

**Press Release**

FOR IMMEDIATE RELEASE

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**URANIUM PARTICIPATION CORPORATION REPORTS FINANCIAL RESULTS  
FOR THE QUARTER ENDED NOVEMBER 30, 2018**

TORONTO, January 10, 2019 - Uranium Participation Corporation ('UPC' or the 'Corporation') today filed its Financial Statements and Management's Discussion & Analysis ('MD&A') for the period ended November 30, 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:

	November 30, 2018	August 31, 2018	May 31, 2018	February 28, 2018
Net asset value (in thousands)	\$ 687,949	\$ 609,302	\$ 522,721	\$ 463,329
Net asset value per common share	\$ 4.98	\$ 4.41	\$ 3.79	\$ 3.50
U <sub>3</sub> O <sub>8</sub> spot price <sup>(1)</sup> (US\$)	\$ 29.10	\$ 26.20	\$ 22.75	\$ 21.25
UF <sub>6</sub> spot price <sup>(1)</sup> (US\$)	\$ 89.25	\$ 79.85	\$ 67.00	\$ 62.00
Foreign exchange rate (US\$ to CAD\$)	1.3301	1.3055	1.2948	1.2809

<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 \$78.6 million during the three months ended November 30, 2018, due to the net gain recognized in the period. This equates to an increase in the NAV per common share of \$0.57 during the quarter.

The net gain for three months ended November 30, 2018, of \$78.6 million, was primarily due to uranium related gains of \$80.0 million, offset by operating expenses of \$1.4 million.

Unrealized net gains on investments in uranium, during the three months ended November 30, 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 \$1.4 million (excluding foreign exchange gains of \$0.1 million) for the three months ended November 30, 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 November 30, 2018 and 0.3% of the NAV at February 28, 2018.

**Current Market Conditions**

During the three months ended November 30, 2018, the uranium price continued to appreciate. During the quarter, the spot price for uranium rose steadily from an opening price of US\$26.20 per pound U<sub>3</sub>O<sub>8</sub>, breaking through the US\$29.00 threshold at the beginning of November 2018. Since that time the spot price has remained stable, ending the quarter at US\$29.10 per pound U<sub>3</sub>O<sub>8</sub>, with general market sentiment remaining positive.

The upward pressure on the uranium spot price has been driven by a record volume of uranium transactions in calendar 2018, with more than 85 million pounds U<sub>3</sub>O<sub>8</sub> transacted as of the end of November 2018 (47 million pounds U<sub>3</sub>O<sub>8</sub> during the same period in 2017). The year-to-date transaction volumes include significant spot market purchases by Cameco Corp. ('Cameco'), which are in line with its publicly announced plans following the decision to indefinitely shut down their McArthur River Mine. Heading into 2019, the spot market will continue to look to Cameco as an important source of demand, with the company recently raising its expected range of purchase volumes for 2019 from 9-11 million to 10-12 million pounds U<sub>3</sub>O<sub>8</sub>.

Also on the demand side, some clarity has now been provided to the long anticipated French energy plan, which was released recently. Since President Macron took office, there has been some uncertainty around plans proposed, by previous French

President Hollande, to reduce the country's reliance on nuclear energy. Under the new plan, the goal to reduce the country's reliance on nuclear energy from 75% to 50% has been deferred by a decade, from 2025 to 2035.

On the supply side, Rio Tinto PLC has agreed to sell its 68.62% share in Rössing Uranium Ltd ('Rössing'), the owner and operator of the Rössing uranium mine in Namibia, to China National Uranium Corporation ('CNUC'), a subsidiary of China National Nuclear Corporation ('CNNC') – resulting in a major shift in the primary production landscape. The sale price includes \$100 million in consideration contingent on uranium prices and Rössing's earnings over the next 7 years. Production at the site has decreased in recent years, with 4.7 million pounds U<sub>3</sub>O<sub>8</sub> produced in 2017. With this purchase, Chinese companies have officially become the preeminent uranium producers in Namibia, with CNNC's main competitor in China, China General Nuclear Power Group ('CGN'), operating the Husab mine next door to the Rössing mine.

In other industry news, the highly anticipated initial public offering ('IPO') of the world's largest uranium producer, Kazakhstan's National Atomic Company Kazatomprom ('Kazatomprom'), went ahead successfully in November 2018. Only 15% of the company was offered for sale through the IPO, and the transition to a publicly traded company has already resulted in added transparency into the company's operations, which is generally seen as positive for the market.

## **SUBSEQUENT EVENTS**

On December 21, 2018, the Corporation filed a short form base shelf prospectus ('2018 Prospectus') with the securities regulatory authorities in each of the provinces in Canada, other than Quebec. The Corporation may issue securities, in amounts, at prices, and on terms to be determined based on market conditions at the time of sale and as set forth in the 2018 Prospectus, for an aggregate offering amount of up to \$200,000,000 during the 25 month period beginning December 24, 2018, the date of the receipt of the 2018 Prospectus by the Ontario Securities Commission. To date, the Corporation has not issued any securities pursuant to the 2018 Prospectus.

## **Outstanding Share Data**

At January 10, 2019, 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<sub>3</sub>O<sub>8</sub>') and uranium hexafluoride ('UF<sub>6</sub>') (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).

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## **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 the uranium market, uranium prices and supply and demand effects of recent industry and political announcements 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.