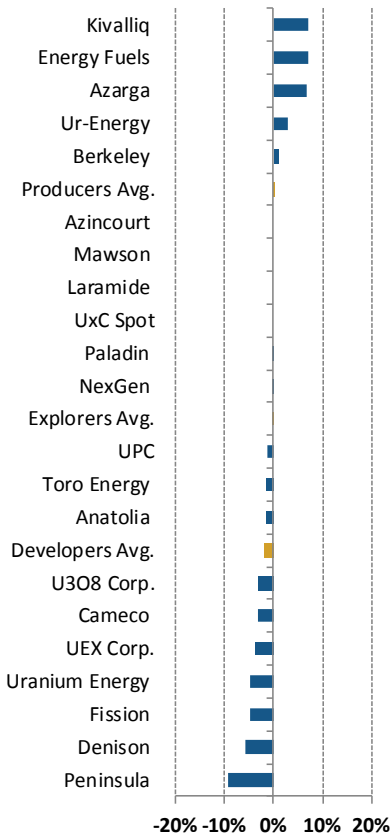


Uranium Sector Weekly - Gauging Resolve to Slow Global Warming

Weekly Uranium Space Performance

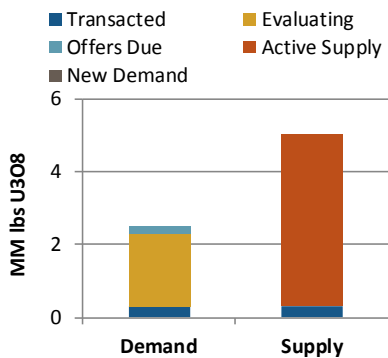


This week: AUC,BAN, CCO, DML, DYL-ASX, EFR, FCU, LAM, NXE, PEN-ASX, PLU, PTU, TOE-ASX, UEX, VMY-A, WUC

Attempting to finalize an agreement to limit global warming. Delegates met in Paris yesterday and today for the Conference of Parties (COP). Many countries, scientific associations, industry and lobby groups have come out in favour of nuclear leading up to this conference, as it's a climate friendly, base-load power source. We continue to watch these talks to see whether the UN and COP21 take a firmer stance on nuclear as a clean air energy alternative. The big difference this time is the use of "intended nationally determined contributions" (INDC's), where each country outlines its contribution based on its own needs and abilities. Past summits instead focused on universal greenhouse gas reduction targets, which weren't realistic for everyone. United Nations Framework Convention on Climate Change (UNFCCC) summarized key INDC trends this year: 1) most include specific emission reduction targets; 2) commitments focus on CO2, the most abundant of the greenhouse gases; 3) the energy sector is largely responsible for climate pollution; 4) increased renewable energy use is anticipated; and 5) plans to adapt to climate change focus on water use, agriculture, and public health.

Uranium prices remain flat at US\$36/lb U3O8 for a fourth straight week. Spot market activity has almost been choked off, even on a daily basis, with only 4 MM lbs traded in November versus 46.1 MM lbs YTD, although, according to UxC, some off-market activity masked the low volumes. Buyers and sellers seem disinterested in haggling over price and volumes have declined even further in December. Western Uranium and Peninsula Energy seem to have made headway on contract signings, but pricing is unknown. Stock volumes are weaker than typical, and there doesn't seem to be noticeable trends within or between peer groups. Producers, developers and explorers are all mixed.

Uranium Market Activity (Spot/Near-Term)



Uranium Participation (U-T, BUY, C\$6.80 target) NAV up on a weaker C\$, despite a flat U3O8 price. NAV increased \$0.01 to \$6.12/sh (up 0.2% WoW). Share price is down 1% week on week. Its P/NAV decreased 1.2% to a 12% discount, implying an underlying uranium price of US\$31.51/lb U3O8.

Stock, Commodities and Index Performance						Uranium Participation P/NAV				
	Price	1 Wk	1 Mo	3 Mos	6 Mos	12 Mos	This Week	Last Week	WoW	
U Producer Avg.		-0.6%	-11.2%	-5.8%	-31.0%	-27.0%	NAV:	\$6.12	\$6.11	0.2%
U Developer Avg.		-3.1%	-6.3%	-16.0%	-19.5%	-36.1%	FX Impact ▲	0.01		
U Explorer Avg.		-0.1%	-0.8%	-15.1%	-31.8%	-17.9%	U308 Impact			
TSX	13,359	-3.8%	-2.2%	-0.9%	-11.1%	-7.7%	P/NAV:	0.878	0.889	-1.2%
S&P 500	2,077	0.0%	-0.5%	8.9%	-0.2%	1.0%	Implied U308	\$31.51	\$31.91	-1.3%
UxC Spot (\$US)	36	0%	0%	-3%	1%	-5%	NAV in C\$, U308 in US\$			
UxC Term (\$US)	44.00	0%	0%	0%	-10%	-10%				
Gold (\$US)	1070.70	2%	-2%	-3%	-8%	-10%				
Silver (\$US)	14.13	0%	-7%	-4%	-14%	-14%				

Source: FactSet, TradeTech, DCM

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Source: FactSet, UxC, Dundee Capital Markets

WEEKLY RECAP - NUCLEAR AND URANIUM SECTOR

- [Takahama Town Agrees to Restarts of Takahama-3 and -4 \(Dec 7\)](#). Takahama Town has agreed to the restart of the Takahama 3 and 4 Nuclear Power Plants owned by Kansai Electric Power (Japan Atomic Industrial Forum).

Dundee: Surprisingly positive news! The Municipal Government has come around. We can't yet say the same for the Governor's position, and then we still have to deal with the Court Injunction blocking restart of these reactors. We believe that local approval could carry some weight in court. We hope to see resolution by February 2016.

- [Ontario government in supply deal with Bruce Power nuclear operator \(Dec 3\)](#). Bruce Power to spend \$13 B to refurbish six reactors. Ontario government will secure 6,300 MW of emissions-free capacity from Bruce Power, one of the world's largest nuclear power stations providing 1/3 of Ontario's power. Refurbishment to add 30-35 years to operating life, but pushed back from 2016 to 2020 (Reuters).

Dundee: Ontario remains a top five jurisdiction globally for low electricity generation emissions.

- [Australia all set to supply uranium to the UAE \(Nov 25\)](#). A nuclear cooperation agreement has been signed with UAE. In September, Emirates Nuclear Energy Corporation was approved to construct two additional reactors, Barakah units 3 and 4. Unit 1 is expected to come on line in 2017 and unit 2 in 2018. Australia now has 24 nuclear cooperation agreements, allowing exports to 42 countries plus Taiwan. 2014 Australian U3O8 production was ~13 MM lbs (World Nuclear News).

Dundee: Nothing will incentivize uranium production like ample demand from its licensed trading partners. WNA: UAE has 4 reactors under construction that still need fuel and ten reactors planned.

- [Japanese government sets 44% as minimum target for nuclear and renewables \(Nov 24\)](#). Agency for Natural Resources and Energy (ANRE) set the target deadline for April 2030. 2030 power composition to be 56% thermal power (LNG 27%, coal 26%, oil 3%), 20-22% nuclear, and 22-24% renewables (JAIF).

Dundee: Nuclear growth at the expense of oil and natural gas. Nuclear Power is expected to increase to 20-22% of the energy mix as opposed to contributing just 1.7% in 2013 (historically ~30%). In 2013, LNG accounted for 43.2% of power generation, with 30.3% from coal, and 14.9% from oil.

- **Opposition candidate wins Argentina's presidential election (Nov 16)**. Macri set to become Argentina's next president, vows to end currency controls and to cut export taxes. Argentina hasn't been governed by a centrist-conservative party since 1916. Voter turn-out was significant at 81% and new government to be inaugurated 10-Dec-15 (various media).

Dundee: Opening soon. The incoming President is expected to make significant improvements to help boost Argentina's economy and foreign investment. Macri appointed numerous bankers and managers to cabinet positions with plans to adopt a free market economy. The new government appears ready to make the needed policy changes quickly, targeting the FX market, taxation, subsidies and bondholder holdouts. It's also possible that Argentina and Brazil will resume negotiations with the European Union regarding free trade.

- [Egypt, Russia sign deal to build a nuclear power plant \(Nov 19\)](#). Russia has agreed to build a reactor in Egypt, extending a loan to cover the cost of construction to be paid off over 35 years. Completion is expected by 2022 (Reuters).

Dundee: This is Egypt's first reactor. The World Nuclear Association suggests that two reactors are planned and two more are proposed.

- [UK's coal plants to be phased out within 10 years \(Nov 18\)](#). Energy Secretary Amber Rudd proposed to shut-down remaining coal-fired power stations by 2025 with use restricted by 2023 (20.5% of UK electricity mix). Proposal is contingent on void being filled by gas-fueled power, though Ms. Rudd also emphasized nuclear, believing plans for new reactors (incl. Wylfa, Moorside, Hinkley Point) could eventually provide ~1/3 of UK low-carbon electricity needs (BBC).

Dundee: UK is sending a strong signal ahead of UN Climate summit in Paris.

- [COP21: The world's plan to save itself, in 6 charts \(Oct 30\)](#). Delegates from most countries are to meet in Paris on December 7th and 8th for the Conference of Parties (COP), attempting to finalize an agreement to limit global warming. The big difference this time is the use of "intended nationally determined contributions" (INDC's), where each country outlines its contribution based on its own needs and abilities. Past summits instead focused on universal greenhouse gas reduction targets which aren't realistic for everyone.

- **Dundee: The clean air energy alternative.** Many countries, scientific associations, industry and lobby groups have come out in favour of nuclear power leading up to this conference as a climate friendly, base-load power source. We maintain a watch on these talks to see whether the UN and COP21 take a firmer stance on nuclear as a clean air energy alternative.

THE URANIUM MINING AND EXPLORATION INDUSTRY

- [Western Uranium Corporation announces signing of US utility supply contract \(Dec 7\)](#). An agreement with a top five US utility for delivery of U3O8 between 2018 and 2022 was signed. This helps Western Uranium (WUC-CNQ, Not Rated) de-risk production, expected to begin at Sunday Mine Complex in 2016. Management suggests several other utilities are interested in contracts and believes it can deliver the pounds cheaper than competitors.

Dundee: Stamp of approval for Sunday Mine Complex, and WUC's ability to deliver. Generally, a utility cannot contract more than 25-30% of a company's output, therefore this contract is unlikely to cover the majority of Sunday Mine production. Nevertheless, it somewhat de-risks the project and locks in a portion at prices above spot.

- [Deep Yellow: Tumas project status update: bulk sample excavated for metallurgical testwork \(Dec 7\)](#). A 1.5 t sample was taken from Zone 1 in order to assess amenability of Deep Yellow's (DYL-ASX, Not Rated) flowsheet for Tumas calcrete ore. Tumas hosts 18 MM lbs U3O8 at 369 ppm. The goal is to produce a high grade product to source to any of the existing Namibian mines.

Dundee: Quick production potential - assuming that neighbouring mines are interested in taking third-party material. From a deposit chemistry point of view, the ore shares similarities with the nearby Langer Heinrich mine.

- [Peninsula secures US\\$15 MM finance facility \(Dec 7\)](#). Agreement with Investec Bank Plc. Half of this is revolving credit, and the other half is secured against inventory. At current LIBOR, all-in interest rate less than 6% pa over 24 months. Facility provides funding flexibility during ramp-up, assisting in covering inventory and other general costs.

Dundee: A smart and expected move. As mentioned in our [1-Dec-15 note](#), working capital was tight as construction wound down. The inventory finance facility provides the ability to take immediate advantage of completed uranium production in two ways: (1) provides funding in advance of sales deliveries and revenue - as typical for the sector, we expect sales to be lumpy on a quarter to quarter basis; (2) may provide excess cash and allow the deferral of spot sales until such times that uranium can be sold at higher prices or delivered into contracts ([see 7-Dec-15 note](#)).

- [Paladin Energy: S&P Dow Jones announces December 2015 quarterly rebalance of the S&P/ASX indices \(Dec 3\)](#). Paladin to be removed from the S&P-ASX 200 after close on 18-Dec-2015.

Dundee: Likely to result in a flurry of trade and pressure on PDN-ASX, followed by correction on PDN-TSX on 18-Dec-15.

- [Laramide Resources agrees to C\\$5MM loan from Extract Advisors \(Dec 1\)](#). The loan will enable Laramide to repay its existing debt with AngloPac which matures 31-Dec-15. Key terms: 14 month term, effective interest of ~8.5%, issuance of 2.5 MM shares and 2.5 MM warrants, and production fee of US\$0.50/lb U3O8 produced from any of Laramide's projects, which may be repurchased. AngloPac's option to acquire a 5% NSR on Church Rock for US\$15 MM will also expire.

Dundee: Loan cost should be considered in big picture context. While expensive debt is replaced with expensive debt, this short term bridge buys more time and helps reduce the need to issue dilutive equity. The potential for low cost US ISR production is a significant de-risking event as Laramide acquires one of the largest permitted resource bases, fast-tracking its way to production. With Dec-15 debt refinancing complete and its share price rising, management feels better positioned to fund Church Rock's acquisition and improve its economics, while concurrently re-financing the bridge loan, re-purchasing the new production royalty, and raising initial mine Capex in one fell-swoop ([see note](#)).

- [Denison receives US\\$1.25 million in initial payments on closing of the sale of Mongolian interests \(Dec 1\)](#). Denison has rights to receive additional proceeds of US\$12 MM (upon completion of certain milestones) for total consideration of US\$13.25 MM. The previous agreement contemplated a less sizeable cash payment on closing (US\$250,000) and a deferred payment of US\$19.75 MM, which was to be made only in the event that all of the mining licences for each of the Hairhan, Haraat, Gurvan Saihan and Ulzit projects were granted on or before November 30, 2015.

Dundee: Less cash but less risk. Bottom line, an updated deal increases the likelihood of getting paid. Yes, US\$13.25 MM in contingent payments is less than the original US\$20 MM price, but it's better than nothing. This is particularly important as exploration licenses are set to expire in Q1/16. Applications have been made to convert these to mining licenses, however, the speed at which the Mongolian Government grants approval remains a wildcard ([see note](#)).

- [Peninsula Energy: NRC inspection and authorization to begin in-situ uranium recovery operations at the Lance projects, Wyoming, USA \(Dec 1\)](#). NRC approval received for Ross. Inspections took place November 2-5 and November 22-24, 2015 and confirmed that written operating procedures and approved radiation safety and environmental monitoring programs are in place, and that pre-operational testing was completed.

Dundee: Peninsula anticipates checking off four huge milestones by YE2015, and this is only the first. Receipt of final production approval within a month of initial pre-op inspection is impressive. The last NRC approval in this sector took four months for another firm and required additional homework. Management promised production by YE2015. We are increasingly confident that this could be achieved, particularly after our October site visit. Additional upcoming milestones include potentially another off-take and the pending US listing ([see note](#)).

- [Plateau Uranium announces new mining inventories as part of its ongoing PEA update \(Dec 1\)](#). A Plateau (PLU-V, Not Rated) PEA update at a conservative US\$50/lb U3O8 price is nearing completion. Updated mineral inventory is 68.9 MM lbs U3O8 at 287 ppm. Proposed operation to be mainly open-pit. The larger mineral resource base is expected to increase annual throughput by 28%, increase average head grade by 11%, and increase annual U3O8 production by 42% over the last PEA. Acid consumption is expected to improve, which along with lower fuel prices should further help improve Opex and Capex.

Dundee: Plateau is going one step further than many PEA's in that it plans to use quite conservative pricing, within 13% of current term prices, rather than LT price assumptions in the US\$60 to US\$65/lb U3O8 range. The last PEA was simply an exercise of marrying combined project areas post-acquisition. Recent focus is on optimization and higher grade resource growth, incorporating tests performed by Cameco and others.

- [NexGen significantly expands strike length of higher grade A2 Sub-Zone with AR-15-57c3 intersecting 5.0m at 49.60% U3O8 within 31.5m at 10.03% U3O8 \(Nov 30\)](#). Six holes reported from the Arrow summer drill program, SK. A2 Sub-Zone strike length expanded by ~25%. Strong mineralisation intersected in the A3 shear (-57c3 hit 2.74% U3O8 over 50.5m and -57c2 hit 5.89% over 29.5m). Both of these areas will be a priority for the winter 2016 drill program.

Dundee: NexGen continues to report some of the highest grade, thickest uranium intercepts announced this year. The A2 Sub-core potentially hosts over 60 MM lbs U3O8 itself and will likely contribute to Arrow becoming one of the largest basement hosted U3O8 deposits in the Basin. Strong results from the A3 Shear show potential for a higher grade core of mineralization along this trend as well, which could have significant repercussions as to how quickly drilling might be able to add pounds. Assays for 14 holes are pending from summer drilling (including two from the A2 Sub-core) ([see note](#)).

- [Paladin Energy: Repurchase of US\\$11 MM of convertible bonds due 2017 \(Nov 25\)](#). Outstanding US\$254 MM of 6% Convertible Bonds due April 2017 reduced to US\$243 MM. Bonds were bought back at an average price of 90 per cent, resulting in US\$2 MM in cash savings in avoided principal and coupon payments. Repurchase funded from operating CF.

Dundee: Improved cash flow makes buyback possible. Guidance was to be cash flow neutral in FY2016, which won't be the case given this debt buyback. However, CF neutrality, in and of itself, is not a direct cost savings. Whereas deploying cash to buy back debt at a discount while saving interest is, and thus this move should be considered positive and will hit the bottom line. We aren't concerned about cash balances or working capital requirements, although we concede that a roll-over of the majority of its April 2017 debt balance is still likely ([see note](#)).

- [Fission hits 26.03% U3O8 over 6.0m in 11.02% U3O8 over 25.5m; R600W and R780E zones expand \(Nov 25\)](#). Assays from final 17 holes of summer drill program, 13 from R600W and four from R780E. R600W zone (no resource estimate, not included in PEA) returned strong high-grade intervals. 16 of the 17 holes were mineralized. Plans underway for 11,000m winter program budgeted at \$7MM.

Dundee: Winter R600W discovery focus is reaffirmed by final summer assays. R600W results delineate land-based, high quality pounds at a shallow depth, increasing critical mass. Recent drilling appears higher than resource grade at a 1.96% U3O8 weighted average over 17.2 m average core thickness (versus 1.5% resource grade diluted to 1% in the PEA). R600W strikes for 150m and is ~40 - 50m wide on average (up to 90m wide). Mineralization is wide open in all directions. We surmise that R600W might already exceed 10 to 15 MM lbs U3O8. If our assumptions hold, this suggests that R600W comprises ~12% of the entire 105.5 MM lb Triple R deposit, the largest undeveloped deposit in the Basin ([see note](#)).

- [Energy Fuels sells non-core uranium assets to enCore Energy \(Nov 25\)](#). Divestitures included the Marquez and Nose Rock projects in New Mexico, the Moonshine project in Arizona, and the Cedar Mountain, Geitus, Blue Jay, and Marcy Look projects in Utah. Consideration includes \$330k cash and 14.25 MM in enCore common shares (EFR to own ~20%).

Dundee: A positive divesture for Energy Fuels. Although perhaps immaterial from a cash standpoint, it does provide future optionality; EFR gains a 19.9% equity interest in EU (EU-V, Not Rated) to share in upside and potential toll milling revenue. EFR is focused on moving down the cost curve into larger, higher quality assets, as evidenced by its entry into ISR, expanding high grade breccia pipe potential, and large pipeline projects. It has now demonstrated improved earnings over four consecutive quarters while still conserving cash, meeting milestones and advancing projects ([see note](#)).

- [Cameco hosts 2015 investor workshop \(Nov 23\)](#). Presentations included operational overviews and updates on key assets, a senior management panel discussion, a presentation by Bruce Power's CEO Duncan Hawthorne on overall industry trends, as well as a presentation by Cameco's President, James Dobchuk, on the uranium market and utility buying.

Dundee: Cameco reiterates its strategy of focusing on tier 1 assets, providing operating leverage for when uranium prices rebound. Cigar Lake is on track to produce 10 MM lbs this year and perhaps more - the closest you ever get to forward speculation coming from CCO. We may get an update towards year-end regarding a McArthur River Mine expansion beyond 18 MM lbs pa. It is licensed for 25 MM lbs but an expansion will likely be market dependent, despite likely being amongst the lowest cost pounds on the planet. Uranium market remains tough, still a buyer's market, though Cameco expects an increase in demand of 3-4% CAGR with supply remaining flat (only Husab is under development). Utilities continue to avoid term contracting by buying on the spot market.

- [UEX/AREVA announces the 2016 Western Athabasca exploration budget of \\$2.2 million and results of the 2015 exploration programs \(Nov 23\)](#). \$1.35 MM to be spent on Shea Creek with UEX funding its 49% share, totalling \$660k. Plan is to drill 4,300 m in 7-9 holes along the largely untested S-14 conductor. Here, unconformity depths range from 400-500 m. UEX elected not to participate in Mirror River or Coppin Lake programs, diluting its ownership.

Dundee: We believe this is the time for UEX to concentrate on Christie Lake. The 2015 Shea Creek results warrant follow-up in 2016, with the discovery of strong indicative hydrothermal alteration, structure and anomalous uranium. We are pleased UEX has decided only to fund its share of this project and no others within the Western Athabasca JV at this time, as we believe funds should be focused on the highly prospective Christie Lake project. The property has not been drilled since the 1990's - a time before basement hosted deposits were well known and understood. Therefore, drilling has not been undertaken deep into the basement, along the 1.5km long trend where ~97 holes had an 85% hit rate. The property is host to a historic 21 MM lbs U3O8 basement-hosted deposit grading 3.22%, 9 km NE of the massive McArthur River deposit in the eastern Athabasca Basin.

- [AUC: Reno Creek project receives aquifer exemption approval from EPA \(Nov 23\)](#). The EPA decision completes AUC's Permit to Mine for the Reno Creek Project. NRC is currently reviewing AUC's (Private, Not Rated) application and is preparing a Source Materials License and a Draft Supplemental EIS for publication. The WY Reno Creek ISR project hosts reserves of 20.1 MM lbs U3O8. A 2014 PFS estimates annual production of 1.5 MM lbs pa, initial Capex of US\$78.4 MM, Opex of US\$18.84/lb and suggests a pre-tax 8%NPV of US\$216 MM and IRR of 37%.

Dundee: Another low cost WY ISR project. The project is located in the prolific Powder River Basin. Its development is being assisted by Wayne Heili, whom was instrumental in the development and start-up of Ur-Energy's Lost Creek Mine.

- [Bannerman Resources: Demonstration plant phase 2 success \(Nov 23\)](#). Bannerman's (BAN-V, Not Rated) optimization highlights include: 93% recovery for the two cribs and 91% recovery for the columns, compared to DFS projection of 87% for scaled up heap. Tests also demonstrate low sulphuric acid consumption at 15 kg/t versus 18 kg/t in the DFS.

Dundee: Positive DFS already out-dated after a few weeks... [see summary](#) in our Weekly. Bannerman released a positive DFS on 11-Nov-15 but wasn't able to include these optimization results. Management suggests that heap leach mining and focus on grade control differentiates it from the pack...these results would support its argument. We'd expect higher recoveries and lower reagent use, likely leading to lower costs.

- [Toro Energy completes refinancing \(Nov 23\)](#). A\$6 MM interest free loan offered by major shareholder The Sentient Group closed. Proceeds were used to repay the Macquarie Bank Debt Facility in full, removing interest obligations and resetting the principal repayment date to August 2018.

Dundee: Toro Energy has de-risked itself by placing its debt closer to home. While not a total fix as low uranium prices increasingly make 2018 initial production seem all too distant, this move does provide some relief.

- [NexGen Energy Ltd. Announces \\$20 Million Bought Deal Financing \(Nov 18\)](#). 31.25 MM common shares issued at \$0.64 per share. Net proceeds to be used to advance exploration and development of the company's Saskatchewan-based mineral projects. Offering is expected to close 9-Dec-15.

Dundee: Should eliminate market overhang due to anticipated equity raise. Plans for the winter 2016 campaign are well underway at Arrow and we expect a budget of \$12-\$15 MM. Drilling will focus on the A1, A2, A3, and A4 shears at Arrow, as well as on high priority targets along strike to the SW, to the NE towards Bow, and along the Derkson Corridor. An expansion to site infrastructure may include a more permanent winter camp, heli-pad and or plane-docking facility to handle an expected greater volume of traffic.

- [Vimy Resources: Mulga Rock project pre-feasibility study \(Nov 17\)](#). The Vimy Resources (VMY-ASX, Not Rated) PFS proposes a mine life of 17 years with average annual production of 3 MM lbs U3O8, LOM C1 costs of US\$31/lb (incl. by-product credit), initial capital of US\$288 MM, pre-tax 10%NPV of A\$431 MM and IRR of 25.1% at a uranium price of US\$65/lb and a A\$:US\$ FX rate of 0.7019.

Dundee: Another significant Australian project to watch. While we haven't paid much attention to this story, we likely should. It's one of the few well advanced Australian uranium projects. It is located in Western Australia which remains quite supportive of uranium mining. With Australia signing ever more nuclear cooperation agreements, we believe that the chance of strategic investment is on the rise.

- [Purepoint Uranium Group Inc. Hook Lake JV Partners Approve Largest Exploration Budget to Date \(Nov 17\)](#). JV partners approved exploration plans and \$3.4 MM budget for 2016. Hook Lake JV is owned jointly by Cameco Corp. (CCO-T, C\$25.00), 39.5%, AREVA SA (AREVA-EPA, Not Rated), 39.5%, and Purepoint (PTU-V, Not Rated), 21%.

Dundee: Another round of drilling planned for the Spitfire Zone along strike of Triple R and Arrow. Not only is this the largest budget ever to be approved for the project, it also demonstrates that Cameco does have its eye on the other side of the Basin. Current exploration is targeting the Patterson Lake Corridor, host to Fission's Triple R and NexGen's Arrow deposits. The JV partners plan to drill ~6,000 m.

URANIUM ON THE CRANIUM

- **Meghan O'Sullivan, Professor and Director of the Geopolitics of Energy Project at Harvard University:** "Coal, nuclear and renewable energies aren't direct substitutes for oil, so cheap oil isn't a competitor [for those resources]. But cheap natural gas is, and consistently low gas prices pose a real economic challenge to nuclear power in particular.... Entergy Corp.'s recent decision to shut down its Pilgrim nuclear plant in Massachusetts in 2019 because it cannot compete in a lower gas-and-power price environment suggests it will be hard to reverse the tide against nuclear power in the U.S."
- **Amber Rudd, UK Energy Secretary:** "Frankly, it cannot be satisfactory for an advanced economy like the UK to be relying on polluting, carbon-intensive 50-year-old coal-fired power stations. Let me be clear: this is not the future. We need to build a new energy infrastructure, fit for the 21st century.... Gas is central to our energy-secure future. So is nuclear".
- **Stephen Antony, President & CEO of Energy Fuels:** "If we are serious about cutting air pollution, meeting our 2020 carbon targets, and also becoming energy independent, nuclear energy and domestic uranium production cannot be ignored... Countries like China, India, and South Korea see what lies ahead, and there are hundreds of billions of dollars lining up for new nuclear projects around the world. It would be a shame to see the U.S. further surrender its leadership role in the growing nuclear sector".

RECENT NOTES

Date	Company	Ticker	Note Title
07-Dec-15	Peninsula Energy	PEN-A	Revolving Credit and Inventory Finance Facilities Provide Flexibility
04-Dec-15	Laramide Resources	LAM-T	Expensive Bridge Loan, but Church Rock NSR Option Removal Positive
03-Dec-15	Denison Mines	DML-T	Mongolian Assets Sale Closed: Less Cash but Less Risk
01-Dec-15	Peninsula Energy	PEN-A	NRC Provides Final Authorization - ISR Mining to Begin at Lance in WY
30-Nov-15	NexGen Energy	NXE-T	A2 Sub-zone Expanded 25%; Significant A3 Shear High Grade Growth
25-Nov-15	Energy Fuels	EFR-T	Divestiture of Non-Core Assets Still Provides Optionality
25-Nov-15	Fission Uranium Corp.	FCU-T	R600W Discovery Focus in Winter Reaffirmed by Final Summer Assays
25-Nov-15	Paladin Energy	PDN-T	Another Debt Repurchase Means Pay Less Now
17-Nov-15	Uranium Sector		Uranium Sector Weekly - Uranium Price Showing No Heart-Beat
16-Nov-15	Toro Energy	TOE-ASX	Environmental Review Documents Done for Millipede, Lake Maitland
12-Nov-15	Paladin Energy	PDN-T	Cost Reduction and Cash Flow Focus Likely Enticing Investors to PDN
10-Nov-15	Laramide Resources	LAM-T	Upgrade to Buy: Churchrock ISR Purchase Adds 45 MM lbs U3O8 in US
10-Nov-15	Kivalliq Energy	KIV-V	RIB Geochemistry, Geophysics Find Multiple Uranium-in-Soil Trends
10-Nov-15	Uranium Sector		Uranium Sector Weekly-CCO Weakness Not Reflective of Most Stocks
09-Nov-15	Energy Fuels	EFR-T	Q3/15: Positive on Operations, Neutral on Financials
06-Nov-15	Denison Mines	DML-T	Early CF from Cigar Lake Toll Milling, World Class Assets Advanced
05-Nov-15	Berkeley Energy	BKY-AIM	Financing Assumptions Modified After Discussions with Management
04-Nov-15	Berkeley Energy	BKY-AIM	New PFS Vastly Improves Salamanca Uranium Project Economics
03-Nov-15	Denison Mines	DML-T	Gryphon Lifts Wheeler Resources 60% to 114 MM lbs U3O8
03-Nov-15	NexGen Energy	NXE-T	High Grade A2 Sub-Zone Mineralization Extended Upwards
03-Nov-15	Uranium Sector		Uranium Sector Weekly- AREVA-CNNC Deal May Be Positive For Sector
02-Nov-15	Cameco Corp.	CCO-T	Q3/15 Results: Adj. EPS Miss on U Sales, but Cigar Lake, NUKEM Surge
02-Nov-15	Ur-Energy Inc.	URE-T	Contracts Delivering Total Production Margins Nearing US\$30/lb U3O8
29-Oct-15	NexGen Energy	NXE-T	Final Five Holes From Summer Program Suggest High Grade
27-Oct-15	Cameco Corp.	CCO-T	Q3/15 Earnings Preview: Higher Sales But Otherwise Straightforward
27-Oct-15	Uranium Sector		Uranium Sector Weekly - U3O8 Prices Decline Sharply on Little Volume
26-Oct-15	UEX Corp.	UEX-T	Upgrading to BUY on Christie Lake Acquisition - Instant Upside
22-Oct-15	Denison Mines	DML-T	Gryphon Assays Significantly Higher than Previous Gamma Logs
22-Oct-15	NexGen Energy	NXE-T	Third Best Arrow Hole Hits 2.5% over 80.5m; 9.7% over 35.5m at A2
21-Oct-15	Mawson Resources	MAW-T	Palokas Hits Again - Northernmost Hole Returns 7.2g/t Au over 7m
21-Oct-15	Berkeley Energy	BKY-ASX	Salamanca Granted Initial Authorization - Significant De-Risking Event

Table 1: Uranium comparable table by peer group (priced as of 7-December-15).

Producers:	Ticker	Last Price	Mkt. Cap	Target	Rating	Risk	Cash	Debt	EV	Performance				Total Resources	EV/lb	NAV	P/NAV	P/E		P/CF		EV/EBITDA ²	
		C\$	C\$ MM	C\$						C\$ MM	C\$ MM	C\$ MM	1mo					3mo	6mo	1yr	MM lbs	US\$/lb	F2015
Cameco Corp	CCO	15.78	6,245.61	25.00	BUY	High	62.5	1,492.0	7,675.0	(7%)	(15%)	(16%)	(15%)	996	5.71	19.37	0.81x	15.0x	11.0x	9.6x	7.0x	10.9x	6.4x
Paladin Energy	PDN	0.22	368.23	0.50	BUY	High	146.2	567.4	585.3	(17%)	16%	(22%)	(33%)	510	1.15	0.57	0.38x	109.4x	14.5x	7.2x	5.4x	31.4x	5.2x
Peninsula Energy	PEN	A 1.05	A 193.14	A 1.80	BUY	Speculative	34.894	0	158.2	(11%)	5%	5%	31%	96	1.22	1.99	0.53x	--	38.7x	--	38.7x	--	9.4x
Uranium Energy	UEC	US 1.03	US 137.86	US 4.60	BUY	High	13.6	26.6	150.9	(6%)	(16%)	(63%)	(40%)	89	1.25	3.89	0.26x	--	--	--	--	--	6.9x
Energy Fuels	EFR	2.71	122.67	8.35	BUY	High	23.9	45.1	143.8	(28%)	(36%)	(52%)	(66%)	201	0.53	8.35	0.32x	--	--	10.0x	67.8x	23.9x	24.0x
Ur Energy Inc	URE	0.70	91.13	1.55	BUY	High	4.9	46.2	132.5	(3%)	(19%)	(38%)	(31%)	51	1.92	1.55	0.45x	--	7.8x	--	5.8x	13.6x	3.7x
AVERAGE¹									1,474.3	(12%)	(11%)	(31%)	(26%)		1.96	0.46x	15.0x	11.1x	8.9x	6.1x	16.1x	9.3x	

¹ Average removes outlier multiples (>30x)
² EBITDA is normalized for UEC, URE and EFR (added back wellfield/capital expenditures)

Developers:	Last Price	Shares O/S	Mkt. Cap	Cash	Debt	EV	Reserves	Resources	Total Compliant	Historical Resources	EV/lb	Rating	Risk	Target	Performance					NAV	P/NAV		
															C\$	MM	C\$ MM	C\$ MM	C\$ MM			C\$ MM	MM lbs
Denison Mines	0.49	518	259.22	19.84	0.03	239.41	0	191	191	6	0.91	BUY	High	2.10	(6%)	(11%)	(22%)	(52%)	(57%)			2.13	0.23x
Toro Energy	A 0.07	2,005	138.36	22.48	17.99	133.87	0	87	87	0	1.15	NEUTRAL	Speculative	A 0.09	(1%)	(1%)	21%	3%	(7%)			0.11	0.64x
Berkeley Energia	A 0.50	180	89.45	10.90	0.00	78.55	0	90	90	0	0.66	BUY	High	A 2.00	1%	(11%)	30%	127%	79%			2.18	0.23x
Western Uranium	2.79	16	45.28	0	0	45.33	0	98	98	0	0.35	NR	NR		(9%)	(44%)	(38%)	(15%)	(10%)				
Uranium Resources	US 0.61	52	41.93	5.12	7.61	44.42	1	45	46	42	0.38	NR	NR		7%	(20%)	(28%)	(52%)	(69%)				
UEX Corp	0.13	246	30.75	5.20	0.00	25.55	0	86	86	15	0.19	BUY	Speculative	0.60	(4%)	4%	(32%)	(55%)	(60%)			0.71	0.18x
Laramide Resources	0.31	85	25.42	0.09	5.00	30.33	7	107	114	3	0.20	BUY	Speculative	0.80	7%	107%	27%	29%	(24%)			1.01	0.31x
Azarga Resources	0.31	60	17.82	0.92	3.00	19.90	0	24	24	1	0.58	NEUTRAL	Speculative	0.80	(2%)	4%	(18%)	(19%)	(28%)			1.00	0.31x
Forsys Metals	0.12	150	15.51	2.44	0.31	13.39	91	31	122	0	0.08	NR	NR		(15%)	(26%)	(22%)	(43%)	(43%)				
Mega Uranium	0.06	284	14.09	0.86	0.00	13.24	0	17	17	0	0.58	NR	NR		10%	(15%)	(27%)	(31%)	(68%)				
Bannerman Resources	0.03	396	11.87	1.00	10.60	21.48	119	93	213	0	0.08	NR	NR		0%	(9%)	0%	(40%)	(60%)				
GoviEx Uranium	0.04	168	6.73	3.43	10.51	13.80	48	91	138	0	0.07	NR	NR		(11%)	(43%)	(73%)	(62%)	(94%)				
U308 Corp	0.03	291	6.03	0.67	0.18	5.53	0	48	48	0	0.09	BUY	Speculative		(17%)	(17%)	(24%)	(44%)	(29%)			n/a	n/a
AVERAGE									52.68						0.41		(3%)	(6%)	(16%)	(20%)	(36%)		0.31x

Explorers:	Last Price	Shares O/S	Mkt. Cap	Cash	Debt	EV	Reserves	Resources	Total Compliant	Historical Resources	EV/lb	Rating	Risk	Target	Performance					NAV	P/NAV		
															C\$	MM	C\$ MM	C\$ MM	C\$ MM			C\$ MM	MM lbs
Fission Uranium	0.56	387	216.56	22.00	0.00	194.56	0	106	106	0	1.38	BUY	Speculative	2.40	(0%)	(8%)	(28%)	(51%)	(39%)			2.96	0.19x
NexGen Energy	0.61	253	168.36	18.00	0.00	150.36	0	0	0	0	na	BUY	Venture		(5%)	(16%)	(3%)	20%	54%			n/a	n/a
Kivalliq Energy	0.09	217	21.68	2.02	0.00	19.67	0	43	43	0	0.34	BUY	Speculative		(0%)	13%	13%	(18%)	(47%)			n/a	n/a
Mawson Resources	0.20	75	14.54	3.70	0.00	10.84	0	0	0	0	na	BUY	Venture		4%	(7%)	(30%)	(7%)	(22%)			n/a	n/a
Fission 3.0	0.08	178	12.46	4.10	0.00	8.36	0	0	0	0	na	NR	NR		7%	25%	(12%)	(46%)	(12%)				
Pele Mountain	0.03	189	6.61	0.22	0.00	6.39	0	60	60	0	0.08	NR	NR		0%	(14%)	(30%)	(40%)	(14%)				
Purepoint Uranium	0.03	143	4.27	0.49	0.00	3.79	0	0	0	0	na	NR	NR		20%	20%	20%	(33%)	(33%)				
Canalaska Uranium	0.10	22	2.10	2.00	0.00	0.10	0	0	0	0	na	NR	NR		(14%)	(5%)	(41%)	(51%)	(46%)				
Azincoourt Resources	0.04	49	1.98	0.14	0.00	1.84	0	0	0	0	na	NR	NR		0%	(20%)	(50%)	(56%)	(87%)				
ALX Uranium	0.06	42	1.65	2.54	0.00	(0.89)	0	0	0	7%	na	NR	NR		0%	0%	(20%)	(43%)	(79%)				
EnCore Energy	0.03	54	1.61	0.00	0.52	0.86	0	33	33	0	0.02	NR	NR		0%	20%	30%	7%	200%				
Forum Uranium	0.05	36	1.61	0.75	0.00	0.86	0	0	0	0	na	NR	NR		(10%)	(10%)	(25%)	(40%)	(47%)				
Roughrider Exploration	0.07	18	1.29	0.86	0.02	0.44	0	0	0	0	na	NR	NR		(4%)	(7%)	(20%)	(55%)	(61%)				
AVERAGE									30.55						0.45		(0%)	(1%)	(15%)	(32%)	(18%)		

Source: Company Reports, FactSet, Dundee Capital Markets

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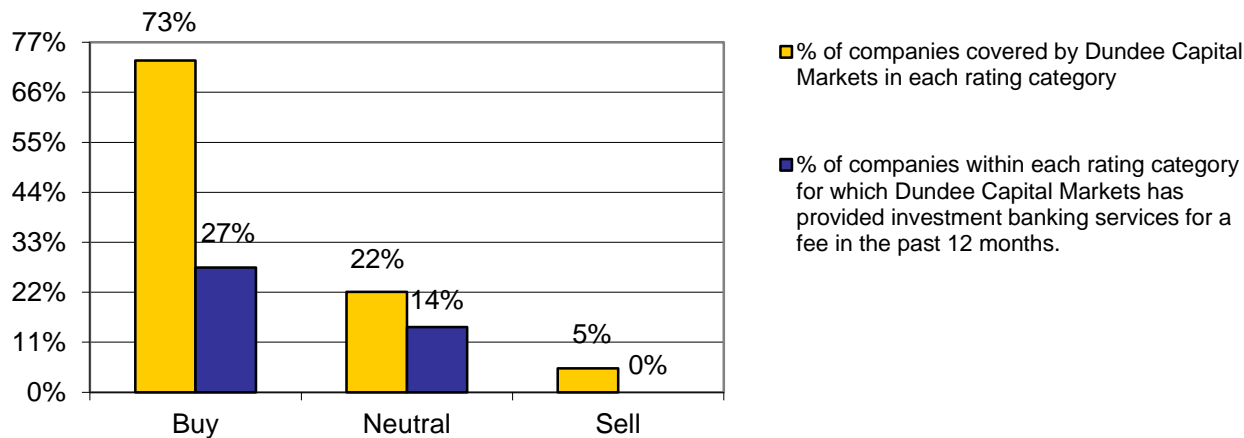
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