

# MONTHLY ATHABASCA BASIN EXPLORATION UPDATE

October 2020

## Orano requests approval of capacity increase of JEB Tailings Management Facility at McClean Lake uranium mill

Source: [Mines and Metals](#)



### *Expansion of capacity is necessary to process increased uranium tailings volumes from Cigar Lake mine*

Orano is requesting CNSC approval of an expansion of the existing JEB Tailings Management Facility (TMF). The expansion requested will be achieved through the continued construction of an engineered embankment and placement of a bentonite amended crushed waste rock liner from the currently approved elevation of 457.5 mASL up to an elevation of 468 mASL. The design increases the height of consolidated tailings to an elevation of 462 mASL, corresponding to ground level on the existing high side of the TMF, from 448 mASL, on the existing low side of the TMF.

As processing of ore from the Cigar Lake mine has progressed, the tailings produced from milling Cigar Lake ore used significantly more capacity (per tonne of ore processed) of the TMF than initially expected. In order for Orano to secure future mining plans, adequate tailings capacity must be available.

Current mining and milling plans indicate that the existing approved JEB TMF will reach the currently licensed full capacity in approximately 2027, requiring additional capacity to be available in advance to prevent disruptions in production and allow for timely Orano and partners' economic development decisions. Orano is seeking a decision on the project in 2021.

Camco's Cigar Lake uranium mine ore was processed at Orano's McClean Lake mill before both were suspended in March 2020. •

### *UxC Consulting Spot Price* (US\$)

|                    |  |
|--------------------|--|
| August 31, 2020    | \$31.00/lb U <sub>3</sub> O <sub>8</sub> |
| September 30, 2020 | \$30.05/lb U <sub>3</sub> O <sub>8</sub> |

**Change of -\$0.95/lb U<sub>3</sub>O<sub>8</sub>**

### *UxC Consulting Long-Term Price* (US\$)

|                    |  |
|--------------------|--|
| August 31, 2020    | \$33.00/lb U <sub>3</sub> O <sub>8</sub> |
| September 30, 2020 | \$33.00/lb U <sub>3</sub> O <sub>8</sub> |

**Unchanged**

## Key Basin Announcements

**09-03-2020:** IsoEnergy Intersects Strong Uranium Mineralization in Initial Summer Drill Holes at the Hurricane Zone

**09-16-2020:** Standard Uranium concludes Phase I drilling at its flagship Davidson River Project, announces Gunnar exploration program

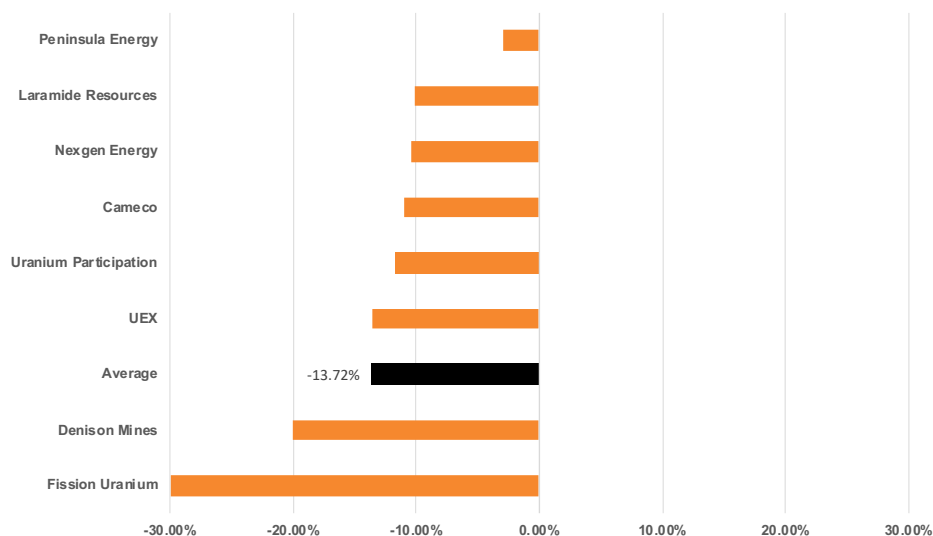
**09-17-2020:** IsoEnergy drills 12.8% over 9m in drill hole LE20-54 and expands Hurricane Zone to the south

**09-24-2020:** Standard Uranium samples off-scale uranium mineralization at surface on Gunnar Uranium Project

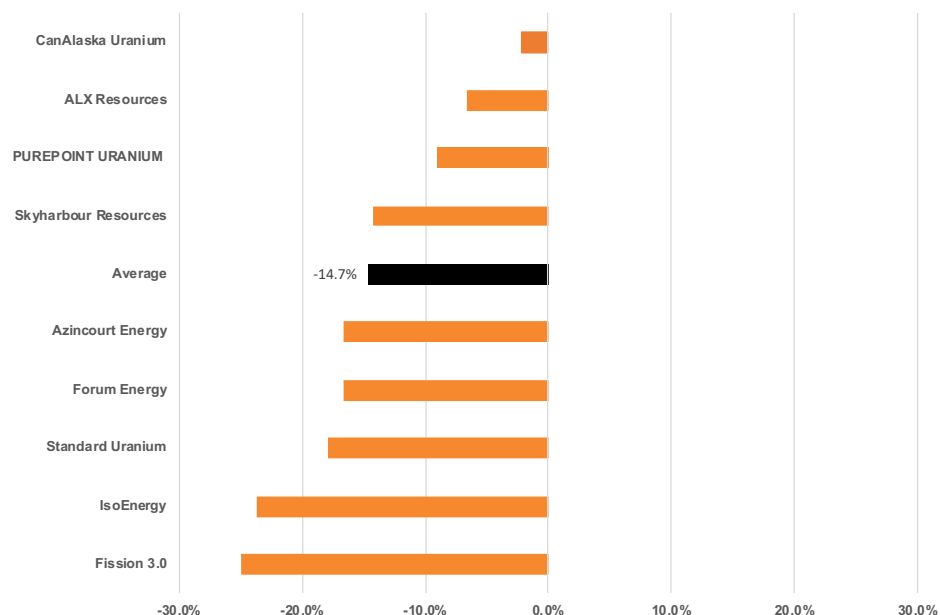
**10-01-2020:** Purepoint Uranium: Upcoming Program at Hook Lake

## Month over Month Uranium Stock Performance (as of September 30, 2020)

### Producing, Development & Advanced Exploration Companies



### Athabasca Basin Exploration Companies



#### Disclaimer information:

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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 of its 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.

An exploration budget for the upcoming drilling program will be announced later this year.

For more information, please visit:  
[www.purepoint.ca](http://www.purepoint.ca).

### Be in the Know

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## Purepoint Uranium: Upcoming Program at HOOK LAKE

**TSXV: PTU**

10-01-2020

| Market Cap | Price as of 09/30/20 | 52-Week High | 52-Week Low |
|------------|----------------------|--------------|-------------|
| \$10.05MM  | \$0.05               | \$0.075      | \$0.025     |

Purepoint Uranium Group Inc. (TSXV: PTU) ("Purepoint" or the "Company") today provided an update of its plans for the next exploration program at the Company's Hook Lake Project.

A preliminary technical meeting of the Hook Lake Joint Venture (JV) Partners was held last week to discuss options for the upcoming drill season, focusing primarily on the Sabre Zone. Hook Lake is a joint venture between Cameco Corporation (39.5%), Orano Canada Inc. (39.5%), and Purepoint (21%) in the Patterson Uranium District, Saskatchewan, Canada. The Hook Lake Project lies on the southwestern edge of Saskatchewan's Athabasca Basin and is adjacent to and on trend with recent high-grade uranium discoveries including Fission Uranium's Triple R Deposit and NexGen's Arrow Deposit.

"Over the past two seasons, we have carefully prepared the Sabre Zone for this drill program, first in identifying its southern boundary at the end of last year's drill program and then bringing resolution to discrete follow up drill targets with this year's electromagnetic survey," said Scott Frostad, Vice President Exploration at Purepoint. "With the assistance of our partners, we are looking forward to deploying our crews to this highly prospective, yet largely untested, 3.5 kilometre stretch of the Patterson Lake corridor."

### Highlights:

- Approximately 3,250 metres of diamond drilling has been proposed to test the Sabre Target Area;
- Geophysical inversions and an interpretation of previously completed stepwise moving loop electromagnetic survey results from across the Carter Corridor and the U Conductors are currently being conducted by Cameco in order to better refine these targets prior to drilling;

### Sabre Target Area ("W" Conductor - North):

This year's geophysical survey covered the Sabre Target area and consisted of five lines of stepwise-moving loop EM surveying that were spaced 800 metres apart. Interpretation of the survey results have provided initial drill targets covering 3.5 kilometres of conductor strike length. The purpose of the survey was to provide drill targets northeast of hole HK19-105 that intersected numerous shear zones, strong hydrothermal alteration and elevated radioactivity (up to 125 ppm U over 0.3 metres). Interpretation of the EM results provided four to six conductor picks of varying strength along each survey line. The "W" conductor now appears as two continuous parallel conductors of variable strength associated with numerous sub-parallel weaker conductors.

Drill hole HK20-115 tested a 2020 EM conductor pick located 3.6 kilometres northeast along strike of favourable drill hole HK19-105. Below the unconformity at 460 metres, the hole encountered strongly clay altered porphyroblastic schist and mafic intrusive to 500 metres, strongly hematite altered granodiorite gneiss to 512 metres, then strongly chloritized, sheared and graphitic mafic intrusive to a depth of 525 metres before completion within unaltered diorite gneiss at a depth of 638 metres.

### 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%) as operator and consists of nine claims totaling 28,598 hectares situated in the southwestern Athabasca Basin. The Hook Lake JV Project 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. U<sub>3</sub>O<sub>8</sub> at an average grade of 1.82% U<sub>3</sub>O<sub>8</sub> – [www.fissionuranium.com](http://www.fissionuranium.com)), NexGen Energy's Arrow Deposit (indicated mineral resource 256,600,000 lbs. U<sub>3</sub>O<sub>8</sub> at an average grade of 4.03% – [www.nexgenenergy.ca](http://www.nexgenenergy.ca)) and the Spitfire discovery by the Hook Lake JV. The foregoing mineral resource disclosure is information about the properties adjacent to the Company's property and does not imply that the Company will obtain similar information from its own property.

### About Purepoint

Purepoint Uranium Group Inc. is focused on the precision exploration of its six projects in the Canadian Athabasca Basin, the world's richest uranium region. Established in the Athabasca Basin well before the initial resurgence in uranium earlier last decade, Purepoint's flagship project is the Hook Lake Project, a joint venture with two of the largest uranium suppliers in the world, Cameco Corporation and Orano Canada Inc. The Hook Lake JV Project is on trend with recent high-grade uranium discoveries including Fission Uranium's Triple R Deposit, NexGen's Arrow Deposit and the Hook Lake JV's Spitfire discovery.

Scott Frostad BSc, MASc, PGeo, Purepoint's Vice President, Exploration, is the Qualified Person responsible for technical content of this release.

## IsoEnergy Intersects Strong Uranium Mineralization in Initial Summer Drill Holes at the Hurricane Zone

**TSXV: ISO**

09-03-2020

| Market Cap | Price as of 09/30/20 | 52-Week High | 52-Week Low |
|------------|----------------------|--------------|-------------|
| \$97.60MM  | \$0.97               | \$1.45       | \$0.23      |

IsoEnergy reported new intersections of strong uranium mineralization in the initial drill holes of the summer campaign at the Hurricane zone. The Hurricane zone is a recent discovery of high-grade uranium mineralization on the Company's 100% owned Larocque East property (the "Property") in the Eastern Athabasca Basin of Saskatchewan.

### Highlights:

- Drill hole LE20-54 intersected 9.0m of uranium mineralization (>500 CPS) from 329.5 to 338.5m, including 4.0m of very strong radioactivity (>30,000 CPS) and 0.5m of off-scale radioactivity (>65,000 CPS)
- Drill hole LE20-57 intersected 10.0m of uranium mineralization from (>500CPS) from 343.8 to 353.8m, including 2.5m of very strong radioactivity (>40,000 CPS), and 0.5m of off-scale radioactivity (>65,000 CPS)

Note: Radioactivity is total gamma from drill core measured with an RS-125 hand-held spectrometer (RS-125).

### Next Steps

Drill 1 will remain on the west end of the Hurricane zone, continuing to evaluate the potential to expand the zone of very strong uranium mineralization to the north and south on several of the westernmost cross-sections. Drill 2 will continue to evaluate targets both on the east side of the Hurricane zone, and on the west side. Samples collected from the drilling completed to date have been shipped to the analytical laboratory. Chemical assay results are expected within three to four weeks.

## Standard Uranium concludes Phase I drilling at its flagship Davidson River Project; announces Gunnar exploration program

**TSXV: STDN**

09-16-2020

| Market Cap | Price as of 09/30/20 | 52-Week High | 52-Week Low |
|------------|----------------------|--------------|-------------|
| \$14.83MM  | \$0.23               | \$0.38       | \$0.15      |

Standard Uranium announced completion of the Phase I summer 2020 diamond drilling program, at its flagship 25,886 hectare Davidson River Uranium Project (the "Project"). The Project is located in the Southwest Athabasca Uranium District of the Athabasca Basin, Saskatchewan, and runs along the inferred trend of Fission Uranium's Triple R deposit and NexGen's Arrow deposit, in an area lying 25 to 30 km to the west of those deposits.

To date, 13 drill holes comprising 5607 metres of diamond drill core have been completed across the Warrior Trend of the Davidson River Project. A substantial amount of valuable information was collected in the inaugural drill program, and the company will be interpreting this information over the next few months, coupled with the geochemical and clay analysis, ahead of Phase II drilling.

The Company will be sending geologists to its wholly-owned Gunnar Project near Uranium City to assess uranium targets from September 18th to 25th. The 15,770 hectare Gunnar Project is located at the south end of the prolific Beaverlodge Uranium District, immediately north of the Athabasca Basin, where uranium was mined between 1953 and 1982. The targets on the Gunnar Project are primarily classic high-grade Athabasca Basin unconformity-related uranium mineralization.

## IsoEnergy Drills 12.8% U3O8 over 9.0m in Drill Hole LE20-54 and Expands Hurricane Zone to the South

**TSXV: ISO**

09-17-2020

| Market Cap | Price as of 09/30/20 | 52-Week High | 52-Week Low |
|------------|----------------------|--------------|-------------|
| \$97.60MM  | \$0.97               | \$1.45       | \$0.23      |

IsoEnergy reported additional intersections of strong radioactivity and initial chemical assays from the on-going summer drilling program at the Hurricane zone. The Hurricane zone is a recent discovery of high-grade uranium mineralization on the Company's 100% owned Larocque East property (the "Property") in the Eastern Athabasca Basin of Saskatchewan.

### Highlights:

- Chemical assays from drill hole LE20-54 returned 9.0m of 12.8% U3O8 and 3.9% Ni from 329.5 to 338.5m, including 4.0m of 27.1% U3O8 and 5.2% Ni from 333.0-337.0m,
- South Extension drill hole LE20-62 intersected 4.5m of uranium mineralization (>500 CPS) from 321.0 to 325.5m, including 2.5m of very strong mineralization (>30,000 CPS),
- South Extension drill hole LE20-64 intersected 5.0m of uranium mineralization (>500 CPS) from 324.0 to 329.0m, including 4.0m of very strong mineralization (>30,000 CPS),
- Drill holes LE20-62 and LE20-64 are located on section with, and 11m and 28m (respectively) south of well mineralized drill hole LE20-57 (previously reported),
- LE20-62 and LE20-64 extend mineralization close to the "J" fault, which remains open along-strike to the east for 200m.

### Next Steps

Expansion of the Hurricane zone mineralization to the north and south on the western side will remain the primary focus of the program. Samples collected from the drilling completed to date are periodically shipped to the analytical laboratory in Saskatoon. Chemical assay results generally follow within three to four weeks of the shipping dates..

## Standard Uranium Samples Off-Scale Uranium Mineralization at Surface, Gunnar Uranium Project

**TSXV: STDN**

09-24-2020

| Market Cap | Price as of 09/30/20 | 52-Week High | 52-Week Low |
|------------|----------------------|--------------|-------------|
| \$14.83MM  | \$0.23               | \$0.38       | \$0.15      |

Standard Uranium announced that off-scale uranium mineralization has been sampled at surface from historical uranium prospects at its 15,770 hectare, 100% owned, Gunnar Uranium Project (the "Project"). The Project is located at the northwest edge of the Athabasca Basin, Saskatchewan, and is south of the first uranium mining camp in Canada, the Beaverlodge District, near Uranium City.

Geologists have thus far visited the two main exploration targets on the project, the JSW1 prospect, herein re-named the "Java Target", and the historical Stewart Island Deposit, herein re-named the "Skye Target". In addition, a previously un-documented strongly radioactive occurrence has been located near two historically documented prospects, and the area has been collectively named the "Haven Target". These three target areas will have a high priority, given the historically observed radioactivity at surface hosted in Athabasca Supergroup sandstones, and their proximity to nearby targets at the unconformity and within the basement rocks.

The Standard Uranium geologists recently re-located and sampled the historical JNW-1 prospect and defined a surface radioactivity trend that is 30-metres long and between 2 and 8 metres wide. In total, 14 samples have been collected, some of which host off-scale uranium mineralization (herein defined as >65,000 CPS with a hand-held RS-125 Spectrometer) as the samples host strong fracture-related hematite and limonite alteration; with millimeter-scale uraninite mineralization along bedding planes and fractures, locally associated with patches of yellow altered uranium oxide.

The Stewart Island deposit at the Skye target is composed of three main uranium zones. The strongest surface showing at the Stewart Island deposit, the main zone, is located at the edge of the shore and was not accessible this season due to remarkably high water levels. The western zone was sampled in outcrop with radioactivity measurements as high as 20,000 CPS (with an RS-125 Spectrometer). Several radioactive boulders along the shoreline were also sampled. The Eastern zone was re-located and sampled within Athabasca Supergroup rocks which exhibit off-scale uranium mineralization.



## Purepoint Uranium Video Series

### TSXV: PTU

Follow Purepoint's [YouTube channel](https://www.youtube.com/channel/UCqWz8K8K8K8K8K8K8K8K8K8) to view updated content or simply visit: <https://purepoint.ca/videos/>

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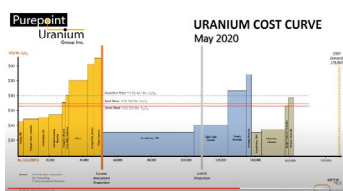
## Q3-2020 Corporate Presentation



Chris Frostad walks through the updated Q3-2020 Corporate Presentation that has been recently uploaded to our website.

The 12-minute video can be [viewed here](#).

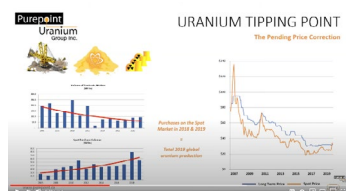
## 2020 Uranium Cost Curve



See how COVID-19 has crippled uranium production and seriously eroded the 2020 Uranium Cost Curve, moving us closer to the market's long awaited tipping point.

A 2-minute video can be [viewed here](#).

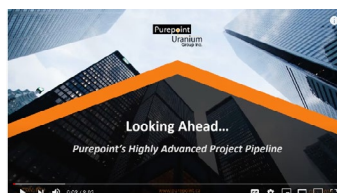
## Uranium Tipping Point: The Pending Price Correction



Uranium market shift is underway with recent price correction representing the first indication that we are reaching the tipping point.

View a 3-minute video can be [viewed here](#).

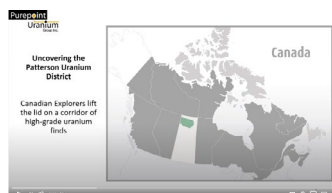
## BEYOND HOOK LAKE - Purepoint's Highly Advanced Uranium Portfolio



Purepoint holds nearly 100,000 hectares of claims across the Athabasca Basin. Within these claims are well over 20 distinct and well-defined drill target regions

The 5-minute video can be [viewed here](#).

## Uncovering the Patterson Uranium District



Situated on the south west edge of the Athabasca Basin, the Patterson Uranium District in northern Saskatchewan Canada has proven to be one of the most prolific new uranium regions in the world.

The 5-minute video can be [viewed here](#).

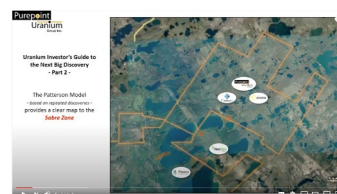
## Uranium Investor's Guide to the Next Big Discovery - Part 1: The Patterson Model



Based on repeated discoveries, the Patterson Model provides a clear map forward.

The 4.5-minute video can be [viewed here](#).

## Uranium Investor's Guide to the Next Big Discovery - Part 2: The Sabre Zone



Based on repeated discoveries, the Patterson Model provides a clear map forward.

The 4.5-minute video can be [viewed here](#).

### Disclaimer:

The information on these videos are based upon sources Purepoint Uranium believes to be reliable. All information provided herein must be understood as information presented for discussion only and not investment advice. The Company cautions that the mineralization at the Triple R, Arrow and Spitfire deposits is not necessarily indicative of the mineralization that may be identified on the Company's upcoming exploration programs.

## Purepoint's Flagship Project: HOOK LAKE JV

TSXV: PTU

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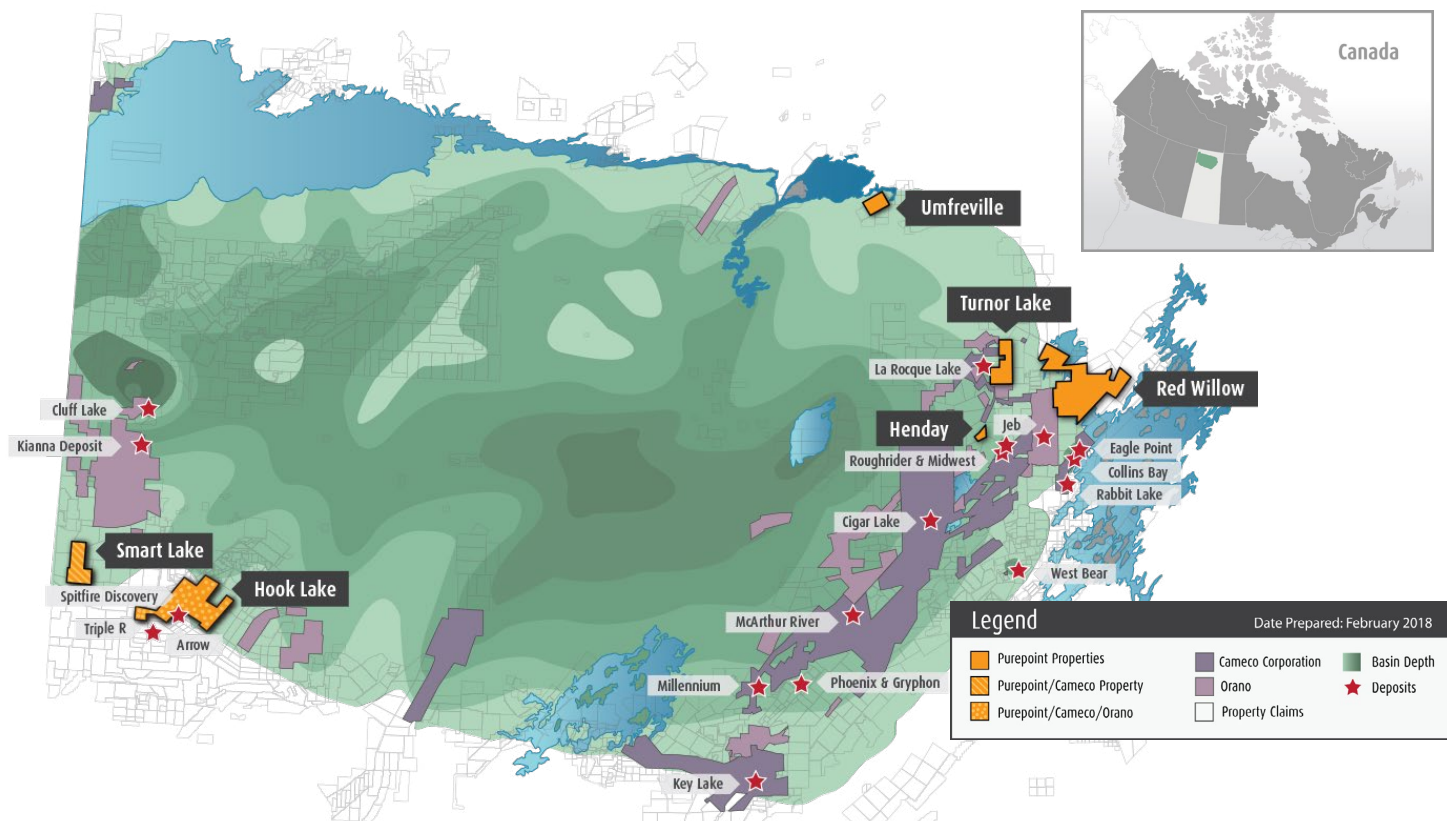
The Hook Lake JV Project is owned jointly by Cameco Corp. (39.5%), Orano Canada Inc. (39.5%) and Purepoint Uranium Group Inc. (21%) as operator and consists of nine claims totaling 28,598 hectares situated in the southwestern Athabasca Basin.

The Hook Lake JV Project 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 102,360,000 lbs U<sub>3</sub>O<sub>8</sub> at an average grade of 2.10% U<sub>3</sub>O<sub>8</sub> – [www.fissionuranium.com](http://www.fissionuranium.com)), NexGen Energy's Arrow Deposit (indicated mineral resource 256,600,000 lbs U<sub>3</sub>O<sub>8</sub> at an average grade of 4.03% – [www.nexgenenergy.ca](http://www.nexgenenergy.ca)) and the Spitfire discovery by the Hook Lake JV.

The foregoing mineral resource disclosure is information about the properties adjacent to the Company's property and does not imply that the Company will obtain similar information from its own property.

## PUREPOINT'S ATHABASCA BASIN PROJECTS



### Strategic Project Acquisitions

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

### Partnered with two of the World's Largest Uranium Producers



Hook Lake & Smart Lake



Hook Lake

### 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)
- \$2 Million Exploration program completed for 2020

# Purepoint Uranium Group Inc.

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

**Email:** [info@jeannyso.com](mailto:info@jeannyso.com)

