October 16, 2014
Sector Update

QUARTERLY COMMODITY OUTLOOK

Gold to drift lower as our near-term outlook on uranium improves

	Actual			Q3/14		Variance	Q4/14		Change	Q1/15		Change	Q2/15		Change
	Q4/13	Q1/14	Q2/14	Actual	Est.	%	New	Old	%	New	Old	%	New	Old	%
Gold US$/oz	1,294	1,294	1,291	1,289	1,325	-2.7%	1,225	1,350	-9.3%	1,225	1,400	-12.5%	1,225	1,400	-12.5%
Silver US$/oz	21.33	20.47	19.70	19.71	21.00	-6.1%	19.80	21.25	-6.8%	20.00	21.25	-5.9%	20.00	21.25	-5.9%
Uranium Spot US$/lb	34.98	35.17	29.70	31.19	29.00	7.6%	37.50	30.00	25.0%	39.00	32.50	20.0%	41.50	35.00	18.6%
Copper US$/lb	3.25	3.19	3.09	3.17	3.10	2.3%	3.10	3.10	0.0%	3.10	3.10	0.0%	3.10	3.15	-1.6%

	FY 2014		Change	FY 2015		Change	FY 2016		Change	FY2017		Change	LT		Change
	New	Old	%	New	Old	%	New	Old	%	New	Old	%	New	Old	%
Gold US$/oz	1,275	1,317	-3.2%	1,238	1,381	-10.4%	1,250	1,350	-7.4%	1,250	1,350	-7.4%	1,300	1,300	0.0%
Silver US$/oz	19.92	20.87	-4.6%	20.00	21.13	-5.3%	20.00	21.50	-7.0%	20.00	21.50	-7.0%	20.00	20.00	0.0%
Uranium Spot US$/lb	33.39	32.54	2.6%	42.75	36.25	17.9%	50.00	45.00	11.1%	60.00	60.00	0.0%	70.00	70.00	0.0%
Copper US$/lb	3.14	3.13	0.3%	3.11	3.18	-2.2%	3.25	3.25	0.0%	3.20	3.20	0.0%	3.00	3.00	0.0%

			New		Previous		
Commodity	Company	Ticker	Rating	Target	Rating	Target	Target Change
Precious Metals	Brazil Resources	BRI-TSXV; BRIZF:OTCQX	Buy	$2.80	Buy	$2.95	-5%
Precious Metals	Paramount Gold & Silver	PZG-TSX; PZG-NYSE	Buy	$1.75	Buy	$1.80	-3%
Precious Metals	Pershing Gold	PGLC-OTCQB	Restricted		Buy	$0.55	N/A
Precious Metals	Premier Gold Mines	PG-TSX; PIRGF-OTO	Buy	$4.15	Buy	$4.10	1%
Precious Metals	Primero Mining	P-TSX; PPP-NYSE	Buy	$9.65	Buy	$9.65	0%
Uranium	Cameco Corp.	CCO-TSX; CCJ-NYSE	Buy	$26.25	Hold	$24.90	5%
Uranium	Denison Mines	DML-TSX; DNN-NYSE	Buy (Spec)	$1.85	Buy (Spec)	$1.90	-3%
Uranium	Energy Fuels	EFR-TSX; UUUU-NYSE	Buy	$10.50	Buy	$10.00	5%
Uranium	Fission Uranium Corp.	FCU-TSX; FCUUF-OTCBB	Buy (Spec)		Buy (Spec)	N/A	N/A
Uranium	Kivalliq Energy	KIV-TSXV	Buy (Spec)	$0.25	Buy (Spec)	$0.30	-17%
Uranium	Ur-Energy	URE-TSX; URG-NYSE	Buy	$2.30	Buy	$2.25	2%
Uranium	Uranerz Energy	URZ-TSX; URZ-NYSE	Buy	$1.75	Buy	$2.10	-17%
Uranium	Uranium Energy Corp	UEC-NYSE	Buy	$2.15	Buy	$1.75	23%
Uranium	Uranium Participation Corp.	U-TSX; URPTF-OTCBB	Buy	$6.15	Hold	$5.30	16%

Source: Cantor Fitzgerald Research, Bloomberg, Ux Consulting

GOLD: LITTLE SUPPORT AS THE DOLLAR STRENGTHENS

We have decreased our gold price forecasts for FY 2014 to total $1275/ounce, representing a moderate decrease of 3.2% from our previous forecast, while our FY 2015 forecast has decreased by 10.4% to reach $1,238/ounce. Gold has been volatile and has decreased by 5% since our last commodity price update in late July.

Despite continued geopolitical tensions in the Middle East and the spread of Ebola onto American shores, gold had a turbulent quarter amid-good economic news coming out of the U.S., within a broader negative outlook in the world economy.

On September 15, the OECD's Interim Economic Assessment revised its forecasts for annual GDP growth in all

Equity Research

Rob Chang, MBA
RChang@cantor.com
(416) 849-5008

Associate: Michael Wichterle, MBA,
MWichterle@cantor.com
(416) 849-5005

***Sales/Trading* — Toronto:** (416) 363-5757, (800) 442-4485

the G7 economies along with Brazil, China and India. All G7 countries have seen their growth numbers decline since the previous May 2014 outlook. China's numbers remained flat while India (2014e) and the United Kingdom (2015e) were the only economies on the list which registered a forecast increase.

Exhibit 1: Annual GDP growth (%) revised interim projections

	2013	2014e			2015e		
	Actual	May-2014 Outlook	Sep-2014 Forecast	Difference	May-2014 Outlook	Sep-2014 Forecast	Difference
United States	2.2	2.6	2.1	-0.5	3.5	3.1	-0.4
Eura area	-0.4	1.2	0.8	-0.4	1.7	1.1	-0.6
Japan	1.6	1.2	0.9	-0.3	1.2	1.1	-0.1
Germany	0.2	1.9	1.5	-0.4	2.1	1.5	-0.6
France	0.4	0.9	0.4	-0.5	1.5	1.0	-0.5
Italy	-1.8	0.5	-0.4	-0.9	1.1	0.1	-1.0
United Kingdom	1.8	3.2	3.1	-0.1	2.7	2.8	0.1
Canada	2.0	2.5	2.3	-0.2	2.7	2.7	0.0
China	7.7	7.4	7.4	0.0	7.3	7.3	0.0
India	4.7	4.9	5.7	0.8	5.9	5.9	0.0
Brazil	2.5	1.8	0.3	-1.5	2.2	1.4	-0.8

Source: OECD Interim Economic Assessment – September 2014

At time of printing, we note that the German Finance Ministry has slashed its 2014 economic growth outlook to 1.2%, from the previous estimate of 1.8% while the 2015 GDP growth number was cut to 1.3% from the previous 2.0%. This negative revision coincided with the most recent ZEW indicator of economic sentiment which decreased for a tenth month in October. The German index of investor and analyst expectations declined to -3.6 this month, compared to the previous 6.9 in September. The current number represents the lowest point that the indicator has been at since November 2012.

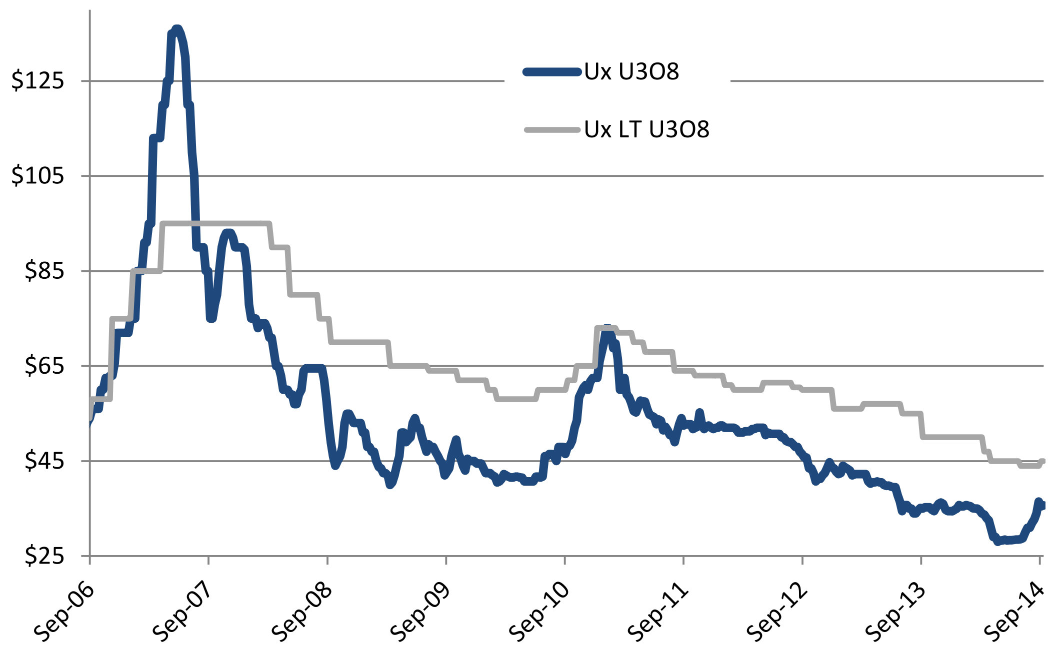
In early October the U.S. saw its jobless rate drop to a six year low. Official figures came in at 5.9% in September, representing a further decrease from the 6.1% registered in August. The U.S. Labor Department also stated that employers added 248,000 jobs last month, and the job growth figures for August and July were revised upwards. That said, jobless claims in the U.S. fell to an eight year low as the number of people seeking jobless benefits at state employment agencies averaged 287,750 in the four weeks ended October 4. It is conceivable that the positive economic numbers will lead to the Fed to hike interest rates, but this scenario seems likely to play out in the longer term rather than anytime soon. Reacting to the positive data points, the dollar had gains over just about every major currency as the euro, the yen, and Canadian dollar plunged. As such, gold during the earlier part of October was trading at just below $1,200/oz – territory not seen since December 2013.

URANIUM: VIOLENT MOVE UPWARDS IN THE SPOT PRICE

As we continue to forecast a significant and dramatic move in the price of uranium over the longer term, we have moderately increased our near-term outlook and now forecast a 2014 average U_3O_8 price of US$33.39/lb., which is 2.6% higher than our prior forecast of US$32.54/lb. Moreover, we have increased our 2015 assumption to US$42.75/lb., or higher by 18%.

After spending the entire summer at below $30/lb, (representing the lowest point since 2005) the spot price did in fact make a violent move upwards as it advanced by 25% to the current $35.44/lb. Threats to uranium supply such as the possibility of Russian sanctions and the work stoppage at Cameco's largest mine (since resolved) have factored in to driving the spot price higher. These effects also impacted the term price which increased from $44/lb. to $45/lb. – the first such increase since April 2013. Additionally, it was announced last week that the U.S, Department of Energy would provide up to $12B in loan guarantees for "advanced nuclear energy projects". This falls within the Obama administration's energy policy focused on reducing carbon emissions.

Exhibit 2: Weekly U_3O_8 spot and term Price

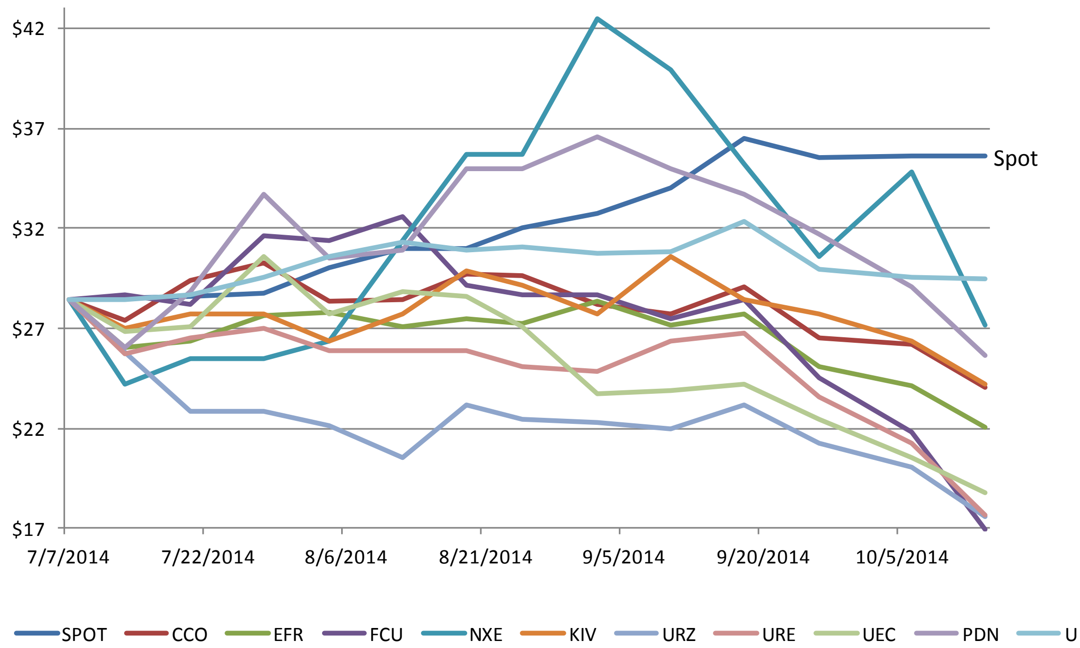


Source: Ux Consulting

We also note that our conversations with industry participants in the uranium market have gained a more positive tone, which further strengthens our confidence in firmer prices in the interim. These are the same sources that believed $28/lb. spot uranium was possible when it was trading in the mid-$30s.

Despite the strength in uranium prices over the past few months, uranium equities however were predominantly lower since our last update. The disconnect between uranium equities (both producers and explorers) and the spot price is illustrated below:

Exhibit 3: Uranium equities (re-based & weekly) vs. Spot – July 7, 2014 - present



Source: Cantor Fitzgerald Canada Research, Bloomberg

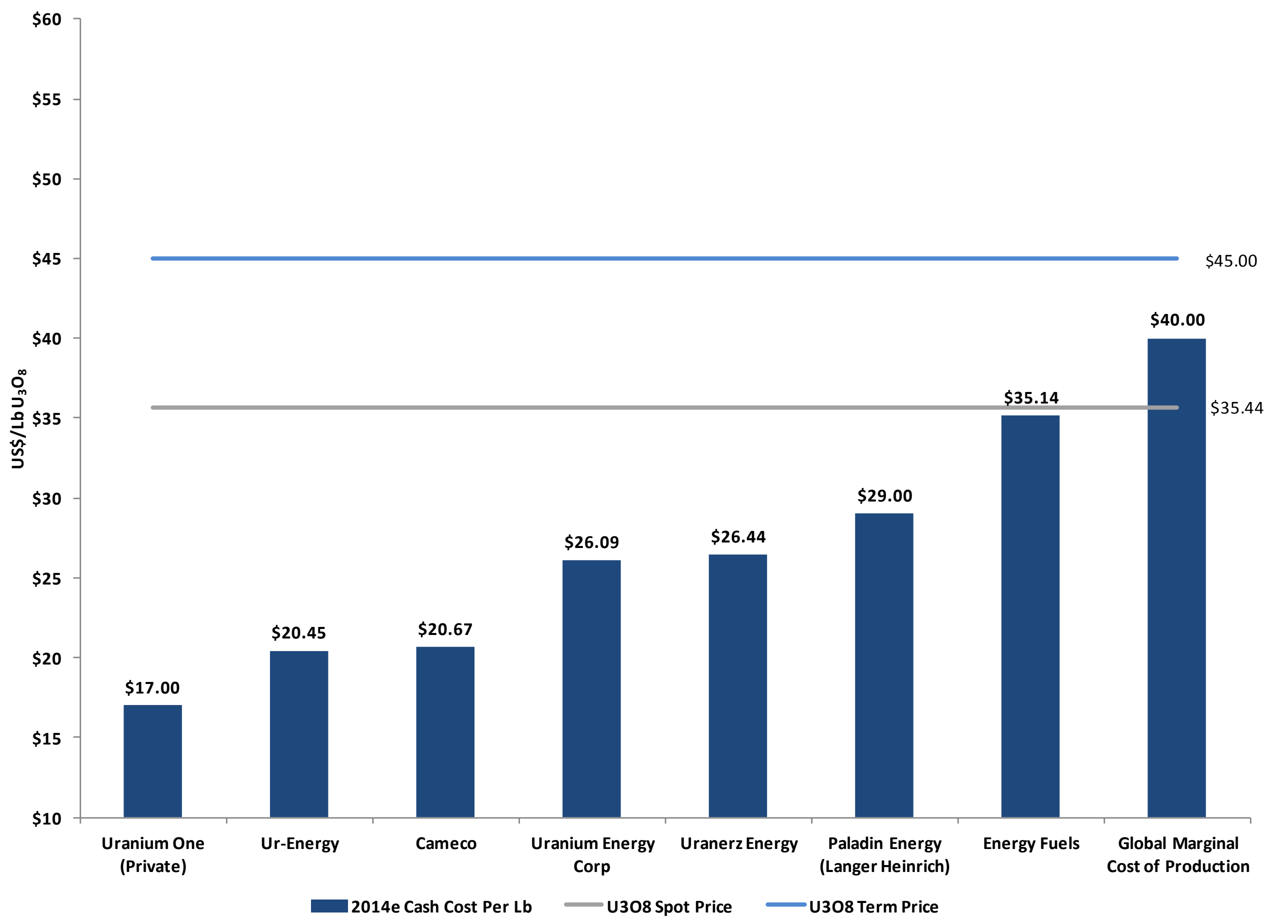
As can be seen in the above chart, since July 7, Fission Uranium (FCU), along with the trio of U.S.-based ISR producers (UEC, URE and URZ) have all declined by approximately 37%. Large-cap Cameco (CCO) has declined by 16% while Uranium Participation Corp. (U) represented the only gainer over the period, posting a modest gain of 1% on the back of recent drilling success. Recall again that the spot uranium price advanced by 25% over the same period.

In September, the Japanese Nuclear Regulatory Agency ("NRA") announced that the Kyushu Electric Power Company's Sendai plant in southwestern Japan has met the safety requirements required for a restart. Though the Japanese re-start path has been a slow one, we continue to see the September announcement as an important event for the uranium space as it signals a step closer to the resumption of nuclear power usage in Japan, which currently has all of its 48 nuclear reactors halted. Keep in mind that the two nuclear reactor power stations still need to pass operational safety checks as well as win the approval of local authorities. It is reported that local authorities are in support of the restart. One must also temper expectations as NRA chief Sunichi Tanaka mentioned that it is unlikely for all 48 reactors to be restarted as the older reactors (aged 40 years or more) may be decommissioned while others may not meet the regulatory commission's restart standards.

Pre-Fukushima, Japan's nuclear reactors supplied up to 30% of the country's electricity at one point. We continue to view the September announcement as a positive signaling event for the uranium sector as a significant amount of the current U_3O_8 inventory is a result of material earmarked for Japan not being used. We estimate that 15 reactors including the Sendai pair will restart in 2015 with an additional four restarting in 2016. Ultimately we expect 32 of the country's remaining 48 reactors will be restarted by 2018 – amounting to about 14.5M lbs. of annual U_3O_8 demand on a steady state basis. Prior to Fukushima, Japan consumed 21.3M lbs. U_3O_8 on an annualized basis.

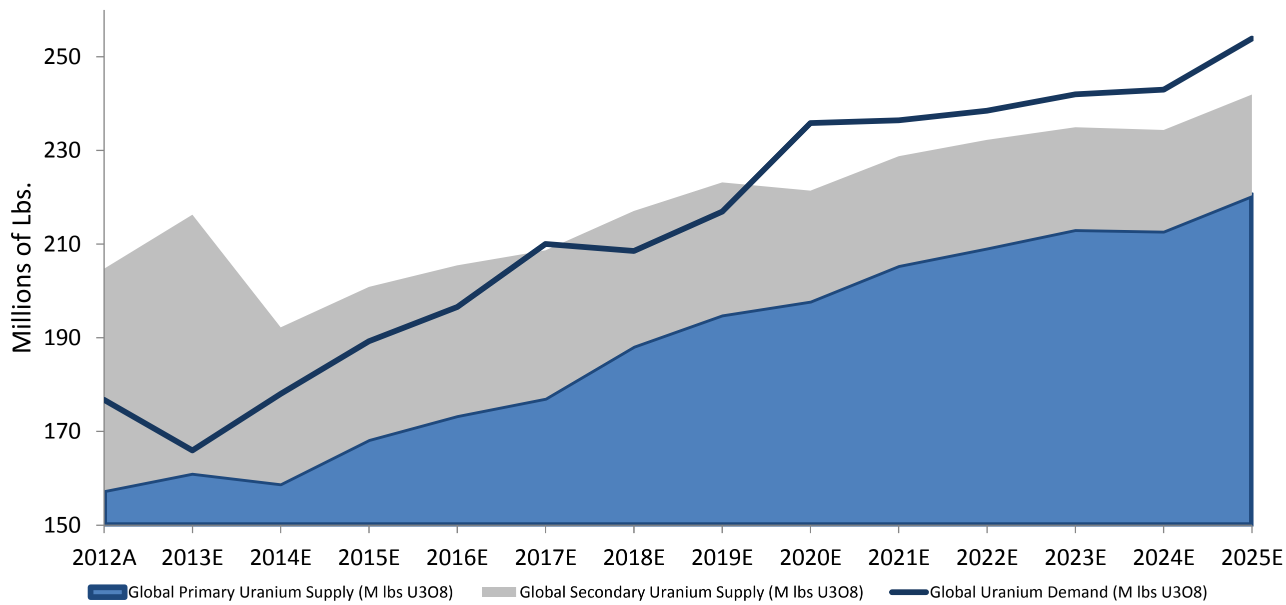
With low uranium prices not incentivizing additional uranium production, a demand environment that is expected to grow continuously (we forecast 17% growth by 2020), and a recent 25% increase in the spot price if U_3O_8 that was met with a decrease in uranium equity valuations nearly across the board, we believe uranium equities are well positioned to move higher.

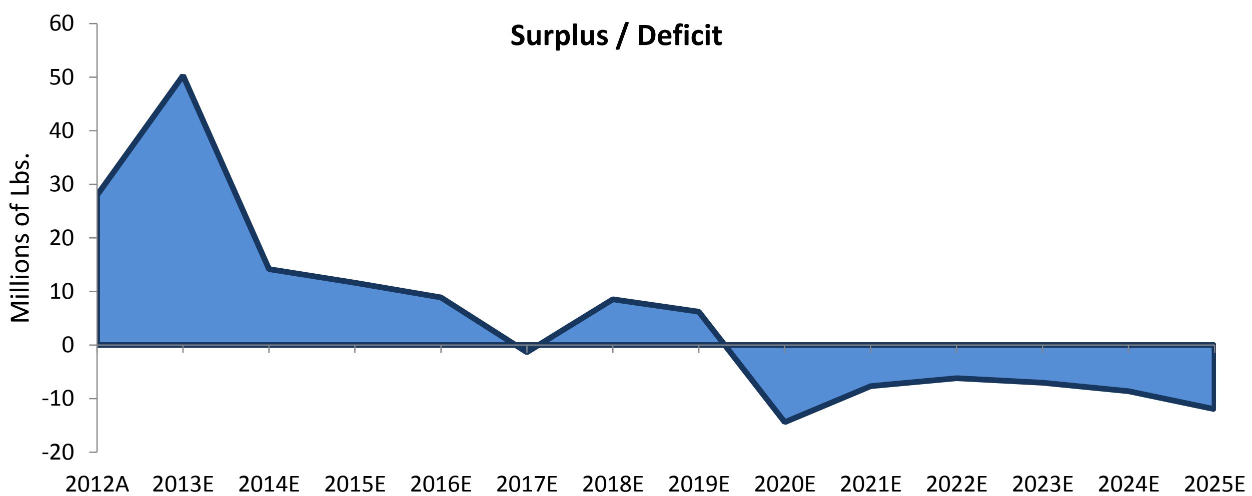
Exhibit 4: Global Uranium Cost Curve



Source: Cantor Fitzgerald Canada Estimates, Ux Consulting, Company Reports

Exhibit 5: Cantor Fitzgerald Uranium Supply & Demand Forecast





Source: World Nuclear Association, Ux Consulting, Cantor Fitzgerald Canada estimates

BRAZIL RESOURCES (BRI-TSXV): BUY, $2.80↓ FROM $2.95 (-5%)

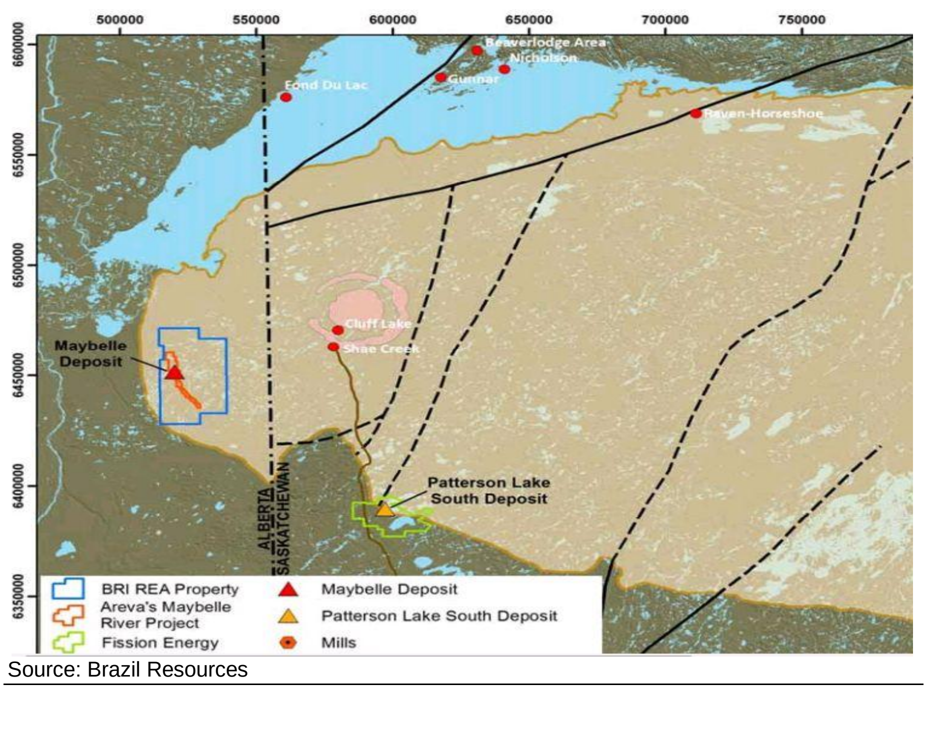
We are maintaining a BUY recommendation and are decreasing our target price to $2.80 per share from $2.95 per share, or by -5%, on Brazil Resources. Our target price is based on a 1.0x multiple to our NAV8% valuation of $2.78 per share. The target price decrease is based on the downward revision to our gold price forecast.

Since our July 25 update, Brazil Resources has decreased by 22%, underperforming the spot gold price which has declined by 5% in the same time frame.

In mid-September, a technical report was completed on the Rea Uranium Project (the company's secondary asset) located in the Athabasca Basin.

The Rea Project is located 185 km north-northwest of Fort McMurray, Alberta in the western portion of the Athabasca Basin, in underexplored area that has seen renewed exploration activity as a result of recent near surface, high-grade discoveries in the nearby Patterson Lake area. The Project consists of 12 contiguous exploration permits covering approximately 885 sq km. that surround Areva's Maybelle River Project, which hosts the relatively shallow (150 m below surface), high-grade Maybelle uranium deposit.

Exhibit 6: Rea location map



Source: Brazil Resources

The recommended exploration program, as outlined in the Technical Report, is focused on two high priority targets (North Zone and West Zone; Rea North and West Zone Map). The North Zone target is located directly north of Areva's permits, where the Maybelle River Shear Zone can be traced for an additional 11 km to the north by geophysics and drilling on the Rea Project. Historic drilling (7 holes) in this area has tested the MRSZ over a strike distance of approximately 3 km, with several of these holes intersecting fault breccias in the overlying Athabasca Basin sedimentary rocks along with associated clay alteration, dravite, geochemically anomalous uranium and pathfinder elements (copper, lead, nickel, arsenic, boron and vanadium), features commonly associated with unconformity-type uranium deposits. The recommended drill holes (approx. 6 holes totalling 2,600 m) will test below these historic holes closer to the intersection of the MRSZ and the unconformity separating the Athabasca Basin sedimentary rocks and the underlying Archean basement.

We remain positive on the low cost gold project (all-in sustaining cost of approximately $800/ounce) and maintain our initially forecasted production start at 2018.

Exhibit 7: Brazil Resources NAV

Mining Assets				
		CDN$ 000s	Per share	Comment
Sao Jorge	(100%)	$113,788	$1.57	8% NPV
Cachoeira	(100%)	$42,733	$0.59	In-Situ Valuation ($40/oz Indicated, $20/oz Inferred)
Boa Vista	(100%)	$13,440	$0.19	In-Situ Valuation ($40/oz Indicated, $20/oz Inferred)
Surubim	(100%)	$20,120	$0.28	In-Situ Valuation ($40/oz Indicated, $20/oz Inferred)
Rea Uranium Project	(100%)	$10,000	$0.14	Exploration spend
Total Mining Assets		**$200,082**	$2.76	

Financial Assets			
		CDN$ 000s	Per share
Cash		$2,623.43	$0.04
Working Capital net of cash		($1,140.16)	($0.02)
LT Liabilities		($240.47)	($0.00)
Proceeds from ITM Instruments		$0.00	$0.00
		$1,243	$0.02
Net Asset Value	CDN$	**$201,324**	$2.78

Shares Outstanding (000s)	72,439
NAV/sh	$2.78
Diluted shares outstanding	**72,439**
NAV per Diluted share (C$/share)	$2.78
Current share price (C$/share)	$0.69
Price / NAV	**0.25x**

(1) Corporate adjustments are as of last reported Financial Statements dated May 31, 2014

Source: Cantor Fitzgerald Canada Estimates, Company Reports

PARAMOUNT GOLD & SILVER (PZG-NYSE, TSX): BUY, $1.75↓ FROM $1.80 (-3%)

We are maintaining a BUY recommendation and are decreasing our target price to $1.75 per share from $1.80 per share, or by -3%, on Paramount Gold & Silver. Our target price is based on a 1.0x multiple to our $NAV_{8\%}$ valuation of $1.74 per share. The target price decrease is based on the downward revision to our gold and silver price forecast. Note that we initiated coverage of Paramount Gold & Silver on October 7th.

With Paramount, we see an excellent portfolio of quality multi-million ounce exploration projects in safe North American jurisdictions with compelling economics, and plenty of exploration upside. Its San Miguel project's location beside Coeur Mining's underutilized Palmarejo operation makes Paramount a very strong acquisition candidate. Coupled with a strong management team and strategic financial backing, we expect plenty of positive news flow in the months ahead as the current $5M drilling program at San Miguel comes to an end later this year. Just yesterday the company announced the discovery of a new structure that has been named "Dana". It runs approximately 500m west of the Don Ese structure and is parallel to it. Early indications are that it is similar to the Don Ese structure, which is the highest grade and most valuable gold/silver deposit at San Miguel.

A PEA assessment announced in late August estimates the Project's pre-tax $NPV_{5\%}$ at $476M with an IRR of 23.2%. Initial CapEx is expected to be $69.6M and production commencing in 2017. This assessment includes the construction of a 4,000 TPD mill, which would be redundant if a deal could be reached to use Coeur Mining's nearby underutilized 6,000 TPD mill.

On September 15th, Paramount announced the a newly discovered mineralized structure (named Dana) which runs approximately 500m west of the Don Ese structure, and parallel to it. The first drill hole into Dana returned multiple intercepts of high grade silver with gold including 3.6m of 157.1 grams per tonne ("gpt") of silver and 0.40 gpt of gold, with some assays up to 659 gpt of silver and 1.18 gpt gold. Given the discovery, follow-up drilling will be undertaken and even sped up as a second core rig will be moved onto site.

Exhibit 8: Paramount Gold & Silver NAV

Mining Assets	USD$ 000s	Per share
Mill	-$180,054	($1.13)
Heap Leach	-$24,133	($0.15)
San Francisco	$21,941	$0.14
Don Esse	$165,422	$1.04
La Union	$71,677	$0.45
San Antonio	$30,820	$0.19
San Miguel	$73,268	$0.46
La Veronica	$6,098	$0.04
Monte Cristo	$235	$0.00
Sleeper	$78,706	$0.49
Total Mining Assets	**$243,980**	$1.53

Financial Assets	USD$ 000s	Per share
Cash	$5,108	$0.03
Working Capital net of cash	$1,939	$0.01
LT Liabilities	-$1,291	($0.01)
Proceeds from ITM Instruments	$0	$0.00
	$5,755	$0.04
Net Asset Value	**$249,736**	$1.57
Net Asset Value in $CAD	**$277,484**	**$1.74**
Shares Outstanding (000's)	159,171	
NAV/sh	$1.74	
Diluted shares outstanding	**159,171**	
NAV per Diluted share (C$/share)	$1.74	
Current share price (C$/share)	$0.83	
Price / NAV	**0.48x**	

(1) Corporate adjustments are as of last reported Financial Statements June 30, 2014

Source: Cantor Fitzgerald Canada Estimates, Company Reports

PERSHING GOLD (PGLC-OTCQB): RESTRICTED FROM $0.55

We are currently Restricted on Pershing Gold. Our last reported target price and valuation for the company was Buy at $0.55/share.

PREMIER GOLD (PG-TSX, PIRGF-OTC, P20-FRANKFURT): BUY, $4.15 ↑ FROM $4.10 (+1%)

We are maintaining a BUY recommendation and are increasing our target price on Premier Gold Mines to $4.15 per share, up 1% from $4.10 per share. We note that Premier has declined by 12% since our last quarterly update.

Our target price is based on a 1.0x multiple to our NAV valuation of $4.13 per share. The change in our valuation is based on our increased value assumption for the Cove property following significant advancements in the project over the past year. The impact of this was offset by a reduction in our gold price forecast.

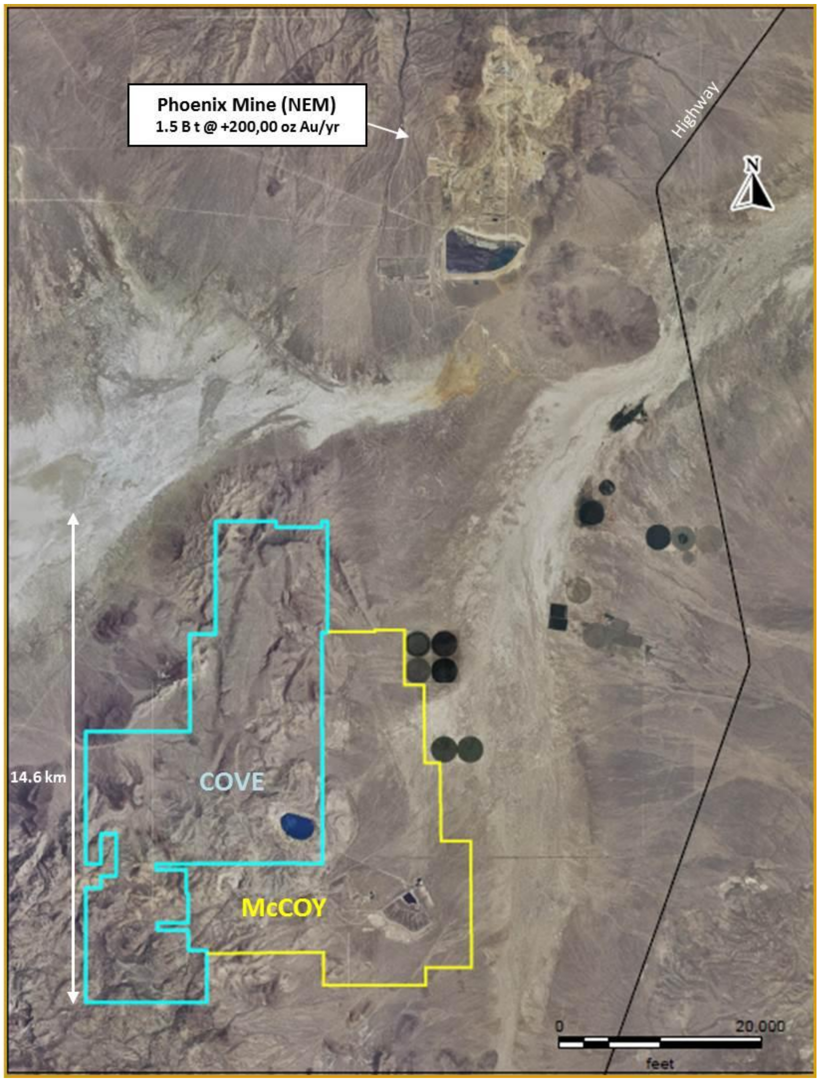
This past quarter was a busy one for Premier with news of property consolidations positive drilling results.

In early August, the company announced that it has signed a binding agreement with Newmont Mining to consolidate the former's interest in the Cove-McCoy properties in exchange for US$21M and all of Premier's interest in the south Carlin project (the Cove project). We view this consolidation positively as the Cove-McCoy project is a high quality exploration project located in the world-class Eureka-Battle Mountain trend near several mines including Lone Tree, Marigold, and Phoenix. Moreover, the agreement also provides Premier with a commitment with Newmont to process ores from this property over a 10-year period. We believe the consolidation of the project and the elimination of back-in rights to Newmont gives Premier full control of a potentially world-class project.

The Cove-McCoy gold mines produced about 3.3M oz. of gold and 110M oz. of silver between 1986 and 2006. While the ores mined at Cove and McCoy occur in different rock units, management believes that the two have a close genetic relationship through their association with the same fault/feeder structures. These feeder structures have seen only limited previous exploration and represent a priority future exploration target. We estimate that production could begin as early as 2016 but work needs to be done before we would consider adding this to our model.

We note that Premier Gold Mines remains well cashed up with approximately C$60M in cash and investments on hand.

Exhibit 9. Cove-McCoy Project Outline



Source: Premier Gold Corp.

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At Hardrock, A mid-September drilling update announced that high grade gold intercepts continue to be hit. The September drilling results are broadly comparable to previously released drill results from the same area. High grade intercepts within the primary resource area include 10.15 grams per tonne gold (g/t Au) across 3.1 metres (m) in hole MM597, 25.93 g/t Au across 2.5 m in hole MM598, and 5.75 g/t Au across 9.9 m in hole MM599.

The drilling is currently progressing with four drill rigs on site. As of September 16 2014, some 9,100 metres and 26 drill holes, representing 25% of the planned program has been completed. All new data will be integrated into an updated mineral resource model, expected in early 2015. The current drill program is designed to confirm continuity of mineralization and to upgrade the remaining 501,000 ounces of Inferred mineral resources to Indicated within the open-pitable portion of the Hardrock deposit as reported by the company on July 8, 2014 (below).

Exhibit 10. Hardrock Deposit Mineral Resource Summary

Cut-off Category	Resource Category	Tonnes ('000)	Gold (Au) Grade (g/t)	Au Ounces ('000)
Open Pit (O/P)	Indicated (I)	83,868	1.47	3,972
>0.5 g/t Au	Inferred	10,225	1.53	501
Underground (U/G)	Indicated (I)	5,169	5.4	898
>3 g/t Au	Inferred	12,922	5.4	2,242
Combined	Total Indicated	89,037	1.7	4,870
	Total Inferred	23,147	3.69	2,744

Source: Premier Gold Mines

We note that Premier Gold Mines remains well cashed up with approximately C$50M in cash and investments on hand.

Exhibit 11: Premier Gold Mines NAV

Mining Assets		CDN$ 000s	Per share
TransCanada Project	(100%)	$377,051	$2.41
Rahill-Bonanza	(49%)	$68,738	$0.44
Other Properties/Exploration Spend		$113,443	$0.73
Sandstorm Gold (SSL-TSX)		$22,865	$0.15
Total Mining Assets		**$582,098**	$3.73

Financial Assets		CDN$ 000s	Per share
Cash		$49,724	$0.32
Working Capital net of cash		$8,833	$0.06
LT Liabilities		$152	$0.00
Proceeds from ITM Instruments		$4,801	$0.03
		$63,510	$0.41
Net Asset Value	CDN$	**$645,608**	$4.13

Shares Outstanding (M)	153,748
NAV/sh	$4.20
Diluted shares outstanding	**156,236**
NAV per Diluted share (C$/share)	$4.13
Current share price (C$/share)	$2.61
Price / NAV	**0.63x**

(1) Corporate adjustments are as of last reported Financial Statements dated June 30, 2014

Source: Cantor Fitzgerald Canada Estimates, Company Reports

PRIMERO MINING (P-TSX, PPP-NYSE): BUY, $9.65 UNCHANGED

We are maintaining our target price of $9.65 per share and Buy recommendation on Primero Mining. Our target price is based on a 1.0x multiple to our NAV5% valuation of $9.65 per share. The impact of a reduction in our gold price assumption was offset by the application of higher depreciation for the Brigus Gold acquisition, which we had initially modelled lower.

Since our July 25 update, Primero Mining has decreased by 37.6% - underperforming spot gold, which decreased by 5.0% during the same period.

In mid- September, Primero announced revised corporate guidance and an operational update for the Black Fox Complex. Following the Black Fox operational review, FY gold production guidance from that asset has decreased moderately from between 70,000-80,000 ounces to between 65,000-75,000 ounces. Our own estimate for Black Fox remains at 68,818 ounces produced. Given the operational review, despite the small decrease in production guidance, the review has provided added confidence that the optimization plan for Black Fox can be achieved and the underground throughput can be increased to the originally planned 1,000 TPD by mid-2015. Given the revised Black Fox production guidance, firm wide FY 2014 guidance has been decreased to between 220,000-240,000 gold equivalent ounces (from between 225,000-245,000 ounces). We maintain our FY estimate of 226,624 gold equivalent ounces.

We note that the lower production guidance has been attributed to slightly lower than planned underground throughput and lower than anticipated open pit grades. Moreover, note that the operational review was initiated as the company had initially targeted 60% long-hole mining at Black Fox and only achieved 40% during the second quarter, due to a lack of underground development. Following the review, management feels confident that that with the current increase in investment in underground development, delineation and definition drilling at Black Fox, the underground throughput can be increased to 1,000 tonnes per day by mid-2015, as originally planned for.

Exhibit 12. Revised 2014 outlook

Revised 2014 Outlook	Black Fox	San Dimas	Total	CF Estimate
Attributable AuEq production (AuEq oz)	65,000-75,000	155,000-165,000	220,000-240,000	226,624
Gold production (oz)	65,000-75,000	120,000-130,000	185,000-205,000	188,497
Silver production (M oz)		6.1-6.3	6.1-6.3	6.3
Total cash costs (per AuEq oz)	$850-$900	$600-$650	$675-$725	$695
All-in sustaining costs	$1,400-$1,450	$750-$800	$1,175-$1,225	$1,299

Material assumptions used to forecast total cash costs for the third and fourth quarters of 2014 include: an avg. gold price of $1,200/oz; an avg. silver price of $7.96/oz and a foreign exchange rate of 1.07 Canadian dollars and 13 mexican pesos to the US dollar

Source: Primero Mining, Cantor Fitzgerald Canada Research

Lastly, Primero also announced drilling results from the Grey Fox property, located 4.0 kilometers south-east of the Black Fox mine. The Grey Fox property contains a number of mineralized zones (Contact, 147, Grey Fox South, Whiskey Jack and Gibson Zones) which all occur within close proximity of each other. These zones may provide Primero with near term production growth opportunities given their close proximity to the Black Fox mine. Company management remains confident that the Grey Fox resource will increase by year's end.

Primero will report its Q3 financial figures on Wednesday November 6. We expect a top line of $93M along with net profits of $13.8M, resulting in a diluted EPS estimate of $0.08. A 10:00 am EST conference call will take place following the earnings release. To join the call, dial 416-216-4169. Our Q3 estimates are below:

Exhibit 13. Primero Mining Q3/14 Earnings Expectations

	Reported Q2/14A	CF Estimates Q3/14E
INCOME STATEMENT (in US$ 000's)		
Total revenue	**79,669.0**	**89,073.7**
Operating costs	(40,387.0)	(47,745.2)
Gross margin	**39,282.0**	**41,328.5**
Gross margin %	49.3%	46.4%
Depreciation and amortization	(19,606.0)	(28,922.1)
General and administrative	(10,524.0)	(12,070.5)
Other expenses	(4,259.0)	(273.4)
Operating earnings	**4,893.0**	**62.5**
Income taxes recovery (expense)	(4,321.0)	(18.7)
Tax rate	88.3%	30.0%
Net earnings (as reported)	**572.0**	**43.7**
Adjustments	-	-
Adjusted earnings	572.0	43.7
Earnings Per Share - Basic	$0.00	$0.00
Earnings Per Share - Diluted	$0.00	$0.00
Adjusted Earnings Per Share - Fully Diluted	**$0.01**	**$0.00**

Source: Primero Mining, Cantor Fitzgerald Canada Research

Exhibit 14: Primero Mining NAV

Mining Assets			
		$ 000s	Per share
San Dimas	(100%)	$988,923	$5.42
Cerro Del Gallo	(100%)	$196,990	$1.08
Black Fox	(100%)	$242,531	$1.33
Grey Fox	(100%)	$33,353	$0.18
Total Mining Assets		**$1,461,797**	$8.01

Financial Assets			
		$ 000s	Per share
Cash		$44,168	$0.24
Working Capital net of cash		-$3,506	-$0.02
LT Liabilities		$82,392	$0.45
Proceeds from ITM Instruments		$175,511	$0.96
Syndicated Metals (ASX: SMD)	(8.3%)	$435	$0.00
		$299,000	$1.64
Net Asset Value	$	**$1,760,797**	$9.65

Shares Outstanding ('000s)	159,617
NAV/sh	$11.03
Diluted shares outstanding	**182,392**
NAV per share (C$/share)	$9.65
Current share price (C$/share)	$5.53
Price / NAV	**0.57x**

(1) Corporate adjustments are as of last reported Financial Statements June 30, 2014

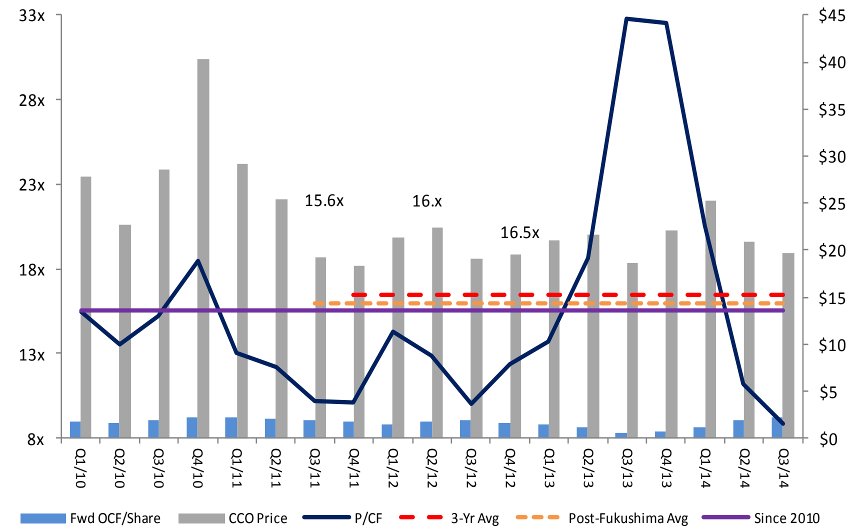
Source: Cantor Fitzgerald Canada Estimates, Company Reports

CAMECO CORPORATION (CCO-TSX, CCJ-NYSE): BUY↑ FROM HOLD, $26.25↑ FROM $24.90 (+5%)

We are upgrading Cameco to a BUY recommendation (from HOLD) and are increasing our target price to $26.25 per share from $24.90 per share, or by +5%. Our target price is based on the application of a 14x multiple to our forward cash flow estimate of $1.87/share. The target price increase is related primarily to the upward revision to our uranium price forecast.

As of last close Cameco's shares are trading at an 8.8x multiple to our forward cash flow estimate, which is dramatically lower than its historical averages of between 15.6x – 16.5x.

Exhibit 15: Cameco's historical price-to-forward cash flow multiple



Source: Cantor Fitzgerald Canada Estimates, Company Reports

Since our July 25 update, Cameco shares have decreased by 16% - underperforming the U_3O_8 spot price, which has increased by 25.0% in the same time frame.

Cameco announced on September 19 that that it has reached a tentative agreement with unionized employees of its McArthur River and Key Lake operations. As such, the work stoppage was brief and only lasted a few weeks. If the union approves the agreement as expected we believe it will ultimately have a minor impact on Cameco's bottom line. However this news is negative for the uranium space as a prolonged shutdown of McArthur River would have reduced some of the excess supply in the market.

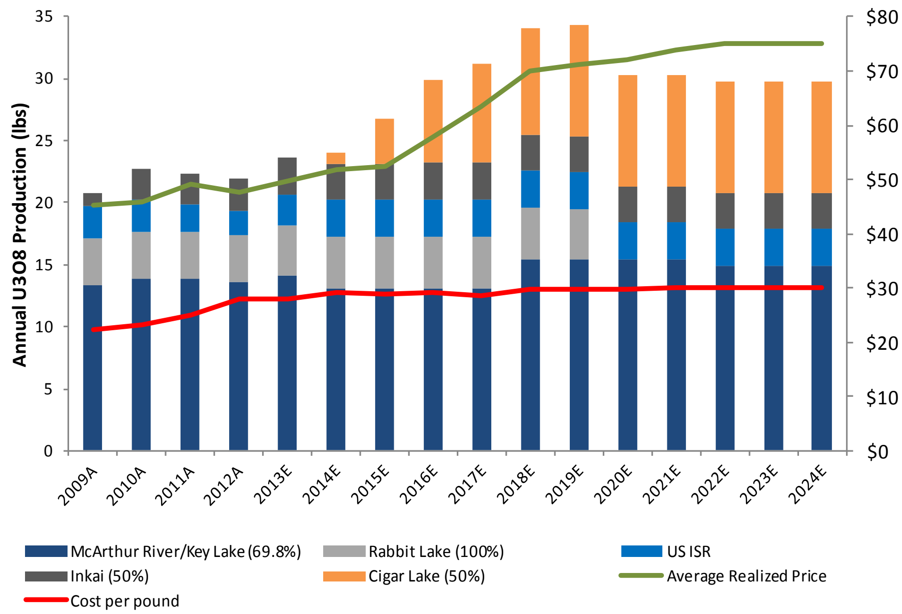
The 535 workers represented by the United Steelworkers Local 8914, are expected to begin the voting process in late September and be completed by early October. The union bargaining committee has recommended that members vote to accept the agreement.

The strike and lockout notices from the union and the company have been withdrawn and preparations are underway to return workers to sites. We estimate that the brief shutdown at McArthur River could potentially impact production of about 0.9M lbs. of U_3O_8 on a 100%-basis of which Cameco's share is 0.6M lbs. For 2014 we estimate a supply surplus of 13.2M lbs. prior to this announcement. While we still see a near-term and intermediate-term surplus, a dramatic shortfall is expected to occur in the beginning of 2020.

On October 8th, Cameco announced that the McLean lake mill has started producing uranium concentrate from ore sourced from the Cigar Lake mine. Modifications to the McClean Lake Mill have been completed by AREVA Resources Canada. The changes were deemed necessary in order for the operation to safely process the high-grade ore. The mill is located 70km northeast of the Cigar Lake mine and ore is transported there via truck.

Thus far, Cameco has delivered 1,400 tonnes of ore to McClean Lake. The mill is expected to produce 1 million lbs. of U_3O_8 in 2014 as it ramps up to an 18M per year by 2018 (of which Cameco's share is 9 M lbs.).

Exhibit 16: Cameco Production, Cost, and Realized Price Forecast



Source: Cantor Fitzgerald Canada Estimates, Company Reports

Cameco is expected to report Q3/14 earnings on Wednesday October 29, before markets open. We expect a top line of $723M along with net profits of $125M, resulting in a diluted EPS estimate of $0.31. A conference call will take place following the earnings release. To join the call, dial 416-340-2216.

Exhibit 17: Cameco Q3/14 Earnings Expectations

	Reported Q2/14A	CF Estimates Q3/14E
INCOME STATEMENT (in C$ 000's)		
Total revenue	**501,971.0**	**746,214.3**
Operating costs	295,029.0	478,848.7
Gross margin	**206,942.0**	**267,365.6**
Gross margin %	41.2%	35.8%
Depreciation and amortization	71,111.0	65,356.5
General and administrative	36,436.0	56,287.9
Exploration	9,318.0	9,980.9
Research and development	421.0	2,804.5
Gain on sale of assets	6,665.0	-
Other expenses	-	-
Operating earnings	**82,991.0**	**132,935.8**
Net Finance Expenses	(47,485.0)	(21,894.5)
Share of Earnings (loss) from BPLP	-	-
Other expense	85,648.0	-
Net earnings before tax	**121,154.0**	**111,041.3**
Income tax (reversal) expense	(5,691.0)	(23,960.3)
Tax rate	-4.7%	-21.6%
Net earnings (as reported)	**126,845.0**	**135,001.6**
Adjustments	(49,194.0)	-
Adjusted earnings	**77,651.0**	**135,001.6**
Operating EPS	$0.21	$0.34
Earnings Per Share - Basic	$0.32	$0.34
Adjusted Earnings Per Share - Basic	$0.20	$0.34
Adjusted Earnings Per Share - Fully Diluted	$0.19	$0.33

Source: Cantor Fitzgerald Canada Estimates, Company Reports

DENISON MINES (DML-TSX, DNN-NYSE): BUY SPECULATIVE $1.85↓ FROM $1.90 (-3%)

We are maintaining our BUY SPECULATIVE recommendation and are reducing our target price to $1.85, from $1.90 per share previously. Our target price is based on a 1.0x multiple to our blended NAV valuation of $1.83 per share. The target price decrease is related primarily to the increased share count as a result of the company's recent equity financing, which was partially offset by an upward revision to our uranium price forecasts.

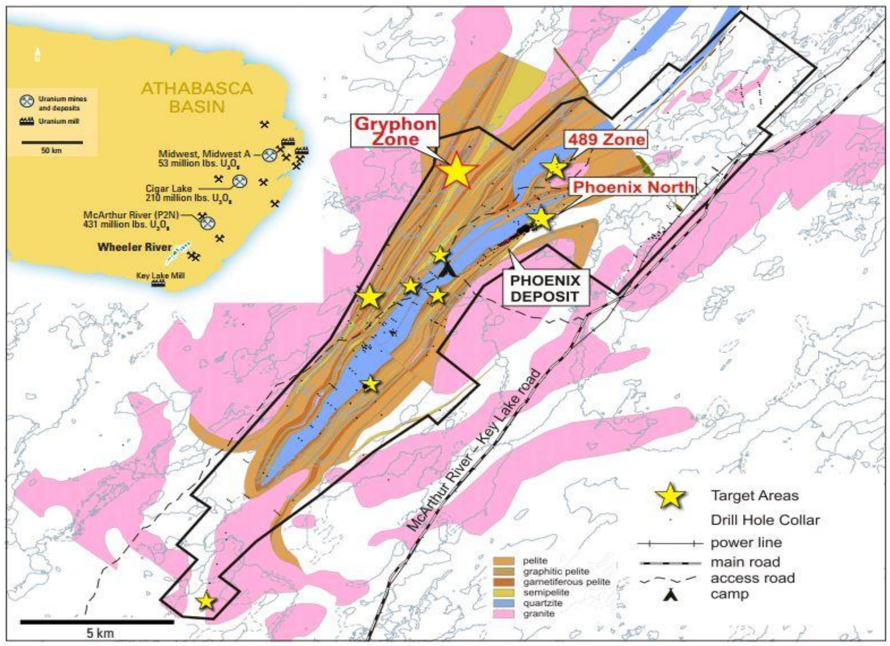
Since our July 25 update, Denison Mines has decreased by 28% - underperforming the U_3O_8 spot price which advanced by 25%.

Since the start of the year, Denison Mines has been actively drilling the Phoenix deposit. In late September, a Phoenix drilling update was announced in which the high grade Gryphon zone was extended. The emerging world-class Wheeler River project continues to grow as a total of 14,937 meters was completed among 20 drill holes at the newly discovered Gryphon Zone. New highlights from this release includes 15.8% eU_3O_8 over 2.3m in drill hole WR-573D1 and 7.0% eU_3O_8 over 2.0m, as well as 9.8% eU_3O_8 over 2.5 meters in drill hole WR-

574. The September update adds further support that the Gryphon zone is the next significant high grade zone in Denison's Athabasca inventory.

The last holes completed in the up-plunge (WR-580) and down plunge (WR-573D1) directions intersected 1.8% eU_3O_8 over 2.0m and 15.8% eU_3O_8 over 2.3m. As the drill holes are angled steeply to the northwest and the mineralization is interpreted to dip moderately to the southeast, the true thickness is expected to be approximately 75% of the intersection length.

Exhibit 18: Wheeler River Target Areas



Source: Denison Mines

Recall as of the most recent resource update released in mid-June, Denison announced that the indicated resource at the Phoenix deposit totals 70.2M lbs. U_3O_8 with an average grade of 19.13%. Work will continue on the Gryphon zone as the 2015 drilling budget is fully financed given the recent flow through share private placement.

Additionally, given the news from Cameco dated October 8th stating that the McLean lake mill started producing uranium concentrate from ore sourced from the Cigar Lake mine, we note that Denison owns 22.5% of the mill. Once at full mill capacity of 18M lbs by 2019, Denison's cash flow is expected to total approximately \$6M per year. This is a notable amount given Denison's status as an exploration company.

From our current coverage universe, Denison Mines remains as one of our two favoured exploration plays in the Athabasca Basin (the other being Fission Uranium).

Exhibit 19: Denison Mines NAV

Asset	Attributable M Lbs U3O8	EV/Lb	Value ($M)	Per share	Ownership	Notes
Revenue Generating Assets						
McClean Lake Mill			$41.6	$0.08	22.5%	8% Discounted Cash Flow for processing Cigar Lake feed
UPC Contract Value			$44.8	$0.09		Minimum annual fee at a 5% Discount Rate
In-Situ Valuation						
Falea	62.5	$1.00	$62.5	$0.12	100%	Mali with Silver and Copper converted to Uranium Equivalent
Gurvan Saihan JV	21.8	$1.00	$21.8	$0.04	100%	Mongolia
McClean Lake Deposits	5.9	$10.00	$59.5	$0.12	22.5%	McLean Lake, McLean Lake North, & Sue D; Areva 70% & OURD 7.5%
Midwest	13.4	$10.00	$134.4	$0.27	25.17%	Areva 69.16% & OURD 5.67%; Development on hold reviewed every 6 months
Mutanga	49.2	$1.00	$49.2	$0.10	100%	Zambia
Waterbury Lake	7.7	$10.00	$76.9	$0.15	60%	40% KEPCO
Wheeler River Project	42.8	$10.00	$427.8	$0.84	60%	Cameco 30% & JCU 10%
Other Assets						
Working Capital Net of Cash			($14.5)	($0.03)		As of Q2/14 Financials
Long-Term Cash Equivalent Investments			$3.3	$0.01		
Cash + proceeds from options and warrants			$35.1	$0.07		As of Q2/14 Financials
Valuation			**$942.3**	**$1.83**		

Source: Cantor Fitzgerald Canada Estimates, Company Reports

ENERGY FUELS (EFR-TSX, UUUU-NYSE): BUY, $10.50↑ FROM $10.00 (+5%)

We are maintaining our BUY recommendation and are increasing our target price to $10.50, from $10.00 previously. Our target price is based on a 1.0x multiple to our blended NAV valuation of $10.49 per share. The target price increase is related primarily to the upward revision to our uranium price forecasts.

Since our July 25 update, Energy Fuels has decreased by 20% - underperforming the U_3O_8 spot price which advanced by 25%.

For the second half of the year, Energy Fuels has expectations to produce 475,000 lbs, which (when coupled with stockpiled material) is all that is required to meet all current long term contracts. This will bring the FY expected production number to 825,000 lbs. Recall that the company announced last quarter that Mining at Pinenut will continue until the economic resource has been completely exhausted, expected sometime in early 2015. Additionally, Energy Fuels announced that they plan to extend the run at the White Mesa Mill into Q4 of 2014. This will allow the company to fulfill existing long term contracts through 2017.

Note that the company currently maintains an inventory of 494,000 lbs U_3O_8

Exhibit 20: Energy Fuels NAV

Projects	Energy Fuels NAV $000s	Per Share	Comment
White Mesa Mill and EFR's Uranium Mines/Projects	163,561	$8.31	2015 DCF @ 10% Discount Rate
Virginia Energy (VUI-TSXV) 16.5%	453	$0.02	80% of the market value for conservatism
Mega Uranium (MGA-TSX)	224	$0.01	80% of the market value for conservatism
Cash	14,690	$0.75	Q2/14 Cash + Proceeds from Asset Sales
Working Capital (Net of Cash)	27,567	$1.40	As of most recent quarter
Total	**206,495**	**$10.49**	

Source: Cantor Fitzgerald Canada Estimates, Company Reports

FISSION URANIUM (FCU-TSX, FCUUF-OTCBB): BUY SPECULATIVE

We are maintaining our BUY (Speculative) recommendation on Fission Uranium. As Fission does not have a 43-101 compliant resource, we do not have an adequate basis to assign an official price target at this time. However, we do present a range of valuations based on potential resource sizes in exhibit 21.

Since our July 25 update, Fission Uranium has declined by 44% - underperforming the U_3O_8 spot price, which advanced by 25%.

Fission Uranium continued with its aggressive drilling campaign which once again led to an expansion of the R708E Zone. Every one of the 61 drill holes from the summer drilling campaign hit uranium mineralization, the majority of being "off-scale" (>10,000 CPS).

From the September 29 update, of particular note was drill hole PLS14-290 (line 735E), with a total of 97.5m composite mineralization at shallow depth, including 7.44m total composite > 10,000 CPS radioactivity with peaks up to 61,800 CPS. The R780E zone, which has a continuous strike length of 930m (measured from lines 225E to 1155E), continues to strengthen in the eastern region of the R780E zone. Angled drilling from the 2014 program has traced a mineralized lateral corridor with a horizontal width of up to approximately 164m (line 885E), and remains open along strike and laterally.

Highlights from the September 29 drill hole update include:

- PLS14-290 (Line 735E): 97.5m total composite mineralization over a 173.0m section (between 113.5-286.5m)
  - Including: 7.44m total composite mineralization (>10,000 cps) radioactivity.
- PLS14-298 (Line 804E): 84.0m total composite mineralization over a 240.5m section (between 146.5-387.0m)

        - Including: 2.24m total composite mineralization (>10,000 cps) radioactivity.
    - PLS14-296 (Line 915E): 94.5m total composite mineralization over a 367.0m section (between 96.0-463.0m)
        - Including: 2.08m total composite mineralization (>10,000 cps) radioactivity.

We are confident that Fission Uranium will ultimately contain a resource of over 100M lbs and note that by the year's end an initial resource for the PLS property will be announced. We currently estimate that PLS contains 73M lbs.

Exhibit 21: Fission Uranium Valuation Sensitivities

Fission Per Share Valuation Sensitivities						
Potential Resource	$5.00	$7.00	$8.00	$9.00	$10.00	$11.00
10 M Lbs	$0.13	$0.19	$0.21	$0.24	$0.26	$0.29
25 M Lbs	$0.33	$0.46	$0.53	$0.59	$0.66	$0.73
50 M Lbs	$0.66	$0.93	$1.06	$1.19	$1.32	$1.45
60 M Lbs	$0.79	$1.11	$1.27	$1.43	$1.59	$1.74
75 M Lbs	$0.99	$1.39	$1.59	$1.78	$1.98	$2.18
100 M Lbs	$1.32	$1.85	$2.12	$2.38	$2.64	$2.91
125 M Lbs	$1.65	$2.31	$2.64	$2.97	$3.30	$3.64
Cantor Estimate of 73M lbs	**$0.97**	**$1.36**	**$1.55**	**$1.74**	**$1.94**	**$2.13**

Source: Cantor Fitzgerald Canada Estimates

KIVALIQ ENERGY (KIV-TSXV): BUY SPECULATIVE, $0.25↓ FROM $0.30 (-17%)

We are maintaining a BUY (Speculative) recommendation and are lowering our target price to $0.25 per share on Kivalliq Energy. Our target price is based on the application of a 1.0x multiple to our NAV for Kivalliq, which currently sits at $0.27 per share from $0.28 per share. The reduction to our NAV estimate is based on adjusting the share count and capital figures arising from the recent financing.

Since our July 25 update, Kivalliq has declined by 13% - underperforming the U_3O_8 spot price, which advanced by 25% during the same period.

In early September, Kivalliq Energy announced an update on its phase 1 exploration program located on the wholly owned Genesis Property in the Athabasca Basin. The C$1M phase 1 exploration program included over 6,000km of airborne geophysical surveying while eight priority targets were explored. Results are currently being reviewed with the goal of advancing a number of uranium targets for actual drill testing.

The completed airborne geophysical surveying included electromagnetics, magnetic and radiometrics. A total of 291 lake sediment samples have been collected, along with 1,351 soil and 162 biogeochemical samples collected. The samples are currently undergoing analysis.
The lake samples focused on areas of historic anomalies, new and existing EM conductors and areas of known broad lake sediment anomalies that required closer spaced sampling.

The wholly owned 491,154 acre Genesis Property is a newer property which has been added to Kivalliq's portfolio and represents geographic diversification in addition to the high grade 43.3M lb Lac 50 uranium trend situated in the Angilak property in Canada's Nunavut Territory.

Exhibit 22: Valuation based on three resource size scenarios at Angilak

Resource Size	Weight	Valuation	Blended Vaulation
43 M lbs (current)	60%	$0.22	$0.13
60 M lbs	30%	$0.31	$0.09
80 M lbs	10%	$0.41	$0.04
	100%		**$0.26**
Cash		$1.36	**$0.01**
Working Capital (less cash)		$0.0	**$0.00**
Valuation			**$0.27**

Source: Cantor Fitzgerald Canada Estimates

UR-ENERGY (URE-TSX, URG-NYSE): BUY, $2.30↑ FROM $2.25 (+2%)

We are maintaining a BUY recommendation and are increasing our target price to $2.30 per share on Ur-Energy.

Out target price is based on a 1.0x multiple to our blended NAV valuation of $2.31 per share. The increase is based primarily on our upward revision to our uranium price forecast.

Since our July 25 update, Ur-Energy has decreased by 34% - underperforming the U_3O_8 spot price, which advanced by 25% during the same period.

In early August, Ur-Energy reported its Q2/14 financials following its operational update on July 16. Recall that the previously announced operational update was highlighted by sales of 207,760 lbs during the quarter, at an average realized price of $34.64/lb. Total costs were disclosed in August, totaling $34.51/lb, representing an increase from $29.96/lb in Q1/14. Cash costs rose but stayed amongst the lowest in the industry at $22.05/lb. The increase in cost was directly attributed to lower quarterly production.

Sales revenue over the quarter totaled $9.2M of which product sales contributed $7.2M. The loss per share totaled -$0.01. On the production side, 116,708 lbs were captured, 133,684 lbs were packaged in drums and a total of 207,760 lbs were sold at $34.64/lb.

On October 8th, the Q3 operational update was announced and highlighted by over 131,000 lbs captured within the Lost Creek ISR facility, with 100,000 lbs being sold at the attractive price of $59.96/lb.

Exhibit 23: Lost Creek Q3/14 operational update

	Units	Q1/14	Q2/14	Q3/14	YTD 2014
U_3O_8 Captured	000 lbs	198.6	116.7	131.3	446.6
U_3O_8 Dried & Drummed	000 lbs	171.2	133.7	125.9	430.8
U_3O_8 Sold	000 lbs	110.0	207.8	100.0	417.8
Average Flow Rate	gpm	1,103	803	970	958
U_3O_8 Head Grade	mg/l	179	152	135	155

Source: Ur-Energy

The company has guided production of 150,000 lbs. U3O8 for Q4, bringing Ur-Energy's first full year of production to total to less than 600,000 lbs. over the course of 2014.

Plant head grades continue to be significantly higher than projected while production flow rates continue to be deliberately curtailed to manage uranium production rates and waste water generation. We note that over the last few quarters, the head grades have lowered (as can be seen in exhibit 23 above) and will continue to do so in the near future. Actual Q3 financial figures and costs are expected to be released in the weeks ahead.

Exhibit 24: Ur-Energy NAV

Projects	NAV	UR-Energy Per Share	Comment
Lost Creek	$108.1	$0.82	2015 DCF @ 8% Discount Rate
Pathfinder	$50.4	$0.38	2015 DCF @ 10% Discount Rate
Lost Soldier	$166.1	$1.26	2015 DCF @ 10% Discount Rate
Disposal Revenue	$6.1	$0.05	2015 DCF @ 8% Discount Rate
Debt	-$27.8	-$0.21	PV of LT Debt @ 10% Discount Rate
Working Capital	$2.2	$0.02	Q2/14 Financials + Cash Proceeds from ITM Options
Total	**305.2**	**$2.31**	

Source: Cantor Fitzgerald Canada Estimates, Company Reports

URANERZ ENERGY (URZ-TSX, URZ-NYSE): BUY, $1.75↓ FROM $2.10 (-17%)

We are maintaining a BUY recommendation and are decreasing our target price to $1.75 per share on Uranerz. The positive impact of our increased uranium price forecast was offset by the impact of the recent financing as well as the fact that our prior price target was based on a commodity price that was in effect prior to a recent restriction.

Since our July 25 update, Uranerz has decreased by 20% - underperforming the U_3O_8 spot price, which advanced by 25% during the same period.

Over the past six months major milestones were achieved at the wholly owned Nichols Ranch property in Wyoming. Recall that on April 15, Uranerz announced the commencement of uranium mining operations. Given that announcement, the company became just the fifth U.S. based uranium producer. The first uranium resin was shipped on June 15 to Cameco's Smith Ranch uranium processing facility for final conversion into uranium concentrate. This very first shipment marked the beginning of satisfying a toll processing agreement with Cameco which was arranged previously.

Since our July update, yet another milestone was reached seeing as on September 16, it was announced that the company had completed its first uranium sale. This further milestone event totaled 75,000 lbs and satisfied a portion of the long term contracted deliveries the company is expecting to make this year.

We expect nearly 500,000 lbs of uranium to be produced in this year of initial production and note that the Nichols Ranch processing facility has a licensed capacity for 2M lbs per year. We note that our realized price assumption for 2014 totals between the $40-$42/lb range.

Exhibit 25: URZ NAV

Uranerz Energy				
Projects	NAV	Per Share USD	Per Share CAD	Comment
Nichols Ranch, Hank, Jane Dough and Reno Creek	140.4	$1.47	$1.63	2015 DCF @ 10% Discount Rate
Working Capital	9.4	$0.10	$0.11	Q2/14 Financials
Total	**149.7**	**$1.56**	**$1.74**	

Source: Cantor Fitzgerald Canada Estimates, Company Reports

URANIUM ENERGY CORP. (UEC-NYSE): BUY $2.15↑ FROM $1.75 (+23%)

We are maintaining our BUY rating and increasing our target price to $2.15 per share, or by 23%. Our valuation is based on a 1.0x multiple to our blended NAV valuation of $2.17 per share. The NAV increase is based in part to our improved near-term uranium price outlook as well as a revisiting of our cost assumptions for Palangana, Goliad, and Burke Hollow. Namely, we have reduced our cash cost estimates as we had been overly conservative and previously did not adequately spread the fixed costs of the mill.

Since our July 25 update, Uranium Energy Corp has decreased by 37% - underperforming the U_3O_8 spot price which advanced by 25% in the same time frame.

On October 1st, Uranium Energy Corp. announced a permitting update for both Palangana and Burke Hollow.

At Palangana, draft permits for the mine permit and production area authorization for PAA-4 has been issued. Moreover, the draft aquifer exemption order to expand the aquifer exemption boundary for PAA-4 has been issued. The draft RML license for PAA-4 has also been issued, moving the project one step closer to increased production capabilities. At this point, the final steps to approve new production at Palangana will include issuance of final permits and concurrence of the aquifer exemption.

At Burke Hollow, the company has given notice that the mine permit and aquifer exemption applications are administratively complete. The applications have now moved forward into the technical review stage of the permitting process with the Texas Commission on Environmental Quality (TCEQ). Moreover, two Class I waste disposal well applications were submitted in July.

These applications have been declared administratively complete and are now under technical review with the TCEQ. Lastly, The Radioactive Material License application for Burke Hollow has also been completed and submitted to the TCEQ. It was the last major application to be submitted for the project.

We note that UEC continues to be one of the most sensitive companies to changes uranium pricing seeing as the company is currently stockpiling inventory and is completely un-hedged in terms of long term sales contracts. Given the permitting update we continue to forecast a large ramp in production to nearly 400,000 lbs for FY 2016 at Palangana, along with an initial start in production at Burke Hollow for 2017.

Exhibit 26: UEC NAV

	Uranium Energy Corp.		
Projects	NAV	Per Share	Comment
Palangana	16,068,078	$0.17	8% NPV
Goliad	120,494,292	$1.30	10% NPV
Burke Hollow	29,409,621	$0.32	10% NPV
Salvo	2,839,000	$0.03	$1.0/lb In-situ Valuation
Nichols	1,307,000	$0.01	$1.0/lb In-situ Valuation
Yuty	5,570,000	$0.06	$1.0/lb In-situ Valuation
Anderson	29,000,000	$0.31	$1.0/lb In-situ Valuation
Workman Creek	5,542,000	$0.06	$1.0/lb In-situ Valuation
NPV of Debt	(18,148,760)	($0.20)	Fiscal Q4/2014
Working Capital (net of cash)	428,808	$0.00	Fiscal Q4/2014
Cash	9,660,380	$0.10	Fiscal Q4/2014
Total	**202,170,419**	**$2.17**	

Source: Cantor Fitzgerald Canada Estimates, Company Reports

URANIUM PARTICIPATION (U-TSX, URPTF-OTC): BUY↑ $6.15↑ FROM HOLD, $5.30 (+23%)

We are upgrading our recommendation to BUY from HOLD and are increasing our target price to $6.15 per share from $5.30 per share (23%) on Uranium Participation Corp. The rating and target price increases are related primarily to the upward revision to our uranium price forecast.

Our target price is based on a 1.0x multiple to our portfolio NAV of $6.16/share for Uranium Participation Corp. The portfolio NAV is derived from the application of an average U_3O_8 spot price of US$40.50/lb. and a UF_6 price of US$121.50/kg to the portfolio. Our revised prices are based on a rolling forward four-quarter average.

Since our July 25 update, Uranium Participation has increased by 1% - underperforming the U_3O_8 spot price which advanced by 25% in the same time frame.

Exhibit 27: Uranium Participation Corp. Valuation

Valuation Forecast						
				Cantor Forecast	Cantor Forecast	Market Value
	Units	Quantity	Cost	USD	CAD	CAD
U3O8	lb	8,676,811	409,301	$40.50	$45.79	397,299
UF6	kg	2,153,471	353,357	$121.50	$137.37	295,813
			762,658			693,112
Net Working Capital						27,000
				NAV		**720,112**
Shares O/S	116,872,913			**NAVPS**		**$6.16**

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 earlier in the exhibit 4, the $35.44/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.

APPENDIX

Exhibit 28: Comparable Valuation

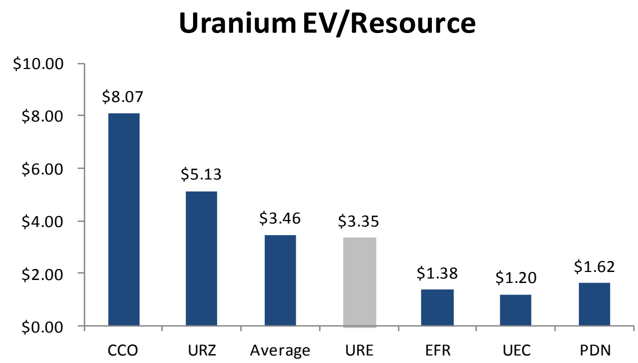
Uranium Producers Company Name	Stage	Stock Price (Local $)	Market Cap ($'000)	Enterprise Value ($'000)	43-101 Resources (M lbs) Avg Grade	P&P	M&I	Inferred	Historical	Total	MKT / LB	EV / LB
Cameco Corporation (TSX:CCO)	Production	17.97	7,112,373.7	8,169,208.7	7.576%	465.1	245.9	288.8	12.7	1,012.5	$7.02	$8.07
Energy Fuels Inc. (TSX:EFR)	Production	6.64	130,797.8	121,395.3	0.223%	0.0	53.2	18.7	16.3	88.2	$1.48	$1.38
Paladin Energy Ltd (ASX:PDN)	Production	0.34	323,239.7	899,869.3	0.079%	174.3	193.6	153.8	34.6	556.3	$0.58	$1.62
Uranium Energy Corp. (AMEX:UEC)	Production	1.07	97,755.6	107,616.0	0.054%	0.0	32.5	34.1	22.8	89.4	$1.09	$1.20
UR-Energy Inc. (TSX:URE)	Production	0.84	108,582.3	149,256.1	0.107%	0.0	20.8	6.8	17.0	44.6	$2.43	$3.35
Uranerz Energy Corp. (TSX:URZ)	Production	1.05	90,550.7	97,680.5	0.103%	0.0	15.7	3.3	0.0	19.1	$4.75	$5.13
Average			**$1,310,550.0**	**$1,590,837.6**		**98.7**	**102.8**	**90.0**		**306.3**	**$2.89**	**$3.46**

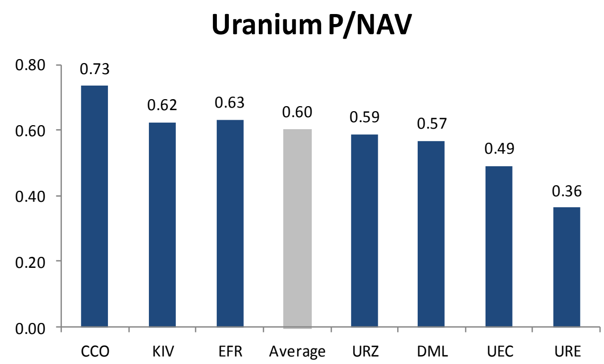
Uranium Developers Company Name	Stage (Producers)	Stock Price ($C)	Market Cap ($'000)	Enterprise Value ($'000)	43-101 Resources (M lbs) Avg Grade	P&P	M&I	Inferred	Historical	Total	MKT / LB	EV / LB
Hathor Exploration (Acquired)	Exploration	4.70	654,240.0	581,240.0	8.628%	0.0	17.2	40.7	0.0	57.9	$11.29	$10.03
Denison Mines (TSX:DML)	Exploration	1.04	525,665.1	444,004.4	2.085%	0.2	78.5	69.4	205.0	353.0	$1.49	$1.26
Fission Energy Corp. (TSX:FCU)	Exploration	0.69	254,355.7	243,776.0	n/a	0.0	0.0	0.0	0.0	0.0	n/a	n/a
NexGen Energy (TSXV:NXE)	Exploration	0.33	59,860.4	55,427.0	n/a	0.0	0.0	0.0	0.0	0.0	n/a	n/a
Kivalliq Energy Corp. (TSXV:KIV)	Exploration	0.17	33,354.1	32,563.5	0.690%	0.0	0.0	43.3	0.0	43.3	$0.77	$0.75
U3O8 Corp (TSX: UWE)	Exploration	0.06	11,757.5	11,398.8	0.08%	0.0	16.2	31.4	0.0	47.6	$0.25	$0.24
Strateco Resources Inc. (TSX:RSC)	Pre-Feasibility	0.03	5,432.2	15,049.7	0.52%	0.0	12.3	16.4	8.8	37.6	$0.14	$0.40
UEX Corp. (TSX:UEX)	Pre-Feasibility	0.28	65,804.2	58,273.7	0.77%	0.0	74.8	17.3	0.0	92.1	$0.71	$0.63
Average			**$201,308.6**	**$180,216.6**		**0.0**	**24.9**	**27.3**		**78.9**	**$2.44**	**$2.22**

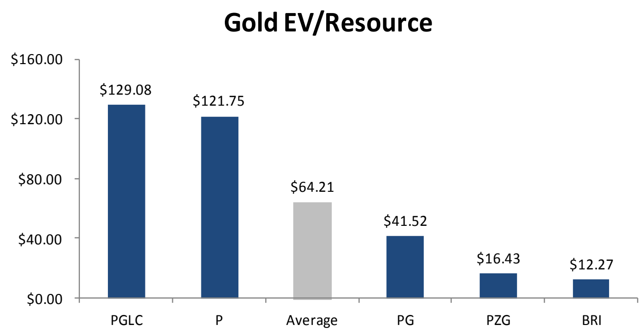
Gold Company Name	Stage	Stock Price (Local $)	Market Cap ($'000)	Enterprise Value ($'000)	43-101 Resources (M oz Au) Avg Grade	P&P	M&I	Inferred	Historical	Total	MKT / OZ	EV / OZ
Primero Mining (TSX:P)	Production	$5.37	$858,992.6	$808,450.6	4.8g/t	2.1	3.1	1.4	0.0	6.6	$129.37	$121.75
Premier Gold (TSX:PG)	Exploration	$2.63	$404,466.9	$354,947.6	3.2g/t	0.0	5.0	3.5	0.0	8.5	$47.32	$41.52
Brazil Resources (TSXV:BRI)	Exploration	$0.70	$50,750.3	$48,337.3	1.2g/t	0.0	1.5	2.4	0.0	3.9	$12.89	$12.27
Pershing Gold (OTC:PGLC)	Exploration	$0.30	$95,321.2	$92,551.6	0.6g/t	0.0	0.6	0.2	0.0	0.7	$132.94	$129.08
Paramount Gold & Silver (TSX:PZG)	Exploration	$0.87	$140,336.5	$119,962.9	0.4g/t	0.0	4.6	2.7	0.0	7.3	$19.22	$16.43
Average			**$309,973.5**	**$284,850.0**			**3.0**	**2.0**		**5.4**	**$68.35**	**$64.21**

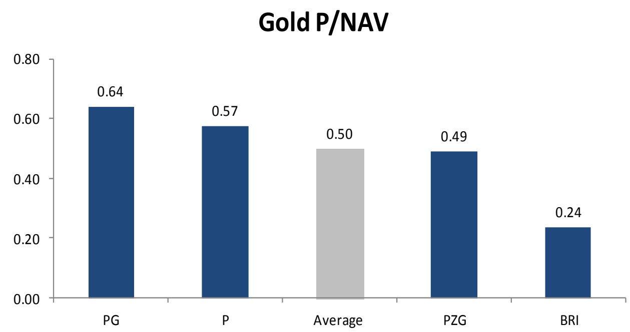
Source: Cantor Fitzgerald Canada Estimates, Company Reports

Exhibit 29: Comparable Valuation









Source: Cantor Fitzgerald Canada Estimates, Company Reports

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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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