

# MONTHLY ATHABASCA BASIN EXPLORATION UPDATE

April 2019

## Maven Explains: How to invest in Uranium

Source: [Gwen Preston, Editor of Resource Maven](#)  
 2019-03-26

Uranium is heading towards a major deficit. By 2025 nuclear reactors around the world will need 180 million lbs. of uranium annually while mines will only produce 140 million lbs.

There are some secondary sources of uranium, primarily from decommissioned warheads, but it's not even close to enough to bridge the gap.

The world needs new uranium mines. But no one is going to build a new uranium mine while prices are still so low that even the lowest-cost operations in the world can barely break even. The uranium price has to go up.

It has already started its ascent, but the entire market is currently on Pause until we find out what will come from the Section 232 investigation. I think it very likely that the Commerce 7 department will deem America's reliance on imports for 98% of its uranium, which is needed to generate 20% of its overall power, a threat to national security.

If that happens, US uranium producers will jump. Companies with US projects that could start producing in the near to medium term will jump. Canadian and Australian producers will also jump if it looks like Trump will include these allies under the 'domestic' banner.

And the uranium market will split into US and other parts, with US uranium likely commanding a premium. The excitement over uranium as a rare, in-demand product would attract widespread interest – and a new uranium bull market would kick off.

Even if Team Trump does not see uranium import reliance as a threat to national security, for the probe to end on its own would generate buying. All the utilities that have postponed signing new contracts will start doing so as soon as this question is answered.

And new contracts will carry prices well above spot, because producers won't agree to supply uranium unless they're going to make money doing it. New long-term contracts with strong prices will cement the uranium market's bull setup and attract a swath of investors who know the numbers make sense but need concrete evidence that the new bull has begun before acting.

All told, it is very likely that uranium will shine this summer. I want to be better positioned before that happens. •

*This "Wrap Up" note is part of a larger newsletter article, published by Gwen Preston, Editor of Resource Maven, a series of subscriber-supported newsletters about metals, mining and stocks. For more information, please visit [www.resourcehaven.ca](http://www.resourcehaven.ca).*

UxC Consulting Spot Price (US\$)	
February 28, 2019	\$27.75/lb U <sub>3</sub> O <sub>8</sub>
March 31, 2019	\$25.08/lb U <sub>3</sub> O <sub>8</sub>
<b>Change of <span style="color: red;">-\$2.67/lb U<sub>3</sub>O<sub>8</sub></span></b>	

UxC Consulting Long-Term Price (US\$)	
February 28, 2019	\$32.00/lb U <sub>3</sub> O <sub>8</sub>
March 31, 2019	\$32.00/lb U <sub>3</sub> O <sub>8</sub>
<b>Unchanged</b>	

## Key Basin Announcements

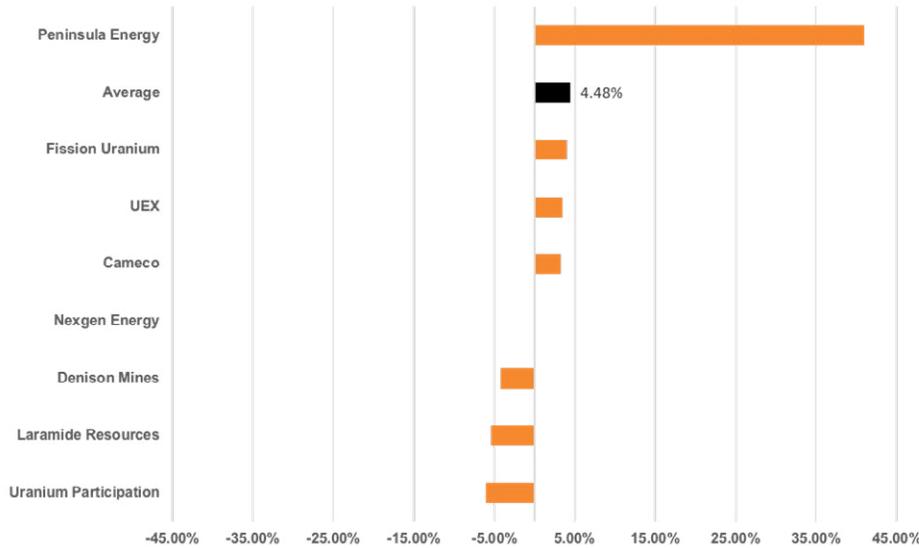
- 2019-03-06:** Appia Energy starts drilling at Loranger
- 2019-03-12:** Fission drills strong mineralization at PLS Property
- 2019-03-20:** Fission 3.0 drills strong alteration at Key Lake South
- 2019-03-20:** ISOEnergy continues to intersect strong pitchblende uranium mineralization at the Hurricane zone
- 2019-03-20:** Azincourt commences Phase One drilling at East Preston Uranium Project
- 2019-03-28:** ALX commences radon and helium survey at the Black Lake Uranium Project
- 2019-03-28:** NexGen intersects continuous and strong high-grade mineralization in all A2 sub-zone targets

## PDAC 2019 Highlights inside

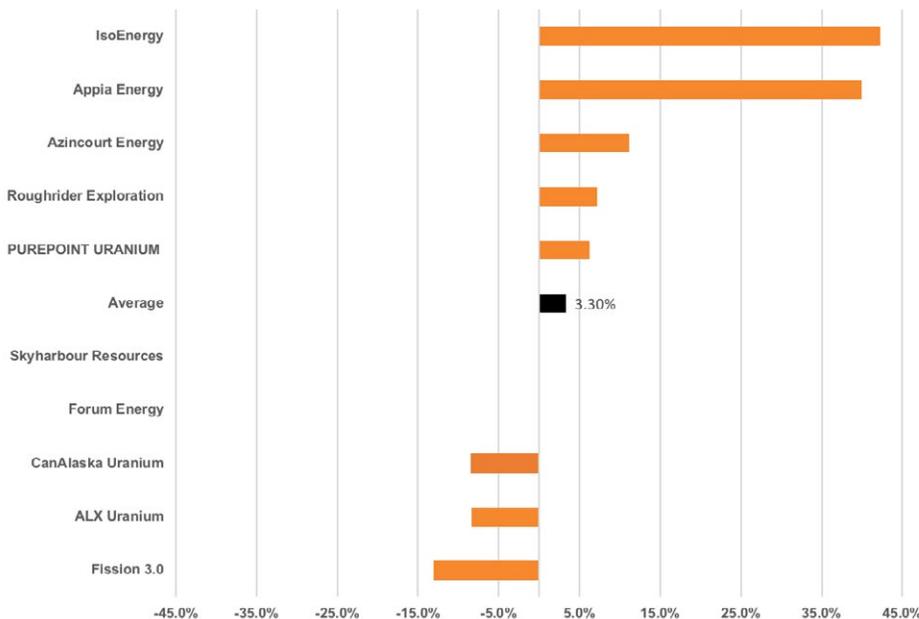
- Wrap up numbers for PDAC 2019
- Highlights from the Annual Uranium Night

## March 2019 Monthly Uranium Stock Performance

### Producing, Development & Advanced Exploration Companies



### Athabasca Basin Exploration Companies



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## 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](http://www.purepoint.ca).

### Be in the Know

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## ANNUAL URANIUM NIGHT @ PDAC 2019

### Monday, March 4, 2019

Purepoint Uranium, together with ALX Uranium, Denison Mines & Uranium Participation, UEX and Skyharbour hosted the second Annual Uranium Night during PDAC on Monday, March 4, 2019.

It was a glowing success with about 300 guests including members of the Government, peers, investors and media.

PDAC is the World's Premier Mineral Exploration & Mining Convention and 2019 marked its 87th year. Held from March 3-6, 2019 at the Metro Toronto Convention Centre in Toronto, PDAC 2019 hosted 25,843 attendees from more than 130 countries. Prime Minister Justin Trudeau also made an appearance this year, discussing the Government's support for Canada's mineral sector and how Canada can remain competitive on the global stage.



Left to right  
Chris Frostad (Purepoint) & Warren Stanyer (ALX Uranium)



Left to right  
Jeanny So (Purepoint), Patrick Ledru (Orano) and wife Yara Ledru, Scott Frostad (Purepoint)



Left to right  
Laurie Thomas (UEX) & Ted O'Connor (Azincourt)



Left to right  
Miranda Werstiuk (IBK Capital) and Jordan Trimble (Skyharbour)



Left to right  
David Cates and Shae Frost (Denison Mines & Uranium Participation) with guests



Left to right  
Garnet Woods (Cameco), Craig Cutts (Orano), Andrew Browne (NexGen) and Scott Frostad (Purepoint)



Left to right  
Rob Klein (Western Uranium) & Daniel Major (Goviex)



Left to right  
Chris Frostad (Purepoint) and Peter Neptusky (TD Securities)



Third from the left  
Even Mikey Fulp, Mercenary Geologist Newsletter Writer has joined the Uranium Night event

## Appia begins diamond drilling at the Loranger Property

**TSX: API**

2019-03-06

Market Cap	Price as of 03/31/19	52-Week High	52-Week Low
\$ 30.1MM	\$0.385	\$0.41	\$0.11

Appia Energy announced that diamond drilling program for high-grade uranium on the Loranger property (the “Property”) has commenced. The Property is located 28 km southeast of Cameco’s Rabbit Lake mill, Athabasca Basin area, northern Saskatchewan.

The planned diamond drill hole program (the “Program”) will consist of approximately 5 to 10 drill holes totaling a minimum of 1,000 metres, and will be targeting two or three areas which display coincidental geophysical features commonly exhibited by other Athabasca high-grade uranium deposits, such as i) broad gravity lows, ii) diminished and/or broken electromagnetic (“EM”) conductors, and iii) apparent magnetic lineation offsets.

## Fission hits strong mineralization at PLS property

**TSX: FCU**

2019-03-12

Market Cap	Price as of 03/31/19	52-Week High	52-Week Low
\$247.87MM	\$0.51	\$0.80	\$0.465

Fission Uranium announced results from three holes of the Winter work program at its’ PLS property in Canada’s Athabasca Basin region.

The three holes were drilled on the R780E zone with the dual-purpose of resource expansion and geotechnical testing of rock-mechanics for mine planning. All three intercepted high-grade mineralization that fit within, and expanded beyond the boundaries of the current modeled high-grade domain. Results include hole PLS19-PW-09, which intercepted a 37.5m continuous zone of strong uranium mineralization with a near-continuous 3.72 m interval of >10,000 cps and a peak of 61,115 cps. In addition, hole PLS19-PW-10 intercepted 47.5m total composite mineralization, including 3.98m of total composite >10,000 cps. With the completion of these holes, the program is now focusing on geotechnical drilling on the ring dyke and cut-off wall, as well as hydrogeology and pump testing.

### Results Highlights

**PLS19-PW-09 (line 735E)** successfully targeted a large jog in the eastern high-grade core model where the high-grade core was interpreted to extend.

- 41.0m total composite mineralization over a 74m interval (between 130.0m – 204.0m), including 4.52m total composite >10,000 cps

**PLS19-PW-010 (line 990E)** successfully targeted the interpreted extension of the R780E high grade core, approximately 120m east of the current high-grade resource model.

- 47.5m total composite mineralization over a 207.5m interval (between 108.0m – 315.5m), including 3.98m total composite >10,000 cps

**PLS19-PW-08 (line 615E)** successfully targeted a low-grade gap between the middle and eastern R780E high-grade cores, with the aim to identify new high-grade mineralization outside of the current model.

- 71.5m total composite mineralization over a 123m interval (between 121.0m – 244.0m), including 2.0m of total composite >10,000 cps

## Fission 3.0 drills strong alteration at Key Lake South

**TSXV: FUU**

2019-03-20

Market Cap	Price as of 03/31/19	52-Week High	52-Week Low
\$14.85MM	\$0.10	\$0.295	\$0.08

Fission 3.0 announced results from the first pass drill program at its Key Lake South properties (Karpinka Lake and Hobo Lake projects) in the south-east Athabasca Basin region of Saskatchewan, Canada. A total of ~1300m was drilled in eight completed holes, all of which encountered variably intense hydrothermal alteration and six holes with anomalous radioactivity. Of note, holes KL19-005, KL19-006 and KL19-007, drilled in the northern part of the extensive land package, encountered the most significant hydrothermal alteration and paleoweathering, which are considered important factors for hosting high-grade uranium mineralization and will be prioritized for follow up. With \$6M in the treasury, Fission 3 is well poised to continue to explore on its extensive property portfolio.

- **Winter program at Key Lake complete:** Eight holes in 1300.8m in the Key Lake South projects (Karpinka Lake and Hobo Lake) - located on the south-east region of the Athabasca Basin, 40 km south of the basin margin in a geological setting analogous to Fission Uranium's Triple R deposit at PLS.
- **Drilling intercepted multiple anomalous and narrow radiometric anomalies and strong alteration:** drill holes located in the northern area of the property (holes KL19-005, KL19-006 and KL19-007) have exhibited the strongest hydrothermal alteration and paleoweathering profile.
- **Prospective for high-grade mineralization:** KL19-005 intersected over 100m of strong clay alteration and faulted rock, which is interpreted to represent a major structural dilation zone. Such settings are important in the genesis of structurally hosted uranium deposits as they provide a pathway for large amount of hydrothermal fluid flow and can develop traps for localizing mineralized fluids. Most of the Athabasca Basin's major uranium deposits are situated in similar geological settings.
- **Cree Bay exploration upcoming:** Fission 3.0's ongoing portfolio exploration program will now move to Cree Bay, conducting ground geophysics surveys to assist with the planned summer drill program.

## ISOEnergy continues to intersect strong pitchblende uranium mineralization at the Hurricane Zone

**TSXV: ISO**

2019-03-20

Market Cap	Price as of 03/31/19	52-Week High	52-Week Low
\$37.60MM	\$0.64	\$0.65	\$0.275

ISOEnergy announced that the final drill holes in the winter drilling campaign have intersected intervals of strong radioactivity associated with pitchblende uranium mineralization at the Hurricane zone. The Hurricane zone is a new discovery of high-grade uranium on the Company's 100% owned Larocque East Property in the eastern Athabasca basin region of Saskatchewan, home to the world's largest and highest-grade uranium mines.

The results confirm the presence of a high-grade uranium deposit at Hurricane with a minimum strike extent of 150 m and work is underway to plan for follow-up exploration drilling in summer 2019.

### Drilling Highlights

- Drill hole LE19-12 intersected 8.5 m of uranium mineralization 75 m west of the discovery section. This includes a 4.5 m interval that measures >10,000 cps (RS-125), including several smaller intervals that measure >20,000 cps.
- Drill hole LE19-13 intersected 2.5 m of uranium mineralization at >1,000 cps (RS-125) 75 m east of the discovery section, including 0.5 m of strongly elevated radioactivity that averages >10,000 cps (RS-125).
- With these results, the Hurricane zone now measures over 150 m long x 38 m wide and is up to 8.5 m thick.
- The company is fully funded for ongoing exploration including a subsequent follow-up drill program in 2019.

## Azincourt commences Phase One drilling at East Preston Uranium Project

**TSXV: AAZ**

2019-03-20

Market Cap	Price as of 03/31/19	52-Week High	52-Week Low
\$5.11MM	\$0.05	\$0.14	\$0.045

Azincourt Energy has commenced phase 1 drilling at the East Preston uranium project in the western Athabasca basin in Northern Saskatchewan.

Crew is on site and has completed construction of the first two drill pads. Target No. 1, pad B on L2400, targets the confluence of north-trending and northeast-trending conductors (prospective structure) with a coincident gravity anomaly (potential alteration) and a positive airborne radiometric anomaly (potential mineralization indicator).

Target No. 2, pad E on L900, targets the on-strike extension of the pad B conductor 1.5 kilometres to the southwest. An elevated conductor strength in this area coincides with a distinct flexural dislocation. These combined features outline a potential structural trap for the concentration of mineralized fluids. Additional targets are being prioritized as phase 1 drilling continues.

The targets are basement-hosted unconformity-related uranium deposits similar to NexGen's Arrow deposit and Cameco's Eagle Point mine. East Preston is near the southern edge of the western Athabasca basin, where targets are in a near-surface environment without Athabasca sandstone cover; therefore, they are relatively shallow targets but can have great depth extent when discovered. The project ground is located along a parallel conductive trend between the PLS-Arrow trend and Cameco's Centennial deposit (Virgin River-Dufferin Lake trend).

## ALX commences radon and helium survey at the Black Lake Uranium Project

**TSXV: AL**

2019-03-28

Market Cap	Price as of 03/31/19	52-Week High	52-Week Low
\$4.75MM	\$0.055	\$0.09	\$0.05

ALX announced that a ground radon and helium survey has commenced at the Black Lake Uranium Project located in the northern Athabasca Basin near Stony Rapids, Saskatchewan, Canada. ALX owns a 40% interest in Black Lake and can earn up to a 75% interest in the Project from UEX Corporation ("UEX") (TSX: UEX).

ALX has planned a radon and helium survey at Black Lake while snow cover remains and the low-lying swamps in the northern part of the Project are still frozen. C.O. Geosciences Inc. of St-Lazare, Quebec has developed for ALX a new technique of augering into frozen swamps to collect sediment samples for analysis.

Approximately 160 radon and helium sample sites are planned on a grid established in the northernmost area of the Project located above the main conductive system. Historical drilling bracketing the survey area has intersected faulted and fractured rocks, which are more likely to allow the escape of radon, helium, and other gases known to be emitted by uranium mineralization. Anomalous uranium mineralization was intersected in Eldorado Nuclear Ltd. 1980 drill hole RL-4B and in two drill holes completed by ALX in 2017 (BL-155 and BL-156) at the edges of the 2019 survey area, which has received sparse drill testing in relatively shallow sandstone cover (225 to 250 metres to basement).

Radon and helium surveys performed in winter are believed to be more effective than summer surveys due to the capture of gases under ice and snow cover. For example, the average net helium content in 87 lake water samples from the vicinity of the Key Lake uranium deposits was eight times higher in the winter than in the summer, and total radon levels were three times higher in winter than in summer. (Dyck, W.; Tan, B., 1978: Seasonal variations of helium, radon, and uranium in lake waters near the Key Lake uranium deposit, Saskatchewan: Journal of Geochemical Exploration, Vol. 10, Issue 2, p 153-167).

## NexGen intersects continuous and strong high-grade mineralization in all A2 sub-zone targets

**TSX: NXE**

2019-03-28

Market Cap	Price as of 03/31/19	52-Week High	52-Week Low
\$763.50MM	\$2.16	\$3.31	\$2.05

NexGen reported radioactivity results for the first twenty holes comprising 8,216.5 m from the Company's first phase of Feasibility-stage drilling program at our 100% owned, Rook I property in the Athabasca Basin Saskatchewan.

### Highlights:

Objective I: Conversion of Indicated to Measured in the A2 Sub-Zone

Nineteen targets have been successfully intersected within the A2 Sub-Zone. This current phase of the program focuses on targets intersected at a spacing between 9.0 m and 16.7 m (based on geostatistical data spacing report compiled by Clayton V. Deutsch from Resource Modeling Solutions) for Indicated Mineral Resources to be elevated to a Measured Mineral Resource classification. All drill holes intersected the target between -55° and -60° utilizing the latest in directional drilling technology.

The highlights below include composite and off-scale radioactivity results from the A2 Shear only:

- AR-19-225c1 intersected 38.0 m of total composite mineralization including 10.15 m of total composite off-scale radioactivity (>10,000 to >61,000 cps) within a 91.0 m section (529.0 to 620.0 m) in the A2 Sub-Zone. Additionally, of the 10.15 m of off-scale mineralization intersected in the hole 7.0 m of massive-to-semi massive pitchblende with minimum-greater-than-61,000 cps.
- AR-19-224c1 intersected 37.5 m of total composite mineralization including 10.8 m of total composite off-scale radioactivity (>10,000 to >61,000 cps) within a 97.0 m section (496.0 to 593.0 m) in the A2 Sub-Zone. Additionally, of the 10.8 m of off-scale mineralization intersected in the hole 4.0 m of massive-to-semi massive pitchblende with minimum-greater-than-61,000 cps.
- AR-19-224c2 intersected 47.0 m of total composite mineralization including 12.55 m of total composite off-scale radioactivity (>10,000 to >61,000 cps) within a 98.0 m section (453.0 to 551.0 m) in the A2 Sub-Zone. Additionally, of the 12.55 m of off-scale mineralization intersected in the hole 3.0 m of massive-to-semi massive pitchblende with minimum-greater-than-61,000 cps.
- AR-19-225c2 intersected 35.0 m of total composite mineralization including 11.05 m of total composite off-scale radioactivity (>10,000 to >61,000 cps) within a 92.0 m section (540.0 to 632.0 m) in the A2 Sub-Zone. Additionally, of the 11.05 m of off-scale mineralization intersected in the hole 1.5 m of massive-to-semi massive pitchblende with minimum-greater-than-61,000 cps.
- AR-19-223c2 intersected 43.5 m of total composite mineralization including 5.5 m of total composite off-scale radioactivity (>10,000 to >61,000 cps) within a 97.0 m section (486.0 to 583.0 m) in the A2 Sub-Zone. Additionally, of the 5.5 m of off-scale mineralization intersected in the hole 1.5 m of massive-to-semi massive pitchblende with minimum-greater-than-61,000 cps.
- AR-19-227c2 intersected 54.0 m of total composite mineralization including 9.75 m of total composite off-scale radioactivity (>10,000 to >61,000 cps) within a 98.0 m section (419.0 to 517.0 m) in the A2 Sub-Zone. Additionally, of the 9.75 m of off-scale mineralization intersected in the hole 0.5 m of massive-to-semi massive pitchblende with minimum-greater-than-61,000 cps.
- AR-19-228c1 intersected 36.0 m of total composite mineralization including 4.25 m of total composite off-scale radioactivity (>10,000 to >61,000 cps) within an 87.0 m section (569.0 to 656.0 m) in the A2 Sub-Zone. Additionally, of the 4.25 m of off-scale mineralization intersected in the hole 0.5 m of massive-to-semi massive pitchblende with minimum-greater-than-61,000 cps.
- AR-19-226c1 intersected 46.0 m of total composite mineralization including 6.4 m of total composite off-scale radioactivity (>10,000 to >61,000 cps) within a 100.0 m section (447.0 to 547.0 m) in the A2 Sub-Zone.
- AR-19-233c2 intersected 49.0 m of total composite mineralization including 9.45 m of total composite off-scale radioactivity (>10,000 to >61,000 cps) within a 99.0 m section (414.0 to 513.0 m) in the A2 Sub-Zone.

**Purepoint Uranium Group Inc.**  
**TSXV: PTU**

Market Cap	Price as of 03/31/19	52-Week High	52-Week Low
\$17.18MM	\$0.085	\$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**

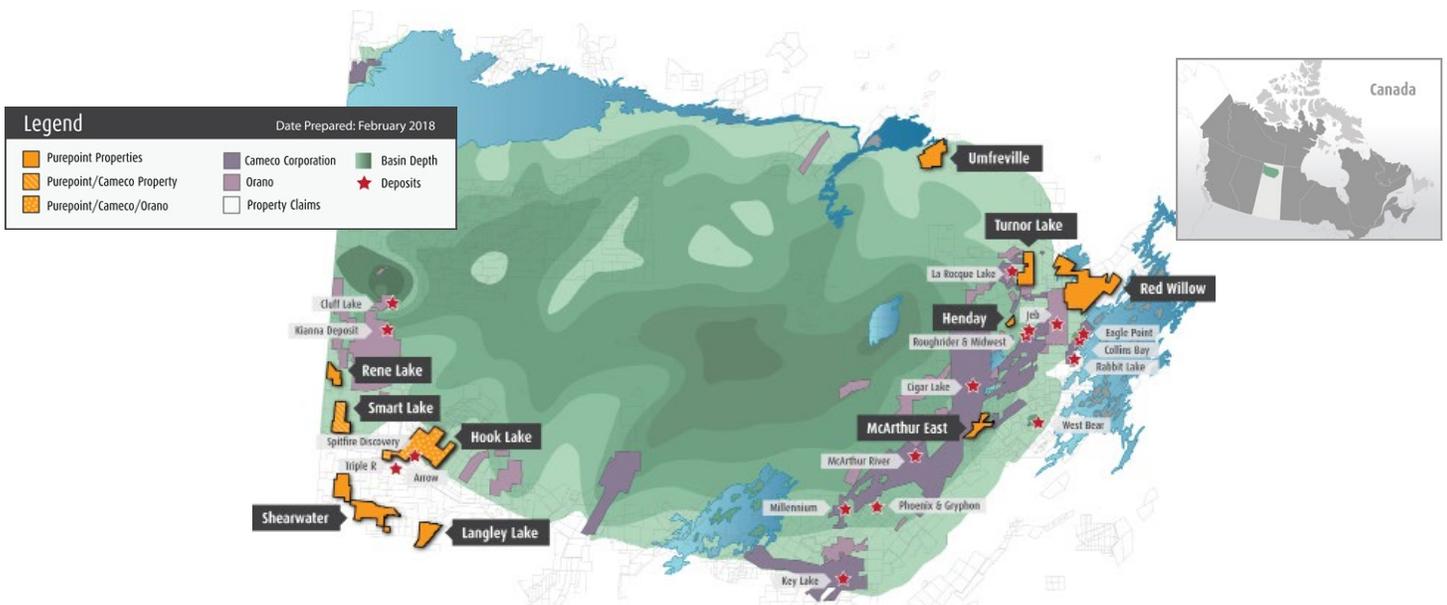
Click on the image to access full report.



**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](mailto: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% U<sub>3</sub>O<sub>8</sub> over 1.3m within a 10m interval of 10.3% U<sub>3</sub>O<sub>8</sub> at Hook Lake JV
- \$4 Million Exploration program completed in Mid-April (2018) discovered a new mineralized shear zone on trend with Spitfire



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