

# Uraniumletter INTERNATIONAL

*the international independent information and advice bulletin for uranium resource investments*

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## Athabasca Basin the world's largest and richest uranium region



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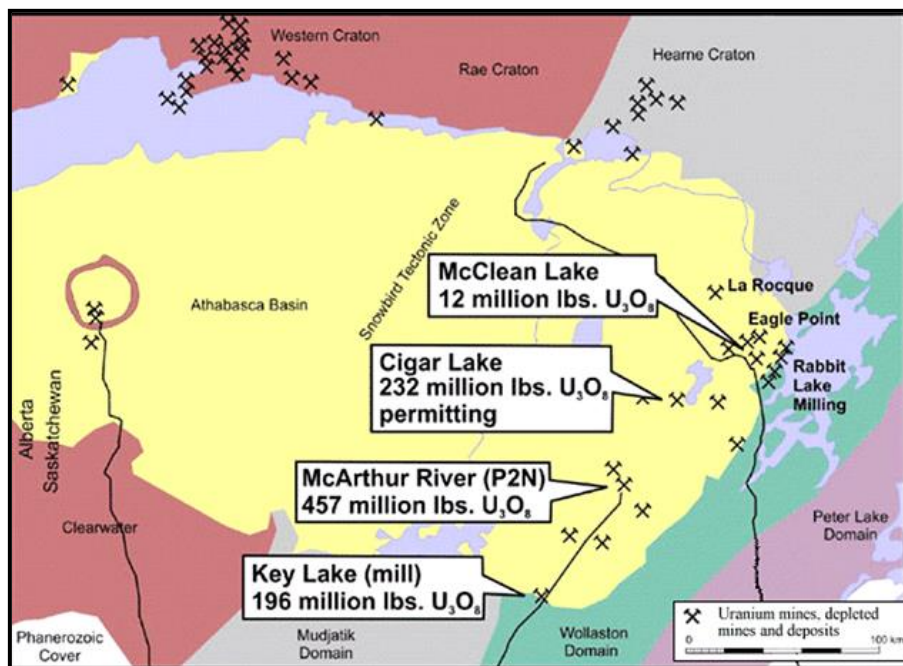
**Canada** was the world's largest uranium producer for many years, accounting for about 22% of world output, but in 2009 was overtaken by Kazakhstan. In 2014, Canada's production was 10,771 tonnes, representing 16% of the world's total production of 66,297 tonnes.

Canada's uranium production comes mainly from the McArthur River Mine in the **Athabasca Basin** in northern Saskatchewan, the world's largest in terms of annual production. Uranium output from Canada's other three uranium producers also comes from the Athabasca Basin.

A burst of exploration in the 1970s resulted in major discoveries in the Athabasca Basin in Proterozoic unconformity deposits. Mines at Rabbit Lake, Cluff Lake and Key Lake started up in 1975, 1980 and 1983, which up until 2000 accounted for most of Canada's uranium production (14,223 tonnes of U<sub>3</sub>O<sub>8</sub> in 1988).

Cluff Lake and Key Lake and the original open pit at Rabbit Lake have now been mined out (underground mining continues at Rabbit Lake). Mines that began operation just a decade ago now contribute most of Canada's production.

Canada's main uranium producers are **Cameco** and **Areva Resources Canada** (formerly Cogema Resources, part of France's Areva Group). Cameco was formed in the 1988 merger of Saskatchewan Mining Development Corporation and government-owned Eldorado Nuclear. The Company issued its first public shares in 1991 and was fully privatized in 2002.



## Athabasca Basin, Saskatchewan Overview of annual production (tonnes U)

		2002	2010	2011	2012	2013	2014
McArthur River	1)	7.199	7.656	7.686	7.520	7.744	7.356
Rabbit Lake	2)	440	1.464	1.459	1.479	1.587	1.602
Cigar Lake	3)	-	-	-	-	0	132 x
McClellan Lake	4)	2.342	666	0	0	0	43
Cluff Lake		1.626	-	-	-	-	-
<b>Total</b>		<b>11.607</b>	<b>9.786</b>	<b>9.145</b>	<b>8.999</b>	<b>9.331</b>	<b>9.133</b>
<p>1) <u>McArthur River Mine</u> - Cameco 69.8% owner and operator as well as the <u>Key Lake Mill</u> (Areva Resources is a 30.2% and 16.7% partner, respectively)</p> <p>2) <u>Rabbit Lake</u> - Cameco 100% owner</p> <p>3) <u>Cigar Lake</u> - Cameco 50.25% owner and managing joint venture, with <u>Areva</u> holding 37.1%, <u>Indemitsu</u> 7.875% and <u>TEPCO Resources</u> 5%</p> <p>4) <u>McClellan Lake Mine</u> - <u>Areva Resources</u> 70% owner and operator, <u>Denison Mines</u> 22.5% and the Japanese company <u>Overseas Uranium Resources Development (OURD) Canada</u> 7.5% are Areva's partners</p> <p>x production Cigar Lake to ramp up to 8,200 tonnes per year by 2018</p>							

Reserves				
Mine	Operator	tonnes U3O8	Average ore grade U3O8	Category reserves
<b>Producers</b>				
McArthur River	Cameco	91.700	23.81%	proven
		83.500	12.30%	probable
Cigar Lake	Cameco	98.540	18.30%	proven and probable
Rabbit Lake	Cameco	11.600	0.76%	proven and probable
McClellan Lake	Areva	397	0.42%	proven and probable
<b>Measured and Indicated resources</b>				
<b>Producers</b>				
McArthur River	Cameco	5.360	6.35%	
Cigar Lake	Cameco	1.000	2.27%	
McClellan Lake	Areva	6.156	4.81%	
Rabbit Lake	Cameco	-	-	
<b>Potential future producers</b>				
Patterson Lake South	Fission Uranium	36.810	0.59%	indicated
Phoenix	Denison	31.900	19.13%	indicated
Shea Creek	Areva/UEX	30.770	1.48%	indicated
Roughrider	Hathor/Rio Tinto	26.300	2.0 - 11.6%	indicated and inferred
Millennium	Cameco	23.100	4.55%	indicated
Midwest	Areva	18.870	5.47%	indicated
Dawn Lake	Cameco	8.120	4.42%	indicated
source: WNA				

## Overview of uranium companies focused on the Athabasca Basin, Saskatchewan

December 21, 2015	Trade symbol		Share price		Change in %	12 months		Shares total million	Market cap. million
			Current 2015	Year-end 2014		H	L		
<b>Location of Listing</b>									
<b>Producers (3)</b>									
	Euronext Paris		<b>Euro</b>	<b>Euro</b>		<b>Euro</b>	<b>Euro</b>		<b>Euro</b>
AREVA 1)	FR0011027143		5.440	9.110	-40	10.140	5.360	383.2	2.084.6
			<b>Cdn\$</b>	<b>Cdn\$</b>		<b>Cdn\$</b>	<b>Cdn\$</b>		<b>Cdn\$</b>
Cameco	CCO	TSX	16.800	19.050	-12	21.440	15.460	395.8	6.649
<b>Exploration / Development (23)</b>									
			<b>Cdn\$</b>	<b>Cdn\$</b>		<b>Cdn\$</b>	<b>Cdn\$</b>		<b>Cdn\$</b>
Denison Mines 2)	DML	TSX	0.610	1.130	-46	1.220	0.475	518.4	316.2
Fission Uranium 3)	FCU	TSX.V	0.690	0.860	-20	1.380	0.530	386.7	266.8
NexGen Energy	NXE	TSX.V	0.680	0.380	79	0.890	0.310	286.9	195.1
UEX	UEX	TSX	0.150	0.285	-47	0.315	0.105	246.0	36.9
Fission 3.0	FUU	TSX	0.075	0.080	-6	0.140	0.055	178.1	13.4
Eros Resources 4)	ERC	TSX.V	0.110	0.200	-45	0.170	0.100	41.9	4.6
Uravan Minerals	UVN	TSX.V	0.105	0.050	110	0.170	0.035	38.5	4.0
Purepoint Uranium Group	PTU	TSX.V	0.030	0.050	-40	0.070	0.020	124.2	3.7
Skyharbour Resources 5)	SYH	TSX.V	0.035	0.050	-30	0.070	0.020	88.0	3.1
Northern Uranium	UNO	TSX.V	0.015	0.050	-70	0.095	0.015	162.4	2.4
Aldrin Resource	ALN	TSX.V	0.100	0.180	-44	0.260	0.090	24.3	2.4
ALX Uranium 6)	AL	TSX.V	0.055	0.080	-31	0.300	0.055	41.8	2.3
CanAlaska Uranium	CVV	TSX	0.100	0.150	-33	0.275	0.085	22.1	2.2
Forum Uranium	FDC	TSX.V	0.045	0.105	-57	0.115	0.040	35.7	1.6
Makena Resources	MKN	TSX.V	0.020	0.035	-43	0.055	0.015	55.4	1.1
Roughrider Resources 7)	REL	TSX.V	0.050	0.160	-69	0.180	0.045	21.6	1.1
Athabasca Nuclear 5)	ASC	TSX.V	0.020	0.030	-33	0.050	0.015	51.6	1.0
Declan Resources	LAN	TSX.V	0.005	0.020	-75	0.035	0.005	177.1	0.9
Canex Energy 8)	CSC	TSX.V	0.030	0.075	-60	0.330	0.020	28.7	0.9
Noka Resources	NX	TSX.V	0.040	0.085	-53	0.260	0.025	20.5	0.8
Rojo Resources 9)	RJ	TSX.V	0.040	0.120	-67	0.150	0.040	17.8	0.7
Atom Energy	AGY	TSX.V	0.060	0.070	-14	0.145	0.025	6.9	0.4
Azincourt Uranium 10)	AAZ	TSX.V	0.040	0.060	-33	0.360	0.040	10.0	0.4
Aben Resources 10)	ABN	TSX.V	0.070	0.240	-71	0.300	0.055	4.5	0.3

1) fully integrated uranium company (share of Areva Resources estimated at 25% equal to € 626 million or US\$ 701 million)

2) sold all U.S. uranium mining assets to Energy Fuels; announced combination with Fission Uranium on July 5, 2015; terminated on October 13, 2015

3) acquired Alpha Minerals ' 50% interest in PLS joint venture for a total 100% holding; completed in December 2013; acquired 12% interest in Fission 3.0; announced combination with Denison Mines on July 5, 2015; terminated on October 13, 2015

4) completed acquisition of Anthem Resources as per July 21, 2015; name change from Boss Power Corp.; also gold assets

5) 50% partner in Western Athabasca Syndicate

6) formerly Lakeland Resources; share consolidation of 3 for 1 shares prior to strategic merger with Alpha Minerals completed on September 25, 2015

7) name change from Westham Resources effective as per July 18, 2014.

8) formerly Brades Resource; name change and share consolidation 1 for 3 as per May 12, 2015

9) formerly Lucky Strike Resources; stock split 1 for 8

10) also gold assets in Canada; share consolidation 1 for 6 completed on July 31, 2015

## Athabasca euphoria overshadowed by continuous challenging market conditions for the new generation of junior exploration companies



### Cameco Corp. (CCO – TSX)

In the first nine months of 2015 ended September 30, 2015, **Cameco** produced 18.7 million pounds of U3O8, a 24% increase compared with the production of 15.1 million pounds U3O8 in the corresponding period of 2014. The sales volume decreased by 9% from 23.3 million pounds U3O8 to 21.2 million pounds U3O8.

The average realized price decreased by 3% from US\$ 46.14 to US\$ 44.57 and increased 11% from \$ 50.35 to \$ 55.65 in Canadian dollars.

Revenues from uranium sales were slightly higher at Cdn\$ 1.28 billion (9 months 2014: Cdn\$ 1.17 billion). Gross profit decreased 3% from Cdn\$ 362 million to Cdn\$ 350 million.

Fuel Services contributed Cdn\$ 220 million and Cdn\$ 40 million to revenues and gross profit, respectively. NUKEM contributed Cdn\$ 6.9 million and Cdn\$ 0.36 million to revenues and gross profit, respectively.

In the first nine months of 2015, **McArthur River/Key Lake** produced 9.5 million pounds of U3O8 (versus 9 million pounds U3O8 in the corresponding period of 2014). **Cigar Lake** produced 3.3 million pounds of U3O8 (2014 period: nil); **Rabbit Lake** produced 2.2 million pounds of U3O8 (2014 period: 2.0 million pounds); **South Ranch-Highland** produced 1.2 million pounds of U3O8 (2014 period: 1.5 million pounds) **Crown Butte**: 0.3 million pounds of U3O8 (2014 period: 0.4 million pounds of U3O8).

**Total Canadian/Athabasca production** in the first 9 months of 2015 amounted to 12.9 million pounds of U3O8.

In addition, production in the first 9 months of 2015 at the **Inkai Project** in Kazakhstan amounted to 2.2 million pounds of U3O8 (unchanged).

<b>Production plan for 2015</b>	<b>million pounds U3O8</b>
McArthur River / Key Lake	13.7
Cigar Lake	5.0
Rabbit Lake	3.9
South Ranch-Highland	1.4
Crown Butte	<u>0.3</u>
<u>Sub-total Canada/Athabasca</u>	24.3
Inkai (Kazakhstan)	<u>3.0</u>
<b>Total</b>	<b>27.3</b>

### **Ramp up schedule McClean Lake Mill**

During the first 9 months of 2015, the McClean Lake Mill packaged 6.7 million pounds of Cigar Lake uranium (100% basis, 50% Cameco) and as at the end of October the Mill had packaged over 8 million pounds of U3O8 (100% basis).

If production continues at current rates, the McClean Lake Mill could produce more than 10 million packaged pounds of U3O8 (5 million pounds Cameco's share) from Cigar Lake in 2015.

As the mill ramps up production to 18 million pounds by 2018 (100% basis, volumes may not be linear year-to-year, but will vary based on Cameco's operational experience.

## **Finance**

In the first nine months of 2015 total revenue from products and services increased from Cdn\$ 1.51 billion in the corresponding period of 2014 to Cdn\$ 1.77 billion. Costs of sales increased from Cdn\$ 1.12 billion to Cdn\$ 1.36 billion, leaving a gross profit of Cdn\$ 416.2 million against Cdn\$ 386.3 million in the 9 months period of 2014.

As a result of impairment changes decreasing from Cdn\$ 196 million to Cdn\$ 5.7 million, earnings from operations showed an improvement from Cdn\$ 23.14 million to Cdn\$ 239.5 million.

Net earnings from continuing operations amounted to Cdn\$ 73.84 million, compared with a loss of Cdn\$ 16.01 million in the first 9 months of 2014, before net earnings from discontinued operations of Cdn\$ 127.2 million.

Total current assets at September 30, 2015 amounted to Cdn\$ 1.97 billion. Total non-current assets were valued at Cdn\$ 6.7 billion, including property, plant and equipment valued at Cdn\$ 5.4 billion.

Total non-current liabilities amounted to Cdn\$ 2.53 billion.

Shareholders' equity amounted to Cdn\$ 5.5 billion at September 30, 2015.

Net cash used in operations amounted to Cdn\$ 52.8 million compared with net cash provided by operations of Cdn\$ 244.3 million in the corresponding period of 2014.

Net cash used in investing amounted to Cdn\$ 288.4 million

Net cash used in financing amounted to Cdn\$ 167.6 million.

As a result, the Company's cash and equivalents decreased from Cdn\$ 289.2 million to Cdn\$ 508.8 million negative and Cdn\$ 62.5 million, net bank overdraft.

**Cameco** has sufficient borrowing capacity with unsecured lines of credit totaling about Cdn\$ 2.4 billion at September 30, 2015.



### **Denison Mines (DML - TSX)**

The Company's flagship property is the 61.55%-owned Wheeler River Project which hosts the high-grade Phoenix and Gryphon uranium deposits. Denison's exploration portfolio consists of numerous projects covering over 390,000 hectares in the eastern Athabasca Basin.

The Company's interests in Saskatchewan also include a 22.5% ownership interest in the McClean Lake Joint Venture, which includes several uranium deposits and the McClean Lake Uranium Mill.

The McClean Lake Mill is one of the world's largest uranium processing facilities. Expansion of the mill from 13 million to 24 million pounds annual U<sub>3</sub>O<sub>8</sub> production capacity is ongoing, while the mill processes ore from Cigar Lake under a toll mining agreement.

Commissioning of the Mill up to 18 million pounds U<sub>3</sub>O<sub>8</sub> production capacity has begun and is expected to be completed in early 2016. The expansion remains fully funded by the McClean Lake Joint Venture.

**Denison** has a 25.17% interest in the Midwest Deposit and a 61.55% interest in the J Zone Deposit on the **Waterbury Lake Property**. Both the Midwest and J Zone deposits are located within 20 kilometres of the McClean Lake Mill.

The McClean Lake Mill packaged approximately 6.7 million pounds U<sub>3</sub>O<sub>8</sub> in the first 9 months of 2015 for the Cigar Lake Joint Venture, generating toll milling revenues for Denison of US\$ 1.9 million.

If production continues at current rate, the Mill could produce some more than 10 million packaged pounds of U<sub>3</sub>O<sub>8</sub> by the end of this year, with the Company's share of toll milling revenues for the year expected to be approximately US\$ 2.5 million.



**Denison** is engaged in mine decommissioning and environmental services through its Denison Environmental Services (“DES”) division, which manages the Company’s **Elliot Lake** reclamation projects and provides post-closure mine and maintenance services to a variety of customers.

**Denison** is also the manager of Uranium Participation Corporation (“UPC”), listed on the TSX under symbol “U”, which invests in uranium oxide and uranium hexafluoride.

Internationally, **Denison** owns 100% of the heap leach **Mutanga Project** in Zambia, 100% of the uranium-copper-silver Fales project in Mali, a 90% interest in the **Dome Project** in Namibia and an 85% interest in the in-situ recovery projects held by the Gurvan Saiham joint venture in Mongolia.

## **2015 highlights**

With the receipt of the final chemical assays from the drilling completed at the Company’s **Wheeler River Gryphon Deposit** this summer, **Denison** completed an initial mineral resource estimate for the basement hosted Gryphon uranium deposit which is located 3 kilometres to the northwest of the high-grade Phoenix Deposit.

The **Gryphon Deposit** is estimated to contain an Inferred mineral resource of 43.0 million pounds U<sub>3</sub>O<sub>8</sub> at an average grade of 2.3% U<sub>3</sub>O<sub>8</sub>. When combined with the high-grade **Phoenix Deposit** Wheeler River now contains an indicated resource of 70.2 million pounds of U<sub>3</sub>O<sub>8</sub> at a grade of 19.1% U<sub>3</sub>O<sub>8</sub>, and an Inferred resource totaling 44.1 million pounds U<sub>3</sub>O<sub>8</sub> at a combined grade of 2.4%. This establishes the **Wheeler River Property** as one of the largest and highest grade undeveloped uranium projects in the Athabasca Basin region.

At the 58.42%-owned **Murphy Lake Project** the first drill hole of the summer 2015 program intersected a new zone of uranium mineralization. Drill hole M8-15-03 returned 0.25% U<sub>3</sub>O<sub>8</sub> over 6.0 metres at the sub-Athabasca unconformity.

At the **Waterbury Lake** work focused on the Oban target area the best drill result during the summer drill program was obtained from drill hole WL-426 which intersected 6.5 metres of elevated uranium that included 0.3% U<sub>3</sub>O<sub>8</sub> over 0.5 metres.

At the 100%-owned **Crawford Lake Property** a large zone of intensive sandstone alteration along the CR-2 and CR-5 conductors was extended by the summer drilling program and has now been confirmed over a strike length of 2.8 kilometres.

On July 27, 2015, **Denison** entered into an agreement to continue its business with Fission Uranium by way of a court approved plan of arrangement. As the required two-thirds approval was not obtained, the arrangement was terminated on October 13, 2015.

Operating expenses in **Canada** were US\$ 1.28 million during the 9 months period ended September 30, 2015 compared to US\$ 397,000 in the same period in 2014. Most of the operating expenses are attributable to activity involving the McClean Lake Joint Venture.

Net cash used by operating activities and investing activities in the first 9 months of 2015 was US\$ 1.5 million and US\$ 6.3 million, respectively. Cash provided by financing activities was US\$ 11.7 million.

In total this resulted in a negative cash flow of US\$ 9.6 million. Cash and cash equivalents were US\$ 7.6 million at September 30, 2015.

Investments amounted to US\$ 7.5 million.

Total shareholders’ equity as at September 30, 2015 was US\$ 210 million.



## Fission Uranium (FCU – TSX)

The Company's primary assets is the **Patterson Lake South ("PLS") Project** which has the **Triple R Deposit**, which was discovered in 2012 and is one of the largest undeveloped uranium deposits in Canada's Athabasca Basin District. The Property comprises 15 contiguous claims totaling 31,039 kilometres and is located in the south-west margin of the Athabasca Basin.

In November 2013, **Fission** completed the acquisition of Alpha Minerals to consolidate 100% ownership of the **PLS Project**. With Fission trading at a price of Cdn\$ 1.16, the consideration in common shares of Fission Uranium represented a market value of approximately Cdn\$ 124 million.

On September 15, 2015, **Fission** filed its NI 43-101 Technical Report on the Preliminary Economic Assessment of the **Patterson Lake Property**. The PEA was conducted for the Triple R Deposit by geological and engineering consulting group RPA of Toronto.

The Study presents figures outlining the potential economics of taking the Triple R Deposit into production.

The highlights are:

- Base case pre-tax net present value ("NPV") of Cdn\$ 1.81 billion; post-tax NPV of Cdn\$ 1.02 billion (10% discount rate);
- Mine life of 14 years producing an estimated 100.8 million pounds of U3O8 at a metallurgical recovery of 95% with 7.5 million pounds of U3O8 recovered in the first 6 years of production;
- Base case pre-tax net cash flow over the proposed mine life of Cdn\$ 4.12 billion; post-tax net cash flow of Cdn\$ 2.53 billion;
- Base case pre-tax internal rate of return ("IRR") of 46.7%; post-tax IRR of 34.2%;
- Payback estimated at 1.4 years (pre-tax), pay back at 1.7 years (post-tax)
- Estimated initial capital costs of Cdn\$ 1.1 billion; and
- Average operating costs ("OPEX") of US\$ 14.02/lb over the life of the mine

(Base case using US\$ 65/lb U3O8 and an exchange rate of US\$ 0.85: Cdn\$ 1.00)

The PEA Study considers the PLS Prospect as a stand-alone mine and mill operation, which includes development and extraction of the ROOE and R780E zones (Triple R Deposit). Due to the early stage of drill definition, the PEA does not include the recently discovered R600W zone.

The Study envisions a combination of open-pit and underground mining, with a dyke system (dyke and slurry wall) for water control. High-grade mineralization (above 4% U3O8) is captured within the open pit, eliminating the need for expansion, specialized underground mining methods.

This hybrid open pit and underground mining results in an OPEC cost of US\$ 14.02/lb U3O8 over the life of the mine, making Triple R potentially one of the lowest cost uranium producers in the world.

These results may be further enhanced with the addition of the R600W zone discovered 495 metres along strike to the west of the ROOE zone. Although not included in the PEA production schedule, definition drilling continues to expand to the known mineralization within the R600W zone during the winter 2015 drill program.

The NI 43-101 compliant Triple R Deposit Mineral resource is based on all geochemical assay data available as of July 28, 2015, which includes all drilling on the Property up to and including drill hole PLS15-386.

The Triple R Deposit resource estimate was prepared using a cut-off grade of 0.2% U3O8 for open pit and 0.25% for underground and is estimated to contain:

- 81.11 million pounds U3O8 Indicated Mineral resources based on 2.0 million tonnes at an average grade of 1.83% U3O8
- 27.16 million pounds U3O8 Inferred Mineral resource based on 785,000 tonnes at an average grade of 1.57% U3O8

The tonnage and grade as of July 28, 2015 include an Indicated open pit resource at R780E of 107,000 tonnes grading 17.98% U3O8 containing 42.6 million pounds U3O8 and an Indicated open pit and underground resource at R780E of 112,000 tonnes grading 18.22% U3O8 containing 45.1 million pounds U3O8.

In October 2015, **Fission Uranium** and Denison Mines terminated the previously announced arrangement pursuant to which Fission and Denison were to combine their respective business by way of a court-approved plan of arrangement, but the required two-thirds approval not having obtained.

At the time of the announced combination the market valuations of Denison Mines and Fission Uranium were Cdn\$ 447 million and Cdn\$ 394 million, respectively.

On December 21, 2015, **Fission Uranium** announced that it had entered into a binding Letter of Intent (“LOI”) with CGN Mining Company of China, pursuant to which Fission and CGN Mining have agreed to proceed towards a Cdn\$ 82.22 million private placement at a price of Cdn\$ 0.85 per share, in which CGN Mining would make a strategic investment in Fission.

The controlling shareholder CGN Mining is China Uranium Development Company, a fully-owned subsidiary of China General Nuclear Power Corporation, which is a leading global clean energy corporation in China. CGN Mining Company is an investment holding company listed on the Hong Kong Stock Exchange and mainly engaged in the trading of natural uranium.

The agreement will result in CGN Mining owing approximately 96.73 million common shares of the Company plus a additional number of common shares, equal to 19.99% of the number of common shares, issued by **Fission** prior to closing of the Offering pursuant to the exercise of outstanding convertible securities of the Company (the “subscription shares”). The Offering is scheduled to close on or about January 29, 2016.

**Fission** and CGN Mining have also agreed to proceed towards entering into an Offtake Agreement, pursuant to which CGN Mining will agree to purchase uranium production from Fission’s PLS Property.

The LOI provides that **Fission** and CGN Mining intend to enter into the Offtake Agreement on or prior to January 11, 2016.



#### **NexGen Energy ( XE- TSX.V)**

The Company’s principal asset currently is its 100% interest in the **Rook I Project**, an early stage exploration project located in the southwest Athabasca Basin. It is the location of the Arrow Discovery in February 2014 and the more recent Bow Discovery in March 2015.

The Rook I Project consists of 9 contiguous mineral claims totaling 35,061 hectares. The Company also holds an interest in a portfolio of other early stage exploration projects elsewhere in the Athabasca Basin, including an exclusive option to acquire a 70% interest in the **Radio Project**.

In October 2015, **NexGen** completed a summer drill program of 33,100 metres which was focused on the A1, A2 and A3 shears of the Arrow zone and explored other high-priority regional drill targets.

Specifically, during the three months ended September 30, 2015 a total of 43 holes and 3 partial holes were drilled, totaling 24,051 metres.

The regional targets were designed to test a combination of magnetic, electromagnetic and gravity geophysical features on the Rook I Project area, including an on-land target area 750 metres northeast of the Bow Discovery and other on-land target areas within the Derkson corridor in the area of Beet Lake.

The summer drill program included, for the first time, the use of directional core drilling technology, which drilling allows for precise multiple branches to be drilled from one pilot hole.

Assay results have been received in 38 of the 58 holes comprising the 2015 summer drill hole program. Of these holes, the highlight is hole AR-15-58c1, which intersected 30.61% U3O8 over 11 metres, including 3 metres at 72.02% U3O8 and 0.5 metres at 80.52% U3O8.



On November 3, 2015, **NexGen** released assay results from 5 angled holes from its summer 2015 drilling program. Assay results from AR-15-54c1, which was drilled 87 metres up dip and southwest of AR-15-44b (56.5 metres at 11.55% triuranium octoxide) have again confirmed the presence of dense accumulations of massive pitch-bleed in higher-grade A2 Sub-Zone.

Hole AR-15-54c1 returned 27.5 metres at 10.09% U3O8, including 12.0 metres of 20.01% U3O8 and 2.5 metres of 51.16% U3O8 within the higher-grade A2 Sub-Zone.

This substantial zone of uranium mineralization is currently defined by 6 holes over a strike length of at least 162 metres. Assay results from 2 of these 6 holes remain pending Also in the A2 shear, assays from A-15-53c2 shear, assays from A-15-53c2 returned significant mineralization 91 metres downdip from AR-15-44b.

Additionally, within the A3 shear, holes AR-15-56c1 and AR-15-51 both returned widespread mineralization from an area that remains wide open in the southwestern portion of the A3 high-grade shear. AR-15-56c1 intersected 6.5 metres a 12.00% U3O8. AR-15-51 intersected 25.0 metres at 1.20% U3O8 in the A3 shear.

**NexGen Energy** plans to continue exploring the Rook I Project. It's immediate and near term plan for the Rook I Project is to develop and complete a winter program. The Company's medium-term objective is to incorporate the results of all drilling to date at Arrow to allow for the estimation of a mineral resource and the preparation and filing of a supporting technical report in the first half of 2016.



#### **UEX Corp. (UEX – TSX.V)**

Since **UEX's** formation in 2002, the Company has made significant advances in the discovery and development of existing and new uranium deposits in the Athabasca Basin. UEX maintains strategic relationships with both Cameco and Areva Resources Canada, the Western world's largest uranium companies.

The **Hidden Bay Property**, one of the three 100%-owned uranium deposits, in the eastern Athabasca Basin is in close proximity to existing mining infrastructure in production for Cameco. As UEX's known deposits in Hidden Bay move forward toward pre-feasibility stage, the costs for savings through toll milling is being explored.

The flagship **Shea Creek Property** is the third largest undeveloped uranium resource in the Athabasca Basin and the fifth largest existing uranium resource. Resources are open in almost every direction and have an excellent potential for significant expansion. The known deposits at Shea Creek show three styles of mineralization: unconformity-hosted, basement-hosted and perched. This is highly uncommon for any single deposit and drill results are shown in connection between at least two of the deposits at the unconformity level. This linking is significant for the potential expansion of the available mineral resources and for the economic extraction with less waste material.

**UEX** operates its 100%-owned **Hidden Bay Project**, **Rio Lake Project** and **Northern Athabasca Projects**. The Company also operates the **Black Lake Project** which is a joint venture with Areva Resources Canada (90.69% UEX – 9.31% Areva).

For the 9 Western Athabasca projects, including the advanced Shea Creek Project, **UEX** holds an approximate 49.1% interest and Areva Resources holds an approximate 50.9% interest.

The Western Athabasca projects are operated by Areva Resources, along with the **Batty River Project**, which is a joint venture between **UEX** (25% interest), JCU Canada (24.3% interest) and Areva Resources Canada (50.7% interest).

**UEX's ownership in three 100%-owned uranium deposits in the eastern Athabasca region and a 49.1% interest in four uranium deposits joint-ventured with Areva Resources in the western Athabasca Basin have an Indicated resource of 69.84 million pounds U3O8 and an Inferred resource of 16.56 million pounds Of this resource an Indicated resource of 33.2 million pounds and a 13.84 million pounds Inferred resource applies to UEX's 49.1% share in **Shea Creek**, and 36.62 million pounds of an Indicated resource and 13.84 million pounds of Inferred resource to the 100%-owned **Hidden Bay Project**.**

Cumulative expenditures at September 30, 2015 on the Western Athabasca projects (inclusive of non-cash items) on exploration and evaluation were Cdn\$ 57 million and Cdn\$ 7.4 million, respectively, of which Cdn\$ 45.7 million and Cdn\$ 7.4 million, respectively, applies to the **Shea Creek Project**, which consists of four known deposits – Kianna, Anne, Colette and 58 B, distributed along a 93 km strike-length at the north-end of the 33 kilometre Saskatoon Lake Conductor.

For 2016 a draft budget of Cdn\$ 2.21 million is proposed. If approved **UEX'** share would be approximately Cdn\$ 1.08 million.

On October 26, 2015, **UEX** signed a Letter of Intent with JCU (Canada) Exploration Company to earn up to a 70% interest in the **Christie Lake Property** by making cash payments of Cdn\$ 7.0 million and funding Cdn\$ 15 million in exploration work commitments over 5 years.

**UEX** believes that the P2 Fault that hosts the McArthur River Mine may continue onto the Christie Lake Project. The Company intends to convert the historical resource of 20.87 million pounds U3O8 with an average grade of 3.22% U3O8 to a NI 43-101 resource in the coming years, with additional drilling and detailed review of historical work completed.

Beyond the known mineralization zones, **UEX** believes that the full potential of the productive corridor has only begun to be understood and that it holds very good potential for the discovery of new uranium deposits and expansion of the historic resource.



### **Fission 3.0 Corp. (FUU – TSX.V)**

The Company has approximately 27 uranium exploration projects comprising 264 claims spread over 343,116 hectares of exploration properties with uranium potential in Saskatchewan and Alberta, of which 282,851 hectares (82%) are located in and around the Athabasca Basin.

**Fission 3.0's** three most advanced exploration projects are the **North Shore Property**, the **Patterson Lake North ("PLN") Property**, on which the Company has a property option and joint venture agreement with Azincourt Uranium, and the **Clearwater West ("CWW") Project**, on which the Company has a property option and joint venture agreement with Canex Energy.

The PLN and CWW properties adjoin Fission Uranium's Patterson Lake South ("PLS") Property, host to the high-grade Triple R uranium deposit located in the southwest part of the Athabasca Basin. Azincourt has the option to earn up to a 50% interest in the Project by cumulative work obligations of Cdn\$ 12 million over a period of 4 years to June 19, 2017.

**Canex** has the option to earn up to a 50% interest in the **Clearwater West Property** by cumulative work obligations of Cdn\$ 5 million over a period of 3 ½ years to April 30 2017. **Fission 3.0** holds a 1equity 2.9% interest in Canex.

In February 2015, **Fission 3.0** optioned five separate non-continuous properties comprising 63 mineral claims, totaling approximately 18,985 hectares in the Key Lake area in the eastern part of the Athabasca Basin to **Aldrin Resources**, which has to incur a total of Cdn\$ 6.9 million in expenditures on the Property over a period of 4 years.

**Fission Uranium** holds a 12.36% equity interest in Fission 3.0.



### Uravan Minerals (UVN – TSX.V)

The Company has presented a 2016 exploration program and budget for its **Stewardson Project** to Cameco. Initial drill targets have been identified in Area 8. The Company anticipates a definitive answer will be provided by Cameco in early January 2016.

The **Stewardson Project** is located on the Virgin River structural trend within the south-central portion of the Athabasca Basin.

**Uravan** and Cameco signed the Halliday/Stewardson Option Agreement dated effective in June 2012, whereby Uravan granted Cameco the exclusive option to earn an aggregate 70% interest in the Company's 100%-owned Halliday and Stewardson projects, by Cameco funding a cumulative Cdn\$ 22 million in exploration expenditures, of which Cdn\$ 7 million over 4 years to earn a 51% interest.



### Purepoint Uranium (PTU – TSX.V)

The Company holds a 21% interest in the **Hook Lake Joint Venture** together with Cameco (39.5%) and Areva Resources Canada (39.5%). On November 17, 2015 it was announced that the joint venture partners had approved their exploration plans and budget for 2016 that includes two drills and approximately 6,000 metres of drilling this coming winter in particular focused on the prospective potential to expand the Spitfire mineralization and discover new deposits.

Current exploration is targeting the Patterson Lake Corridor, the same conductive trend which not only hosts Fission Uranium's Triple R Deposit, but as well the Arrow discovery by NexGen Energy and the Company's own Spitfire discovery.

At the Spitfire zone, a high-priority exploration target will be the 300 metres of untested ground between HK 15-27 (12.9% U3O8 over 0.5 metre).



### Skyharbour Resources (SYH – TSX.V)

The Company is well positioned to benefit from 4 drill-ready projects. **Skyharbour** holds a 100% interest in the **Falcon Point** (formerly Way Lake) Uranium Project on the east side of the Athabasca Basin, which hosts an NI 43-101 compliant Inferred resource totaling 7.0 million pounds of U3O8 grading 0.03% and 5.3 million pounds of ThO2 grading 0.23%.

The Company also has a 50% interest in the large geological prospective **Preston Uranium Project** proximal to Fission Uranium's PLS project and Triple R deposit, as well as NexGen Energy's Arrow discovery.

**Skyharbour's** 100% owned **Mann Lake Uranium Project** on the east side of the Basin is strategically located adjacent to the Mann Lake Joint Venture operated by Cameco with partner Denison Mines and Areva, where high-grade, basement-hosted uranium mineralization was recently discovered.

**Skyharbour** originally owned a 60% interest in the Mann Lake Property and bought the remaining 40% interest from Aben Resources on November 19, 2015 in consideration of the issuance of 1.0 million common shares of the Company.



### ALX Uranium (AL – TSX.V)

The Company has 245,000 plus hectares of properties of which several projects by drill-ready near mine deposits. The Company's key properties include the **Kilic Lake**, **Gibbons Creek**, **Carter-Hook** and **Newman Lake** properties.

At the **Kelic Lake Project** recent exploration consisted of 6 holes over 1,800 metres of drilling, which tested high-priority conductor "C".

At the **Gibbons Creek Property** recent exploration included the drilling of 14 holes over 2,550 metres, intersecting 0.13% U3O8 over 0.23 metre and within a 1.1 metre interval of 333.8 ppm U3O8. Ground prospecting sampling confirms existing radioactive boulder field, resulting in boulders being found grading up to 4.28% U3O8.

The **Carter-Hook Lake Property** is located at the northern end of the Patterson Lake, Derkson and Carter structure trends of which three trends are hosting numerous new and expending discoveries, including the Patterson Lake Triple R trend.

Recent exploration included an air borne gravity gradiometer survey over 4 drill holes.

For the **Newnham Lake Property**, located along the northeastern margin of the Athabasca Basin, **ALX** reported on November 19, 2015 an update on data and results from the summer exploration program. These included the identification of a quasi-linear radon anomaly encompassing approximately 100 metres by 750 metres, as well as nine radon values ranging from 2.81 to 4.00 picocuries per meter per second.

Integration of current and historical data is continuing, including the prioritization of targets for drilling, which is anticipated in 2016.



**Canex Energy (CSC - TSX.V)** has the option to earn up to a 50% interest in the **Clearwater West Property** which is 100%-owned by Fission 3.0 and comprises three contiguous mineral claims adjacent to Fission Uranium's high-grade Triple R deposit.

In August 2015, Fission 3.0 reported that hole CWW 15-003 intersected four discrete, narrow intervals of anomalous radioactivity. The first 3 holes of the 7-hole/1,050 metres drill program have been completed and there are 4 holes remaining.

**Canex** intends on funding these remaining holes as timing and finance permit.

Under the agreement, which was amended on November 5, 2015, **Canex** has until April 30, 2016 to incur Cdn\$ 2.7 million in expenditures on the Property, cumulative with funds spent to date, to earn an initial 20% interest in the Clearwater West Property and until April 30, 2017 to incur an additional Cdn\$ 2.3 million in expenditures to acquire an additional 30% in the Property.

Fission 3.0 is the operator.

**Canex** has agreed to issue Fission 3.0 million common shares valued at Cdn\$ 0.075 per share as consideration for Fission 3.0 extending the option deadline. Subsequent to the issuance of the shares, Fission 3.0 will hold 3.7 million shares or 12.9% of the issued and common shares of Canex.

On November 12, 2015, the Company announced a non-brokered private placement of up to 20 million common shares of the Company to be offered at Cdn\$ 0.025 per share for gross proceeds of up to Cdn\$ 500,000.