

**Press Release**

FOR IMMEDIATE RELEASE

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**URANIUM PARTICIPATION CORPORATION REPORTS FINANCIAL RESULTS  
FOR THE QUARTER ENDED MAY 31, 2018**

TORONTO, June 27, 2018 - Uranium Participation Corporation ("UPC" or the "Corporation") today filed its Financial Statements and Management's Discussion & Analysis ("MD&A") for the period ended May 31, 2018. Both documents can be found on the Company's website ([www.uraniumparticipation.com](http://www.uraniumparticipation.com)) or on SEDAR ([www.sedar.com](http://www.sedar.com)). The highlights provided below are derived from these documents and should be read in conjunction with them. All amounts are in Canadian dollars, unless otherwise noted.

Selected financial information:

	May 31, 2018	February 28 2018	November 30, 2017	August 31, 2017
Net asset value (in thousands)	\$ 522,721	\$ 463,329	\$ 479,617	\$ 388,808
Net asset value per common share	\$ 3.79	\$ 3.50	\$ 3.62	\$ 3.22
U <sub>3</sub> O <sub>8</sub> spot price <sup>(1)</sup> (US\$)	\$ 22.75	\$ 21.25	\$ 22.00	\$ 20.00
UF <sub>6</sub> spot price <sup>(1)</sup> (US\$)	\$ 67.00	\$ 62.00	\$ 62.00	\$ 56.35
Foreign exchange rate (US\$ to CAD\$)	1.2948	1.2809	1.2888	1.2536

<sup>(1)</sup> Spot prices as published by Ux Consulting Company, LLC ("UxC").

**Overall Performance**

Total equity, or the value of the Corporation's assets minus its liabilities ("Net Asset Value" or "NAV"), increased by \$59.4 million during the three months ended May 31, 2018, mainly due to the \$37.6 million net gain recognized in the period and the \$21.8 million net proceeds of the May 2018 equity financing. This equates to an increase in the NAV per common share of \$0.29 during the quarter.

The net gain for three months ended May 31, 2018, of \$37.6 million, was primarily due to unrealized net gains on investments in uranium of \$38.4 million and foreign exchange income of \$0.3 million, offset by other operating expenses of \$1.2 million.

Unrealized net gains on investments in uranium, during the three months ended May 31, 2018, were caused by the increase in the spot price for uranium and the increase in the U.S. dollar to Canadian dollar exchange rates.

Operating expenses of \$1.2 million (excluding foreign exchange gains of \$0.3 million) for the three months ended May 31, 2018, partially offset by income from lending and/or relocation of uranium of \$0.1 million, represents approximately 0.2% of the Corporation's NAV at May 31, 2018 and 0.2% of the NAV at February 28, 2018.

**Current Market Conditions**

During the first quarter of fiscal 2019, the uranium spot price has reacted to a series of recent developments suggesting improving fundamentals for the uranium market. At the end of May 2018, the spot price for uranium reached a high of US\$22.75 per pound U<sub>3</sub>O<sub>8</sub>. Subsequent to the end of the quarter, uranium prices continued to rise, reaching a high of US\$23.40 per pound U<sub>3</sub>O<sub>8</sub>, before retreating to US\$22.55 per pound U<sub>3</sub>O<sub>8</sub> as of the date of this MD&A.

The market narrative has turned more positive, in part, based on an acceleration of global production cuts. Based on announcements from uranium producers, upwards of 30 million pounds U<sub>3</sub>O<sub>8</sub> in annual uranium supply has been removed from the market since 2016. A growing number of uranium producers have decided to reduce production in light of low prices, which on the spot market remain below the production costs of the large majority of global uranium mines. The expiration of older legacy contracts has contributed to this trend, as production protected by higher price contracts is rolling off. UxC Consulting reports that worldwide production peaked in 2016 at 162 million pounds, fell to 154 million pounds in 2017, and is expected to drop below 135 million pounds in 2018. This is in comparison to projected 2018 uranium demand of 192 million pounds.

Paladin Energy Ltd. is the latest to producer to announce a reduction in supply, declaring that its Langer Heinrich Mine in Namibia, with an annual production level of over 3 million pounds  $U_3O_8$ , will go on care and maintenance, in response to prolonged low uranium price levels.

The United States Department of Energy has also contributed to reduced supply by putting a hold on their uranium inventory barter sales, as a result of unrelenting pressure from the domestic uranium industry. This is expected to remove over 3 million pounds of  $U_3O_8$  in supply from the market on an annual basis.

Cameco Corp. ('Cameco') recently announced that it had yet to embark on the spot market purchases that will be required to meet its contracted delivery commitments, following the previously announced 10 month shutdown of its MacArthur River Mine/Key Lake Mill complex. Cameco is also expected to make a decision later this year on whether to extend the shutdown of MacArthur River/Key Lake, beyond the originally announced 10 month period ending October 2018.

Also contributing to the rebalancing of the uranium market has been the continued production constraint demonstrated by National Atomic Company Kazatomprom ('Kazatomprom') and operations in Kazakhstan, which account for 40% of global uranium supplies. Kazatomprom recently disclosed that its announced 10% production decrease for 2017 proved to be closer to 5.5% given the late implementation of the cuts at various operating centers and joint ventures. Kazatomprom has, however, restated its intention to cut 20% from 2018-2020 planned production levels, and is taking a more consultative approach with its partners to better achieve this objective. In fact, recent Kazakh government and industry announcements are indicating 2018 production targets that are expected to amount to a reduction of 3.4 million pounds compared to 2017 actual production.

### **Subsequent Event**

The Corporation has entered into commitments to purchase 675,000 pounds of uranium at an average price of US\$22.76, for delivery in June and July of 2018.

### **Outstanding Share Data**

At June 27, 2018, there were 138,060,713 common shares issued and outstanding. There are no stock options or other equity instruments issued and outstanding.

### **About Uranium Participation Corporation**

Uranium Participation Corporation is a company that invests substantially all of its assets in uranium oxide in concentrates (" $U_3O_8$ ") and uranium hexafluoride (" $UF_6$ ") (collectively "uranium"), with the primary investment objective of achieving appreciation in the value of its uranium holdings through increases in the uranium price. Additional information about Uranium Participation Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on Uranium Participation Corporation's website at [www.uraniumparticipation.com](http://www.uraniumparticipation.com).

### **For further information contact:**

David Cates, President & Chief Executive Officer (416) 979-1991 Ext. 362

Mac McDonald, Chief Financial Officer (416) 979-1991 Ext. 242

### **Cautionary Statement Regarding Forward-Looking Statements**

Certain information contained in this press release constitutes forward looking statements or forward looking information. These statements can be identified by the use of forward looking terminology such as "may", "will", "expect", "intend", "estimate", "anticipate", "plan", "should", "believe" or "continue" or the negative thereof or variations thereon or similar terminology. In particular, this press release contains forward-looking information pertaining to expectations regarding uranium purchases and the ability to complete the transactions for which commitments have been made and the Corporation's investment objectives.

By their very nature, forward looking statements involve numerous factors, assumptions and estimates. A variety of factors, many of which are beyond the control of UPC, may cause actual results to differ materially from the expectations expressed in the forward looking statements. For a list of the principal risks of an investment in UPC, please refer to the "RISK FACTORS" section in the Corporation's Annual Information Form dated May 14, 2018 available under UPC's profile at [www.sedar.com](http://www.sedar.com). These and other factors should be considered carefully, and readers are cautioned not to place undue reliance on these forward looking statements. Although management reviews the reasonableness of its assumptions and estimates, unusual and unanticipated events may occur which render them inaccurate. Under such circumstances, future performance may differ materially from those expressed or implied by the forward looking statements. Except where required under applicable securities legislation, UPC does not undertake to update any forward looking information.