uranium spot price from the Q2'2023 Uranium Market Outlook ('UMO') issued by UxC, LLC ('UxC'), which is stated annually in constant (non-inflated) 2023 dollars and ranges from ~US$66 to US$70 per pound U_3O_8 during the indicative production period of the Phoenix operation. This is the same pricing methodology applied for Phoenix as the base case scenario in the 2018 PFS, where the "Composite Midpoint" uranium prices during the indicative years of production then ranged from only US$29 to US$45 per pound U_3O_8 in constant 2018 dollars. Consistent with the 2018 PFS, the overall cost profile and construction timeline of the planned Phoenix ISR mine is not expected to require substantial contract base loading to justify development. Accordingly, the spot price indicator from UxC has been used for the Phoenix base case economic analysis.

Gryphon PFS Update

The mineral resource estimate for Gryphon remains unchanged from the 2018 PFS. Using a cut-off grade of 0.2% U_3O_8, Gryphon is estimated to contain Indicated mineral resources of 1,643,000 tonnes, at a grade of 1.7% U_3O_8 for a total of 61.9 million pounds U_3O_8, plus Inferred mineral resources of 73,000 tonnes at a grade of 1.2% U_3O_8 for a total of 1.9 million pounds U_3O_8. Mineral resources are stated inclusive of mineral reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

The mine development and production plan for Gryphon remains largely the same as the 2018 PFS. Access to the deposit is planned to be via a primary production shaft with a diameter of 6.1 metres, installed using a blind boring method to a depth of 550 metres below surface. A ventilation shaft with a diameter of 5.8 metres, is also planned to be excavated via blind boring to a depth of 550 metres.

Access from the shaft to the mine workings will be via a single ramp located on the hanging wall of the deposit. Mining is planned to consist of conventional underground longhole stoping mining methods and is expected to primarily utilize a longitudinal retreat approach. Mined stopes will be backfilled using a combination of rockfill, cemented rockfill, and hydraulic fill.

Overall, 49.7 million pounds U_3O_8, approximately 1,260,000 tonnes grading 1.8% U_3O_8, are planned to be extracted from Gryphon over an approximately 6.5-year mine life.

Consistent with the 2018 PFS, production from the Gryphon operation is assumed to be processed at the 22.5% Denison-owned McClean Lake processing plant, which is located in the northeastern portion of the Athabasca Basin region. The results from the 2018 PFS indicate that the Gryphon deposit is amenable to recovery utilizing the existing flowsheet for the McClean Lake mill with minimal required upgrades and an estimated recovery rate of 98.2%. Due to the volume of throughput expected from the Gryphon operation, the McClean Lake mill will require certain upgrades to process the mine production from Gryphon.

To facilitate access to the McClean Lake mill from the Wheeler River site, the Gryphon Update carries certain costs of building an extension to Highway 914 to connect the McArthur River and Cigar Lake operations and to allow for the transport of Gryphon mine production over an approximately 160 kilometre route.

Due to its proximity to Phoenix, the Gryphon operation is expected to benefit from site infrastructure that is planned to be established in support of the Phoenix ISR mine (e.g., airstrip, camp, access road, power distribution). Additional site infrastructure for Gryphon is generally limited to items directly related to the underground mining operation, including incremental power distribution requirements, ore and waste rock handling, as well as mine water handling and treatment.

Capital Costs

Estimated direct initial capital costs of $487.6 million represent a 48% increase compared to the 2018 PFS. The increase in direct initial capital costs reflect recent inflationary trends in labour and materials costed using the Chemical Engineering Plant Cost Index. Initial capital costs are expected to be incurred during a 42-month construction period that will include approximately 24 months for the completion of the production shaft and vent raise. Surface facilities, underground excavation, haulage road, and McClean Lake mill upgrades are expected to take approximately 18 months. Initial ore recovery occurs prior to the completion of construction and ramps up for the mine to achieve full production by year 3.

Contingencies reflect approximately 25% of total capital costs, which is considered appropriate given the estimate was prepared to meet AACE Class 4 requirements in alignment with the stage of engineering and design efforts for the project.

Taken together with estimated indirect costs, sustaining and decommissioning capital costs, and the reallocation of certain costs to the pre-FID period, total life of mine capital costs are estimated at $841.1 million. This represents a 19% increase in life of mine capital costs compared to the 2018 PFS. Due to construction schedule optimization, the impact of increased capital costs to the NPV has been minimized.

Operating Costs

Estimated operating costs of $17.27 (US$12.75) per pound U_3O_8 produced have increased by approximately 14% from the 2018 PFS and remain highly competitive amongst the lowest-cost uranium mining operations globally. Operating costs have increased as a result of recent inflationary trends in labour and materials, partially offset by favourable updates to certain milling assumptions.

Uranium Selling Price Assumptions

The base case economic analysis assumes uranium sales from Gryphon mine production will be made throughout the mine life at a fixed price of US$75 per pound U_3O_8, which is based on the average of the forecasted annual "Composite Midpoint" long-term uranium price from UxC's Q2'2023 UMO, which is stated in constant (non-inflated) 2023 dollars, during the indicative production period of Gryphon, rounded to the nearest US$5 per pound U_3O_8. This is the same pricing methodology applied for Gryphon as the base case scenario in the 2018 PFS, where the "Composite Midpoint" long-term uranium price during the indicative years of production averaged ~US$50 per pound U_3O_8 in then constant 2018 dollars. Consistent with the 2018 PFS, the overall cost profile and construction timeline of the planned Gryphon underground mine is considered to be more amenable to fixed (base escalated) price contracts with nuclear energy utilities to reduce risk and justify a development decision. Accordingly, the long-term price indicator from UxC has been used for the Gryphon base case economic analysis.

Environmental and Sustainability Activities and Licensing Activities

Environmental Assessment Activities

In October 2022, the draft EIS for the Wheeler River Project was submitted to Provincial and Federal regulators for review and comment. Technical comments and information requests were received from both regulatory agencies in the first quarter of 2023 and the Company has provided technical responses to both the Provincial and Federal regulators. In August 2023, the Company's responses to the CNSC were deemed complete, allowing for the second phase of Federal review to begin. Following the successful resolution of any further comments from the Federal Indigenous Review Team, the Company expects to then be in position to submit a final version of the EIS for consideration at a future hearing of the CNSC.

As part of the EA review process, Denison has also progressed the preparation of responses to the public comments received in relation to the Wheeler River EIS. These responses will be provided to the CNSC when the final EIS is filed.

Licensing Activities

The Company has advanced its application to obtain a site preparation and construction license from the CNSC for Phoenix with the submission of several program and design documents, including the Company's plans to safely design, manage, prepare, and construct the proposed ISR mine and processing facility. Such plans must be approved by the CNSC as a pre-condition to issuance of the license.

Evaluation Pipeline Properties

Waterbury Lake

In 2020, an independent PEA was completed for the Waterbury Lake Property, which evaluated the potential use of the ISR mining method at the THT deposit. Further details regarding Waterbury, including the estimated mineral resources, are provided in the Technical Report for the Waterbury project titled 'Preliminary Economic Assessment for the Tthe Heldeth Túé (J Zone) Deposit, Waterbury Lake Property, Northern Saskatchewan, Canada' with an effective date of October 30, 2020 ('Waterbury PEA Technical Report'). A copy of the Waterbury PEA Technical Report is available on Denison's website and under its profile on each of SEDAR+ and EDGAR.

Denison's 2023 evaluation plans for Waterbury are designed to build upon the PEA, including an ISR field program consisting of the installation of eight new ISR test wells within the mineralized zone at THT, the collection of site-specific hydrogeological test data to verify permeability and containment assumptions, and the collection of fresh metallurgical drill core samples in order to support additional de-risking of the ISR mining approach for the THT deposit.

The ISR field program commenced in the second quarter of 2023 with the installation of the first ISR test wells at THT. During the third quarter of 2023, the Company completed pump testing, injection testing, permeameter data collection, hydrogeological logging, metallurgical sampling and geological logging. Subsequent to quarter end, a tracer test was also completed.

The THT ISR field program successfully achieved each of its planned objectives including:

- Confirmed Hydraulic Conductivity: Pump and injection tests were successfully completed within the Test Pattern, validating hydraulic connectivity in 100% of the test wells within the ore zone, and achieving hydraulic conductivity values (a measure of permeability) consistent with the 2020 PEA for the project. Sufficient permeability within the ore zone is a key criterion for the successful deployment of the ISR mining method.
- Established 10-hour Breakthrough Time with Ion Tracer Test: A subsequent tracer test significantly increased the confidence in the initial hydrogeological evaluations (pump and injection tests) within the Test Pattern. The tracer test demonstrated Denison's ability to maintain hydraulic control of injected solutions and achieve breakthrough times consistent with expectations.
- Demonstrated the Effectiveness of Permeability Enhancement: One method of permeability enhancement was successfully deployed from multiple wells demonstrating the suitability of the method to the THT deposit. Efficiency of permeability enhancement was verified by comparison of pre- and post-permeability enhancement hydraulic testing.

During the three and nine months ended September 30, 2023, evaluation costs at Waterbury Lake were $1,764,000 and $3,364,000, respectively (Denison's ownership share $1,189,000 and $2,267,000, respectively). The minority owner of the project, KWULP, has elected not to fund their share of the 2023 evaluation program and therefore Denison is funding 100% of the program expenditures and its ownership interest in the property will increase.

Midwest

The Midwest Joint Venture ('MWJV') is operated by Orano Canada and is host to the high-grade Midwest Main and Midwest A uranium deposits, which lie along strike and within six kilometres of the THT and Huskie deposits on Denison's 67.41% owned Waterbury Lake project. The Midwest and Waterbury deposits are all located in close proximity to existing uranium mining and milling infrastructure including provincial highways, powerlines, and Denison's 22.5% owned McClean Lake mill.

A Concept Study for ISR application at Midwest (the 'Concept Study') was prepared by Denison during 2022 and was formally issued to the MWJV in early 2023 (see Denison press release dated April 12, 2023). Based on the positive results of the Concept Study, the MWJV provided Denison with approval to complete additional ISR-related evaluation work for Midwest in 2023.

Denison's 2023 evaluation plans for Midwest included an inaugural ISR field program designed to assess site-specific technical elements of the Midwest deposit. The field program was completed during the third quarter of 2023 and the

results of the program, along with further technical studies, are expected to be used to further advance the evaluation of the ISR mining method for the property, including the potential future preparation of a PEA.

During the three and nine months ended September 30, 2023, Denison's share of evaluation costs at Midwest was $55,000 and $96,000, respectively (September 30, 2022 – $nil and $nil). The work program was completed as planned and included (1) preliminary geological and hydrogeological modelling to guide field program data collection, (2) relogging of historical drill core to assess for hydrogeological characteristics, (3) collection of preliminary rock permeability values at Midwest, and (4) refined hydrogeological modelling based on results of field data.

In addition, metallurgical sampling and test work on historic drill core samples was also completed in the third quarter and consisted of bottle roll tests designed to provide initial site-specific, ISR focused, metallurgical results.

Community Engagement Activities

During the nine months ended September 30, 2023, Denison continued working with Indigenous communities of interest and collaborated on engagement activities in the Athabasca Basin region of northern Saskatchewan, including community visits to provide information about the Project and other exploration and evaluation activities. Engagement activities in 2023 included site visits at the Phoenix FFT site, as well as ongoing engagement activities with the Ya'thi Nene Lands and Resources Office for the field activities at THT.

Significantly, on September 26, 2023, Denison and English River First Nation signed an SPA supporting the development and operation of the Wheeler River Project. The signing of the SPA follows years of active engagement, including a four-month-long ERFN-led community consultation process ahead of a ratification vote. The SPA acknowledges that the Project is located within ERFN's Ancestral Lands and provides Denison with ERFN's consent to advance the Project, which represents a significant milestone in the history of both Denison's relationship with ERFN and the Project. Amongst other key commitments, the SPA provides ERFN and its Members with (i) an important role in environmental monitoring and management, and (ii) benefits from community investment, business opportunities, employment and training opportunities, and financial compensation.

MINERAL PROPERTY EXPLORATION

During the three and nine months ended September 30, 2023, Denison's share of exploration expenditures was $2,052,000 and $7,833,000, respectively (September 30, 2022 –$1,549,000 and $5,175,000). The increase in exploration expenditures compared to the prior year was due to an increase in both winter and summer exploration activities.

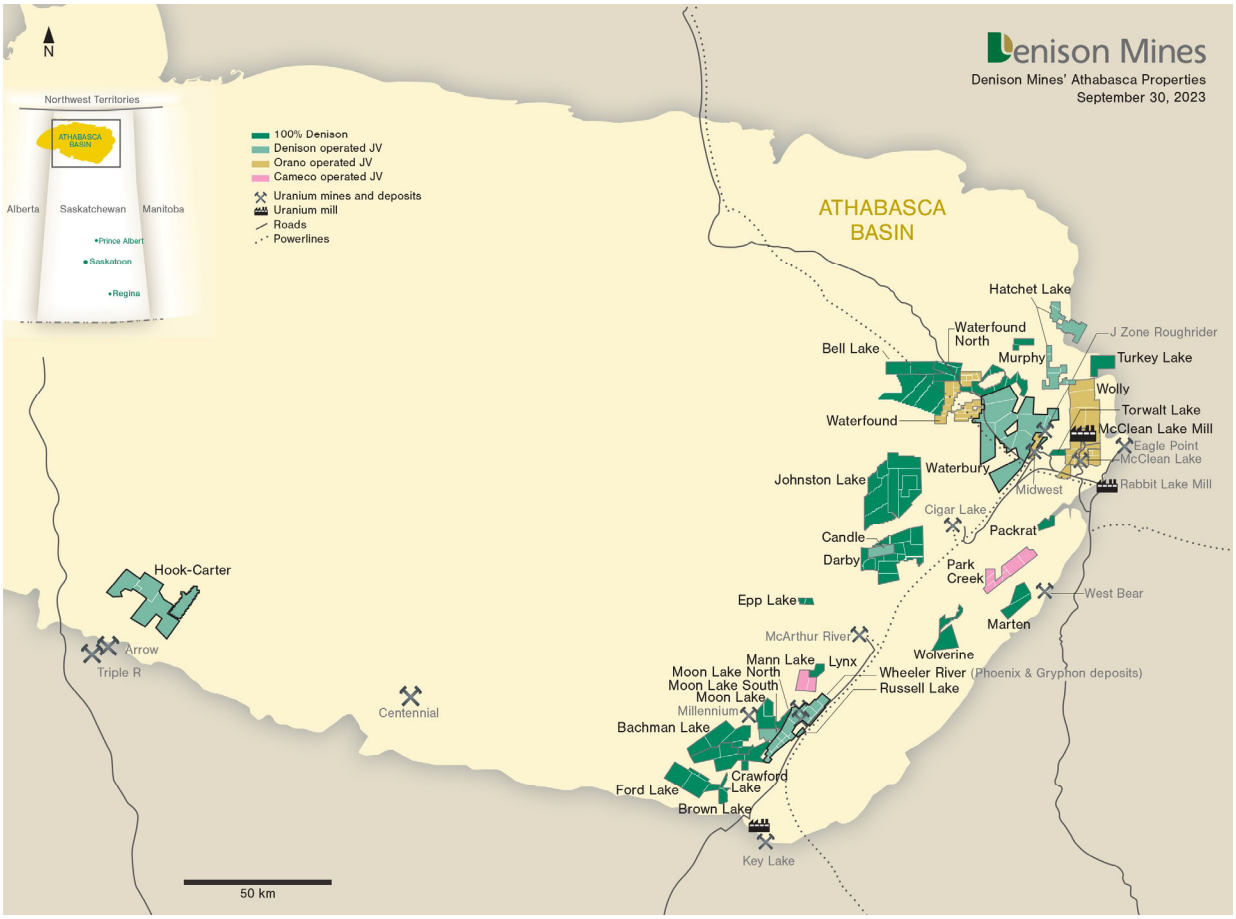
Exploration spending in the Athabasca Basin is generally seasonal in nature, with spending typically higher during the winter exploration season (January to mid-April) and summer exploration season (June to mid-October).

The following table summarizes the 2023 exploration activities which were completed up to mid-October 2023. Exploration drilling programs were conducted at Wheeler River, Moon Lake South, Moon Lake, Johnston Lake, and at Waterfound, which is one of the Company's non-operated properties. All exploration expenditure information in this MD&A covers the three and nine months ended September 30, 2023.

EXPLORATION ACTIVITIES			
Property	**Denison's ownership**	**Drilling in metres (m)[1]**	**Other activities**
Bell Lake	100.00%	-	Geophysical Survey
Johnston Lake	100.00%	6,202 (8 holes)	Geophysical Survey
Moon Lake	100.00%	627 (1 hole)	-
Moon Lake South	75.00%	8,098 (14 holes)	-
Waterfound	24.68%[2]	9,789 (17 holes)	-
Wheeler River	95.00%[3]	4,368 (7 holes)	Geophysical Survey
Total		**29,084 (47 holes)**	

(1) The Company reports total exploration metres drilled and the number of holes that were successfully completed to their target depth.
(2) Denison's effective ownership interest as at September 30, 2023, including an indirect 12.90% ownership interest held through Denison's 50% ownership of JCU.
(3) Denison's effective ownership interest as at September 30, 2023, including the indirect 5.0% ownership interest held through the JCU.

The Company's land position in the Athabasca Basin, as of September 30, 2023, is illustrated in the figure below. The Company's Athabasca land package did not change during the third quarter of 2023, remaining at 286,146 hectares (207 claims). The land position reported by the Company excludes the land positions held by JCU.



Wheeler River Exploration

Denison's share of exploration costs at Wheeler River during the three and nine months ended September 30, 2023 was $259,000 and $1,554,000, respectively (September 30, 2022 – $529,000 and $677,000).

The 2023 Wheeler River winter exploration drilling program was initiated in mid-January, and was completed during the first quarter. A total of 3,034 metres was drilled in five holes, with three holes drilled approximately 850 metres south of Gryphon, and an additional two drill holes completed at the Gryphon South target area, approximately 2.8 kilometres south of the Gryphon deposit.

The 2023 exploration drilling program resumed in September 2023, with two holes drilled near the Gryphon deposit to (i) test for a possible extension of the Gryphon E2 mineralized lens, and (ii) to test the unconformity expression of basement-hosted mineralization encountered in 2018 drill hole WR-709 (2.42% U_3O_8 over 0.5 metres).

Drilling

During winter drilling program, three holes were drilled to test the potential to upgrade the unconformity-associated mineralization found in 2015 drill hole WR-597, located approximately 850 metres south of the Gryphon deposit (4.5% U_3O_8 over 4.5 metres), by testing the unconformity approximately 100 metres southwest along strike of WR-597. While the 2023 drill holes did not intersect unconformity-hosted uranium mineralization, multiple intervals of basement-hosted mineralization were identified: WR-810A intersected uranium mineralization grading 1.27% eU_3O_8 over 1.0 metres approximately 60 metres below the unconformity; and WR-811A identified basement-hosted mineralization grading 0.61% eU_3O_8 over 4.0 metres, approximately 4.0 metres below the unconformity.

The winter drilling program also included two additional holes at the Gryphon South target area, designed to test conductivity anomalies associated with the edges of a resistivity low anomaly, located an additional 2.8 kilometres

along strike to the south of WR-810A and WR-811A. This basement resistivity low exhibits an S-shaped flexure, creating a structural setting where zones of both dilation and compression may be present, which present attractive targets for both basement-hosted and unconformity-hosted mineralization respectively.

WR-808 targeted the southeast edge of the resistivity anomaly. A graphitic pelite was intersected in the upper basement, interpreted to explain the conductive response. Unfortunately, no significant structural disruption was associated with this graphitic pelite. Significant carbonate veining was observed approximately 150 metres below the unconformity, perhaps indicating that there may be a significant structure nearby. No significant elevated radioactivity was encountered in WR-808.

WR-809 targeted the northwest edge of the resistivity anomaly and intersected a graphitic fault zone approximately 40 metres below the unconformity consisting of sporadic breccias with structurally upgraded graphite with thicknesses of up to 20 centimetres. The up-dip projection of this structure at the unconformity presents a target for future exploration drilling.

The fall drill program was completed in October 2023 and consisted of two holes (1,334 metres) at the Gryphon deposit.

WR-812 targeted the northern strike extension of the Gryphon E2 lens by targeting the E2 horizon approximately 40 metres along strike to the northeast of mineralization encountered in WR-507D2 (38.6% U_3O_8 over 0.5 metres), which represents the northeastern end of the current interpretation of the E2 lens. While the hole intersected several intervals of low-grade mineralization near the interpreted E2 horizon, including a peak interval grading 0.48% eU_3O_8 over 1.7 metres, the mineralization identified in WR-812 is not anticipated to have a significant impact on the resources estimated for the E2 lens.

WR-813 was designed to test the unconformity expression of the up-dip projection of mineralization encountered in WR-709 by targeting the unconformity approximately 40 metres northwest from the unconformity intersection of WR-709. While intense structural disruption, resulting in intense quartz dissolution and significant core loss in the basal sandstone column, was identified, no uranium mineralization above a 0.05% eU_3O_8 cutoff was encountered at the unconformity. Instead, a narrow interval of low-grade uranium mineralization grading 0.06% eU_3O_8 over 0.3 metres was intersected approximately 30 metres below the unconformity contact, from 585.0 metres to 585.3 metres, associated with the margins of interfingering pelitic intervals within a pegmatitic unit.

Equivalent grades for the mineralized intersections are shown in the table below. Assay grades for the 2023 fall exploration drilling program are pending.

MINERALIZED DRILL RESULTS FOR 2023 FALL DRILLING PROGRAM

Hole Number	Orientation (azi./dip)	From (m)	To (m)	Length[1] (m)	Grade (% eU_3O_8)[2]
WR-812[3,5]	292°/-73.8°	550.1	550.5	0.4	0.18
-	-	551.0	552.7	1.7	0.48
WR-813[4,6]	272°/-73.0°	585.0	585.3	0.3	0.06

(1) Lengths indicated represent the down-hole length of mineralized intersections.
(2) Radiometric equivalent U_3O_8 ('e U_3O_8') derived from a calibrated gamma downhole probe.
(3) WR-812 was collared at 6,376,802 mN, 475,268.2 mE, 524.0 mASL.
(4) WR-813 was collared at 6,376,802 mN, 475,268.2 mE, 524.0 mASL.
(5) Mineralized interval is composited above a cut-off grade of 0.1% eU_3O_8.
(6) Mineralized interval is composited above a cut-off grade of 0.05% eU_3O_8.

Ground Geophysics

In addition to the winter diamond drilling activities, the Stepwise Moving Loop Electromagnetic ('SWML EM') survey that was initiated at the N Zone target area in the fourth quarter of 2022 was completed in January 2023. The survey successfully identified conductivity anomalies that lie coincident to resistivity low features defined by previous DC resistivity surveys at N Zone. These anomalies will be used to generate targets for future exploration drilling programs.

Exploration Pipeline Properties

During the nine months ended September 30, 2023, five exploration field programs were carried out at Denison's pipeline properties (four operated by Denison) and Denison's share of exploration costs for these properties was $1,665,000 and $6,025,000 respectively, for the three and nine months ended September 30, 2023 (September 30, 2022 – $978,000 and $4,117,000).
The Company continues to review, prioritize and rationalize its Athabasca Basin exploration portfolio with the objective of continuing to explore its highest priority projects, with the potential to deliver significant and meaningful new discoveries.

Bell Lake

During the first quarter of 2023, a Small Moving Loop Electromagnetic ('SML EM') survey was completed on the Company's 100%-owned Bell Lake property to locate and refine the positions of discrete, steeply-dipping conductors within a broad resistivity low anomaly identified from the 2013 and 2015 DC resistivity surveys. The results of the survey are currently being evaluated by Denison's exploration team and will be used to generate targets for future exploration drilling programs.

Hook-Carter

Located in the southwest corner of the Athabasca basin, the Hook-Carter project is interpreted to host the strike extension of the Patterson Lake corridor, which hosts NexGen Energy's Arrow deposit, Fission Uranium's Triple R deposit, and Purepoint Uranium Group's Spitfire zone. The project also overlies the interpreted strike extension of the Carter and Derkson corridors, each of which represent highly prospective, under-explored corridors in which significant uranium mineralization may exist.

A property-wide Z-Axis Tipper Electromagnetic ('ZTEM') survey was completed on the Company's Hook-Carter property in June of 2023. The primary objective of the ZTEM survey is to develop a project-scale conductivity model that will provide valuable insight into the underlying basement geology. A total of 1,559 kilometres of ZTEM data was collected. The ZTEM survey data has provided a high-resolution property-scale conductivity model that will be used to drive future ground-based geophysics as Denison's exploration team defines drill targets for future drilling programs on the property.

Johnston Lake

The Johnston Lake project is 100% owned and operated by Denison. The property, located approximately 20 kilometres northwest of Cameco's Cigar Lake operation, consists of nine mineral dispositions totaling 28,647 hectares.

During the first quarter of 2023, a SML EM survey was completed on the property to better define basement conductivity associated with the MJ1 conductive trend and generate targets for future drill testing on the project. The results of the survey were used to generate drill targets for the 2023 exploration drilling program, and will also inform future potential programs on the property.

The 2023 exploration drilling program at Johnston Lake commenced in early June and was completed in the third quarter. A total of 6,202 metres was drilled in eight holes along the MJ-1 trend, where drilling completed by a previous operator identified significant uranium and base metal enrichment.

The 2023 exploration drilling program successfully explained the conductive response identified from the 2023 SML EM survey. Additionally, alteration and structure indicative of a potentially mineralizing system were intersected in all holes completed during the summer program. Low-grade mineralization was identified in several holes, highlighted by JL23-39, which intersected 0.89% U_3O_8 over 0.1 metres, intersected approximately 90 metres below the unconformity. . The presence of this mineralization, along with the strike-slip nature of the MJ-1 corridor suggest that the MJ-1 corridor has the potential to host a Cigar Lake-style unconformity hosted uranium deposit.

Moon Lake

The Moon Lake property is located in the southeastern part of the Athabasca Basin, adjacent to the western boundary of the Wheeler River project. During the first quarter of 2023, the Company completed an exploration drilling program, consisting of one diamond drill hole drilled to 627 metres depth. No significant structure, alteration, or uranium mineralization was intersected. No further work is planned for the property in 2023.

Moon Lake South

The Moon Lake South property is also located adjacent to the western boundary of the Wheeler River project and is north of Denison's 100% owned Crawford Lake project, approximately 30 kilometres northwest of Cameco's Key Lake operation. The Moon Lake South project is a joint venture between Denison Mines Corp., which holds a 75% interest in the property, and CanAlaska Uranium Ltd. ('Moon Lake South JV'), which holds the remaining 25% interest. Denison is the project operator.

The 2023 winter exploration program consisted of six completed diamond drill holes totaling 3,306 metres, designed to evaluate the potential to expand the footprint of known mineralization discovered in 2016 and 2021 by testing conductivity anomalies identified from the 2022 SWML EM survey.

In April 2023, the Company announced that uranium mineralization was encountered in four of the six drill holes completed during the 2023 winter exploration program, highlighted by MS-23-10A which intersected perched high-grade uranium mineralization lying approximately 30 metres above the sub-Athabasca unconformity. Assay results from the 2023 winter drilling program were received during the second quarter, which confirmed and upgraded the high-grade result reported from MS-23-10A, returning 2.46% U_3O_8 over 8.0 metres (0.05% U_3O_8 cut-off), including 3.71% U_3O_8 over 4.5 metres (2% U_3O_8 cut-off).

Based on the results of the winter drilling program, the Moon Lake South Joint Venture approved a supplemental budget to expand the 2023 exploration program to include a summer/fall drilling program. The supplemental drilling program was initiated in early September and was completed in October 2023. Assay results from the supplemental drill program are pending.

Waterfound River

Waterfound River ('Waterfound') is operated by Orano Canada. Denison has an effective 24.68% ownership interest in the project, including an 11.78% direct interest and a 12.90% indirect interest from its 50% ownership of JCU.

The 2023 diamond drill program was designed with three objectives: (i) to evaluate and define the extent of high-grade unconformity associated uranium mineralization around the recently discovered Crocodile zone (including the broad zone of uranium mineralization previously encountered in WF-74A, which returned 4.75% eU_3O_8 over 13.3 metres, including a peak interval of 25.23% eU_3O_8 over 0.5 metres); (ii) characterize and determine the extent of historical mineralization at the Alligator showing (includes 4.49% U_3O_8 over 10.53 metres); and (iii) test the potential for high-grade mineralization between the two mineralized zones.

The most significant mineralization returned from the 2023 winter drill program was encountered in WF-74A-1, which tested the unconformity approximately 17 metres south of WF-74A. Mineralization grading 0.53% eU_3O_8 over 4.6 metres was encountered straddling the unconformity contact.

The summer drill program was initiated in mid-June 2023 and was completed during the third quarter of 2023. Six holes were drilled during the summer program, for a total of 3,471 metres.

While significant structure and indicative alteration were intersected in each hole drilled during the summer program, only two holes (Holes WF-89 and WF-90, drilled on a fence approximately 1,250 metres west of the Crocodile showing) returned uranium mineralization with grades exceeding a 0.05% eU_3O_8 cutoff. WF-89 encountered disseminated blebs of uraninite within a sandstone matrix approximately 0.5 metres above the unconformity contact, grading 0.08% eU_3O_8 over 0.3 metres. The follow-up hole, WF-90, drilled approximately 25 metres grid south of the mineralization encountered in WF-89, intersected low-grade basement-hosted mineralization grading 0.09% eU_3O_8 over 0.2 metres, located approximately 55 metres below the unconformity contact.

GENERAL AND ADMINISTRATIVE EXPENSES

Total general and administrative expenses were $2,999,000 and $9,462,000, respectively during the three and nine months ended September 30, 2023 (September 30, 2022 – $2,652,000 and $9,475,000). These costs are mainly comprised of head office salaries and benefits, office costs in multiple regions, audit and regulatory costs, legal fees, investor relations expenses, project costs, and all other costs related to operating a public company with listings in Canada and the United States. The increase in general and administrative expenses during the third quarter of 2023, is primarily driven by an increase in employee training costs, compliance costs, and travel costs associated with site visits to the Phoenix FFT site. The decrease in general and administrative expenses in the nine months ended September 30, 2023 was predominantly driven by a decrease in the employee cash bonus expense, slightly offset by the increase in training, compliance and travel costs recorded in the second and third quarters.

OTHER INCOME AND EXPENSE

During the three and nine months ended September 30, 2023, the Company recognized gains of $68,086,000 and $90,332,000 in other income and expense, respectively (September 30, 2022 –gains of $4,646,000 and $49,810,000).

The main drivers of other income/expense are as follows:

Fair value gains or losses on uranium investments

During 2021, the Company acquired 2,500,000 pounds of U_3O_8 at a weighted average cost of $36.67 (US$29.66) per pound U_3O_8 (including purchase commissions of $0.05 (US$0.04) per pound U_3O_8) to be held as a long-term investment to strengthen the Company's balance sheet and potentially enhance its ability to access future project financing in support of the advancement and/or construction of Wheeler River. Given that this material is held for long-term capital appreciation, the Company's holdings are measured at fair value, with changes in fair value between reporting dates recorded through profit and loss. During the three months ended September 30, 2023, the spot price of U_3O_8 increased from $74.14 (US$56.00) per pound U_3O_8 as at June 30, 2023, to $99.37 (US$73.50) per pound U_3O_8, at September 30, 2023, resulting in a fair value of the Company's uranium investments of $248,445,000 and mark-to-market gains for the three months ended September 30, 2023 of $63,089,000 on the Company's uranium holdings (September 30, 2022 – mark to market gain of $2,637,000). During the nine months ended September 30, 2023, the spot price of U_3O_8 increased from $65.01 (US$48.00) per pound U_3O_8 as at December 31, 2022, to $99.37 (US$73.50) per pound U_3O_8, at September 30, 2023, resulting in mark-to-market gains for the nine months ended September 30, 2023 of $85,910,000 on the Company's uranium holdings (September 30, 2022 – $32,216,000). See SUBSEQUENT EVENTS for further details.

Fair value gains or losses on portfolio investments

During the three and nine months ended September 30, 2023, the Company recognized gains of $4,530,000 and $2,645,000, respectively, on portfolio investments carried at fair value (September 30, 2022 – a gain of $805,000 and a loss of $4,181,000). Gains and losses on investments carried at fair value are determined by reference to the closing share price of the related investee at the end of the period, or, as applicable, immediately prior to disposal.

Gain on receipt of proceeds from Uranium Industry a.s

In January 2022, the Company executed a Repayment Agreement ('RA') pursuant to which the parties negotiated the repayment of the debt owing from Uranium Industry a.s ('UI') to Denison in connection with the Company's sale of its mining assets and operations located in Mongolia to UI in 2015 for upfront cash consideration as well as the rights to receive additional contingent consideration. Under the terms of the RA, UI has agreed to make scheduled payments of the amounts owing from the sale of the Mongolia operations through a series of quarterly installments and annual milestone payments, until December 31, 2025. The total amount due to Denison under the RA, including amounts received to date, is approximately US$16,000,000, inclusive of additional interest to be earned over the term of the agreement at a rate of 6.5% per annum. The RA includes customary covenants and conditions in favour of Denison, including certain restrictions on UI's ability to take on additional debt, in consideration for Denison's deferral of enforcement of the arbitration award while UI is in compliance with its obligations under the RA.

During the three and nine months ended September 30, 2023, the Company received US$200,000 and US$600,000, respectively, from UI (September 30, 2022 – US$100,000 and US$2,300,000), of which a portion relates to reimbursement of legal and other expenses incurred by Denison. The decrease in payments received in the nine months ended September 30, 2023, as compared to the prior period, is due to an initial payment of US$2,000,000 due upon the execution of the RA in January 2022. During the three and nine months ended September 30, 2023, as a result of the payments received, the Company recorded gains related to the Mongolia sale receivable of $267,000 and $802,000, respectively (September 30, 2022 – $131,000 and $2,844,000). This receivable is recorded at fair value at each period end (September 30, 2023 and December 31, 2022 – $nil).

Foreign exchange gains

During the three and nine months ended September 30, 2023, the Company recognized foreign exchange gains of $341,000 and $150,000, respectively (September 30, 2022 – gains of $615,000 and $902,000). The foreign exchange gains in the three and nine months ended September 30, 2023 are predominantly due to the impact of the increase in the US dollar to Canadian dollar exchange rate during the year on US dollar cash balances.

Fair value gains or losses on warrants on investments

In October 2021, the Company sold (1) 32,500,000 common shares of GoviEx Uranium Inc. ('GoviEx') and (2) 32,500,000 GoviEx warrants ('GoviEx Warrants') for combined gross proceeds of $15,600,000. The gross proceeds were allocated to the GoviEx shares and GoviEx Warrants based on their relative fair values at the time of sale.

The GoviEx Warrants entitled the holder to acquire from Denison one common share of GoviEx owned by Denison for $0.80 during the 18 month life of the warrant (until April 2023) and were accounted for as a derivative liability. At each applicable period end, the warrants were revalued, and the revaluation gains and losses are recorded in other income and expense.

During the three and nine months ended September 30, 2023, the Company recorded a fair value loss on the GoviEx Warrants of $nil and $nil, respectively (September 30, 2022 – gain of $422,000 and $1,592,000). The warrants expired unexercised in April 2023 and had already been reduced to a fair value of $nil at December 31, 2022.

Fair value gains or losses on share purchase warrants

In February and March 2021, Denison completed two equity offerings involving the issuance of units, which were comprised of one common share and one half of a common share purchase warrant. Each full warrant entitled the holder to acquire one common share of the Company at a pre-determined exercise price for 24 months after issuance. The exercise prices for the share purchase warrants were denominated in US dollars, which differs from the Company's Canadian dollar functional currency, and therefore the warrants were classified as a non-cash derivative liability, rather than equity, on the Company's statement of financial position.

At the date of issuance of the units, the gross proceeds of each offering were allocated between the common shares and the common share purchase warrants issued using the relative fair value basis approach, and the amount related to the warrants was recorded as a non-current derivative liability. At each applicable period end, the warrants were revalued, with the revaluation gains or losses recorded in other income and expense.

During the three and nine months ended September 30, 2023, the Company recorded a fair value loss of $nil and $nil, respectively, on the revaluation of the Denison share purchase warrants (September 30, 2022 – gains of $190,000 and $16,923,000). The warrants expired in the first quarter of 2023 and had already been reduced to a fair value of $nil at December 31, 2022.

EQUITY SHARE OF INCOME FROM JOINT VENTURES

During the three and nine months ended September 30, 2023, the Company recorded its equity share of loss from JCU of $459,000 and $3,814,000, respectively (September 30, 2022 – $945,000 and $2,249,000). The Company records its share of income or loss from JCU one month in arrears, based on the most available financial information, adjusted for any subsequent material transactions that have occurred.

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents were $60,839,000 at September 30, 2023 (December 31, 2022 – $50,915,000).

The increase in cash and cash equivalents of $9,924,000 was predominantly due to net cash provided by financing activities of $39,220,000, partially offset by net cash used in operations of $25,808,000 and net cash used in investing activities of $3,648,000.

Net cash used in operating activities of $25,808,000 was predominantly due to net income for the period, and adjustments for non-cash items, including fair value adjustments.

Net cash used in investing activities of $3,648,000 consists primarily of the Company's incremental investment in JCU, an increase in property plant & equipment, as well as an increase in restricted cash due to the Company's funding the Elliot Lake reclamation trust fund.

Net cash provided by financing activities of $39,220,000 was mainly due to the net proceeds from the Company's At-The-Market ('ATM') equity program, as well as stock option exercises. See below for further details regarding the ATM program.

In September 2021, the Company filed a short form base shelf prospectus ('2021 Base Shelf Prospectus') with the securities regulatory authorities in each of the provinces and territories in Canada and in the United States, which subsequently expired on October 16, 2023. The 2021 Base Shelf Prospectus related to the public offering for sale of

securities, in amounts, at prices, and on terms to be determined based on market conditions at the time of sale and as set forth in the 2021 Base Shelf Prospectus and pursuant to a prospectus supplement, for an aggregate offering amount of up to $250,000,000.

Also in September 2021, Denison entered into an equity distribution agreement providing for an ATM equity offering program ('2021 ATM Program'), qualified by a prospectus supplement to the 2021 Base Shelf Prospectus. The 2021 ATM Program allowed Denison, through its agents, to, from time to time, offer and sell, in Canada and the United States, such number of common shares as would have an aggregate offering price of up to US$50,000,000. The 2021 ATM Program was terminated on October 11, 2023.

During the three and nine months ended September 30, 2023, the Company issued 11,305,100 and 19,786,160 shares, respectively, under the 2021 ATM Program. The common shares issued in the nine months ended September 30, 2023 were issued at an average price of $1.91 per share for aggregate gross proceeds of $37,887,000. During the nine months ended September 30, 2023, the Company also recognized commission-related and other issue costs of $845,000 related to its ATM share issuances. Since launching the 2021 ATM Program, the Company issued 34,669,322 shares under the 2021 ATM Program at an average price of $1.91 per share for aggregate gross proceeds of $66,062,000 (US$49,800,000).

Also during the nine months ended September 30, 2023, the Company received share issue proceeds of $2,362,000 related to the issuance of 2,970,381 shares upon the exercise of employee stock options.

Use of Proceeds

March 2021 Unit Financing

As disclosed in the Company's prospectus supplement to its 2020 base shelf prospectus dated March 17, 2021 ('March 2021 Prospectus Supplement'), the majority of the net proceeds of the equity financing from March 2021 were expected to be utilized to purchase physical uranium in the uranium spot market, with a target of acquiring approximately 2,500,000 pounds of U_3O_8, as well as general, corporate and administrative expenses, including storage costs for the purchased uranium. During 2021, the Company acquired 2,500,000 pounds of U_3O_8 with a total cost of $91,674,000. The remainder of the net proceeds of this financing will be utilized for general, corporate, and administrative expenses, in line with the use of proceeds disclosed in the March 2021 Prospectus Supplement.

2021 ATM Program Financing

As disclosed in the Company's prospectus supplement to the 2021 Base Shelf Prospectus dated September 28, 2021 ('September 2021 Prospectus Supplement'), the net proceeds raised under the 2021 ATM Program were expected to be utilized to potentially fund Wheeler River evaluation and detailed project engineering, long lead project construction items, as well as general, corporate and administrative expenses, subject to the actual amount raised. During the period from the closing of the financing in September 2021 to September 30, 2023, the Company's use of proceeds from this offering was in line with that disclosed in the September 2021 Prospectus Supplement.

Revolving Term Credit Facility

On December 22, 2022, the Company entered into an agreement with the Bank of Nova Scotia ('BNS') to extend the maturity date of the Company's credit facility to January 31, 2024 ('2023 Credit Facility'). Under the 2023 Credit Facility, the Company increased the facility by $992,000 to cover additional standby letters of credit with respect to environmental obligations related to the FFT activities at Wheeler River. The Company now has access to letters of credit of up to $23,964,000, which is fully utilized for non-financial letters of credit in support of reclamation obligations. All other terms of the 2023 Credit Facility (tangible net worth covenant, pledged cash, investments amount and security for the facility) remain unchanged by the amendment – including a requirement to provide $7,972,000 in cash collateral on deposit with BNS to maintain the current letters of credit issued under the 2023 Credit Facility.

TRANSACTIONS WITH RELATED PARTIES

Korea Electric Power Corporation ('KEPCO')

Denison and Korea Hydro Nuclear Power Canada ('KHNP Canada') (which is an indirect subsidiary of KEPCO through Korea Hydro Nuclear Power ('KHNP')) are parties to the KHNP Strategic Relationship Agreement, which provides for a long-term collaborative business relationship between the parties and includes a right of KHNP Canada to nominate one representative to Denison's Board of Directors provided that its shareholding percentage is at least 5%.

KHNP Canada is also the majority member of KWULP. KWULP is a consortium of investors that holds the non-Denison owned interests in Waterbury Lake Uranium Corporation and Waterbury Lake Uranium Limited Partnership ('WLULP'), entities whose key asset is the Waterbury Lake property.

COMPENSATION OF KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers, vice-presidents and members of its Board of Directors.

The following compensation was awarded to key management personnel:

	Three Months Ended		Nine Months Ended	
(in thousands)	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Salaries and short-term employee benefits	$ (512)	$ (543)	$ (2,156)	$ (2,711)
Share-based compensation	(544)	(774)	(2,017)	(2,422)
	$ (1,056)	$ (1,317)	$ (4,173)	$ (5,133)

The decrease in salaries and short-term employee benefits awarded to key management in the nine months ended September 30, 2023 is predominantly driven by a decrease in bonus expense. During 2022, key management compensation included a special additional bonus award granted to certain key management personnel.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

SUBSEQUENT EVENTS

Strategic Investment in F3 Uranium Corp.

In October, 2023 the Company committed to and completed a $15,000,000 strategic investment in F3 in the form of unsecured convertible debentures. The Debentures carry a 9% coupon, payable quarterly over a 5-year term and will be convertible at Denison's option into common shares of F3 at a conversion price of $0.56 per share. F3 has, at its sole discretion, the right to pay up to one-third of the Interest in common shares of F3 issued at a price per common share equal to the volume weighted average share price of F3's common shares on the TSX Venture Exchange for the 20 trading days ending on the day prior to the date on which such payment of Interest is due. F3 will also have certain redemption rights on or after the third anniversary of the date of issuance of the Debentures and/or in the event of an F3 change of control.

Bought Deal Offering

On October 16, 2023, the Company closed a bought deal public offering of 37,000,000 common shares at a price of US$1.49 per share, for total gross proceeds of $75,082,000 (US$55,130,000).

Sale of Uranium

In October 2023, Denison finalized an agreement to sell 100,000 pounds of U_3O_8 at a price of US$72.00 per pound for delivery in November 2023. Also in October, the Company reached commercial terms to sell an additional 100,000 pounds of U_3O_8 at a price of US$74.75 per pound for delivery in December 2023.

OUTSTANDING SHARE DATA

Common Shares

At November 8, 2023, there were 888,606,205 common shares issued and outstanding and a total of 902,242,625 common shares on a fully-diluted basis.

Stock Options and Share Units

At November 8, 2023, there were 6,777,833 stock options, and 6,858,587 share units outstanding.

OUTLOOK FOR 2023

Refer to the Company's annual MD&A for the year ended December 31, 2022 and the MD&A for the three and six months ended June 30, 2023 for a detailed discussion of the previously disclosed 2023 budget and outlook.

During the third quarter of 2023, the Company decreased its outlook for evaluation expenditures by $3,488,000 predominantly due to the deferral of certain activities into 2024, including certain aspects of Detailed design engineering. In addition, the Company decreased its outlook for Closed Mines income by $586,000 to reflect the end of the Company's long-term contract to perform third-party care and maintenance services. Finally, the outlook for corporate administration and other expenditures decreased by $1,349,000 predominantly due to higher interest income earned on the Company's cash balances due to rising interest rates and including interest income to be earned on the Company's investments in the F3 Debentures (see SUBSEQUENT EVENTS), slightly offset by increased costs associated with the renovation of the Company's office in Saskatoon and increased employee costs. The full year forecast for Corporate and Other segment is lower than the actual expenditures for the nine months ended September 30, 2023 due to forecasted cash inflows from UI and interest income in the fourth quarter which are expected to exceed the quarterly expenditures.

(in thousands)	PREVIOUS 2023 BUDGET	CURRENT 2023 OUTLOOK	Actual to September, 2023[2]
Mining Segment			
Development & Operations	(1,695)	(1,695)	(1,058)
Exploration	(8,748)	(8,748)	(7,390)
Evaluation	(27,260)	(23,772)	(14,860)
JCU Cash Contributions	(3,146)	(3,146)	(1,979)
	(40,849)	(37,361)	(25,287)
Closed Mines Segment			
Closed Mines Environmental Services	873	287	655
	873	287	655
Corporate and Other Segment			
Corporate Administration & Other	(4,476)	(3,127)	(5,378)
	(4,476)	(3,127)	(5,378)
Total[1]	**$ (44,452)**	**$ (40,201)**	**$ (30,010)**

Notes:
1. Only material operations shown.
2. The budget is prepared on a cash basis. As a result, actual amounts represent a non-GAAP measure. Compared to segment loss as presented in the Company's unaudited interim consolidated financial statements for the nine months ended September 30, 2023, actual (amounts reported above includes capital additions of $1,456,000, $806,000 in repayments from UI, and excludes $1,249,000 net impact of non-cash items and other adjustments.

ADDITIONAL INFORMATION

QUALIFIED PERSON

Chad Sorba, P.Geo., Denison's Director Technical Services, who is a 'Qualified Person' within the meaning of this term in NI 43-101, has prepared and/or reviewed and confirmed the scientific and technical disclosure pertaining to the Company's evaluation programs.

Andy Yackulic, P.Geo., Denison's Director Exploration, who is a 'Qualified Person' within the meaning of this term in NI 43-101, has prepared and/or reviewed and confirmed the scientific and technical disclosure pertaining to the Company's exploration programs.

For more information regarding each of Denison's material projects discussed herein, you are encouraged to refer to the applicable technical reports available on the Company's website and under the Company's profile on SEDAR+ (www.sedarplus.com) and EDGAR (www.sec.gov/edgar.shtml):

- For the Wheeler River project, the 'Technical Report for the Wheeler River project titled 'NI 43-101 Technical Report on the Wheeler River Project, Athabasca Basin, Saskatchewan, Canada' with an effective date of June 23, 2023;
- For the Waterbury Lake project, 'Preliminary Economic Assessment for the Tthe Heldeth Túé (J Zone) Deposit, Waterbury Lake Property, Northern Saskatchewan, Canada' with an effective date of October 30, 2020;
- For the Midwest project, 'Technical Report with an Updated Mineral Resource Estimate for the Midwest Property, Northern Saskatchewan, Canada' dated March 26, 2018; and
- For the McClean Lake project, (A) the 'Technical Report on the Denison Mines Inc. Uranium Properties, Saskatchewan, Canada' dated November 21, 2005, as revised February 16, 2006, (B) the 'Technical Report on the Sue D Uranium Deposit Mineral Resource Estimate, Saskatchewan, Canada' dated March 31, 2006, and (C) the 'Technical Report on the Mineral Resource Estimate for the McClean North Uranium Deposits, Saskatchewan' dated January 31, 2007.

ASSAY PROCEDURES AND DATA VERIFICATION

The Company reports preliminary radiometric equivalent grades ('eU_3O_8'), derived from a calibrated down-hole total gamma probe, during or upon completion of its exploration programs and subsequently reports definitive U_3O_8 assay grades following sampling and chemical analysis of the mineralized drill core. Uranium assays are performed on split core samples by the Saskatchewan Research Council ('SRC') Geoanalytical Laboratories using an ISO/IEC 17025:2005 accredited method for the determination of U_3O_8 weight %. Sample preparation involves crushing and pulverizing core samples to 90% passing -106 microns. The resultant pulp is digested using aqua-regia and the solution analyzed for U_3O_8 weight % using ICP-OES. Geochemical results from composite core samples are reported as parts per million ('ppm') obtained from a partial HNO_3:HCl digest with an ICP-MS finish. Boron values are obtained through NaO_2/$NaCO_3$ fusion followed by an ICP-OES finish. All data are subject to verification procedures by qualified persons employed by Denison prior to disclosure. For further details on Denison's sampling, analysis, quality assurance program and quality control measures and data verification procedures please see Denison's Annual Information Form dated March 27, 2023 available on the Company's website and filed under the Company's profile on SEDAR+ (www.sedarplus.com) and in its Form 40-F available on EDGAR at www.sec.gov/edgar.shtml.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain information contained in this MD&A constitutes 'forward-looking information', within the meaning of the applicable United States and Canadian legislation concerning the business, operations and financial performance and condition of Denison.

Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as 'plans', 'expects', 'budget', 'scheduled', 'estimates', 'forecasts', 'intends', 'anticipates', or 'believes', or the negatives and/or variations of such words and phrases, or state that certain actions, events or results 'may', 'could', 'would', 'might' or 'will be taken', 'occur', 'be achieved' or 'has the potential to'.

In particular, this MD&A contains forward-looking information pertaining to the following: the results of, and estimates and assumptions within, the Phoenix FS and the Gryphon PFS Update, including the estimates of Denison's mineral reserves and mineral resources, and statements regarding anticipated budgets, fees, expenditures and timelines; Denison's plans and objectives for 2023 and beyond; exploration, development and expansion plans and objectives, including Denison's planned engineering, environmental assessment and other evaluation programs; statements regarding Denison's EA plans and objectives; expectations regarding Denison's community engagement activities and related agreements; expectations regarding Denison's joint venture ownership interests and

the continuity of its agreements with its partners; expectations regarding the toll milling of Cigar Lake ores, including projected annual production volumes; expectations regarding revenues and expenditures from its Closed Mines operations; and the annual operating budget and capital expenditure programs, estimated exploration and development expenditures and reclamation costs and Denison's share of same. Statements relating to 'mineral reserves' or 'mineral resources' are deemed to be forward-looking information, as they involve the implied assessment, based on certain estimates and assumptions that the mineral reserves and mineral resources described can be profitably produced in the future.

Forward looking statements are based on the opinions and estimates of management as of the date such statements are made, and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Denison to be materially different from those expressed or implied by such forward-looking statements. For example, the results of the Denison's studies, including the Phoenix FS, trade-off study, and field work, may not be maintained after further testing or be representative of actual mining plans for the Phoenix deposit after further design and studies are completed. In addition, Denison may decide or otherwise be required to discontinue testing, evaluation and development work at Wheeler River or other projects or its exploration plans if it is unable to maintain or otherwise secure the necessary resources (such as testing facilities, capital funding, regulatory approvals, etc.) or operations are otherwise affected by regulatory or public health restrictions or requirements.

Denison believes that the expectations reflected in this forward-looking information are reasonable but no assurance can be given that these expectations will prove to be accurate and results may differ materially from those anticipated in this forward-looking information. For a discussion in respect of risks and other factors that could influence forward-looking events, please refer to the factors discussed in Denison's Annual Information Form dated March 27, 2023 under the heading 'Risk Factors'. These factors are not, and should not be construed as being exhaustive.

Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. Any forward-looking information and the assumptions made with respect thereto speaks only as of the date of this MD&A. Denison does not undertake any obligation to publicly update or revise any forward-looking information after the date of this MD&A to conform such information to actual results or to changes in Denison's expectations except as otherwise required by applicable legislation.

Cautionary Note to United States Investors Concerning Estimates of Measured, Indicated and Inferred Mineral Resources and Proven and Probable Mineral Reserves: This MD&A may use the terms 'measured'', 'indicated' and 'inferred' mineral resources. United States investors are advised that while such terms have been prepared in accordance with the definition standards on mineral reserves of the Canadian Institute of Mining, Metallurgy and Petroleum referred to in Canadian National Instrument 43-101 Mineral Disclosure Standards ('NI 43-101') and are recognized and required by Canadian regulations. Effective February 2019, the United States Securities and Exchange Commission ('SEC') adopted amendments to its disclosure rules to modernize the mineral property disclosure requirements for issuers whose securities are registered with the SEC under the Exchange Act and as a result, the SEC now recognizes estimates of "measured mineral resources", "indicated mineral resources" and "inferred mineral resources". In addition, the SEC has amended its definitions of "proven mineral reserves" and "probable mineral reserves" to be "substantially similar" to the corresponding definitions under the CIM Standards, as required under NI 43-101. However, information regarding mineral resources or mineral reserves in Denison's disclosure may not be comparable to similar information made public by United States companies.

United States investors are also cautioned that while the SEC now recognizes 'indicated mineral resources' and 'inferred mineral resources', **United States investors are cautioned not to assume that all or any part of measured or indicated mineral resources will ever be converted into mineral reserves. United States investors are also cautioned not to assume that all or any part of an inferred mineral resource exists, or is economically or legally mineable.**