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SECURITIES INC.

Member of the Canadian Investor Protection Fund

NexGen Energy Ltd. (NXE-T, \$2.67)

Rating Buy
 Target Price \$6.00
 Return 125%
 Overall Risk Rating Very High

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Summer Exploration Commences at Rook 1 in Advance of Resource Update and PFS

Impact - Neutral | NexGen has announced commencement of its \$8.3 million, 20,400m 2018 summer drilling and exploration program (Ex. 1) designed to advance its understanding of the Arrow deposit, prove up the strike and lateral extents of Arrow, follow-up on newly discovered zones, and drilling in support of the Pre-Feasibility Study (PFS) infrastructure layout.

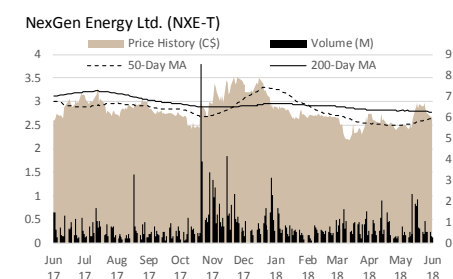
- **Summer Drilling & Exploration a Prelude to Major Catalysts in 2018:** The delivery of a resource update and Pre-Feasibility Study later in 2018 (Q3/4) is a core focus for investors, and will serve to further increase confidence in Arrow's potential economics, which already appear extremely robust by our estimates and by NXE's PEA. **We expect the PFS will improve upon PEA data, further solidifying Arrow as one of the best undeveloped mining projects globally, in any commodity.**
- **Testing New Targets:** The summer drill program will deploy 4 core rigs, in part dedicated to testing promising results obtained this past winter. Specifically, NXE will follow-up on hole AR-18-208c1, which intersected 10.5 metres of total composite radioactivity (up to 32,800 cps on the scintillometer) 160 metres northwest of the A0 shear zone in the last hole of winter drilling in what may prove to be a previously-undiscovered zone, representing resource expansion potential.
- **Drilling in Proximity to Arrow:** NexGen will drill some "wide-spaced step-outs" from the Arrow deposit targeting areas of the A1 and A2 shear zones along strike to the southwest (of hole AR-16-090c3) and to the northeast (of hole AR-18-189c4). Both of these holes intersected strong results and with Arrow still open along strike, laterally, and down-dip, aggressive step-out drilling should help to zero-in on the extent of the deposit and eventually show its true size.
- **Technical Studies ahead of PFS Generating Strong Results:** Metallurgical work has demonstrated that high-purity U₃O₈ can be produced from Arrow ore, with net recoveries of greater than 97% achieved from leaching (97.6%) and solvent extraction (99.6%). Results of strength tests on paste-backfill partially composed of representative Arrow uranium tails came back positive, with unconfined compressive strength exceeding PEA specs. Geotechnical work has confirmed the mining style (long-hole stoping), level spacing (30m) and stope lengths (15m-30m). Hydraulic conductivity was also consistent with expectations indicating that the presence of water declines with depth and is predicted to be lowest at mining depths, likely confirming that capital and opex intensive freeze-walling isolation techniques will not be required to mine Arrow.

Valuation | Our 12-month target of \$6.00 is based on a 1.0x multiple of our estimated corporate net asset value (NAV) per share of \$6.17, based on a discounted cash flow (DCF_{10%}) analysis of our conceptual uranium mining operation at Arrow.

Risks | We assign a Very High Risk rating given NexGen's status as a pre-resource exploration play with no certainty of cash-flow generation or exploration success. We expect the Company to rely on future equity financing to fund operations.

Catalysts | 1) Drill results from Rook 1 – H2/18; 2) Installation of exploration shaft at Arrow – Q3-4/18; 3) Resource update and Pre-feasibility Study (PFS) results from Arrow – Q3-4/18.

Target Price	\$6.00	52-Week High / Low	\$3.58 / \$2.12
Current Price	\$2.67	Shares O/S	343M (basic)
Return (incl. dist'n)	125%		391M (F/D)
YTD Performance	-17%	Market Capitalization	\$917M
Dividend / Yield	N/A	Cash	\$145M
		Debt	US\$120M
		Working Capital * (est)	\$135M
		Enterprise Value	\$942M
Haywood Estimates			
	<u>F16A</u>	<u>F17E</u>	<u>F18E</u>
U ₃ O ₈ Prod.(lb)	0.0	0.0	0.0
Revenue(C\$M)	0.0	0.0	0.0
EBITDA (C\$M)	(17.2)	(21.0)	(21.1)
Net Inc. (C\$M)	(56.0)	(31.0)	(31.2)
		Daily Volume (3 month avg)	772,934
		Website	www.nexgenenergy.com
		CEO	Leigh Curyer
		Currency	C\$ unless noted

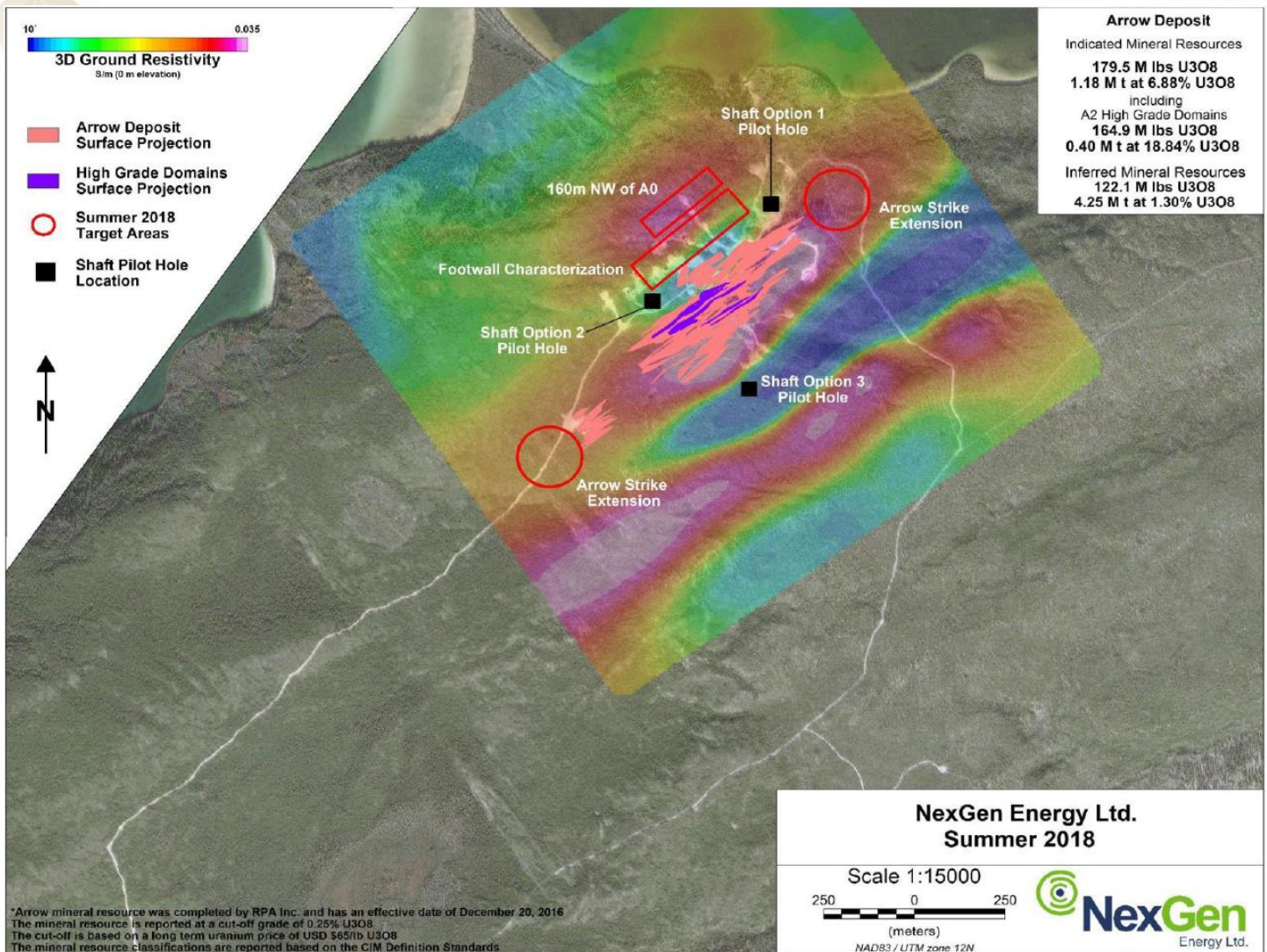
Price Performance

Source: Capital IQ and Haywood Securities

Please see page 6 for Analyst Certification, and pages 6 to 8 for Important Information, Legal Disclaimers, Rating Structure, and notes.



Exhibit 1: Summer 2018 Drilling at Rook 1 Project



Source: NexGen Energy



Investment Thesis

We believe NexGen is peerless in the Athabasca Basin and globally as an exploration / developer play, as it controls a large, world-class, high-grade uranium deposit in a proven operating district, with the scale (301.6 Mlb U₃O₈) to be standalone economic right from the maiden resource.

- **We estimate NexGen controls the largest and most strategically important undeveloped high-grade uranium deposit in a world class jurisdiction, with expansion potential, as the deposit remains open in all directions.** Growth potential exists within the Arrow Zone, as further infill drilling is expected to confirm further continuity along strike and upgrade a component of inferred resources, and extension drilling seeks to define the limits of the deposit. **We believe summer 2017 + winter 2018 exploration work has already added substantially to the resources contained within the prior resource update.**
- **With the updated resource estimate for the Arrow Zone, NexGen significantly de-risked the Rook 1 project,** and we anticipate the stock price will continue to progressively reflect a declining risk profile in the period leading up to publication of the preliminary feasibility study, expected in mid-2018. News flow, including results from summer 2017 work, should serve to incrementally increase market confidence in the scale and continuity of the Arrow deposit.
- **We expect further exploration work at the Arrow Zone to provide incremental increases in tonnage reporting to the mining inventory forming the basis of our resource model.** Sensitivity analysis of our Arrow mining concept highlights the potential for additional resource delineation (in excess of our base-case assumption) to induce positive step-changes in our estimate of project and corporate net asset value (NAV) per share. NexGen also has the potential to discover new deposits on the Rook 1 project beyond the Arrow, Bow and Harpoon zones and from elsewhere within NexGen's expansive western Athabasca land package. Our valuation does not include any credit for this discovery potential.

Standalone Development Potential: Our conceptual development and mining scenario suggests the Arrow deposit could deliver robust top-tier standalone economics at reasonable future uranium prices. Based on our analysis and interpretation of exploration work to date, we are projecting cash costs in the lower decile of current production globally (life of mine [LoM] average C1: US\$9/lb U₃O₈), and a resource of critical mass supporting a world class tier 1 uranium mining operation. We believe these attributes place NexGen among the world's most attractive acquisition targets, located in a uranium-mining-friendly jurisdiction with a long history of uninterrupted regional production and well-established regulatory oversight. **We believe NexGen's Arrow Zone has the potential to navigate the environmental and permitting regulatory processes more expediently due to its expected relative technical simplicity and environmental footprint.** We believe the first fully-permitted project in the region with strong economics will likely build a mill with modular expansion capacity capable of growing to serve other regional mines, with toll milling revenue potential for whomever controls this potentially strategic regional asset. NexGen is well-positioned to potentially evolve into this role.



Risks

Significant Investment Risks

The investment to which this report relates carries various risks, which are reflected in our Overall Risk Rating. We consider the following to be the most significant of these investment risks:

- **Overall Risk – Very High:** We rank NexGen as Very High in all subcategories except Political Risk, given NexGen's early stage, with no certainty of: future exploration success, the technical feasibility of the Haywood-conceived project, eventual project development, or cash-flow generation. Significant risk considerations include:
 - **Continued Exploration Success:** NexGen is focused primarily on uranium exploration, with key assets proximal to Canada's Athabasca Basin. A significant component of our valuation includes continued success in exploring for, and defining, additional uranium resources at core projects. Exploration success is a fundamental risk, where failure to identify and define additional resources could materially impact our valuation.
 - **Commodity Price Forecast:** A material component of our valuation of NexGen includes assumed future uranium production from certain Canadian assets. A development, and eventually, a production decision would be dependent on other significant risk factors listed here, but also would likely require a uranium price materially higher than current market prices, as we have modelled. Failure of these higher commodity prices to materialize could result in the Company not meeting our production and/or cash-flow expectations.
- **Technical Feasibility:** In addition to other significant risk factors listed here, a development and production decision would very likely require evidence from advanced technical studies of the Arrow deposit validating certain core assumptions, including the development, mining, and processing methods assumed, or identification of similarly costed alternatives.

*For further information on our Risk Rating
please visit: <http://haywood.com/what-we-offer/research/research-policy>*



NexGen Energy Ltd.

TSX:NXE Price: \$2.67

June 21, 2018

Shares O/S (M) 343.4

MCap (C\$ M) \$917

Rating: Buy

Target (C\$): \$6.00

Return: 125%

Alpha: NexGen Energy is the premier pre-resource uranium exploration play globally, with an expansive, highly prospective land package on the southwestern perimeter of a prolific uranium district. The Athabasca Basin (Sask.) is an excellent operating jurisdiction, and home to multiple world class, ultra high-grade uranium deposits, and has an extensive history of successful uranium mine permitting and production.

Investment Highlights

• **NexGen - the Premier Global Pure Uranium Exploration Play:** With regional concentration becoming a reality, we expect NexGen will land peerless in the Athabasca Basin and globally, as it has just delivered a world class high-grade uranium resource exceeding 300 Mlb U3O8, setting up well for expansion, where the Arrow deposit remains open in most directions with growth potential both within the Arrow Zone, and from elsewhere within NexGen's expansive western Athabasca assets.

• **Making the Grade:** Drilling to-date at Arrow zone has enjoyed a >90% hit rate for uranium mineralization, but perhaps more importantly, has intersected some of the most strongly mineralized (by Grade x Thickness, GT) intervals ever reported globally: **Hole AR-15-44b delivered a total composite GT of 853.55 metres, with highlight intervals of 20 metres grading 20.68% U3O8, within 56.5 metres grading 11.55% U3O8.** NexGen has put up the type of headline smashing grades we have come to expect from the Athabasca Basin, but continues to grow the mineralized target with ongoing drill-work, with Arrow now boasting a uranium mineralized foot print spanning 645 metres x 235 metres, intersecting uranium mineralization from 100 to 920 metres depth. In February 2016, NexGen upped the stakes at Arrow when it pierced the A3 shear zone, which is evolving to be substantially larger than the A2 shear, albeit at lower apparent grade. Both have returned some very enviable high-grade intercepts over very significant widths, and both remain open for expansion in all directions.

• **Expansive Land Package with Exploration Upside:** When looking for needles in a haystack, it helps to be the dominant owner of the haystack: NexGen's Rook 1 claims represent the largest aggregate land position of any claimholder in the southwestern region of the Athabasca Basin.

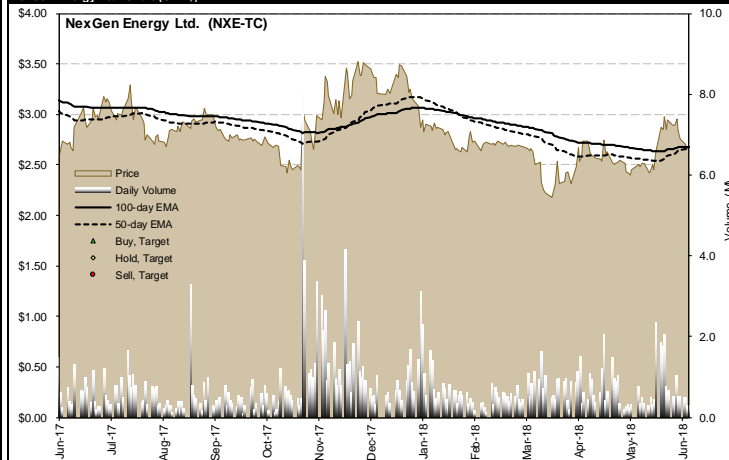
Catalysts

Q3/2018: Results of Summer 2018 exploration / drilling at Rook 1 Project (hosts Arrow deposit)

H2/2018: Decision on installation of exploration shaft at Arrow

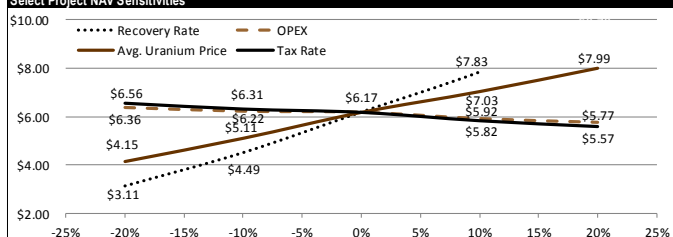
Late Q3 / Early Q4-2018: Resource update and Preliminary Feasibility Study (PFS) results from Arrow

NexGen Energy Ltd. Chart (CDN\$)

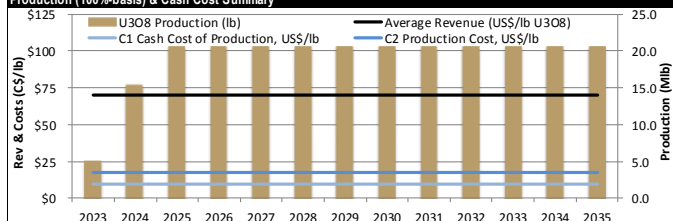


Financials & Assumptions	F'14A	F'15A	F'16A	F'17A	F'18E	F'19E	F'20E
(Year-End Dec-31)	31-Dec-14	31-Dec-15	31-Dec-16	31-Dec-17	31-Dec-18	31-Dec-19	31-Dec-20
Spot Uranium (US\$/lb)	\$33	\$37	\$26	\$26	\$39	\$47	\$55
Long-term Uranium (US\$/lb)	\$47	\$47	\$40	\$36	\$46	\$55	\$63
C\$/US\$ FX Rate	1.10	1.24	1.24	1.26	1.21	1.21	1.21
Revenue (C\$M)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Cost of Goods Sold (C\$M)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Corporate G&A (C\$M)	\$3.4	\$4.9	\$13.8	\$17.0	\$21.0	\$21.1	\$21.2
EBIT DA (C\$M)	(\$3.4)	(\$4.9)	(\$14.0)	(\$17.2)	(\$21.0)	(\$21.1)	(\$21.2)
EV / EBITDA							
DD&A (C\$M) & Write downs	\$0.1	\$0.3	\$0.7	\$0.9	\$0.9	\$0.9	\$0.9
Earnings (C\$M)	(\$8.4)	(\$4.6)	(\$16.9)	(\$56.0)	(\$31.0)	(\$31.2)	(\$30.9)
Adjusted EPS (C\$)	(\$0.06)	(\$0.02)	(\$0.06)	(\$0.17)	(\$0.09)	(\$0.08)	(\$0.08)
Current Price / EPS	-	-	-	-	-	-	-
Target Price / EPS	-	-	-	-	-	-	-
Cash Flow Before W/C Changes (C\$M)	(\$1.9)	(\$3.3)	(\$10.4)	(\$13.8)	(\$18.9)	(\$19.2)	(\$18.9)
Shares O/S, millions	195.9	287.2	307.4	328.0	348.9	375.0	399.2
CFPS, C\$	(\$0.01)	(\$0.01)	(\$0.03)	(\$0.03)	(\$0.05)	(\$0.05)	(\$0.05)
Current Price / CFPS	-	-	-	-	-	-	-
Target Price / CFPS	-	-	-	-	-	-	-
Operating Cash Flow (C\$M)	(\$2.0)	(\$2.7)	(\$8.0)	(\$11.1)	(\$18.9)	(\$19.2)	(\$18.9)
Financing Cash Flow (C\$M)	\$21.2	\$45.6	\$95.1	\$135.1	\$55.8	\$59.4	\$321.0
Investing Cash Flow (C\$M)	(\$12.9)	(\$22.4)	(\$91.3)	\$9.6	(\$54.6)	(\$54.6)	(\$265.0)
Change in Cash (C\$M)	\$6.3	\$20.5	(\$3.2)	\$133.9	(\$17.8)	(\$14.3)	\$37.1
Working Capital (C\$M)	\$12.4	\$33.8	\$77.0	\$162.6	\$179.7	\$165.3	\$202.4

Select Project NAV Sensitivities



Production (100%-basis) & Cash Cost Summary



Production Profile (attributable)	31-Dec-23	31-Dec-24	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	31-Dec-29
Total U3O8 Production (Mlb)	5.1	15.4	20.5	20.5	20.5	20.5	20.5
Uranium - Realized Price, US\$/lb	\$70	\$70	\$70	\$70	\$70	\$70	\$70
C1 Cash Cost of Production, US\$/lb	\$10	\$10	\$10	\$10	\$10	\$10	\$10
C2 Production Cost, US\$/lb	\$17	\$17	\$17	\$17	\$17	\$17	\$17
Production Cost, US\$/lb (incl. royalties, interest)	\$53	\$37	\$34	\$33	\$32	\$31	\$30
All-in After Tax Prod. Cost, US\$/lb	\$58	\$46	\$44	\$43	\$42	\$41	\$41

Trading Statistics (C\$): Capital Structure	52 Week High/Low	\$3.58 / \$2.12	Average Daily Volume (90 day)	772,934
Ownership (M)	Management / Institutional		Major Shareholders	
Shares	4,222,294	124,226,061	Global X Management Company LLC	5.9%
% O/S	1.2%	36.2%	CI Investments Inc.	4.8%

Last Financing

Dec-15 \$21M bought deal, 32.8M common shares priced at \$0.64

May-15 \$23.7M bought deal, 47.48M common shares priced at \$0.50

Shares O/S (million) - Basic / FD	343,352,690	/	391,365,024	
(C\$M)	Av Strike (C\$)	Units (M)	ITM Units (M)	Proceeds (C\$)
Working Capital				\$157.7
Options	\$0.50	22.22	22.22	\$11.0
Warrants		0.00	0.00	\$0
Total Cash & ITM	\$0.50	22.22	22.22	\$169

NAV Summary, Target Generation and Sensitivity	Base	-20%	-10%	+10%	+20%
Average Realized Uranium Price (US\$/lb)	\$70	\$56	\$63	\$77	\$84
C\$ millions					
Rook 1 (Arrow) Mine DCF	@ (10.0%)	\$2,678			
NPV of Corporate CF	@ (10.0%)	-\$310			
Total NAV (C\$M)	\$2,368	\$1,734.8	\$2,127.4	\$2,915.9	\$3,311.1
Other Project Credits (C\$M)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Corporate NAV (unadjusted) (C\$M)	\$2,367.7	\$1,734.8	\$2,127.4	\$2,915.9	\$3,311.1
Working Capital (est. Dec 2018)	\$179.7	\$179.7	\$179.7	\$179.7	\$179.7
Dilutive Capital	\$11.0	\$11.0	\$11.0	\$11.0	\$11.0
Total Corporate NAV (C\$M)	\$2,558.4	\$1,925.5	\$2,318.1	\$3,106.6	\$3,501.8
Corporate NAVPS	\$6.17	\$4.15	\$5.11	\$7.03	\$7.99
Current P/NAV	0.4x	0.6x	0.5x	0.4x	0.3x
Target P/NAV	1.0x	1.0x	1.0x	1.0x	1.0x
Target (C\$)	\$6.00	\$4.20	\$5.10	\$7.00	\$8.00

Rook 1 - Arrow Zone - Conceptual Resource & Mining Concept - Underlying Mining Inventory Assumption				
Haywood Est. Mining Inventory	k Tonnes	Grade (% U3O8)	Insitu U3O8 (M)lb	
	2,280	5.21%	261.8	

Rook 1 - Arrow Zone - Conceptual Resource & Mining Concept - Underlying Cost Assumptions				
CAPEX	US\$ M	OPEX		US\$/t
Total Pre-Production CAPEX	1091.5			
Sustaining Capital, Closure & Reclamation	258.3			
LoM Total CAPEX	1349.8	OPEX per t RoM ore: (incl. surface G&A)	955.5	

Peer Group Comparables (Haywood Securities estimates & Bloomberg Consensus Data)							
Company Name	Price (LoC)	MCAP C\$M	EV C\$M	2018 CFPS*	P/CFPS*	Cons. Target*	Implied Return
NexGen Energy (NXE-T)	\$2.67	\$913	\$906	(\$0.02)		\$5.53	107%
Denison Mines (DML-T)	\$0.71	\$403	\$367	\$0.00	236.7x	\$1.14	61%
Fission Uranium (FCU-T)	\$0.69	\$340	\$307			\$1.82	163%
UEX Corporation (UEX-T)	\$0.25	\$67	\$78			\$0.40	60%

* Bloomberg Consensus Data Average: 236.7x 98%

Corporate Contact			
Website:	www.nexgenenergy.ca	Tel:	604-428-4112
Key Executive:	Curyer, Leigh	Founder, President, CEO & Director	
Colin Healey, MBA - Research Analyst	chealey@haywood.com	604-697-6089	Aazan Habib - Research Associate
			ahabib@haywood.com 604-697-6030

* "Production Cost" and "All-in Production Cost" are calculated based on a selling price of US\$70/lb U3O8, and fall proportionately with reduction in uranium price assumption, as they include revenue and profit sensitive costs (e.g., taxes, royalties).

Source: Bloomberg, Capital IQ, Company Reports, and Haywood Securities



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- As of the end of the month immediately preceding this publication either Haywood Securities, Inc., its officers or directors beneficially owned 1% or more of NexGen Energy Ltd. (NXE-V).
- Haywood Securities, Inc. has reviewed lead projects of Denison Mines Corp. (DML-T), NexGen Energy Ltd. (NXE-V) and a portion of the expenses for this travel may have been reimbursed by the issuer.
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- n/a

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Each company within an analyst's universe, or group of companies covered, is assigned: (i) a recommendation or rating, usually BUY, HOLD, or SELL; (ii) a 12 month target price, which represents an analyst's current assessment of a company's potential stock price over the next year; (iii) an overall risk rating which represents an analyst's assessment of the company's overall investment risk; and (iv) specific risk ratings or risk profile parameters which in their aggregate support an analyst's overall risk rating. These ratings are more fully explained below. Before acting on our recommendation we caution you to confer with your Haywood investment advisor to determine the suitability of our recommendation for your specific investment objectives, risk tolerance and investment time horizon.

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BUY – The analyst believes that the security will outperform other companies in their sector on a risk adjusted basis or for the reasons stated in the research report the analyst believes that the security is deserving of a (continued) BUY rating.

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SELL – Investors are advised to sell the security or hold alternative securities within the sector. Stocks in this category are expected to under-perform other companies on a risk adjusted basis or for the reasons stated in the research report the analyst believes that the security is deserving of a (continued) SELL rating.

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Overall Risk Rating

Very High Risk: Venture type companies or more established micro, small, mid or large cap companies whose risk profile parameters and/or lack of liquidity warrant such a designation. These companies are only appropriate for investors who have a very high tolerance for risk and volatility and who are capable of incurring temporary or permanent loss of a very significant portion of their investment capital.

High Risk: Typically micro or small cap companies which have an above average investment risk relative to more established or mid to large cap companies. These companies will generally not form part of the broad senior stock market indices and often will have less liquidity than more established mid and large cap companies. These companies are only appropriate for investors who have a high tolerance for risk and volatility and who are capable of incurring a temporary or permanent loss of a significant loss of their investment capital.

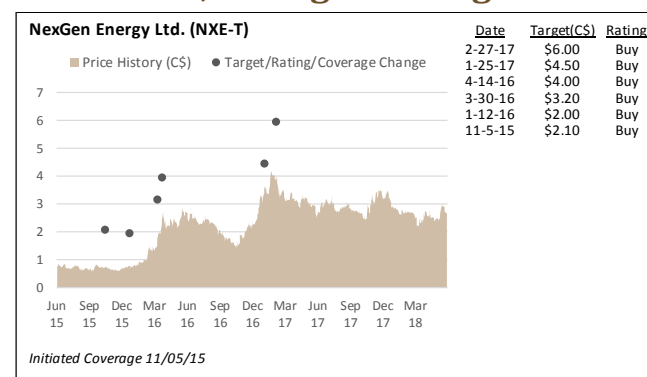
Medium-High Risk: Typically mid to large cap companies that have a medium to high investment risk. These companies will often form part of the broader senior stock market indices or sector specific indices. These companies are only appropriate for investors who have a medium to high tolerance for risk and volatility and who are prepared to accept general stock market risk including the risk of a temporary or permanent loss of some of their investment capital

Moderate Risk: Large to very large cap companies with established earnings who have a track record of lower volatility when compared against the broad senior stock market indices. These companies are only appropriate for investors who have a medium tolerance for risk and volatility and who are prepared to accept general stock market risk including the risk of a temporary or permanent loss of some of their investment capital.

Distribution of Ratings (as of June 21, 2018)

	%	#	IB Clients (TTM)
Buy	72.9%	70	92.0%
Hold	15.6%	15	4.0%
Sell	1.0%	1	0.0%
Tender	1.0%	1	4.0%
UR (Buy)	0.0%	0	0.0%
UR (Hold)	0.0%	0	0.0%
UR (Sell)	0.0%	0	0.0%
Dropped (TTM)	9.4%	9	0.0%

Price Chart, Rating and Target Price History (as of June 21, 2018)



B: Buy; H: Hold; S: Sell; T: Tender; UR: Under Review
Source: Capital IQ and Haywood Securities