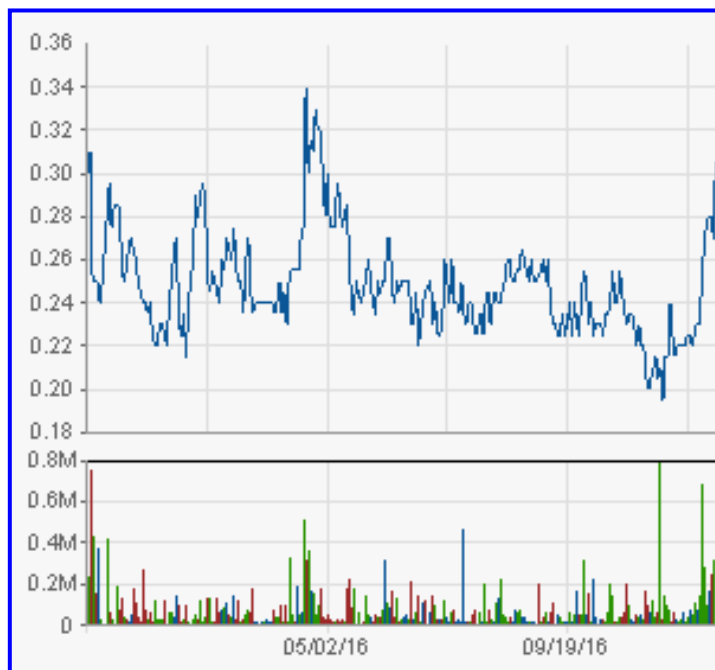


Uraniumletter INTERNATIONAL

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Special Situation – January 2017 Update

www.laramide.com



Laramide Resources Ltd.
(C\$ 0.37)

TSX and ASX : LAM
OTCBB : LMRXF
H+L prices (12 months) : C\$ 0.38 – 0.18
Issued shares : 93.8 million
Market capitalization : C\$ 34.7 million
(US\$ 26.1 million)

2017 share price target: C\$ 0.80

Company Profile

Laramide Resources (“**Laramide**”) is engaged in the exploration and development of high-quality uranium assets based on Australia and the United States. The Company’s portfolio of advanced uranium projects has been chosen for their production.

Its flagship property, **Westmoreland** in Queensland, Australia is one of the largest projects currently held by a junior mining company.

Its U.S. assets include **La Jara Mesa** in Grants, New Mexico and **La Sal** in the Lisbon Valley district of Utah.

In addition, **Laramide** has three contiguous joint ventures in the Northern Territory, Australia, adjacent to the Westmoreland Project, including Rum Jungle Resources-Lagoon Creek, Gulf Manganese Joint Venture, and Rio Tinto – Murphy Farm-In.

Laramide’s Projects - Safe, Stable Jurisdictions in Producing Countries



Within the portfolio of assets are also uranium royalties in the Grants Mineral District of New Mexico and equity positions in Treasury Metals (3.17 million shares), a Canadian gold exploration company (a spin-off from **Laramide** in August 2008), representing a value of \$ 2.3 million and in Khan Resources (interest of 2.65 million shares, recently sold for C\$ 2.3 million).

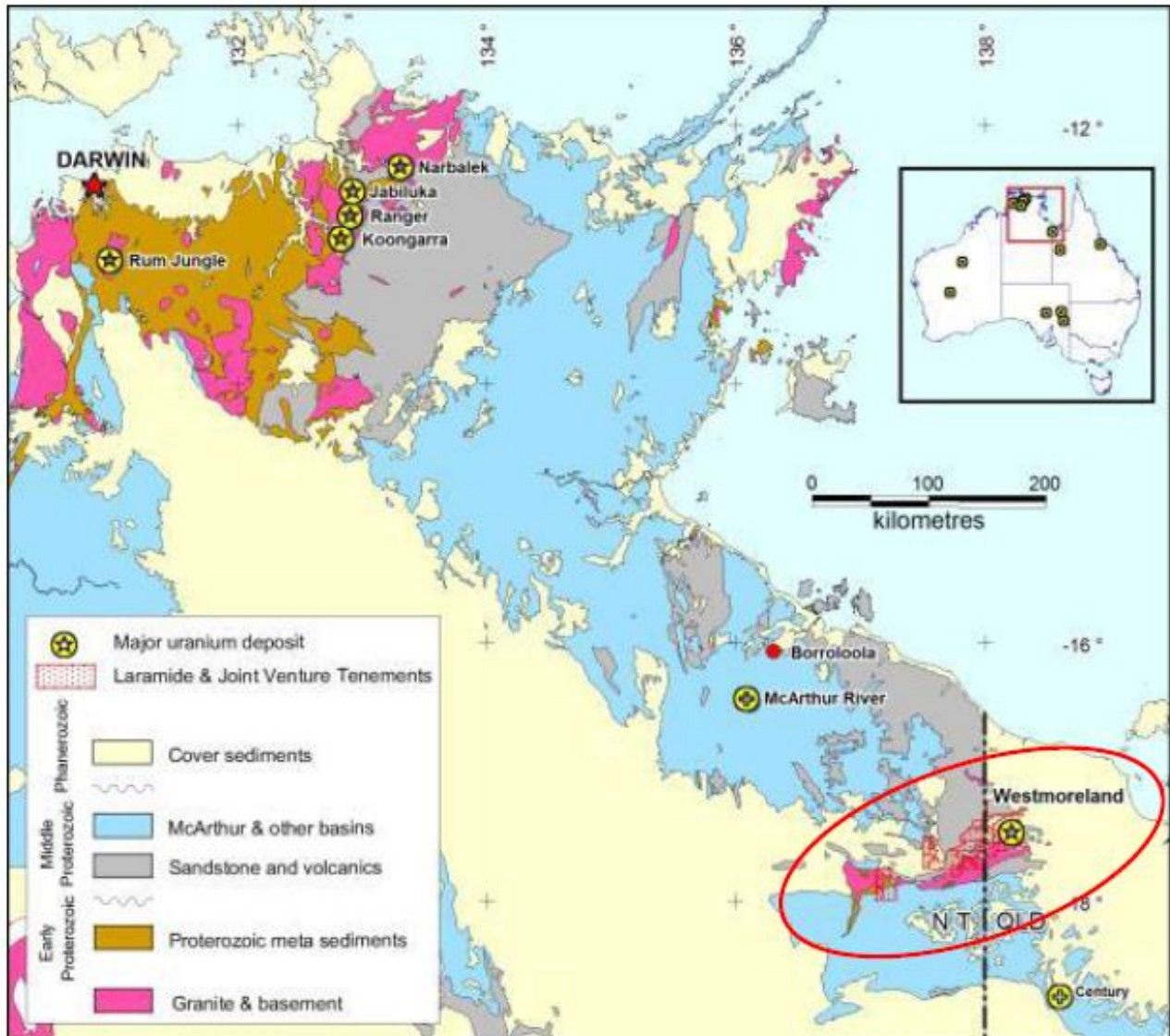
Overview of properties



Australian Properties

► Westmoreland - Queensland, Australia

The Project is located in northwest Queensland, the Northern Territory border. In April 2016, **Laramide** announced the results from its updated Preliminary Economic Assessment ("PEA") for Westmoreland. The independent Study was completed by Lycopodium Minerals.



Key highlights of the PEA calculated at a life of mine price of US\$ 65/lb U₃O₈ are:

- Initial capital expenditures ("CAPEX") of **US\$ 268 million** plus US\$ 49 million contingency are estimated to construct the mine and a 2 million tonne per annum mill with a nameplate capacity of **4 million/lb U₃O₈** per annum.
- Total sustaining capital of **US\$ 58 million** over the 13-year Life of Mine ("LOM").
- Cash operating cost to average **US\$ 21.00/lb U₃O₈** for the first five years of operation and **US\$ 23.20/lb U₃O₈** LOM over the Life of Mine.

- Net Present Value ("NPV") at a 10% discount rate of **US\$ 598 million** pre-tax and **US\$ 400 million** post tax.
- Internal Rate of Return ("IRR") of **45.4%** pre-tax and **35.8%** post tax with a capital payback estimated at 2.5 years post-tax.
- Low 2.3:1 strip ratio for the first 5 years of operation and 4:1 LOM. Simple, open cut mining operation.

The PEA has highlighted the low technical risk and robust nature of the Project and multiple opportunities to further improve the Westmoreland Project through its process optimization and additional resource drilling.

Key production contemplates a conventional open-pit mining operation with a process facility operating over a 13-year life at a throughput of 5,500 tonnes per day.

The restated 2016 Mineral Resource estimate is based on approximately 70% Indicated resources of 36.0 million pounds U₃O₈ contained in 18.68 million tonnes grading 0.09% U₃O₈ and 30% Inferred resources of 15.9 million pounds U₃O₈ contained in 9.02 million tonnes grading 0.08% U₃O₈, both estimates at a cut-off grade of 0.02%.

➤ **Rio Tinto – Murphy Farm-in and Joint Venture, Northern Territory**

In 2011, **Laramide** announced the signing of a Binding Farm-in and Joint Venture Term Sheet with Rio Tinto Exploration ("RTX"), pursuant to which the Company can joint venture strategically located uranium tenements in the Northern Territory covering 1,115 km², that are situated geologically within the highly prospective Murphy Uranium Province and are along strike from Laramide's Westmoreland Project in northwest Queensland.

The Murphy Uranium Province produced high-grade uranium during the 1950s and stands out amongst the world's attractive underexplored uranium provinces, having not seen any meaningful exploration since the 1970s.

Under the terms of the agreement Laramide can earn 51% in the Project with the expenditure of A\$ 10 million over a 4-year period of exploration and development. The first A\$ 1 million of the earn-in is a firm commitment by the Company. Approval to commence exploration was granted by the traditional landowners in November 2012.

The initial A\$ 1 million had not been completed by the required date of November 2013. After extension in 2014, 2015 and 2016 (latest completion date November 2016), as a result of unforeseen delays having prevented on-ground exploration to date to allow the fulfilment of this commitment,

Laramide is working with RTX on a revised target date for completion of the earn-in agreement.



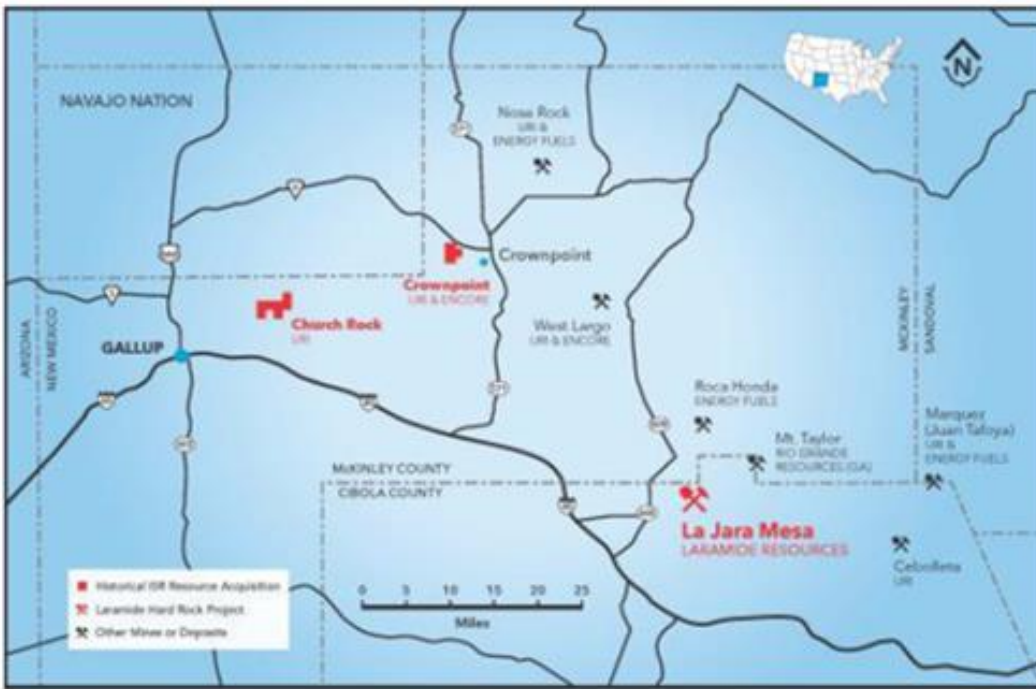
U.S Properties

➤ **La Jara Mesa Project – New Mexico**

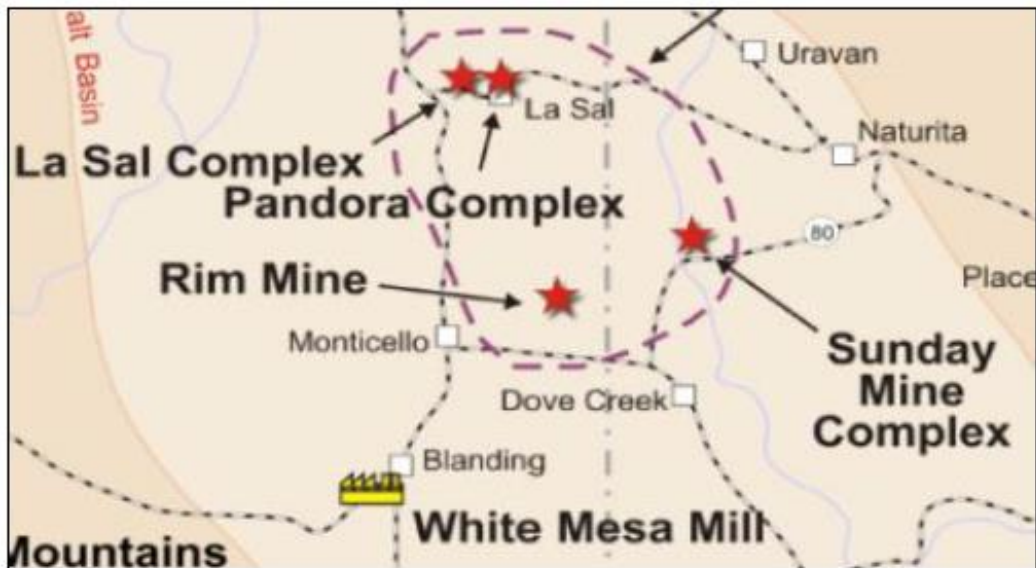
The in the prolific Grants Mineral Belt, New Mexico located **La Jara Mesa Project** hosts 10.5 million pounds U₃O₈ and is currently underground permitting.

On May 8, 2011, the U.S. Forest Service ("USFS") issued a Draft Environmental Impact Statement ("DEIS") for the La Jara Mesa uranium project. The DEIS represents a significant milestone in the mine permit process which would allow underground development activities and mine production. There was a public review of the DEIS, including a 60-day comment period until July 17, 2012.

Progress will continue with the National Environmental Policy Act ("NEPA") review process of La Jara Mesa, which will ultimately lead to the completion of the Final Environmental Impact Statement and Record of Decision ("ROD"), possibly in early 2017.



➤ **La Sal – Utah**



The United States Bureau of Land Management (“BLM”) issued a positive Record Decision approving the Exploration Plan of Operations in June 2012 and in October 2012 a permit approving the Notice of Intention to Commence Small Mine Activities was received from the Utah State Division of Oil, Gas and Mining. The issuance of these documents from the NBLM and the State allow **Laramide** to commence underground exploration and development activities which, if positive, could ultimately lead towards commercial production. As a result of BLM’s finding of no significant impact, the preparation of an environmental impact statement will not be required.

La Sal is located in close proximity to Energy Fuels’ White Mesa Mill in Blanding, Utah. In January 2013, the Company entered into a toll mining agreement whereby the White Mesa Mill will process all material produced from **Laramide’s** 100%-owned and operated La Sal II Uranium Mine Project.

➤ **Sliding Scale Uranium Royalties – New Mexico**

The royalty portfolio covers five separate parcels of mineral leases in the Churchrock area of McKinley County, which is located 20 miles northeast of Gallup. The properties are currently owned by a subsidiary of Uranium Resources (“URI”).

On October 18, 2011, URI announced that the Nuclear Regulatory Commission (“NRC”) reactivated its Source Material Licence to conduct in-situ recovery (“ISR”) uranium mining in McKinley County.

The reactivation effectively enables the use of the licence by URI for the production of uranium as defined in the Licence, which is Churchrock Section 8.

➤ **Acquisition of Uranium Resources’ Churchrock and Crownpoint properties in New Mexico**

On December 16, 2016, **Laramide** announced that it has entered into a Letter of Intent (“LOI”) to amend the definitive Share Purchase Agreement entered into on April 6, 2016, with **Uranium Resources** (“URI”) pursuant to which Laramide will acquire URI’s wholly-owned subsidiary Hydro Resources which holds the Churchrock and Crownpoint properties in New Mexico, USA.

As of March 1, 2010 Churchrock Section 8 and 17 have an estimated NI 43-101 compliant Mineral resource of 18.6 million pounds U3O8 Measured and Indicated resources. A Feasibility Study on Churchrock Section 8 only prepared by URI has calculated a Capex of US\$ 35 million for initial production of 1 million pounds U3O8 per annum at low operating costs of US\$ 20-23 per pound and 6.5 million pounds at a grade of 0.11% U3O8 for an initial 6-year mine life at an assumed recovery rate of 67%.

Laramide and **URI** have entered into a binding amendment to the Agreement being confirmed on December 16, 2016. The closing date for the transaction is set on or about December 22, 2016.

The key terms related to the Transaction are as follows:

- At closing, **Laramide** will pay cash of US\$ 2.5 million (a reduction of US\$ 2.75 million) and will issue a three-year promissory note (the "Note") for US\$ 5 million, representing a reduction of US\$ 2.25 million. The US\$ 250,000 previously advanced by Laramide pursuant to the initial extension agreement will be applied to the US\$ 2.5 million payable at closing.
- At closing, **Laramide** will issue common shares and warrants to URI valued at US\$ 500,000;
- At closing, **Laramide** will grant to URI a 4 % net smelter return royalty interest ("NSR") on the Churchrock Project valued at US\$ 4.5 million, and this NSR can be repurchased by Laramide by the first anniversary of closing for US\$ 4.95 million;
- The Note will be reduced from US\$7.25 million to US\$5 million and will now have three anniversary payments due as follows (2017 - US\$1.5 million, 2018 - US\$1.5 million and 2019 - US\$2.0 million). **Laramide** will have the option to satisfy up to 50% of these principal payments in common shares, which will be valued based on the volume weighted average price for Laramide's common stock for the 20 trading days before the respective anniversary of the closing on which each payment is due. Interest payment terms remain the same.
- The purchase price for the original option, by which URI could purchase **Laramide's** La Sal Project in Lisbon Valley, Utah, will be reduced from US\$4.0 million to US\$3.0 million. The option expiration date will be reduced from 15 months after the Closing to 12 months after the closing; and
- **Laramide** will grant URI a new option to purchase Laramide's La Jara Mesa Project in New Mexico for US\$ 5.0 million. The expiration date for the option will also be 12 months after the closing.

Management

Marc Henderson, President, Chief Executive Officer & Director, has more than 25 years of experience as an executive officer at public junior mining companies, including CEO of Laramide Resources since 2005. Marc is the former President of Aquiline Resources, which was developing the world-class Navidad silver project in Argentina and was acquired by Pan American Silver in January 2010. He is also past President of MineFinders (1987 to 1994), responsible for acquiring the Delores property (Mexico). Mr. Henderson is Chartered Financial Analyst, and he holds an economics degree from the University of Colorado. He has served on the Board of Directors for several publicly listed companies, including Lydian and currently as non-executive chairman of Treasury Metals.

John Booth, Director and Chairman, non-executive Chairman of the Board, is a lawyer and has 25 years experience as investment banker, broker and fund manager in global capital markets. He previously worked for firms including Merrill Lynch International, ICAP, ABN Amro Bank and Climate Change Capital. Mr. Booth holds a BSc. (Hons) in Biology and Environmental Science from the University of Guelph, LLB & JD from the joint international law program at the Universities of Windsor and Detroit and LLM in International Finance, Tax and Environmental Law from Kings College, University of London.

Bryn Jones, COO, is an industrial chemist and fellow of the Australian Institute of Mining and Metallurgy with 16 years of experience in the Australian mining industry covering all aspects of the mining cycle. As Managing Director of Uranium Equities. He managed and financed the PhosEnergy development from concept to feasibility study level, which is being jointly developed by Cameco and PhosEnergy. Mr. Jones worked in several technical and operational management roles at Heathgate Resources, the operator of the Beverley uranium mine in South Australia and has experience at the Olympic Dam expansion project. He also consulted on various in-situ recovery (ISR) operations around the world. Mr. Jones holds a Master's degree in Mining Engineering.

Denis Gibson, CFO, has been CFO at Laramide since 2006. He is also the current Chief Financial Officer of Treasury Metals and has held various senior financial positions for the past 30 years. He is the former CFO of Aquiline Resources (2006-2009), which was acquired by Pan American Silver. Mr. Gibson, a Certified General Accountant, holds a Bachelor of Commerce degree from Concordia University.

Greg Ferron, VP IR & Corp. Development, has more than 10 years of capital markets experience, as well as advising public mining companies. Prior to joining Laramide, Mr. Ferron held various positions at the Toronto Stock Exchange and the TSX Venture Exchange. His last position at the Exchange was heading the global business development for the mining sector. Prior to that, Mr. Ferron was an Analyst at Scotiabank. He also is Vice President of Treasury Metals.

Evan Hughes, General Manager Australia, is a Chartered Accountant with 25 years of experience in the mining industry. His previous positions include CEO of CH Warman Dubai and Managing Director of L&M Mining in New Zealand. Mr. Hughes is Company Secretary for Lagoon Creek Resources – the Australian subsidiary of Treasury Metals.

Michael Connor, Corporate Consultant, is President of Nuclear Resources International (NRI), a consulting firm for more than 85 clients in 13 countries on five continents. He has degrees of Bachelor in Science, Pre-Professional, in Nuclear Physics/Nuclear Engineering from the University of Notre Dame and Master of Business Administration from the University of Pittsburgh. Mr. Connor has more than 35 years of direct experience as a buyer for uranium, conversion and enrichment services and has also contracted directly, or consulted to utilities on contracting.

Finance

On December 16, 2016, **Laramide** announced that the Company and its lenders Extract Capital Master Fund and Extract Lending LLC, with Extract Advisors LLC, acting as Agent on behalf of the Lenders, completed an amendment to the existing C\$ 5 million term loan made by the Lenders in favour of Laramide Resources (US), which includes amongst other things, an extension of the maturity date of the Term Loan to July 1, 2018. The interest rate is 9% per annum.

Pursuant to the amendment **Laramide** repaid C\$ 1 million of the outstanding principal of the Term Loan. The Company also paid to the Agent an extension for equal to 2% of the new principal and issued 1.2 million additional warrants to the Lenders with an exercise price of C\$ 0.3546 each, each of which is exercisable for one common share of the Company until December 16, 2021.

In addition, **Laramide** has agreed to seek to extend the expiry date of 2.5 million warrants previously issued to the Lenders on December 31, 2015, each exercisable for one common share, 1.25 million of which has an exercise price of C\$ 0.1911 and 1.25 million shares of which have an exercise price of C\$ 0.3871, from the expiry date of December 31, 2015 to December 31, 2020.

All such warrants are held by the Lenders, each an arm's length party to Laramide.

Also on December 16, 2016, **Laramide** announced that it had arranged a no-brokered private placement of up to 12 million units of the Company at a price of C\$ 0.30 per Unit, for aggregate gross proceeds of up to C\$ 3.6 million.

Each Unit will consist of one common share and one share purchase warrant at a price of C\$ 0.45 for a period of 60 months from the date of closing of the Offering.

On January 5, 2017, the Company announced that the Offering was oversubscribed and 41.9 million units were issued at a price of C\$ 0.30 per unit for aggregate gross proceeds of approximately C\$ 4.47 million.

Investment recommendation:

With Westmoreland in Queensland, Australia its flagship property with a calculated NPV of US\$ 400 million post-tax, **Laramide** has strengthened its position in the United States with the acquisition of Uranium Resources' Churchrock and Crownpoint properties in New Mexico, with an estimated NI 43-101 compliant Measured and Indicated resource of 18.6 million pounds U3O8, and in addition a portfolio of other assets in both Australia and the United States, at a depressed market valuation of just US\$ 21.4 million, I consider **Laramide** as one of the most attractive uranium investment opportunities in 2017.

In particular, if the U3O8 price will recover from its 12 ½ year low this year as expected, and Queensland, considering the urgent message of an officially established commission in Australia to adopt nuclear power generation to allow it to contribute to low carbon electricity, like in Western Australia and the Northern Territory, which is supported by the northwestern community, this will have a material impact on the market valuation of **Laramide**.

Considering the Company's high leverage potential, my 2017 share price target is C\$ 0.80.