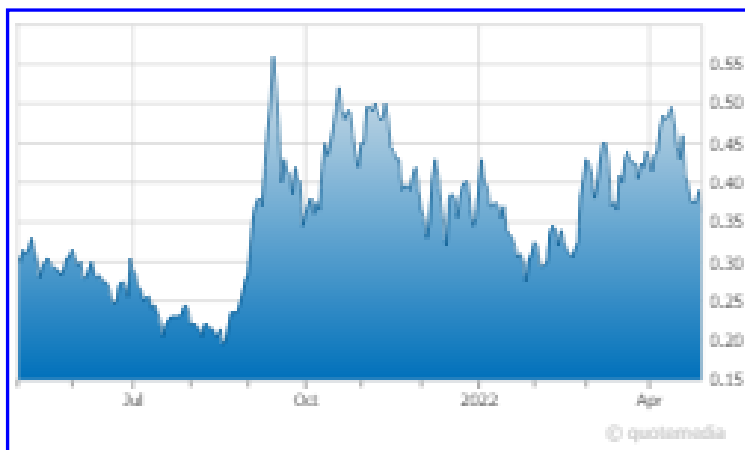


Uraniumletter INTERNATIONAL

the international independent information and advice bulletin for uranium resource investments

INVESTMENT ALERT – May 2, 2022

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GoviEx Uranium Inc. (C\$ 0.365)

TSX.V : GXU
OTCQB : GVXXF
Frankfurt : 7GU

H+L prices (12 months) : C\$ 0.59 – 0.19

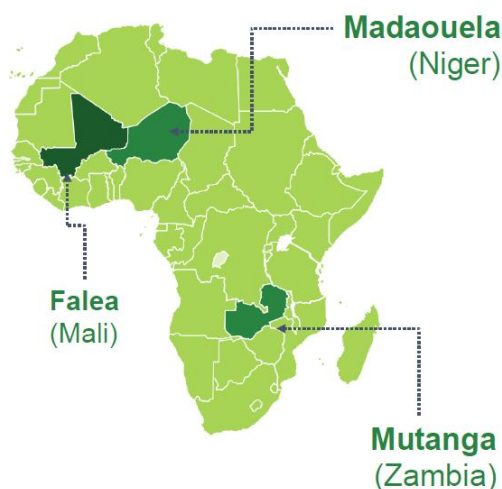
Issued shares : 570.39 million
Fully diluted : 716.7 million

Market capitalization : C\$ 211.5 million
(US\$ 164.5 million)

2022 price target: C\$ 0.70

INVESTMENT ALERT

GoviEx Uranium has started 2022 field program on its mine permitted **Mutanga Project** in Zambia



On April 28, 2022, **GoviEx Uranium** (“GoviEx”) announced that it had started its 2022 field program on its 100% owned and mine permitted **Mutanga Uranium Project** in **Zambia**, one of three African projects owned by the Company, which is planned to be developed following its **Madaouela Uranium Project** in **Niger**.

The field program will target key aspects that will assist to progress the **Mutanga Project** towards completion of its **Feasibility Study** and potential subsequent funding and construction.

The planned field program includes 15,500 metres of infill drilling, with an aim to upgrade the **Mutanga Project’s Dibe East resource** from **Inferred to Indicated category**, extending the work completed by **GoviEx** in 2021. The drilling is planned to use down-hole percussion drilling to an average depth of 120 metres in a nominal 100 m x 50 m grid.

GoviEx has also commissioned 9,000 metres of diamond drilling to obtain core samples for uranium assays that will be used to determine uranium disequilibrium factors for the **Mutanga Project's Dibwe East and Dibwe deposits**. The drilling will also provide metallurgical samples for process verification and optimisation test work and for geotechnical studies.

As part of the 2022 field programme, a hydrogeological study will be conducted to find a reliable water source for the plant and to carry out the dewatering studies for the open pits. **GoviEx** has also commissioned an update of the **ESIA and Relocation Action Plan** beginning in July 2022.

Finally, the Company has commissioned downhole logging services including calibrated gamma log used to correlate uranium grades, hole deviation and conductivity logs to interpret the geology.

GoviEx is committed to acting responsibly across all of the activities it undertakes. This underpins its approach to Environmental, Social and Corporate Governance and can be demonstrated through its commitment to local employment and local content. As part of this commitment, all contracts awarded for the 2022 field program as above are from companies based in Africa, with the vast majority being in Zambia.

Based on its 2017 Preliminary Economic Assessment, ("PEA")^{1 2}, the **Mutanga Project is planned as an open pit, heap leach operation with an 11-year mine life forecast to produce 2.6 Milbs of U3O8 per year, based on a Mineral resource of 15.2 Milbs U3O8 contained in the Measured and Indicated and 44.9 Milbs U3O8 contained in the Inferred category. Uranium recovery is forecast at 88% with a relatively low capital intensity. Start-up Capex is estimated to be US\$123 million and cash operating costs are forecast at US\$31.1/lb U3O8.**

The **Mutanga Project** has access to extensive infrastructure including road, ground water and grid power, and also benefits from a low stripping ratio (3.4:1) and low sulfuric acid consumption (3-9 kg/tonne ore processed). The PEA assumed a 9% mining royalty that was applicable at the time, which has subsequently been revised by the Zambian government to 5%.

At recent prices, the project has an 34% IRR and US\$189 million NPV.

Daniel Major, CEO of GoviEX said: *"We are a multi asset developer on track to deliver on the feasibility study for our mine permitted **Mutanga Project**. This is two years after we plan to deliver the feasibility study for our **Madaouela Project** in Niger, which is due in the first half of this year.*

*With increased uranium prices driven by strong market fundamentals, the **Mutanga Project** continues to be a key asset for **GoviEx**."*

► Net Present Value and Internal Rate of Return Sensitivity

	As per PEA	Applying current Royalty Rate	Applying current Royalty Rate and Spot Price as at 2022-04-12
Uranium Price USD/lb U3O8	58*	58*	63.5**
Royalty Rate %	9 ¹	5 ²	5 ²
NPV8% USDm	112	136	189
IRR %	25%	28%	34%

*USD58 /lb as per PEA base case

**US\$63.5 /lb spot as at 12/04/22 UxC, LLC

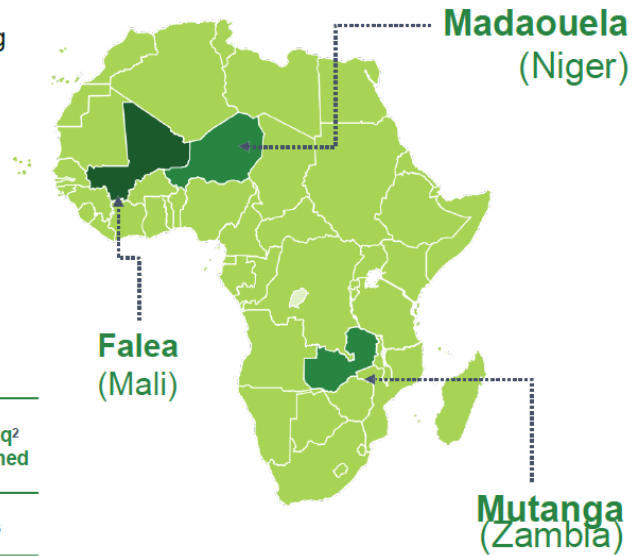
¹ Royalty Rate as per PEA

² Currently Royalty Rate applicable

Project Locations in Africa

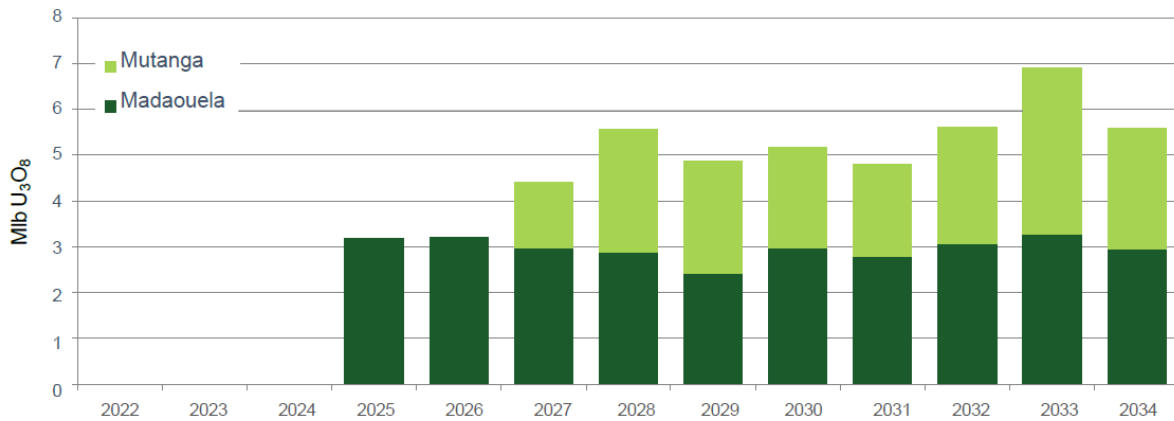
TSX-V: GXU
OTCQX: GVXXF

- ✓ Diversified mining jurisdictions.
- ✓ Niger 60-70% annual exports U_3O_8 , providing 5% of world's mining output from Africa's highest grade uranium ore.
- ✓ Niger's first commercial uranium mine has produced $\pm 140,000tU$, since 1971. Further expansion of uranium mining has received strong governmental support.
- ✓ OHADA and ECOWAS cover Mali and Niger.
- ✓ Zambia seeking to diversify mining industry.
- ✓ Mali Africa's 4th largest gold producer.



Resources ¹	Tonnes	Grade	U_3O_8 Contained	U_3O_8 Eq ² Contained
Total	Mt	% U_3O_8	Mlbs	Mlbs
Measured	17.66	0.093%	36.2	36.2
Indicated	47.83	0.102%	107.3	111.9
Inferred	92.84	0.042%	86.0	88.7

GoviEx Proposed Development Strategy



	PEA	Pre-feasibility	Mining Permit	Definitive Feasibility	Development	Production
Madaouela	✓	✓	✓	2022	2023-2024	2025
Mutanga	✓	N/A ¹	✓	2024	2025-2026	2027

Falea: Strategy under review given precious metal exploration

Investment comments:

GoviEx controls one of the largest uranium resource bases among publicly listed companies with NI 43-101 compliant Measured and Indicated resources of 143 million pounds U3O8, plus Inferred resources of 86 million pounds U3O8.

Under the Integrated Development Plan (IDP) for the Madaouela Project an average 2.6 million pounds U3O8 production rate per year over a 21-year mine life is envisioned, based on Measured and Indicated Mineral resources of 110 million pounds U3O8 and 61 million pounds of Probable Mineral resources.

Based on the production targets for Madaouela and Mutanga set at 2024 and 2026, respectively, **GoviEx** can be considered as one of the most prolific listed uranium exploration/development company focused on Africa, including Niger ranked 5th among the world's largest uranium producing countries.

Considering its prominent position in Africa, a favourite destination for investing in uranium exploration and development companies, **GoviEx**, despite significantly benefitting from recently aggressive physical U3O8 spot price buying, at a current market valuation of US\$ 164.5 million, in particular compared to North American exploration/development companies, in my view, is significantly undervalued.

My 2022 price target is C\$ 0.70.

World's top 10 listed uranium exploration/development companies focused on emerging countries (by market valuation)

	Country focus	Trade symbol	Share price April 30 2022	Share price Year-end 2021	Change to Year-end 2021 in %	Market valuation (US\$ million)
Global Atomic *	1) Niger	TSX.V GLO	C\$ 3.62	C\$ 4.19	-14	493.9
Lotus Resources	2) Malawi	ASX LOT	A\$ 0.35	A\$ 0.31	13	291.0
Deep Yellow *	3) Namibia	ASX DYL	A\$ 0.95	A\$ 0.86	10	257.0
Bannerman Energy	Namibia	ASX BMN	A\$ 0.24	A\$ 0.27	-11	237.6
GoviEx Uranium *	Niger/other African countries	TSX.V GXU	C\$ 0.37	C\$ 0.36	3	165.0
Berkeley Emergia	4) Spain	ASX BKY	A\$ 0.45	A\$ 0.23	96	129.8
Elevate Uranium	5) Namibia	ASX EL8	A\$ 0.63	A\$ 0.47	34	120.3
Forsys Metals	Namibia	TSX FSY	C\$ 0.66	C\$ 0.85	-22	100.5
Aura Energy	6) Mauritania	AIM AEE	GBX 14.00	GBX 13.50	4	80.8
Blue Sky Uranium *	7) Argentina	TSX BSK	C\$ 0.25	C\$ 0.20	50	35.5
Total market capitalization						1,911.4

* featured as a **Special Situation** and included in the **2022 Shortlist of investment recommendations**

1) also 49% interest in operating zinc project in [Turkey](#)

2) acquired 85% stake in major uranium project in [Malawi](#) from [Paladin Energy](#); also cobalt project in [NSW Australia](#)

3) see under [Vimy Resources](#) (traditional countries - note 4)

4) On [November 19, 2021](#), the Company announced it has received notification from the [Ministry for Ecological Transition and the](#)

5) name change from [Marenica Energy](#) effective June 8, 2021

[Democratic Challenge \("MITCO"\)](#) that it has rejected the Authorization for construction of its [Salamanca deposit](#)

6) also world-class vanadium and battery project in [Sweden](#)

7) uranium-vanadium project