

MONTHLY ATHABASCA BASIN EXPLORATION UPDATE

March 2019

Uranium price recovery tipped to maintain momentum as supply dries up globally

Sourcc: Mining Mx
2019-02-07

The uranium market was turning around and this time it was for real after being depressed for the past decade during which price recoveries were predicted on several occasions but never materialised. That was the view from a panel discussion on uranium held at the Investing in African Mining Indaba taking place in Cape Town.

According a presentation given by panel moderator Jonathan Guy, research director at Numis Securities, Numis is predicting a long-term uranium contract price of \$60 per pound and a spot price of \$50/lb, but the firm also pointed out that the “price rebound is likely to be more acute however, market tends to be shock catalyst driven.”

The uranium spot price currently sits around \$29/lb to which level it has risen gradually over the past year from around \$20/lb. That appears to have been largely the result of production cuts implemented by major uranium producers Kazatomprom and Cameco in 2017.

According to Numis, the short-term market is still oversupplied and key short-term drivers will be further actions by Kazatomprom; Japanese nuclear power station restarts and aggressive Chinese contracting behaviour. Numis commented that the **“long-term fundamentals remain positive and a key driver of price shift will be a return to contracting on the part of energy utilities.”**

Asked what had changed this time around to improve confidence in this latest recovery prediction panel member Daniel Major, CEO of Goviex, replied, “the first thing is strong demand. Nuclear generation is now at the same level that it was pre-Fukushima. On the supply side you have a lot of projects closing down and you have the Kazatomprom and Cameco shutdowns which have effectively put the market into a deficit.

“The other item that has disappeared off the map is under-feeding.” (under-feeding involves the re-enrichment of low-grade uranium tails assays to produce extra uranium).

“That had resulted in the appearance of 20m to 30m lbs of new material that had not been mined out of the ground but was coming out of the uranium enrichment circuit.

“That meant you had two big mines that appeared from nowhere but actually did not exist.

“So, effectively, you have not only just seen production cuts but you have seen another production cut with that. The other thing that has changed is that the US government has stopped selling and they used to sell five million lbs/year.

“There was also an inventory overhang but now you have people like Yellow Cake (Yellow Cake Plc, a specialist company buying and storing uranium) sucking metal out of the market as well.

“So you have a massive tightening of inventory; demand growth and big supply cuts . That’s why you are going to see a difference this time,” Major concluded. •

UxC Consulting Spot Price (US\$)

January 31, 2018	\$28.90/lb U ₃ O ₈
February 28, 2019	\$27.75/lb U ₃ O ₈

Change of -\$1.15/lb U₃O₈

UxC Consulting Long-Term Price (US\$)

January 31, 2018	\$32.00/lb U ₃ O ₈
February 28, 2018	\$32.00/lb U ₃ O ₈

Unchanged

Key Basin Announcements

2019-02-04: UEX files technical report for the Christie Lake Project

2019-02-07: Skyharbour Option Partner Orano commences winter diamond drill program at Preston

2019-02-14: Fission 3.0 intercepts anomalies and strong alteration at PLN

2019-02-14: NexGen releases results from shaft pilot hole report and assays from the drilling summer 2018 program

2019-02-26: Skyharbour commences minimum 3,000m winter drilling program at Moore

2019-02-26: Azincourt mobiles drill program at East Preston

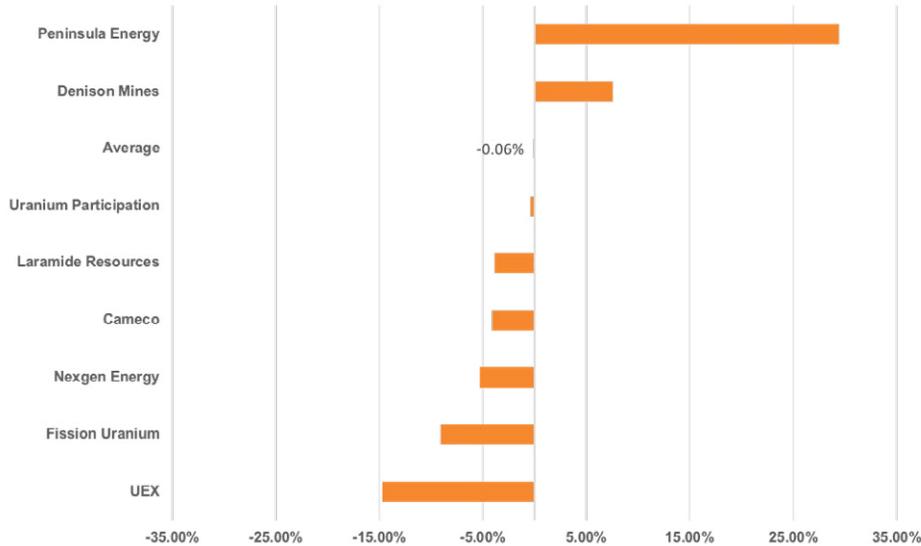
2019-02-28: ALX signs LOI with Orano for Close Lake

Purepoint @ PDAC 2019

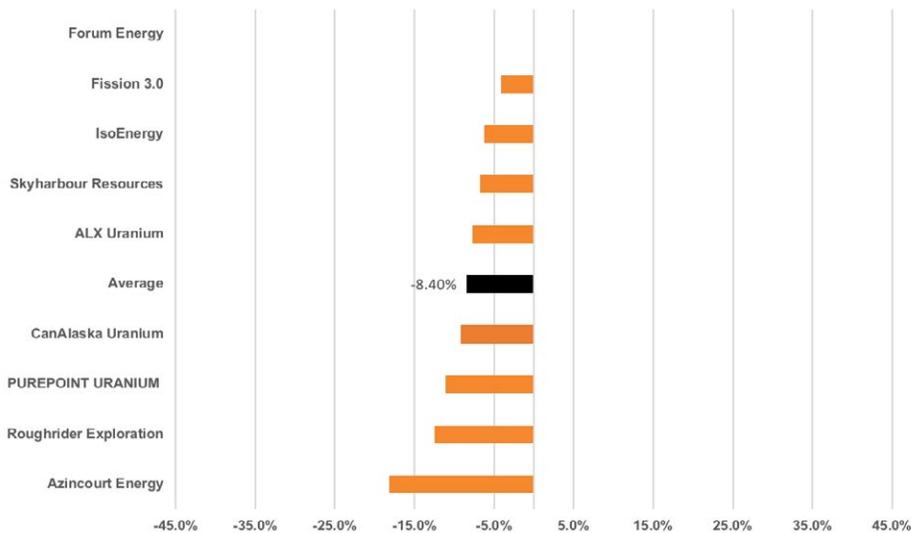
Metro Toronto Convention Centre
March 3 - 6, 018
BOOTH # 2636

February 2019 Monthly Uranium Stock Performance

Producing, Development & Advanced Exploration Companies



Athabasca Basin Exploration Companies



Monthly Athabasca Basin Exploration Update

Presented by Purepoint Uranium Group Inc. (TSXV: PTU), the Monthly Athabasca Basin Exploration Update is a monthly newsletter that gathers information on what's happening with uranium exploration companies in the Athabasca Basin, including its monthly exploration news, stock performances as well as the spot- and long-term uranium prices.

Purepoint Uranium Group Inc. TSXV: PTU

Purepoint Uranium Group Inc. is a uranium exploration company focused on precision exploration and with ten projects in the Athabasca Basin.

Its flagship project is the Hook Lake, a joint venture with two of the largest producers in the world, Cameco Corporation and Orano Canada.

A total of \$3MM exploration budget for 2019 has commenced, with two drill rigs at the Hook Lake JV.

For more information, please visit: www.purepoint.ca.

Be in the Know

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PUREPOINT @ PDAC CONVENTION
TSXV: PTU

Booth: 2636 - March 3-6, 2019

Market Cap	Price as of 02/28/19	52-Week High	52-Week Low
\$19.32MM	\$0.08	\$0.105	\$0.055



2019 EXHIBITOR

The annual PDAC Convention is the world's premier international event for the minerals and mining industry. It has attracted more than 25,000 people from 135 countries in recent years and will be March 3-6, 2019 at the Metro Toronto Convention Centre in Toronto.

If you are attending PDAC this year, make sure to drop by Purepoint's booth # 2636 at the Investor Exchange.

Here are couple of the photos we shared in the Twitter world this past month from exploration work at the Hook Lake Project!!

Don't forget to follow us [@PurepointU3O8](https://twitter.com/PurepointU3O8)

Purepoint Uranium @PurepointU3O8 · Feb 4
 It's -45 degrees at the #HookLake camp today!!! We recorded a low of -51.9 degrees during the night! Winter wonderland in the #AthabascaBasin #uranium district...

Purepoint Uranium @PurepointU3O8 · Feb 11
 Calm and cool night at #HookLake #uranium camp - finishing week 3 of a 12 week exploration program

Purepoint Uranium @PurepointU3O8 · Feb 13
 Finally made it to the Derkson, thanks to the help of our Snowcat! Due to exceptionally wet conditions this year, we needed to clear the snow to allow the muskeg freeze. Ice has now formed thick enough to support a drill move and we'll be mobilizing to the area shortly #uranium

Purepoint Uranium @PurepointU3O8 · Feb 15
 Our skidder rumbing back to camp at dusk after a day of smoothing the trail to Dragon's #HookLake #uranium project

Hook Lake JV Project

The Hook Lake JV project is owned jointly by Cameco Corp. (39.5%), Orano Canada Inc. (39.5%) and Purepoint Uranium Group Inc. (21%) and consists of nine claims totaling 28,598 hectares situated in the southwestern Athabasca Basin. The Hook Lake JV is considered one of the highest quality uranium exploration projects in the Athabasca Basin due to its location along the prospective Patterson Lake trend and the relatively shallow depth to the unconformity.

Current exploration is targeting the Patterson Lake Corridor that hosts Fission's Triple R Deposit (indicated mineral resource 87,760,000 lbs U3O8 at an average grade of 1.82% U3O8), NexGen Energy's Arrow Deposit (indicated mineral resource 256,600,000 lbs U3O8 at an average grade of 4.03%) and the Spitfire Discovery by the Hook Lake JV as well as the Derkson Corridor.

UEX files technical report for the Christie Lake Project

TSX: UEX

2019-02-04

UEX filed a technical report on the Christie Lake Project (the "Technical Report"), pursuant to National Instrument 43-101 "Standards for Disclosure for Mineral Projects" ("NI-43-101"). The Technical Report supports the disclosure made by UEX in its December 19, 2018 news release announcing the maiden resource estimate of the Company's 60% owned Christie Lake Uranium Property. JCU (Canada) Exploration Company Limited, a private company actively engaged in exploration and development owns 40% of the Christie Lake Project.

The Technical Report is entitled: "Technical Report for the Christie Lake Uranium Project, Saskatchewan, Canada" and was prepared by SRK Consulting (Canada) Inc. by Dr. Aleksandr Mitrofanov, P.Geo., supported by Dr. David Machuca, P.Eng., and Mr. Glen Cole, P.Geo. of SRK Consulting (Canada) Inc., (each of whom is an independent "Qualified Person" for the purposes of NI 43-101) and by Mr. Christopher Hamel, P.Geo., Chief Geologist of UEX Corporation (who is a non-independent "Qualified Person"). The Technical Report is dated February 1, 2019 and has an effective date of December 13, 2018.

On December 19, 2018, the Company announced a maiden inferred resource estimate for the Christie Lake Project of 588,000 tonnes grading 1.57% U₃O₈, which equates to 20.35 million pounds of U₃O₈. The Christie Lake mineral resources were reported using a cut-off grade of 0.2 percent U₃O₈.

Skyharbour partner Orano commences drilling program at Preston

TSXV: SYH

2019-02-07

Orano Canada has commenced its 2019 winter diamond drilling program consisting of 11 to 15 drill holes for a total of approximately 3,600 metres on the Preston Project. Drilling will test targets defined by the 2018 EM surveys on the JL and FSA target grids.

The estimated cost of the 2019 exploration and drilling programs is CDN \$2,200,000. Skyharbour will provide updates as they become available on the progress of this drill program.

Orano Canada may earn up to a 70% interest in the 49,635-hectare Preston project through \$8,000,000 of total project consideration over six years, including up to \$7,300,000 of exploration work programs and \$700,000 of cash payment.

Fission 3.0 intercepts anomalies and strong alterations at PLN

TSXV: FUU

2019-02-14

A total of 2,051m were drilled in six completed holes and two holes that were abandoned due to poor ground conditions. Drilling focused on the north-south trending A1 basement hosted electromagnetic "EM" conductor, where previous drilling in 2014, including hole PLN14-019 (6.0m @ 0.012% U₃O₈), indicated the conductive corridor to be prospective for mineralization. All six holes encountered strong hydrothermal alteration over variable widths and a number of narrow radiometric anomalies, including a downhole radiometric peak of 1,382cps (PLN19-026), often a key signature of mineralized systems. The A1 conductive corridor remains prospective to the south and PLN hosts multiple drill targets that remain untested on the property, and will be the subject of future exploration.

PLN Highlights:

- Winter Program Complete - 2,051m were drilled in six completed holes.
- Drilling intercepted multiple radiometric anomalies and strong alteration - Alteration and local radiometric anomalies were encountered in several holes, particularly in hole PLN19-026, which encountered a downhole radiometric peak of 1,382cps.
- Project hosts a number of prospective targets to be drill tested in future programs, including further testing of the A1 EM Conductor.

Key Lake South Highlights:

- Drilling to commence imminently - Key Lake South exploration program to include 9 holes for a total of 1,300m, on the Karpinka and Hobo properties.
- The Key Lake South projects are located on the south-east side of the Athabasca Basin area, approximately 40 km south of the basin margin in a setting which is analogous to Fission Uranium's Triple R deposit at PLS.
- The 23-day program is scheduled to commence by mid-February.

Market Cap	Price as of 02/28/19	52-Week High	52-Week Low
\$57.21MM	\$0.145	\$0.35	\$0.14

Market Cap	Price as of 02/28/19	52-Week High	52-Week Low
\$23.02MM	\$0.35	\$0.57	\$0.345

Market Cap	Price as of 02/28/19	52-Week High	52-Week Low
\$15.60MM	\$0.11	\$0.295	\$0.08

NexGen releases results from Shaft Pilot hole report and assays from summer drilling

TSXV: AL

2019-02-14

Market Cap	Price as of 02/28/19	52-Week High	52-Week Low
\$800.82MM	\$2.28	\$3.31	\$2.11

NexGen report geotechnical results for the initial shaft pilot holes and assays for all twenty-nine holes comprising 20,482.31 m, drilled during the summer development program on the Company’s 100% owned Rook I property, in the Athabasca Basin, Saskatchewan.

Shaft Pilot Hole Report

Three shaft pilot holes were successfully completed to a depth between 650 m and 702 m. The vertically drilled shaft pilot holes were kept within a 6.0 m diameter cylinder from surface through to their termination depths, intersected minimal structure and showed low hydraulic conductivity throughout via packer testing at regular intervals.

The shaft pilot hole geotechnical and hydrogeological conditions compiled in the Rook I Arrow Deposit Pilot Characterization Report will facilitate FS level engineering and design of two vertical shafts at the Arrow Deposit; one for exhaust air and one for production and fresh air.

Overburden / Sedimentary Geotechnical: The sedimentary profile was confirmed to extend from surface down to the basement unconformity at approximately 100 m. Typical of holes drilled at the Arrow Deposit, an average sedimentary profile was developed from the shaft pilot holes:

- Overburden soils and sediments extended to 14 m
- Cretaceous Manville Group silts and clays to 63 m
- Devonian sandstone to 86 m
- Athabasca Group sandstones to maximum depth of 100 m (equating to a thickness of 14 m of Athabasca Group sandstone) Crystalline basement rock below 100 m

Rock Geotechnical:

- Below 200 m depth and continuing to the end of hole (701.47 m), GAR-18-015 shows good-to-very good competent rock mass and very low fracture frequency (FF/m).

Hydrogeological:

- General decrease in hydraulic conductivity (K) with depth below the basement unconformity resulting in favorable underground development conditions;
- Groundwater chemistry is not considered to present any risk to shaft development and construction.

Geotechnical Characterization of the A2 Sub-Zone

Assays have confirmed significant uranium mineralization was intersected in the two holes drilled to geotechnically characterize the rock mass within the A2 sub-zone. The holes were designed to obtain data in order to quantify the sub-surface conditions within the mine plan. Both holes were collared at a steep inclination, then shallowed out to a dip of approximately 57°.

- GAR-18-016 intersected 32.5 m at 6.65% U3O8 (574.5 to 607.0 m) including 10.0 m at 20.04% U3O8 (583.0 to 593.0 m) additionally, 10.0 m at 1.43% U3O8 (617.5 to 627.5 m). The hole intersected significant mineralization outside of the current high-grade resource shells and are not incorporated into the current mineral resource inventory. In terms of packers testing within the A2 sub-zone, GAR-18-016 showed low flow rates averaging 1.656 L/min (576.5 m to 639.0 m).
- GAR-18-017 intersected 7.5 m at 3.03% U3O8 (616.5 to 624.0 m) including 3.5 m at 6.34% U3O8 (620.0 to 623.5 m). The hole was drilled in an open area within the A2 sub-zone between two previously unconnected shells which has not yet been incorporated into the current mineral resource inventory. In terms of packers testing within the A2 sub-zone, GAR-18-017 showed low flow rates averaging 0.950 L/min (567.0 m to 618.0 m) and 0.218 L/min (618.0 m to 669.0 m)

Expansion, A2 High-Grade Domain

Assays from drilling focused on an under-explored area to the northeast boundary of the currently defined A2 high-grade domain have confirmed the presence of significant uranium mineralization within the A2 shear zone as well as between the A2 and A3 shears. The hole demonstrates the continuity of high-grade mineralization beyond the currently defined A2 high-grade domains.

- AR-18-220c1 located, approximately 50 m along strike to the northeast of AR-14-30 (10.32% U3O8 over 46.0 m) intersected 36.0 m at 1.12% U3O8 (512.0 to 548.0 m) including 2.0 m at 10.0% U3O8 (528.5 to 530.5 m) additionally, 16.5 m at 1.43% U3O8 (578.0 to 594.5 m). Between the currently defined A2 and A3 resource shells the hole intersected 36.0 m at 0.64% U3O8 (396.0 to 432.0 m) including 4.0 m at 5.23% U3O8 (402.05 to 406.5 m).

Skyharbour commences 3,000m winter drilling program at Moore

TSXV: SYH

2019-02-26

Market Cap	Price as of 02/28/19	52-Week High	52-Week Low
\$23.02MM	\$0.35	\$0.57	\$0.345

Skyharbour Resources Ltd. has commenced its winter 2019 diamond drilling program at its flagship 35,705-hectare Moore uranium project, located approximately 15 kilometres east of Denison Mines' Wheeler River project and near regional infrastructure on the southeast side of the Athabasca basin, Saskatchewan.

The company is planning to carry out a minimum of 3,000 metres of drilling in eight to 10 diamond drill holes to follow up on the success of the drill programs completed last year. This drill program will test both unconformity and basement-hosted targets along the high-grade Maverick structural corridor, as well as essentially untested prospective conductive corridors identified by Skyharbour's technical team. Of particular interest are potential underlying basement feeder zones to the unconformity-hosted high-grade uranium present along the Maverick corridor. These targets have seen limited historical drill testing.

Azincourt moves drill crew to East Preston

TSXV: AAZ

2019-02-28

Market Cap	Price as of 02/28/19	52-Week High	52-Week Low
\$3.89MM	\$0.045	\$0.175	\$0.045

Azincourt Energy Corp. has received all relevant permits for its proposed uranium drill program at the East Preston project. Crews have now been mobilized in support of the program, with drilling expected to commence before mid-March.

The 2019 drill program, with 10 holes to 15 holes (2,000 metres to 2,500 metres) planned, will test high-priority targets within prospective conductor corridors defined by recent airborne geophysical surveys. Targets have been refined and prioritized based on encouraging fieldwork results, including coincident anomalies from ground gravity, airborne and ground EM (electromagnetic) and magnetics (graphitic conductors and structures), radon, soil, biogeochem, lake sediment, and geological mapping surveys. The program's primary drill target in the Five Island Lake region is considered to be one of the most prospective geological targets on the property.

The company is also pleased to report that Geotech Ltd. recently completed a helicopter-borne VTEM Max and magnetic survey over the southeastern portion of the East Preston project. East Preston now has complete survey coverage over the entire project area.

The survey comprises 498 line kilometres with 300-metre line spacing and 1,000-metre tie-line spacing, identical parameters to the previous VTEM Max survey, and ties directly into the previous flight lines, oriented northwest-southeast, perpendicular to the northeast-southwest-trending structural and conductor trends of the basement rocks at East Preston. One hundred per cent of the East Preston ground has now been subject to VTEM Max survey. Geotech is currently completing data processing prior to passing to company consultants for in-depth interpretation. This new survey data will be used to add targets for future exploration drill testing and does not affect the current planned drill campaign.

ALX signs LOI with Orano Canada for Close Lake

TSXV: AL

2019-02-28

Market Cap	Price as of 02/28/19	52-Week High	52-Week Low
\$5.62MM	\$0.06	\$0.09	\$0.05

ALX Uranium Corp. has signed a non-binding letter agreement with Orano Canada Inc., a subsidiary of Orano Group, France, a world leader in the nuclear marketplace, whereby ALX can earn up to a 51-per-cent participating interest in the Close Lake uranium project located in the eastern Athabasca basin area of Northern Saskatchewan, Canada. The LOI outlines a five-year deal, with ALX financing exploration expenditures for a total amount of \$12-million and issuing 10 million common shares of ALX to Orano.

Close Lake consists of 21 mineral claims totaling 38,679 hectares located in the heart of one of the most prolific uranium districts in the world. The eastern boundary of the Project adjoins the Cigar Lake uranium mine property ("Cigar Lake") and its southern boundary adjoins the McArthur River uranium mine property. Numerous uranium and base metals showings have been discovered from drilling at Close Lake by a joint venture first established in 1978. Close Lake is accessible by winter trail from Cigar Lake and Points North Landing, each of which has all-weather road access and nearby infrastructure, including airports. [Click here to view a map of the Project.](#)

Close Lake is currently the subject of a joint venture in which Orano, as operator, holds a 74.40% interest, with Cameco Corporation ("Cameco") (TSX: CCO) holding a 14.99% interest, and JCU (Canada) Company Ltd. ("JCU") holding the remaining 10.61% interest. ALX can earn up to a 51% interest from Orano, subject to a back-in right to be retained by Orano.

Historical drilling at the Project totals approximately 110,049 metres in 170 drill holes. Uranium mineralization has been intersected at or near the unconformity between the Athabasca sandstone and basement rock units, often graphitic, with associated base metals values and rare gold occurrences at downhole depths ranging between 463 metres and 682 metres.

Terms of the LOI

ALX shall have a 60-day period following execution of the LOI to further evaluate the Project and if satisfied, can proceed to a definitive agreement for the transaction (the "Option Agreement"), which when signed by ALX and Orano will establish the effective date of the Option Agreement (the "Effective Date").

In order for ALX to earn an option to acquire a 51% interest in the Project, ALX would be required to issue to Orano a total of 10,000,000 common shares of ALX and fund a total of \$12.0 million towards exploration expenditures for the Project for a period of five (5) years. Subject to prior written approval by Orano, ALX would be able to accelerate any of the expenditure payments.

Any common shares that ALX issues to Orano in connection with the Proposed Acquisition would be subject to a 4-month statutory hold period.

The purchase terms of the LOI are subject to acceptance of the TSX Venture Exchange, and to the waiver of respective rights of first refusal by Cameco and JCU.

Joint Venture Participation

Upon having exercised any portion of its Options ALX will be required to become a party to the Joint Venture Agreement among Orano, Cameco, and JCU. Orano will remain operator of the Project during ALX's option period.

Orano's Back-in Rights

Orano would have two options (the "Back-in Options") to re-acquire a 51% interest in the Project from ALX (the "Back-in Interest") following its exercise of the Back-in Options by giving written notices to ALX (the "Back-in Notices") and paying ALX in the case of the first Back-In Option, an amount based on ALX's expenditures to date, and in the case of the second Back-In Option an amount of \$24.0 million through a combination of cash payments and carrying ALX's share of expenditures required to maintain ALX's share in the Project, with regards to future approved exploration programs.

The Back-in Options are exercisable for a period of up to three (3) years from the date of ALX earning either a 35% or a 51% participating interest, at Orano's discretion.

Reimbursement of Orano's Exploration Expenses

If ALX obtains a 51% interest in the Project and (i) Orano does not exercise the Back-in Options; and (ii) ALX, or a successor company, produces at least 1,000,000 pounds of uranium from the Project Assets ("Initial Production") ALX would notify Orano of the date that ALX or a successor company achieved Initial Production (the "Initial Production Date") and pay Orano \$25.0 million over a 5-year period. Orano will receive a 2.0% net smelter return production royalty on any uranium produced from the Project, and any other milled mineral and/or product, except from Project claims subject to previously established net profits royalties.

Purepoint Uranium Group Inc.
TSXV: PTU

Market Cap	Price as of 02/28/19	52-Week High	52-Week Low
\$19.32MM	\$0.08	\$0.105	\$0.055

Strategically positioned in the Athabasca Basin

- Advanced-stage exploration portfolio of 10 projects in the Athabasca Basin - *all assessment requirements current*
- Dozen of drill targets well defined
- Support and continued spending by two of the world's largest uranium producers
- Most speculative phase of investment completed with low priority properties all exited

Uranium Industry Market Overview

Click on the image to access full report.



Purepoint Uranium Group Inc. (TSXV: PTU) has assembled an end-to-end investment thesis for uranium investors, providing a complete understanding of the current events, facts and statistics that point towards a pending price correction.

Send us your comments/suggestions at info@jeannyso.com.

PUREPOINT'S ATHABASCA BASIN PROJECTS



Strategic Project Acquisitions

- Focused on the precision exploration of its ten projects in the Canadian Athabasca Basin, the world's richest uranium region

Partnered with two of the World's Largest Uranium Producers



High Grade Discovery at the Patterson Uranium District

- Spitfire Discovery (53.3% U₃O₈ over 1.3m within a 10m interval of 10.3% U₃O₈ at Hook Lake JV
- \$4 Million Exploration program completed in Mid-April (2018) discovered a new mineralized shear zone on trend with Spitfire



Corporate Office

2500 - 120 Adelaide Street West
Toronto, ON, M5V 1H1
T: +1-416-603-U3O8

Exploration Office

111 - 2nd Avenue South, Unit 530
Saskatoon, SK, S7K 1K6
T: +1-306-905-U3O8

Twitter: @PurepointU3O8

Website: www.purepoint.ca

Email: info@jeannyso.com

