

COMMODITY PRICE UPDATE

Gold and Uranium continue to top our list

GOLD WILL CONTINUE TO GLITTER

In July when many predicted a continued collapse in the price of gold, we openly disagreed and opined that there was limited downside in gold as it was trading near the marginal all-in cost of production of US\$1,200/oz. Fast forward three months later with gold trading above US\$1,300/oz we now believe gold will be range bound with a bias towards the upside. We see gold price oscillations driven by weakness from areas such as continued outflows from precious metals exchange traded funds being offset by a U.S. economy reeling from a government shutdown that cost an estimated US\$24B. We believe gold will eventually move higher over the longer term as the market realizes that the U.S. will not taper anytime soon, the debt ceiling topic returning in January 2014, and a weak dollar all providing upward momentum.

URANIUM SET FOR A VIOLENT MOVE HIGHER

Since our last commodity price update, the price of uranium has ground lower from averaging US\$40.57/lb in Q2/13 to US\$35.87/lb in Q3/13. While this has cast some doubt, we continue to stress that the marginal cost of current production for uranium is US\$40/lb and that the minimum incentive price for future supply to match future uranium demand is US\$70/lb. The reason why the price is as low as it is now is due to excess uranium inventories stemming from material earmarked for Japan's 50 reactors not being consumed for the last two and a half years. With Japan set to restart some reactors either late this year or early next year (we forecast 10 to restart in 2014 but none this year) this issue will soon resolve itself – especially since there are more reactors under construction, planned, and proposed now (557) than since before Fukushima (541).

Exhibit 1: Cantor Fitzgerald Canada commodity forecast

	Actual			Q3/13			Q4/13			Q1/14			Q2/14		
	Q4/12	Q1/13	Q2/13	Actual	Est.	Variance %	New	Old	Change %	New	Old	Change %	New	Old	Change %
Gold US\$/oz	1,718	1,632	1,417	1,330	1,275	4.3%	1,300	1,275	2.0%	1,280	1,275	0.4%	1,275	1,275	0.0%
Silver US\$/oz	32.61	30.10	23.22	21.45	21.00	2.2%	21.25	24.00	-11.5%	21.30	20.25	5.2%	21.30	20.25	5.2%
Uranium Spot US\$/lb	43.16	42.71	40.57	35.87	40.00	-10.3%	36.00	42.50	-15.3%	38.00	45.00	-15.6%	40.00	48.00	-16.7%
Copper US\$/lb	3.57	3.60	3.26	3.21	3.15	1.9%	3.20	3.25	-1.5%	3.15	3.30	-4.5%	3.10	3.30	-6.1%

	FY 2013			FY 2014			FY 2015			FY 2016			LT		
	New	Old	Change %	New	Old	Change %									
Gold US\$/oz	1,420	1,400	1.4%	1,285	1,275	0.8%	1,300	1,300	0.0%	1,300	1,300	0.0%	1,300	1,300	0.0%
Silver US\$/oz	24.01	24.58	-2.3%	21.60	20.25	6.7%	22.00	25.00	-12.0%	22.00	26.50	-17.0%	22.00	22.00	0.0%
Uranium Spot US\$/lb	38.79	41.45	-6.4%	43.25	49.50	-12.6%	62.50	66.25	-5.7%	70.00	70.00	0.0%	70.00	70.00	0.0%
Copper US\$/lb	3.32	3.31	0.1%	3.11	3.30	-5.7%	3.20	3.30	-3.0%	3.20	3.15	1.6%	2.50	2.50	0.0%

Source: Cantor Fitzgerald Research, Bloomberg, Ux Consulting

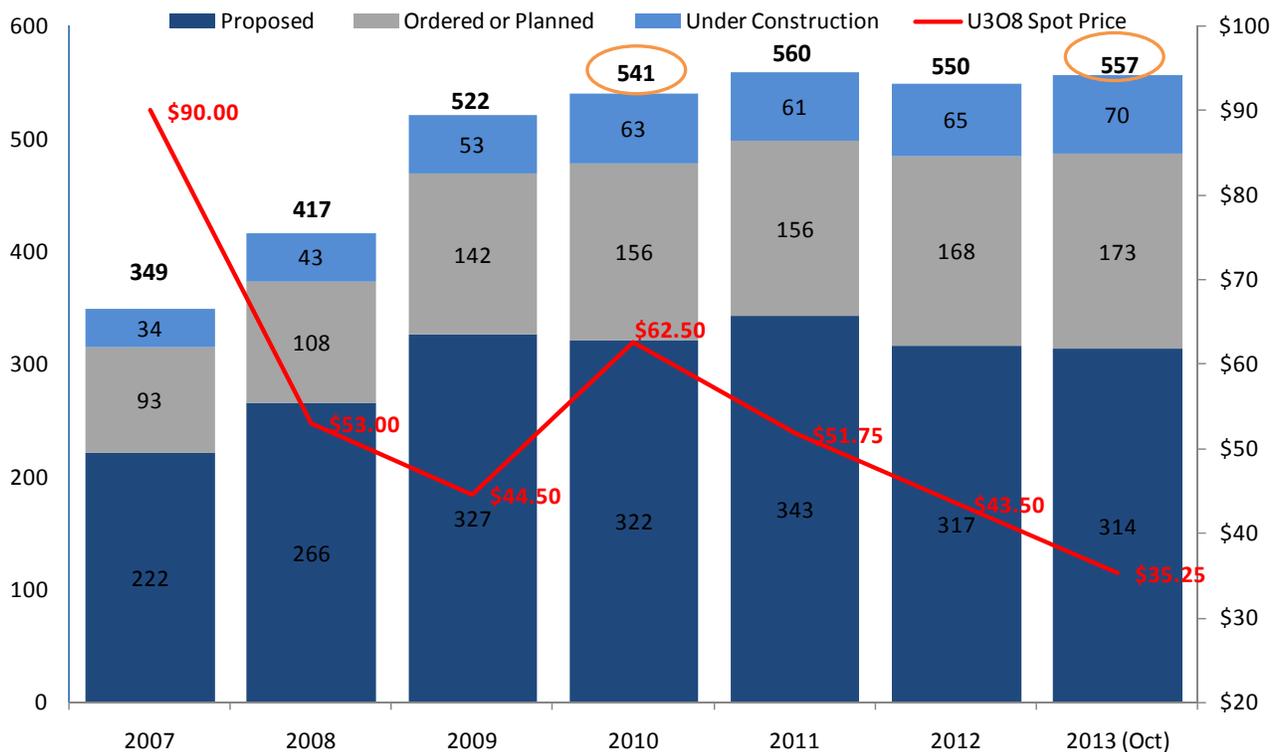
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See disclosure and a description of our recommendation structure at the end of this report.

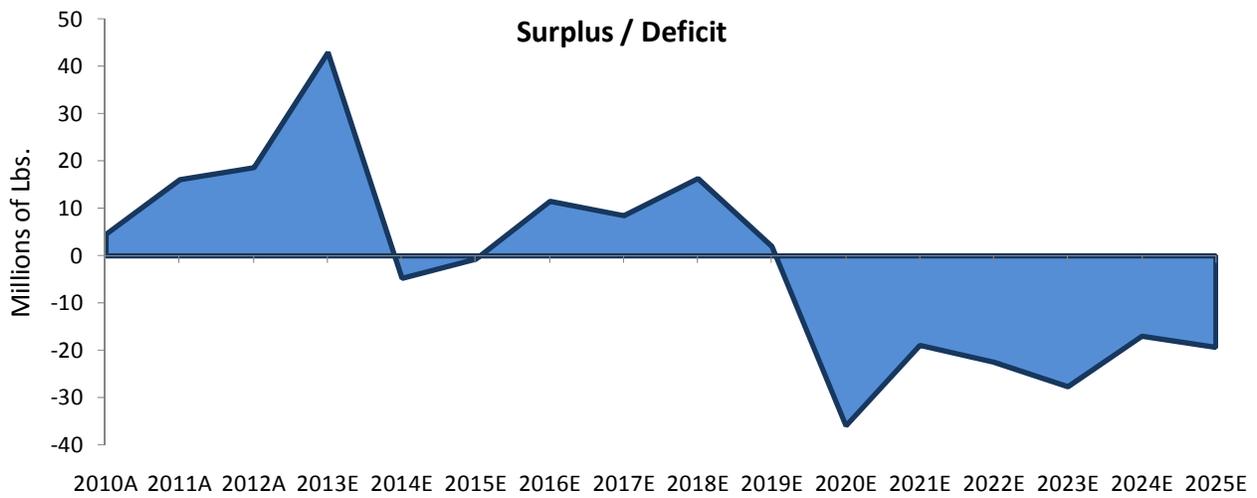
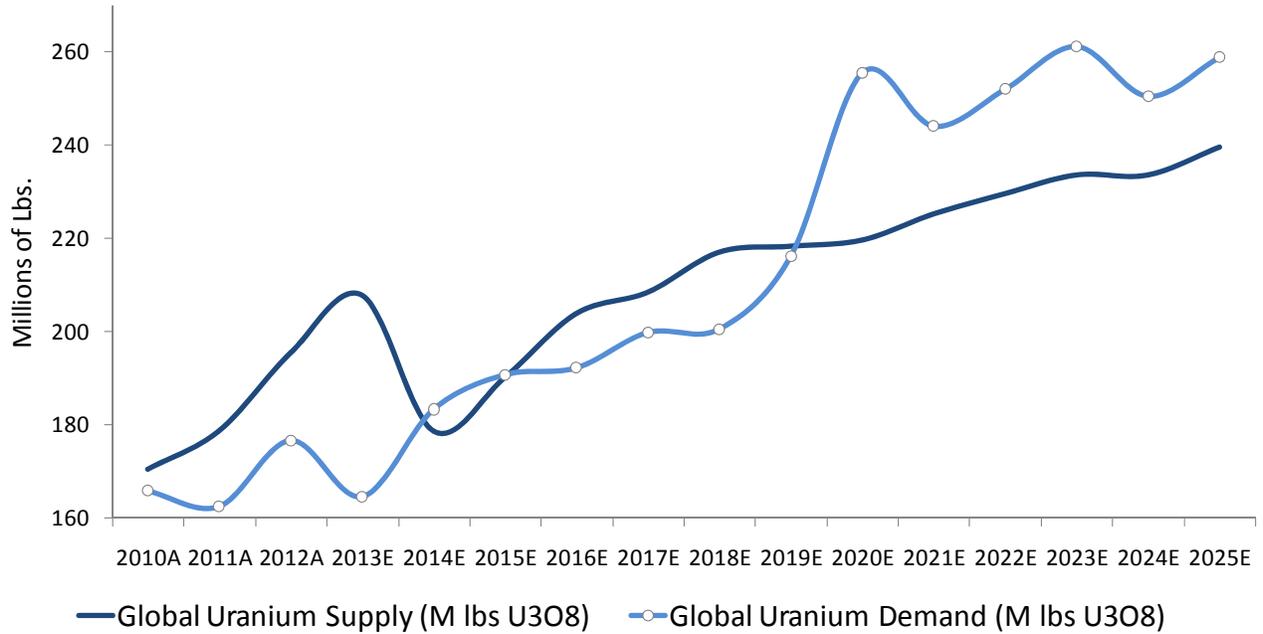
Exhibit 2: Reactors under construction, planned, and proposed



Source: World Nuclear Association, Ux Consulting

In fact, we forecast that the price of uranium will make significant and dramatic moves higher when it does correct upwards. Our rationale stems from our supply and demand forecast, which indicates that there will be a large and unavoidable supply deficit beginning in 2020 as global demand outpaces global supply under the current price environment. Given that it takes 7-10 years for a uranium project to move from greenfield discovery to first production, the fact that 2020 is only six years away means that we will already have a deficit no matter what happens to uranium prices and to mine development plans.

Exhibit 3: Cantor Fitzgerald Uranium Supply & Demand Forecast



Source: World Nuclear Association, Ux Consulting

TARGET PRICE CHANGES

Exhibit 4: Metals & Mining Recommendation and Target Price Changes

Commodity	Company	Ticker	New		Previous		Target Change
			Rating	Target	Rating	Target	
Gold	Premier Gold Mines	PG-TSX; PIRGF-OTO	Buy	\$4.60	Buy	\$4.40	5%
Gold	Primero Mining	P-TSX; PPP-NYSE	Buy	\$6.45	Buy	\$7.05	-9%
Uranium	Alpha Minerals	AMW-TSXV	Buy (Spec)	N/A	Buy (Spec)	N/A	N/A
Uranium	Cameco Corp.	CCO-TSX; CCJ-NYSE	Buy	\$24.70	Buy	\$26.35	-6%
Uranium	Denison Mines	DML-TSX; DNN-NYSE	Buy (Spec)	\$1.60	Buy (Spec)	\$1.60	0%
Uranium	Energy Fuels	EFR-TSX	Restricted				
Uranium	Fission Uranium Corp.	FCU-TSXV; FCUUF-OTCBB	Restricted				
Uranium	Kivalliq Energy	KIV-TSXV	Buy (Spec)	\$0.65	Buy (Spec)	\$0.65	0%
Uranium	Ur-Energy	URE-TSX; URG-NYSE	Buy	\$1.40	Buy	\$1.55	-10%
Uranium	Uranerz Energy	URZ-TSX; URZ-NYSE	Buy	\$1.45	Buy	\$1.50	-3%
Uranium	Uranium Participation Corp.	U-TSX; URPTF-OTCBB	Buy	\$5.65	Buy	\$6.25	-10%

Source: Cantor Fitzgerald Canada

**PREMIER GOLD (PG-TSX, PIRGF-OTO, P20-FRANKFURT):
BUY, \$4.60↑ FROM \$4.40 (+5%)**

We are maintaining a BUY recommendation and are increasing our target price to \$4.60 per share from \$4.40 per share, or by 5%, on Premier Gold Mines.

Our target price is based on a 1.0x multiple to our NAV^{8%} valuation of \$4.58 per share, which increased from \$4.40 per share, or 5%, due primarily to a lower share count as some outstanding options and warrants fell out of the money.

Since our July 16 update, Premier Gold has gained 31.7% - dramatically outperforming spot gold, which gained 3.3% during the same period.

Premier Gold continues to improve on its portfolio of assets despite trading at levels that have not been seen in about four years. At only \$323M in market capitalization, with three high quality gold assets in excellent jurisdictions, and an excellent management team, Premier Gold remains very attractively valued.

As of its most recent update on October 22, 2013, the company further beefed up its already impressive team with the additions of Dyane Duquette (Director, Geology) and Amiel Blajchman (Director, Environment, Aboriginal and Community Affairs). Dyane brings over 19 years of experience in exploration, mine production, resource estimation and project evaluation and will play a key role in advancing the Company's project pipeline. Mrs. Duquette was most recently Geology Superintendent for Agnico Eagle Mines Limited. During nearly 17 years at Agnico, Dyane occupied various positions on several projects, including Production Geologist at the Laronde Mine, Geology Superintendent for the Company's Technical Services Team working on resource estimation and economic studies, and Geology Superintendent for the Goldex Mine. Prior to Agnico, Dyane worked with TVX Gold at their former Casa Berardi Mine. Mr. Blajchman comes to Premier Gold from the Canadian Environmental Assessment Agency, where he had responsibility for the federal environmental assessment process and aboriginal consultations within a diverse range of projects in Ontario.

In September, Premier Gold announced that multiple zones of mineralization had been intersected in the first holes drilled to test below the Cove pit, located along the Eureka-Battle Mountain Trend in Nevada. Highlights from hole AX-46 includes 5.75g/t Au over 4.3m and 7.27g/t Au over 8.0m, along with significant traces of copper, zinc and lead. We view this announcement as significant not only due to the high grade nature of the polymetallic mineralization, but also due to the fact that the discovery has been made on a previously untested host horizon, which now opens up additional significant exploration possibilities on the very large land package.

Exhibit 5: Premier Gold Mines NAV**Premier Gold**

Net Asset Value

Mining Assets

		CDN\$ 000s	Per share
TransCanada Project	(100%)	\$511,041	\$3.37
Rahill-Bonanza	(49%)	\$23,072	\$0.15
Other Properties/Exploration Spend		\$92,443	\$0.61
Sandstorm Gold (SSL-TSX)		\$25,511	\$0.17
Total Mining Assets		\$652,067	\$4.29

Financial Assets

		CDN\$ 000s	Per share
Cash		\$61,209	\$0.40
Working Capital net of cash		\$20,637	\$0.14
LT Liabilities		-\$38,746	-\$0.26
Proceeds from ITM Instruments		\$223	\$0.00
		\$43,323	\$0.29
Net Asset Value	CDN\$	\$695,390	\$4.58

Shares Outstanding (M)	151,720
NAV/sh	\$4.58
Diluted shares outstanding	151,845
NAV per Diluted share (C\$/share)	\$4.58
Current share price (C\$/share)	\$2.38
Price / NAV	0.52x

(1) Corporate adjustments are as of last reported Financial Statements June 30, 2013

Source: Cantor Fitzgerald Canada Estimates, Company Reports

PRIMERO MINING (P-TSX, PPP-NYSE)
BUY, \$6.45↓ FROM \$7.05 (-9%)

We are maintaining a BUY recommendation and are lowering our target price to \$6.45 per share from \$7.05 per share, or by -9%, on Primero Mining.

Our target price is based on a 1.0x multiple to our NAV⁵ valuation of \$6.44 per share, which declined from \$7.04 per share, or -9%, due to a reduction in our silver price forecast.

Since our July 16 update, Primero Mining has gained 22.8% - notably outperforming spot gold, which gained 3.3% during the same period.

We recently had the opportunity to visit Primero's assets and we left San Dimas not only with increased confidence in management's ability to ramp up San Dimas according to plan, but also with the impression that additional production may be achieved through increased efficiencies. Based on our observations and management comments, we believe Primero will meet its guidance with a good likelihood that it may beat them.

Exhibit 6. Previous increase in 2013E guidance

Increased Confidence - Increased Production Guidance²¹

	Original 2013E	Revised 2013E
Gold equivalent production⁷ (gold equivalent ounces)	120,000-130,000	125,000-135,000
Gold production (ounces)	90,000-100,000	95,000-105,000
Silver production ¹⁰ (million ounces)	6.0-6.5	5.6-6.0
Silver sales at spot ¹⁰ (thousand ounces)	900-1,000	850-950
All-in Sustaining Cash Costs⁸ (\$ per gold ounce)	N/A	\$1,050-1,150
Cash cost ⁸ (\$ per gold equivalent ounce)	\$620-640	\$620-640
Cash cost ⁸ - by-product (\$ per gold ounce)	\$280-300	\$410-430
Capital Expenditures ⁵ (\$ million)	\$42	\$56
Exploration ⁵ (\$ million)	\$15	\$19

Source: Primero Mining

Primero Mining will be reporting third quarter results on Wednesday November 6 before the market open.

Exhibit 7: Primero Mining NAV**Primero Mining**

Net Asset Value

		Mining Assets	
		\$ 000s	Per share
San Dimas	(100%)	\$503,373	\$4.76
Cerro Del Gallo	(69%)	\$104,302	\$0.99
Total Mining Assets		\$607,675	\$5.74
		Financial Assets	
		\$ 000s	Per share
Cash		\$130,390	\$1.23
Working Capital net of cash		-\$2,425	-\$0.02
LT Liabilities		-\$56,809	-\$0.54
Proceeds from ITM Instruments		\$1,739	\$0.02
Syndicated Metals (ASX: SMD)	(8.3%)	\$450	\$0.00
		\$73,345	\$0.69
Net Asset Value	\$	\$681,020	\$6.44
Shares Outstanding ('000s)		105,345	
NAV/sh		\$6.46	
Diluted shares outstanding		105,820	
NAV per share (C\$/share)		\$6.44	
Current share price (C\$/share)		\$5.69	
Price / NAV		0.88x	

(1) Corporate adjustments are as of last reported Financial Statements June 30, 2013

Source: Cantor Fitzgerald Canada Estimates, Company Reports

**ALPHA MINERALS (AMW-TSXV)
BUY (SPECULATIVE)**

We are maintaining a BUY recommendation with no target price for Alpha Minerals. Since our July 16 update, Alpha Minerals has gained 22.1% - outperforming spot U₃O₈, which lost 6.9% during the same period.

With the friendly takeover offer from Fission Uranium expected to close in November, we believe Alpha Minerals should trade near the share exchange value less an appropriate time value and deal risk discount (we believe AMW's pending spinco has immaterial value). However, we are of the opinion that there is significant support in favour of the deal and that it will close without issue.

The FCU to AMW share exchange ratio is 5.725:1. Based on a trading price of \$1.12/share for FCU, the fair value for each AMW share would be \$5.73/share, or about 6% higher than where it is trading at currently. However, aside from the upside based on the transaction, we continue to see significant upside potential from Patterson Lake South, which we believe will become a world-class uranium deposit. We currently estimate the project to contain 54.5M lbs of U₃O₈ at an average grade of 1.86%.

CAMECO CORPORATION (CCO-TSX, CCJ-NYSE)
BUY, \$24.70↓ FROM \$26.35 (-6%)

We are maintaining a BUY recommendation and are lowering our target price to \$24.70 per share from \$26.35 per share, or by -6%, on Cameco.

Our target price is based on the application of a 15x multiple to our forward cash flow forecast of \$1.65 per share, which is down 9% from our previous forecast of \$1.82 per share. The change primarily stems from a reduction in our uranium price forecast.

Since our July 16 update, Cameco has declined by 12.5% - underperforming the U₃O₈ spot price which has declined by 6.9% in the same time frame.

Our NAV^{8%} valuation of \$21.30 per share is 8% higher than our previous estimate of \$19.78 per share. This change is due primarily to the application of a more appropriate in-situ valuation for Cameco's Athabasca-based assets, which now use a \$/lb multiple of \$9.48/lb as a reflection of the most relevant recent transactions in the region. The impact of this increase was offset by the reduction in our forecast uranium prices.

Exhibit 8: Cameco NAV

Projects	Cameco Corporation		Comment
	NAV	Per Share	
Uranium, Fuel Services, Electricity and Nukem Divisions	6,610.1	\$16.72	2014 DCF @ 8% Discount Rate
Wheeler River/Millennium/Kintyre	797.4	\$2.02	In-Situ Valuations
UEX Corp.	24.0	\$0.06	22.58% Ownership at a 20% discount
Working Capital	990.5	\$2.51	Q2/13 Financials
Total	8,422.1	\$21.30	

Source: Cantor Fitzgerald Canada Estimates, Company Reports

Cameco announced on September 9th that initial mine production for Cigar Lake will be delayed to Q1/14 while additional mill modifications will delay ore processing to mid-2014. As such, expected production of 300,000 lbs out of Cigar Lake will not be attained this year. This is negative for Cameco as these delays will push out expected revenues and cash flow from the Cigar Lake mine.

We note management stated that construction at Cigar Lake is 97% complete (as of September 9th) and commissioning of mining systems is, "well advanced". Moreover, there will be not material change in the Cigar Lake capital cost.

Uranium sector impact: Cigar Lake is the primary source of U₃O₈ earmarked to replace the approximately 24M lbs/year of supply that came from the U.S.-Russian Highly Enriched Uranium agreement ("HEU") agreement. At its peak Cigar Lake is expected to produce 18M lbs of material annually. This delay highlights exactly how sensitive the supply side of the equation is to disruptions. We note that production ramp-ups rarely go according to plan and are usually slower and less than expected.

DENISON MINES (DML-TSX, DNN-NYSE) BUY SPECULATIVE, \$1.60 MAINTAINED

We are maintaining a BUY (Speculative) recommendation and our \$1.60 target price on Denison Mines. Our target price is based on a 1.0x multiple to our NAV_{10%} valuation of \$1.58 per share.

Since our July 16 update, Denison has declined by 19.8% - underperforming the U₃O₈ spot price which declined by 6.9%.

Exhibit 9: Denison Mines NAV

Asset	Attributable		EV/Lb	Value (\$M)	Per share	Ownership
	M Lbs U ₃ O ₈					
Revenue Generating Assets						
McClean Lake Mill				\$31.5	\$0.07	22.5%
UPC Contract Value				\$16.8	\$0.04	
In-Situ Valuation						
Gurvan Saihan JV	21.8		\$1.00	\$21.8	\$0.05	100%
McClean Lake Deposits	5.9		\$9.48	\$56.4	\$0.12	22.5%
Midwest	13.4		\$9.48	\$127.4	\$0.28	25.17%
Mutanga	49.2		\$1.00	\$49.2	\$0.11	100%
Waterbury Lake	7.7		\$9.48	\$72.8	\$0.16	60%
Wheeler River Project	35.9		\$9.48	\$340.5	\$0.74	60%
Other Assets						
International Enexo				\$1.2	\$0.00	
Working Capital Net of Cash				-\$0.0	-\$0.00	
Cash				\$31.4	\$0.07	
Valuation				\$749.0	\$1.58	

Source: Cantor Fitzgerald Canada Estimates, Company Reports

On September 17th, Denison Mines announced a takeover bid to acquire all the outstanding shares of Mali, West Africa-focused Rockgate Capital Corp. (RGT-TSX, Not rated) in exchange for shares in Denison Mines.

We view this takeover as potentially positive. This takeover offer will further expand Denison's uranium portfolio in Africa (Denison currently owns the Mutanga Project in Zambia and the Dome Project in Namibia) where the intent may be to expand the portfolio, group the properties, and then spin off all the assets into a new entity. If this in fact is the end goal, it will leave Denison as an almost pure-play with an Athabasca Basin focus - which we believe makes it a more appetizing takeover target.

Rockgate's main asset is the Falea polymetallic property which hosts a NI43-101 global resource of 45.25M lbs U₃O₈.

If an African spinoff were to happen, it would leave Denison with Athabasca Basin-focused properties such as Wheeler River (35.9M lbs U₃O₈ attributable global resource), Midwest (10.8M lbs attributable), Waterbury Lake (7.7M lbs attributable), and McClean (4.0M lbs attributable). A company with these assets would make a much cleaner acquisition target for any major looking to expand its footprint in the Basin such as Cameco or Rio Tinto (RIO-NYSE, \$51.88, Not Rated).

On October 21st, it was announced that the Rockgate Board of Directors recommends the acceptance of the Denison takeover offer.

**ENERGY FUELS (EFR-TSX)
RESTRICTED**

We are restricted on Energy Fuels.

Since our July 16 update, Energy Fuels has declined by 11.8% - underperforming the U₃O₈ spot price which declined by 6.9% in the same time frame.

**FISSION URANIUM (EFR-TSX)
RESTRICTED**

We are restricted on Fission Uranium.

Since our July 16 update, Fission Uranium has gained 28.4% - outperforming the U₃O₈ spot price which declined by 6.9% in the same time frame.

KIVALIQ ENERGY (KIV-TSXV)
BUY SPECULATIVE, \$0.65 MAINTAINED

We are maintaining a BUY (Speculative) recommendation and are maintaining our \$0.65 target price on Kivalliq Energy. The target price is based on applying a 1.0x multiple of the peer average market valuations to three likely near-term resource size scenarios for Angilak.

Exhibit 10: Valuation based on three resource size scenarios at Angilak

Resource Size	Weight	Valuation	Blended Valuation
43 M lbs (current)	60%	\$0.72	\$0.43
50 M lbs	30%	\$0.83	\$0.25
60 M lbs	10%	\$1.00	\$0.10
	100%		\$0.78
Working Capital		\$20.30	\$0.12
Valuation			\$0.90

Source: Cantor Fitzgerald Canada Estimates

Since our July 16 update, Kivalliq has declined by 15.4% - underperforming the U₃O₈ spot price which declined by 6.9% during the same period.

On September 9th, Kivalliq Energy announced assay results received from 1,538 geochemical samples collected within the Lac 50 trend (and directly to the south in the Angikuni sub-basin) which identified new anomalous zones and prioritized existing zones for future exploratory and resource drilling. A total of 387 anomalous uranium soil geochemical results (using the 75th percentile threshold) were reported over the entire width and length of the Lac 50 trend and along the new Nine Iron-KU trend, situated 5.5 km south.

More recently, on October 15th Kivalliq announced the acquisition of Pacific Ridge Exploration's (PEX-TSXV, Not rated) 100% interest in the Baker Basin uranium property. The property comprises 232,262 acres located on the southern boundary of the Baker Lake Basin in Nunavut. Multiple target zones based on results from work by previous exploration groups and public disclosure states aggregate expenditures on the property in excess of C\$7.1 million since 2006. Highlight down hole intervals from publicly disclosed drill assays include:

- 0.56% U₃O₈ over 5.5m (within a broader interval of 0.31% U₃O₈ over 11.5m) and 0.27% U₃O₈ over 5.8m at the KZ Zone
- 0.51% U₃O₈ over 9.0m (within a broader interval of 0.30% U₃O₈ over 17.3m) and 0.35% U₃O₈ over 10.0m at the Lucky 7 Zone

UR-ENERGY (URE-TSX, URG-NYSE)**BUY, \$1.40↓ FROM \$1.55 (-10%)**

We are maintaining a BUY recommendation and are decreasing our target price to \$1.40 per share from \$1.55 per share, or by 10%, on Ur-Energy.

Our target price is based on a 1.0x multiple to our NAV_{10%} valuation of \$1.42 per share which is 8% lower than our previous estimate of \$1.54 per share. The change primarily stems from a reduction in our uranium price forecast.

Since our July 16 update, Ur-Energy has declined by 6.0% - outperforming the U₃O₈ spot price which declined by 6.9% in the same time frame.

Ur-Energy transitioned to the prestigious producer status in early August when it was announced that in-situ recovery production out of Lost Creek had commenced. On September 25th, initial flow rates were revealed totaling an annualized production number of over 800,000 lbs U₃O₈.

The facility surpassed a daily recovery rate of 2,200 lbs of U₃O₈ as the process flow rate through the recovery plant was sustained above 1,800 gallons per minute. Note that the flow is derived from three header houses in the first mine unit area. Additional header houses will be brought on line when needed to sustain the targeted production rate. The company expects to start shipping finished product from Lost Creek sometime during the fourth quarter.

Plenty of upside remains - Note that the Lost Creek recovery plant circuits have the capacity to sustain 6,000 gallons per minute (compared to the 1,800 gallons per minute announced on September 25th) while the facility itself is licensed to produce 1M lbs of U₃O₈ per year (compared to the initial 800,000 lbs annualized).

Exhibit 11: UR-Energy NAV

Projects	UR-Energy		Comment
	NAV	Per Share	
Lost Creek	\$110.1	\$0.86	2014 DCF @ 10% Discount Rate
Pathfinder	\$41.1	\$0.32	2014 DCF @ 12% Discount Rate
Lost Soldier	\$43.9	\$0.34	2014 DCF @ 10% Discount Rate
Debt	-\$18.1	-\$0.14	PV of LT Debt @ 10% Discount Rate
Working Capital	\$3.7	\$0.03	Q2/13 Financials + Cash Proceeds from ITM Options
Total	180.7	\$1.42	

Source: Cantor Fitzgerald Canada Estimates, Company Reports

URANERZ ENERGY (URZ-TSX, URZ-NYSE)**BUY, \$1.45↓ FROM \$1.50 (-3%)**

We are maintaining a BUY recommendation and are lowering our target price to \$1.45 per share from \$1.50 per share, or by -3%, on Uranerz.

Our target price is based on a 1.0x multiple to our NAV_{10%} valuation of \$1.45 per share which is 3% lower than our previous estimate of \$1.50 per share. The change primarily stems from a reduction in our uranium price forecast.

Since our July 16 update, Uranerz has declined by 21.0% - underperforming the U₃O₈ spot price which declined by 6.9% in the same time frame.

Exhibit 12: Uranerz Energy NAV

Projects	Uranerz Energy		Comment
	NAV	Per Share	
Nichols Ranch, Hank, Jane Dough and Reno Creek	116.1	\$1.35	2014 DCF @ 10% Discount Rate
Working Capital	8.1	\$0.09	Q2/13 Financials + Recent Financing
Total	124.2	\$1.45	

Source: Cantor Fitzgerald Canada Estimates, Company Reports

On September 6th, Uranerz closed a \$10M bought deal offering of 8,550,000 units comprised of a share and one-half of a share purchase warrant exercisable at \$1.60 for a period of 30 months. The net proceeds from the Offering will be utilized to fund ongoing construction of the Company's Nichols Ranch ISR Uranium Project and for general corporate purposes.

URANIUM PARTICIPATION (U-TSX, URPTF-OTC) BUY, \$5.65↓ FROM \$6.25 (-10%)

We are maintaining a BUY recommendation and are lowering our target price to \$5.65 per share from \$6.25 per share, or by -10%, on Uranium Participation Corp.

Our target price is based on a 1.0x multiple to our portfolio NAV of \$5.64/share for Uranium Participation Corp. The portfolio NAV is derived from the application of an average U₃O₈ spot price of \$39.75/lb and a UF₆ price of \$119.25/kg to the portfolio, which is 9% lower than the prior estimates of \$43.88/lb and \$131.63/Kg, respectively. Our revised prices are based on a rolling forward four-quarter average.

Since our July 16 update, Uranium Participation has declined by 3.7% - outperforming the U₃O₈ spot price which declined by 6.9% in the same time frame.

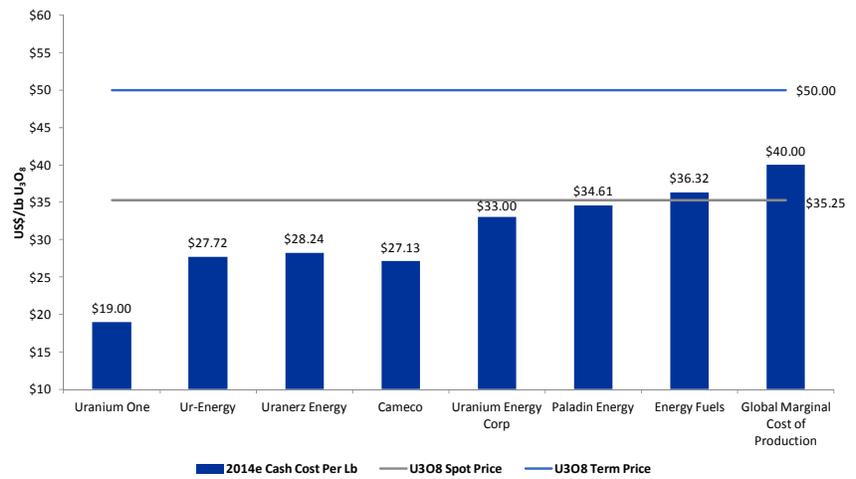
Exhibit 13: Uranium Participation Corp Valuation

Valuation Forecast						
	Units	Quantity	Cost	Cantor Forecast USD	Cantor Forecast CAD	Market Value CAD
U3O8	lb	7,565,525	342,495	\$39.75	\$41.30	312,456
UF6	kg	2,253,471	389,998	\$119.25	\$123.90	279,205
			732,493			591,661
Net Working Capital						7,739
						NAV
						599,400
Shares O/S 106,350,413				NAVPS		\$5.64

Source: Cantor Fitzgerald Canada Estimates, Company Reports

With the compelling supply and demand backdrop for uranium continuing, we believe Uranium Participation provides investors with the upside of the pending rise in uranium price without operational risks. We remind our readers that the current low price environment is unsustainable. As noted in the exhibit below, the \$35.25/lb spot price is below our forecast global marginal cost of production and below or near the 2014 expected cost profiles of several publicly traded producers.

Exhibit 13: Uranium Cost Curve



Source: Cantor Fitzgerald Canada Estimates, Company Reports

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BUY: The stock is attractively priced relative to the company's fundamentals and we expect it to appreciate significantly from the current price over the next 6 to 12 months.

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.

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