

DENISON MINES CORP.

High-Grade Step-out Result at Phoenix, ISR Field Test Progressing Well

EVENT

This morning Denison Mines updated on progress being made at the Wheeler River in-situ recovery (ISR) test program and reported a very encouraging step-out exploration drill result outside of the Zone A high-grade domain at Phoenix.

BOTTOM LINE

Positive – Progress on the ISR field test program looks good, and the high-grade step-out drill hole GWR-045 has the potential to contribute meaningfully to the Phoenix resource and overall project economics at Wheeler River.

FOCUS POINTS

- GWR-045 Step-Out Exploration Drill Hole** – Located 5m outside the boundary of the Zone A high-grade domain at Phoenix (where the ISR test program is currently underway), hole GWR-045 returned 8.6m @ 22.0% U₃O_{8e}. The Phoenix deposit remains open in this direction to the northwest and Denison is planning on follow-up drilling.
- ISR Field Test Program Progressing Well** – All five commercial-scale wells (CSWs) and 9 of 11 planned monitoring wells are now complete for the Test Pattern at the Phase 1 area of Phoenix. The purpose of the program is to prove-up the viability of the ISR mining method at Phoenix (Phase 1 of Wheeler River).
- Maintaining Buy Rating and Price Target** – We are maintaining our Buy rating and target price of \$2.50/C\$3.00/share on Denison Mines, based on a 1.5x NPV_{7.5%} multiple on the Company's Athabasca Basin uranium projects and 1.0x NPV on its net financial position (cash, investments, and U₃O₈ in inventory).

Recommendation:

BUY

Symbol/Exchange: DNN-NYSE/DML-TSX
Sector: Metals & Mining
All dollar values in US\$ unless otherwise noted.
Current price: \$1.14/C\$1.41
One-year target: \$2.50/C\$3.00
Return to target: 119.3%
Cash and U₃O₈ inventory: ~C\$160 MM

Financial Summary

Shares O/S (MM)	804.9	52-week range	\$0.30 - \$1.81
Market cap (MM\$)	\$917.6	30D avg vol. ('000)	11,302.9
Market float (MM\$)	\$912.6	Fiscal year-end	31-Dec
Probable Reserves	Tonnes	U₃O₈ Grade	Attrib. Resource
Wheeler River	1,398,000	3.54%	103.9 MMlb
M&I Resources	Tonnes	U₃O₈ Grade	Attrib. Resource
McClellan Lake Deposits	376,400	2.18%	4.0 MMlb
Midwest + Waterbury	1,310,000	2.20%	21.4 MMlb
JCU Interests	1,978,387	0.76%	32.9 MMlb
Wheeler River	1,809,000	3.30%	125.5 MMlb
Inferred Resources	Tonnes	U₃O₈ Grade	Attrib. Resource
McClellan Lake Deposits	510,900	0.68%	1.6 MMlb
Midwest + Waterbury	1,114,000	0.98%	8.4 MMlb
JCU Interests	283,890	1.40%	8.8 MMlb
Wheeler River	82,000	1.70%	2.9 MMlb



Company profile: Denison Mines is a uranium exploration company and development company focused on the Athabasca Basin. Its 95%-owned Wheeler River project is one of the highest-grade uranium projects globally.

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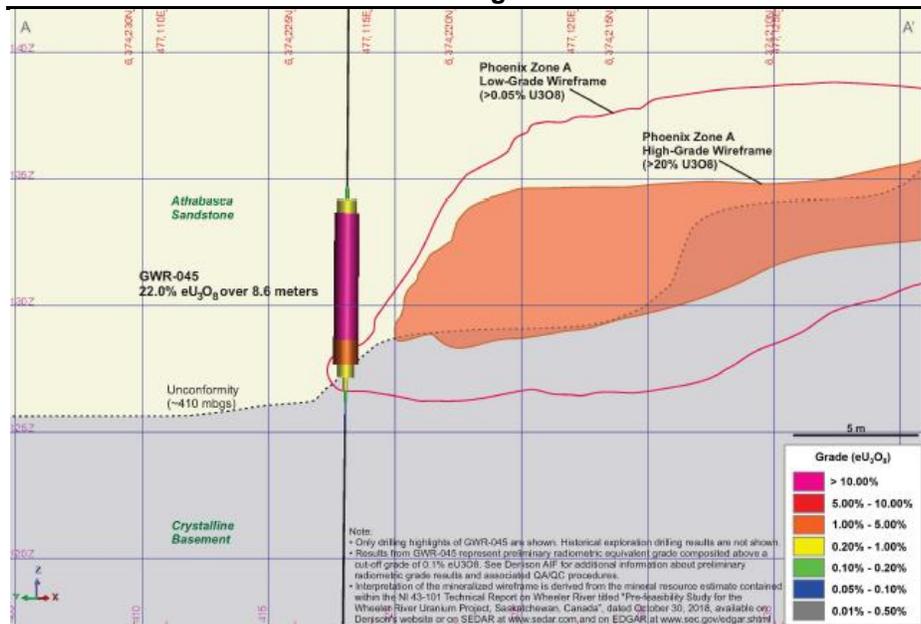
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See disclosure and a description of our recommendation structure at the end of this report.

HIGH-GRADE STEP-OUT DRILL RESULT AT PHOENIX

This morning Denison Mines reported a very encouraging step-out exploration drill result at Phoenix, part of its 95%-owned Wheeler River project in Northern Saskatchewan's Athabasca Basin. Located 5m outside the Zone A high-grade domain boundary at Phoenix (Exhibit 1), in an area previously thought to be low-grade, hole GWR-045 returned an unconformity-associated mineralized intersection of 8.6m @ 22.0% U_3O_8 e from a depth of 407m below surface. This intersection reconciles positively to the current Proven & Probable reserve grade at Phoenix of 19.1% U_3O_8 . Note that the Zone A high-grade domain at Phoenix represents the critical first several years of mine-life at Wheeler River, and as such, any exploration success in and around this zone has very positive implications to the overall project economics. Because of this, Zone A is the location of the ISR test program that is currently underway on site. Hole GWR-045 indicates that the high-grade domain remains open to the northwest for potential resource expansion, and Denison is planning on follow-up drilling. We estimate that drill hole GWR-045, on a standalone basis, will likely add ~250 Klb of high-grade U_3O_8 to the Phoenix resource, and potentially considerably more pending exploration success stepping further out to the northwest.

Exhibit 1. Cross Section of Phoenix High Grade Domain and GWR-045



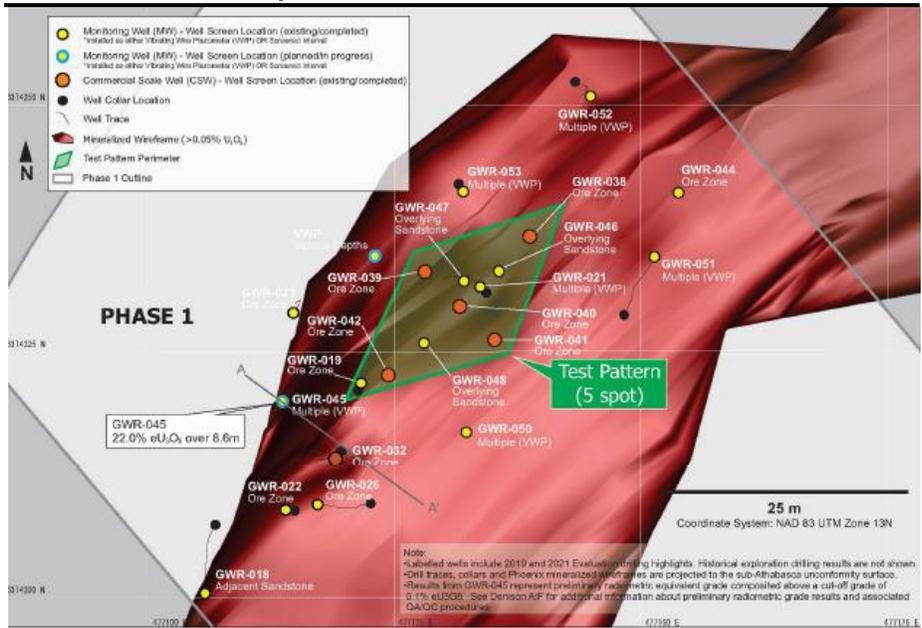
Source: Denison Mines

ISR FIELD TEST PROGRESSING WELL

All five commercial-scale wells (CSWs) and 9 of 11 planned monitoring wells are now complete for the Test Pattern at the Phase 1 area of Phoenix. The Test Pattern comprises the CSWs recently installed (GSW-038 to GSW-042) in a "five-spot" pattern, in addition to GWR-032, completed in 2019. The monitoring wells are being installed both within the "five-spot" CSW pattern, and around its periphery (Exhibit 2). According to Denison, hydrogeologic and permeability test results thus far are encouraging, and will support completing a full-scale tracer test later this quarter. Results from the tracer test will provide data necessary to complete a lixiviant test planned for next year, a critical technical de-risking

milestone that should prove-up the viability of the ISR mining method at Phoenix.

Exhibit 2. Phoenix Deposit Phase 1 ISR Test Pattern



Source: Denison Mines

MAINTAINING BUY RATING AND PRICE TARGET

We are maintaining our Buy rating and target price of \$2.50/C\$3.00/share on Denison Mines, based on a 1.5x NPV_{7.5%} multiple on the Company’s Athabasca Basin uranium projects and 1.0x NPV on its net financial position (cash, investments, and U₃O₈ in inventory). Given the Tier One status of the Wheeler River project, its top spot on the list of potential takeover candidates in the uranium sector, and the Company’s balance sheet which is fully cashed-up through to construction, Denison should be a core holding for any/all institutional investors with a uranium focus, energy allocation, or Environmental, Social, and Governance (ESG) criteria. We maintain our Buy rating on the Company.

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BUY (Speculative): The stock is attractively priced relative to the company's fundamentals, however investment in the security carries a higher degree of risk.

HOLD: The stock is fairly valued, lacks a near term catalyst, or its execution risk is such that we expect it to trade within a narrow range of the current price in the next 6 to 12 months. The longer term fundamental value of the company may be materially higher, but certain milestones/catalysts have yet to be fully realized.

SELL: The stock is overpriced relative to the company's fundamentals, and we expect it to decline from the current price over the next 6 to 12 months.

TENDER: We believe the offer price by the acquirer is fair and thus recommend investors tender their shares to the offer.

UNDER REVIEW: We are temporarily placing our recommendation under review until further information is disclosed.

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