Equity Research

QUARTERLY COMMODITY OUTLOOK

Our latest gold, silver, uranium, and copper price forecasts; Target price updates

Commodity	Company	Ticker	New Rating	New Target	Previous Rating	Previous Target	Target Change	Analyst
Precious Metals	Alexco Resource Corp.	AXR-TSX; AXU-NYSE	Buy	$3.00	Buy	$3.00	0%	Kozak
Precious Metals	Avino Silver & Gold Mines	ASM-TSXV; ASM-NYSEMKT	Buy	$3.70	Buy	$4.05	-9%	Chang
Precious Metals	GoGold Resources	GGD-TSX	Buy	$1.70	Buy	$1.80	-6%	Chang
Precious Metals	GoldMining Inc.	GOLD-TSXV	Buy	$4.30	Buy	$4.35	-1%	Chang
Precious Metals	Harte Gold	HRT-TSX	Buy	$1.10	Buy	$1.10	0%	Kozak
Precious Metals	Northern Dynasty	NDM-TSX; NAK-NYSE	Buy	$5.00	Buy	$5.00	0%	Kozak
Precious Metals	Oceanus Resources	OCN-TSXV	Buy	$0.45	Buy	$0.45	0%	Kozak
Precious Metals	Pershing Gold	PGLC-NASDAQ; PGLC-TSX	Buy	US$4.25	Buy	US$4.65	-9%	Chang
Precious Metals	Premier Gold Mines	PG-TSX	Buy	$4.65	Buy	$4.60	1%	Chang
Precious Metals	Seabridge Gold	SEA-TSX; SA-NYSE	Buy	$20.00	Buy	$20.00	0%	Kozak
Uranium	Azarga Uranium	AZZ-TSX	Buy	$1.05	Buy	$1.15	-9%	Chang
Uranium	Cameco Corp.	CCO-TSX; CCJ-NYSE	Buy	$15.70	Buy	$16.90	-7%	Chang
Uranium	Denison Mines	DML-TSX; DNN-NYSE	Buy	$1.40	Buy	$1.75	-20%	Chang
Uranium	Energy Fuels	EFR-TSX; UUUU-NYSE	Buy	$4.05	Buy	$5.05	-20%	Chang
Uranium	Fission Uranium Corp.	FCU-TSX	Buy	$1.30	Buy	$1.20	8%	Chang
Uranium	Kivalliq Energy	KIV-TSXV	Buy	$0.15	Buy	$0.15	0%	Chang
Uranium	NexGen Energy	NXE-TSX; NXE-NYSE	Buy	$5.20	Buy	$4.85	7%	Chang
Uranium	Ur-Energy	URE-TSX; URG-NYSE	Buy	$1.90	Buy	$2.25	-16%	Chang
Uranium	Uranium Energy Corp	UEC-NYSE	Buy	US$2.30	Buy	US$2.50	-8%	Chang
Uranium	Uranium Participation Corp.	U-TSX	Hold	$3.95	Buy	$5.80	-32%	Chang
Lithium	Lithium X	LIX-TSX	Buy	$3.00	Buy	$2.90	3%	Chang

	Actual			Q2/17		Variance	Q3/17		Change	Q4/17		Change	Q1/18		Change
	Q3/16	Q4/16	Q1/17	Actual	Est.	%	New	Old	%	New	Old	%	New	Old	%
Gold US$/oz	1,335	1,219	1,220	1,258	1,250	0.7%	1,230	1,250	-1.6%	1,220	1,250	-2.4%	1,225	1,270	-3.5%
Silver US$/oz	19.60	17.14	17.48	17.25	18.00	-4.2%	17.00	18.00	-5.6%	17.00	18.00	-5.6%	17.50	18.00	-2.8%
Uranium Spot US$/lb	25.54	19.76	23.76	21.55	27.00	-20.2%	20.25	30.00	-32.5%	23.00	32.50	-29.2%	25.00	40.00	-37.5%
Copper US$/lb	2.17	2.39	2.65	2.57	2.65	-3.0%	2.65	2.65	0.0%	2.65	2.65	0.0%	2.70	2.70	0.0%

	FY2017		Change	FY2018		Change	FY2019		Change	FY2020		Change	LT		Change
	New	Old	%	New	Old	%	New	Old	%	New	Old	%	New	Old	%
Gold US$/oz	1,232	1,243	-0.8%	1,250	1,298	-3.7%	1,300	1,350	-3.7%	1,350	1,400	-3.6%	1,300	1,300	0.0%
Silver US$/oz	17.18	17.87	-3.9%	17.75	18.56	-4.4%	18.00	19.88	-9.5%	20.00	20.00	0.0%	20.00	20.00	0.0%
Uranium Spot US$/lb	22.14	28.32	-21.8%	28.75	45.00	-36.1%	42.50	66.25	-35.8%	62.50	80.00	-21.9%	80.00	80.00	0.0%
Copper US$/lb	2.63	2.65	-0.8%	2.75	2.75	0.0%	2.75	2.75	0.0%	3.00	3.00	0.0%	2.90	2.90	0.0%

	2017E		Change	2018E		Change	2019E		Change	2020E		Change	2021E		Change	Long Term		Change
	New	Old	%	New	Old	%	New	Old	%	New	Old	%	New	Old	%	New	Old	%
USD/CAD	0.76	0.75	1.3%	0.77	0.77	0.0%	0.78	0.80	-2.5%	0.79	0.83	-4.8%	0.79	0.86	-8.1%	0.90	0.90	0.0%

Source: Cantor Fitzgerald Research, Bloomberg

URANIUM – NEAR TERM SUPPLY REALITY

The Q2/17 spot uranium price of US$21.55/lb. was lower than our estimate of US$27.00/lb. (-20.2%) as the expected impact from Kazatomprom's announcement earlier in the year of a 10% reduction in uranium production has not provided the expected sustained boost to uranium prices. In addition, the weak uranium market is keeping

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

prices at unsustainably low levels – levels that are causing some producers (including the low-cost ones) to elect to buy from the spot market to fulfill their deliveries as it is cheaper to buy in the market than to produce.

As a result, we are notably lowering our uranium price forecasts in recognition of the current environment, which is dominated by weak uranium prices as opposed to long-term fundamentals. Our 2017 uranium spot price forecast has been lowered to US$22.14/lb, or by 21.8% while our 2018, 2019, and 2020 forecasts have been reduced to US$28.75/lb (-36.1%), US$42.50/lb (-35.8%), and US$62.50/lb (-21.9%), respectively. Our long-term price remains at US$80/lb, which begins in 2022, as we continue to believe that the supply and demand fundamentals of uranium will lead to a violent price increase, albeit further into the future than initially expected. We view US$80/lb as the long-term equilibrium price level that will incentivize production from the large, low grade African uranium mines, whose production we believe is necessary for future supply and demand to balance.

Q2/17 weakness. A part of the reason behind the weakness in uranium prices in Q2/17 can likely be attributed to the possibility that some Kazakh producers were slower than others in implementing the production cuts announced by Kazatomprom. While a 10% reduction was guided by the state-owned organization that by law has an ownership stake in every uranium mine in the country, we suspect that some operators may have dragged their feet in implementing these curtailments. This could be due to a combination of necessary time needed to implement changes and OPEC-style "cutting" that is more for perception that reality. It will be interesting to see to what degree the cuts were implemented as production numbers for Q2/17 begin to roll in.

Secondary supply. However more importantly is the issue of secondary supply. We currently estimate secondary supplies of about 48M lbs of U_3O_8 with 22M lbs coming from Russian sources such as enrichment providers via underfeeding. Our conversations with several industry participants leads us to expect continued high levels coming from Russia for at least through 2018. When combined with our primary uranium estimate of 153.3M lbs U_3O_8 for 2017, we see total supply of 201.2M lbs. in 2017. For 2018, we forecast secondary supplies of 48M lbs again along with increased primary production of 164.1 M lbs U_3O_8 (Total: 212.1M lbs U_3O_8) as China General Nuclear's Husab mine ramps up production.

Limited Curtailment Available. We are also in a period where there is limited curtailment opportunities available. Nearly all primary production is either for higher-priced contracted material (such as Cameco's Cigar Lake production and all U.S. ISR production) or is a by-product for another commodity and revenues coming from uranium sales are viewed as a cost offset for the production of the main commodity (such as BHP's Olympic Dam mine that produces copper and gold as the primary metals while uranium serves as a "bonus").

Demand - Contracts. As we have noted several times, higher-priced contracts that are effectively providing lifelines to uranium producers that have cost profiles above the current spot price (majority of them), are set to roll off over the next few years. There has not been much new contracting as utilities have opted to fill their own inventories with spot material and plan to do so until market prices force them to do something different. We see the bulk of these favourable contracts rolling off in 1-3 years for most producers. As such we may see a new wave of production shutdowns that will further squeeze primary production levels lower.

Uncovered Requirements will matter. We estimate that about 30% of utility requirements remain uncovered for 2019. While utilities appear increasingly comfortable with satisfying these needs in the spot market until unable to do so, we point out that this can only be a short-term solution as we estimate about 75% of the uranium requirements needed for 2025 remain unmet. We strongly doubt the spot market will be able to satisfy that type of demand without dramatically affecting the price. The key question is when. Historically, this question was controlled by the

minimum uranium-to-fuel assembly fabrication timeline of two years. However, the ability to purchase material mid-stream has given utilities the ability to further shorten these timeframes.

Our model. We have updated our demand forecasts to account for the most recent developments in the space as per the World Nuclear Association's database. Our estimate for 2017 U_3O_8 demand stands at 191.7M lbs U_3O_8, which is up from 2016 demand of 180.9M lbs (+6%). Driving this increase are 13 additional reactors above the 410 operating in 2016 that is led by five in Japan and three in China. Demand in 2018 is expected to be 199.6M lbs (+4%) as a net increase of 17 more reactors are added led by seven in China and four in Japan.

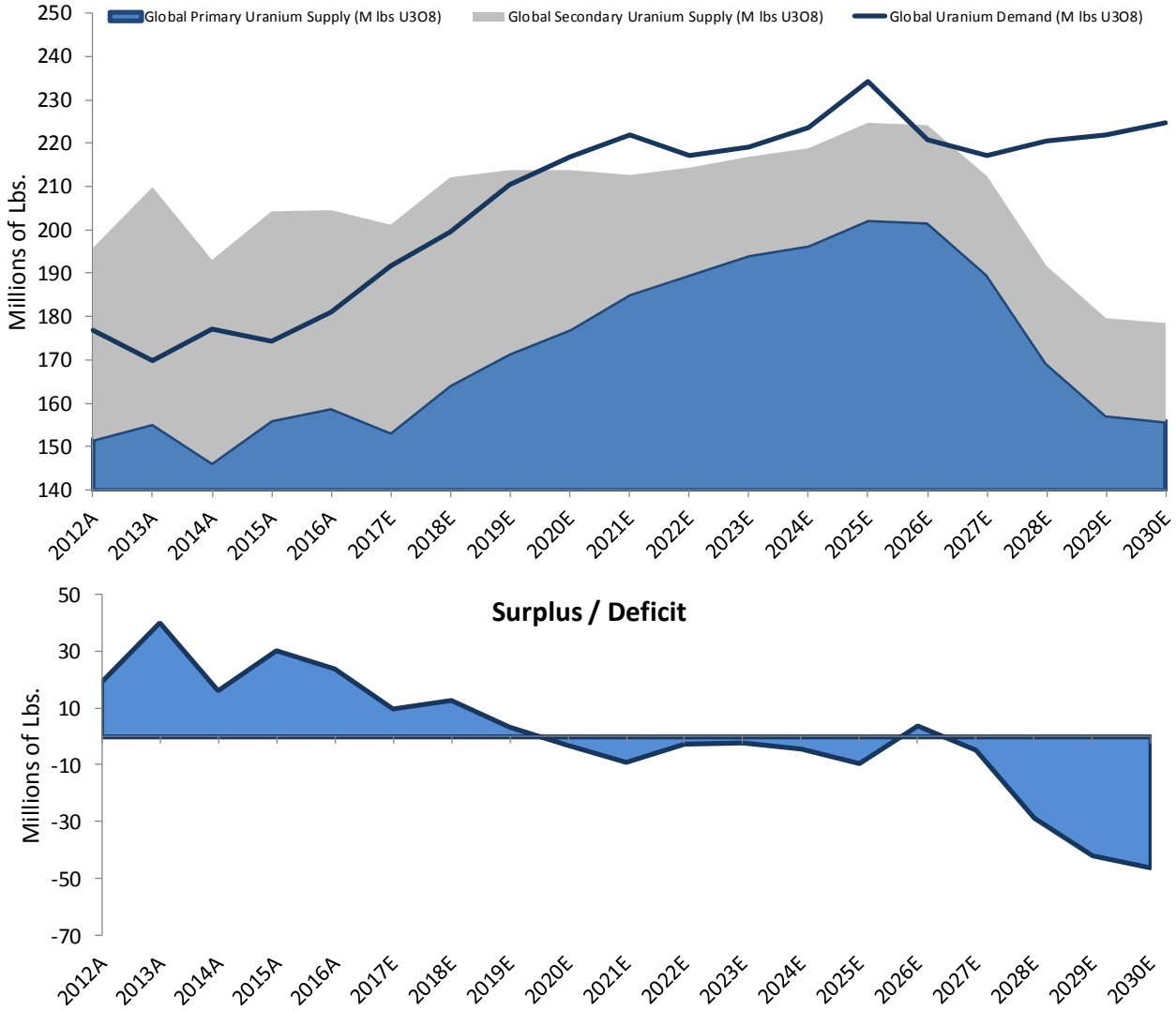
Deficit in 2020. Our revised model forecasts a supply deficit beginning in 2020 as demand of 216.9M lbs in that year outstrips combined primary and secondary supplies of 213.7M lbs. U_3O_8. We continue to believe that a violent increase in the price of uranium is coming. However it is now expected to occur later. As the near-term market continues to be weak we will see additional curtailments and shutdowns at the production level. This will delay the necessary supply response once the inventory overhang in the market is removed and create an environment that we believe will see sharp upward price moves as utilities compete for scarce U_3O_8.

Cantor Fitzgerald Supply and Demand Model – Deficit Expected in 2020

Our uranium supply and demand model accounts for 185 mines/projects and 868 reactors. As always, we provide two versions.

The first assumes "perfect production" in that all uranium mines and projects will produce exactly according to company guided plans (or study suggested plans) and that all production levels are price insensitive. It includes projects that have break-even costs estimated in the US$70/lb level and higher. This can be viewed as a worst-case scenario for uranium as it is effectively the maximum supply available given all available information (Exhibit 1). Note that everything has to go perfectly to plan in order for this scenario to occur, however historically things have rarely gone perfectly according to plan in mining.

Exhibit 1. Uranium Supply & Demand Forecast – Conservative (Perfect Production Scenario)



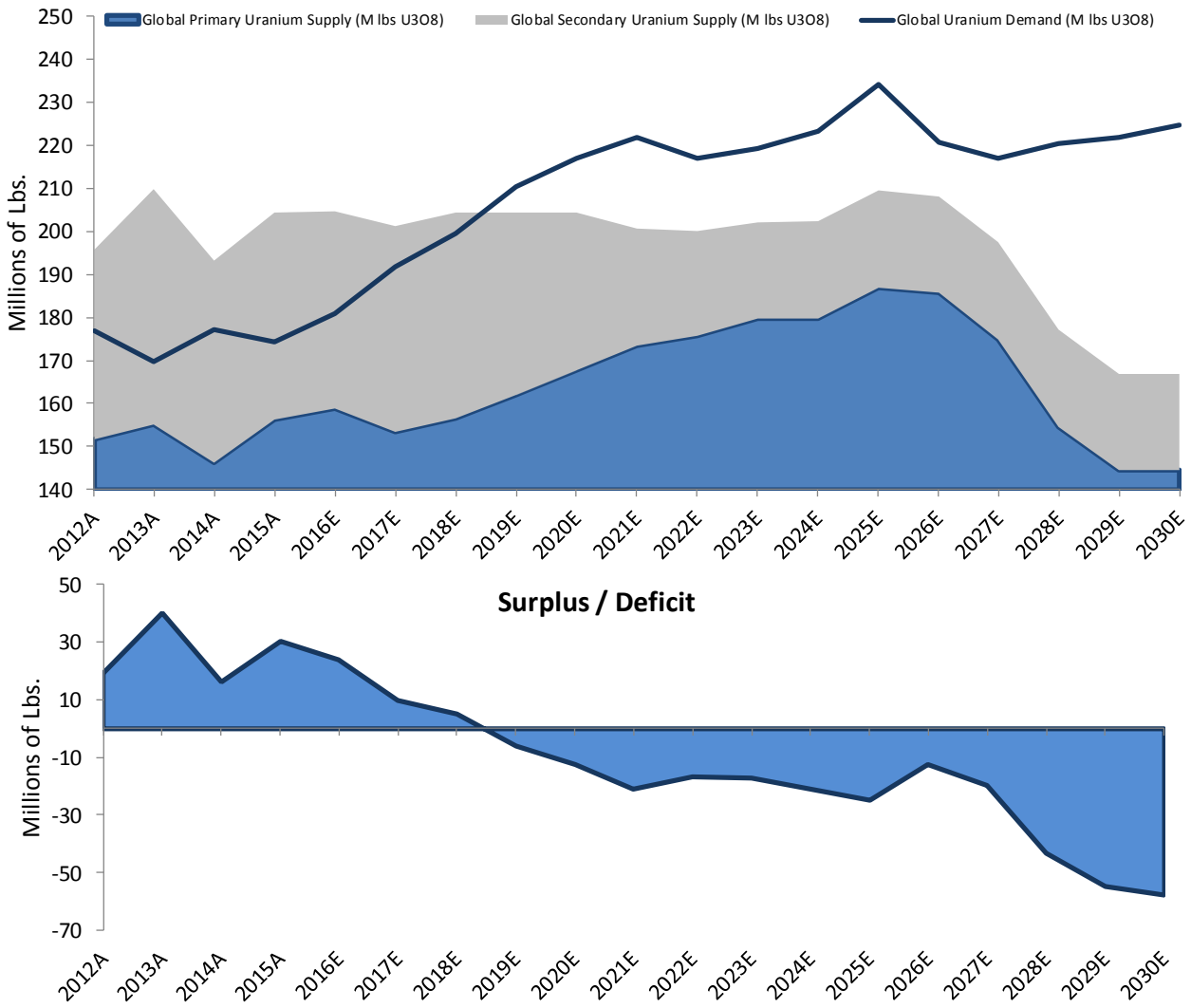
Source: Cantor Fitzgerald Canada Research

Our second model is an adjusted uranium production forecast assuming uranium prices remain at US$40/lb for the foreseeable future. In this model we forecast production shutdowns based on the expiration of long term contracts as well as adopting a more realistic view of production costs for certain projects and mines that we believe would be uneconomic at a sustained US$40/lb price level.

We view the second scenario as the more realistic one since it is unreasonable to assume producers will continue producing at a loss indefinitely. Moreover with spot uranium prices currently closer to US$20/lb, there would be even fewer producers that can survive. In both scenarios, an unavoidable shortfall between supply and demand occurs.

As such, we continue to forecast a violent increase in the price of uranium.

Exhibit 2. Uranium Supply & Demand Forecast – US$40/lb long-term



Source: Cantor Fitzgerald Canada Research

PRECIOUS METALS

The spot gold price averaged US$1,258/oz. over the second quarter, which was inline with our forecast of US$1,250/oz. The price of silver averaged US$17.25/oz., which was 4.2% below our forecast of US$18.00/oz.

Interest Rates. In general, we have modestly lowered our precious metals price estimates to reflect the robust global economy and the U.S. in particular as this strength increases the likelihood of continued rate increases. Market expectations currently expect at least one if not two U.S. Fed rate hikes within the next 12 months with the first occurring as early as by the end of 2017.

New tax in India. India's new 3% tax on gold (up from 1.2%) is expected to dampen its consumer appetite for the yellow metal in the short-term. While we do not believe that there will be sustained weakness from the new tax (aside from perhaps increased "underground" sales) we expect a period of weakness stemming from the change.

Safe Haven Support – While we are reducing our estimates for gold and silver, their roles as safe haven investments continue to provide price support. Continued global instability from areas such as North Korea with its increasingly aggressive actions and the diplomatic isolation of Qatar by several regional neighbours are a few examples of political issues that provide support for precious metals prices. The U.S. is also contributing to global political uncertainty as the White House is under investigation by a Special Counsel for various possible improprieties as well as a perception of ineffectiveness on the part of the Trump administration that has stalled on several legislative endeavours and still has a notable number of unfilled senior government positions. This has led to weakness in the U.S. dollar and further support for precious metals.

ALEXCO RESOURCES (AXR-TSX, AXU-NYSE): BUY, $3.00 (UNCHANGED)

We launched coverage of Alexco on March 24th, and our Buy rating and target price are unchanged. On March 30th, the company reported its Q4/16 financials, filed an updated PEA for Keno Hill, and successfully amended the terms of the Silver Wheaton / Wheaton Precious Metals (WPM-TSX, WPM-NYSE, Not Covered) production purchase agreement. We note that the WPM agreement protects Alexco to a greater degree on the downside, and should support a production restart in the current silver price environment. We believe production could restart as early as H2/18.

Alexco's valuation continues to be extremely compelling, with the stock trading at 60-75% below its nearest comparables on virtually every metric (EV/M&I AgEq, EV/total resource AgEq, EV/Production AgEq, etc.)

Exhibit 3. Alexco Resource Keno Hill Updated Project Economics

Metric		Dec-14	Mar-17	%ge change
LOM Ore Mined	(000t)	813	1,021	26%
Avg Head Grade	(g/T Ag)	754	843	12%
	(% Zn)	2.7%	3.3%	22%
	(% Pb)	4.5%	4.6%	2%
Avg Recoveries	(% Ag)	93.7%	97.0%	4%
	(% Zn)	60.3%	88.0%	46%
	(% Pb)	83.6%	94.7%	13%
Mine Life	(years)	5.75	8.00	39%
LOM Production	(MMoz Ag)	17.1	25.1	47%
	(MMlb Zn)	35.2	77.3	120%
	(MMlb Pb)	38.2	67.0	75%
Production Cost	(C$/T)	$255	$325	27%
Site AISC net Zn, Pb	($/oz Ag)	$10.78	$10.36	-4%
Initial CAPEX	(MM C$)	$22.6	$27.0	19%
Total CAPEX	(MM C$)	$73.6	$102.5	39%
After Tax IRR	(%)	22%	75%	241%
After Tax NPV 5%	(MM C$)	$23.3	$79.4	241%

Source: Alexco Resource, Cantor Fitzgerald

AVINO SILVER & GOLD MINES (ASM-TSXV; ASM-NYSE): BUY, $3.70 (-9%)

We are maintaining a BUY recommendation and lowering our target price of $3.75 per share. Our target price is based on a 1.0x multiple to our NAV5% valuation of $3.70 per share, which declined due to the lower gold and silver price deck as well as our adjustment to the production start for Bralorne to 2019 from Q4/17. We also rolled forward our NAV valuation methodology to 2018 as the starting year from 2017. Avino currently trades at 0.57x NAVPS, a discount to intrinsic value.

On July 10, Avino Silver & Gold Mines announced a progress update on developments from the Bralorne Gold Mine, located in British Columbia. The update was highlighted by a new mine plan which is currently being considered. This new plan involves the construction of a new larger diameter mine tunnel on the 800 level which would allow for a more mechanized operation. Moreover, given the new mine plan, a different mining method is also being considered. Permitting is on-going with the Ministry of Mines and Energy and with the Ministry of the Environment to receive an amended mine permit to operate at 100 tonnes per day. A diamond drill program is planned to begin this fall. Though we were initially expecting Bralorne production to begin small tonnage operations later this year, the new mine plan will likely push back the initial production date.

More specifically concerning the new mine plan, due to identified ground and safety issues in the existing 800 level tunnel, the company is now considering the construction of a new, wider 800 level tunnel. This new tunnel would allow for mechanized equipment due to its wider diameter (4.5m x 4.5m) when compared to the existing tunnel (2.5m x 2.5m). The original 800 level tunnel was envisioned to be used as a near future small tonnage operation but will instead need rehabilitative work. Once complete, this tunnel will likely be used instead for ventilation, secondary egress, and mine water drainage. The company is also considering a different mining method involving sub level long hole retreat mining on veins where the hanging wall, foot wall and mineralization are conducive to this safer and more efficient method.

Q2/17 Production results were announced on July 24. Production for the quarter topped our initial forecasts largely due to increased mill availability and higher silver and gold feed grades. At the Avino Mine, the driver for the higher than expected production was attributed largely to higher mill availability and grades. In general, the tonnage processed increased by 20% relative to Q2/16 and by 12% versus our estimate due to circuits #2 and #3 being used exclusively for the processing of Avino material. Silver And gold feed grades were higher versus Q2/16 by 19% and 106%, respectively, while copper grades decreased by 10% due to the change in mineralization. Relative to our estimates, gold and silver grades were notably higher by 27% and 13%, respectively, while copper grades were 2% lower. At the San Gonzalo Mine, tonnage mined and processed decreased by 14% and 41% due to circuit #2 being used for Avino Mine material (milling throughput missed Cantor estimate by 26%). Additionally, the silver feed grade increased to 17% versus a year ago (met Cantor estimate) while that of gold decreased by 10% (-9% vs. Cantor).

Management noted they expect H2/17 output to be similar to that of the current rate of production. We expect financial results to be released in approximately 2-3 weeks time.

Exhibit 4. Q2/17 Production Results and Variance

	Q2/17A	Q2/17 CFe	Variance	Q2/16a
Total AgEq produced (oz	698,174	679,000	2.8%	629,780
Total Au produced (oz)	1,954	1,790	9.2%	1,509
Total Ag produced (oz)	386,002	395,000	-2.3%	380,620
Total Cu produced (lbs)	1,133,161	1,035,000	9.5%	1,054,935

Source: Avino Silver & Gold Mines, Cantor Fitzgerald estimates

Exhibit 5: Avino Silver & Gold Mines Net Asset Value

Mining Assets		C$ 000s	Per share
San Gonzalo	(100%)	$60,023	$1.12
Avino Mine	(100%)	$96,257	$1.79
Tailings Heap Leach - Oxide only	(100%)	$53,892	$1.00
Bralorne	(100%)	$29,671	$0.55
Total Mining Assets		**$239,842**	$4.47

Financial Assets		C$ 000s	Per share
Cash		$10,097	$0.19
Working Capital net of cash		$17,778	$0.33
LT Liabilities		($29,361)	($0.55)
NPV of corporate costs @ 5%		($42,054)	($0.78)
Proceeds from ITM Instruments		$2,217	$0.04
Total Financial Assets		($41,323)	($0.77)
Net Asset Value	$	**$198,519**	$3.70

Shares Outstanding ('000s)	52,441
NAV/sh	$3.79
Diluted shares outstanding	**53,687**
NAV per diluted share (C$/share)	$3.70
Current share price (C$/share)	$2.10
Price / NAV	**0.57x**

(1) Corporate adjustments are as of last reported Financial Statements Mar 31, 2017

Source: Cantor Fitzgerald Canada Estimates, Company Reports

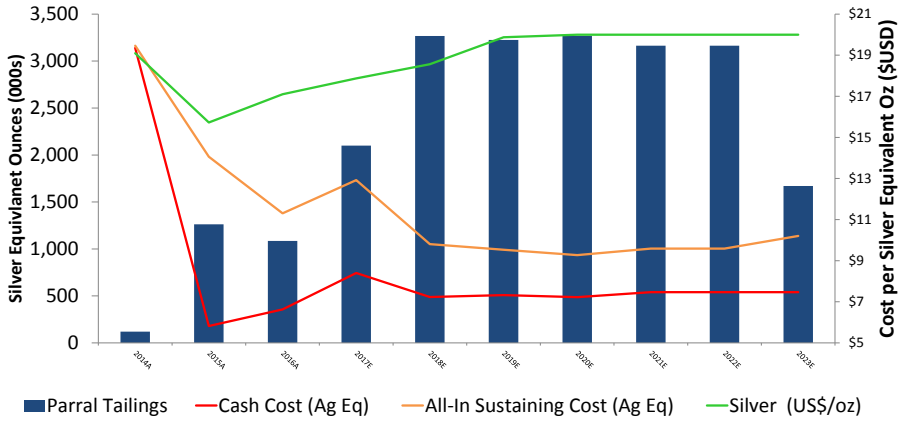
GOGOLD RESOURCES INC. (GGD-TSX): BUY, $1.70 (-6%)

We are maintaining a Buy recommendation for GoGold Resources Inc. and are lowering our target price modestly to $1.70/share, or by 6%. Our target price reflects a 1.0x multiple to our $NAV_{5\%}$ valuation of $1.69 per share, which declined due to our lower gold and silver price forecast revisions. GGD currently trades at 0.35x NAV, which is a significant discount to intrinsic value.

We initiated coverage of GoGold Resources on May 18, 2017. We view GoGold Resources as an undervalued, low-cost Mexican silver-gold producer that is on the cusp of adding additional production by the end of this year. More specifically, the 2016 AISC of $11.30/lb. AgEq oz. at Parral is attractive in a $16-17/oz. Ag environment. Combined with the recent optimization work and the upcoming doubling of capacity, we forecast steady state annual AISC of ~$10/oz. at Parral. Moreover, Parral is scheduled to double in capacity to 10,000 tpd. Along with the improvements gained from last year's optimization work, we forecast steady state production of over 3.2M AgEq oz., which is a 195% improvement from 2016 production of 1.1M AgEq oz.

Secondly, GoGold's other asset, Santa Gertrudis, is expected to commence production from its vat leach process in Q4/17. We forecast production of 5,800 oz. Au in 2017 with steady state annual production of 66,000 oz. Au. by 2020 after a second vat and a heap leach facility are also installed.

Exhibit 6. Parral Annual Production and Cost Forecast



Source: GoGold and Cantor Fitzgerald Canada Research

Exhibit 7: GoGold Net Asset Value

Mining Assets		US$ 000s	Per share
Parral Tailings	(100%)	$105,518	$0.61
Santa Gertrudis	(100%)	$194,713	$1.13
Total Mining Assets		**$300,232**	$1.75

Financial Assets		US$ 000s	Per share
Cash		$1,032	$0.01
Working Capital net of cash		$14,019	$0.08
LT Liabilities		($42,165)	($0.25)
NPV of corporate costs @ 5%		($54,052)	($0.32)
Proceeds from ITM Instruments		$300	$0.00
Total Financial Assets		($80,866)	($0.47)
Net Asset Value	US$	**$219,365**	$1.28
Net Asset Value	C$	**$290,454**	$1.69
Shares Outstanding ('000s)		171,376	
NAV/sh	US$	$1.28	
NAV/sh	**C$**	**$1.69**	
Diluted shares outstanding		**171,576**	
Current share price (C$/share)		$0.59	
Price / NAV		**0.35x**	

(1) Corporate adjustments are as of last reported Financial Statements March 31, 2017
Source: Cantor Fitzgerald Canada Estimates, Company Reports

GOLDMINING INC. (GOLD-TSXV): BUY, $4.30 (-1%)

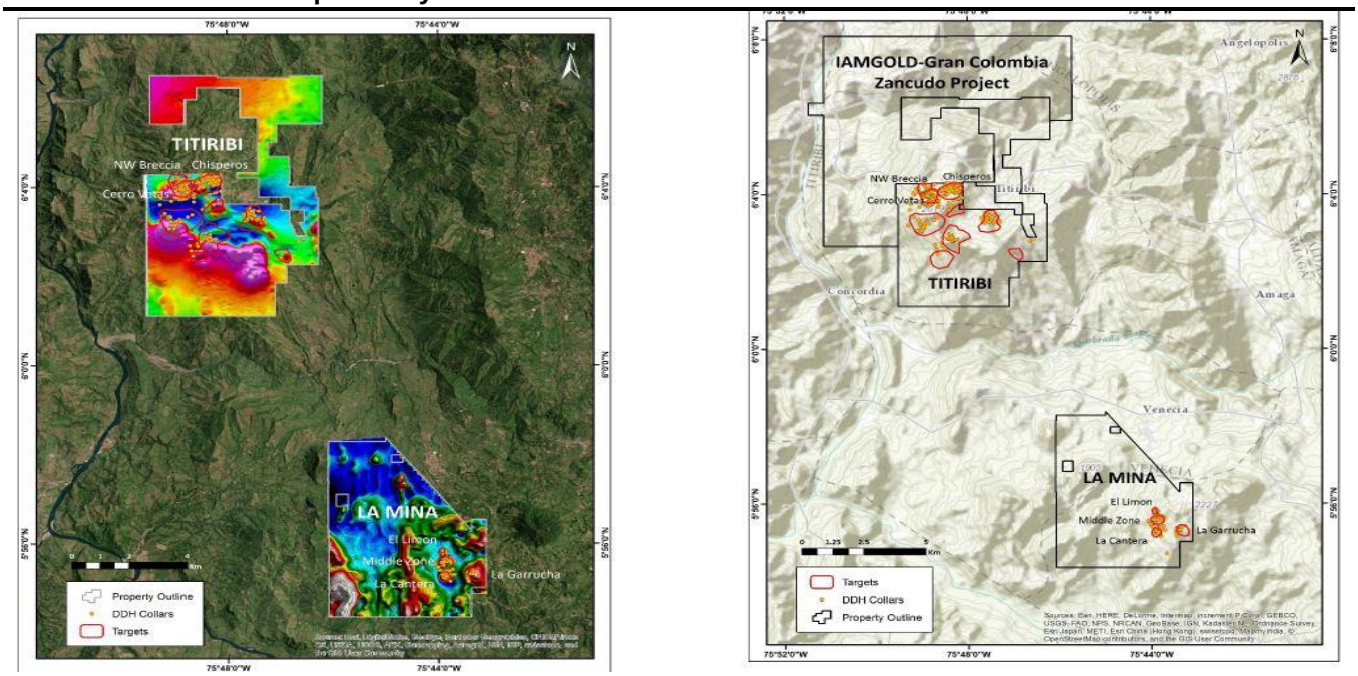
We are maintaining a BUY recommendation and are modestly reducing our target price to $4.30 per share, or by 1%, for GoldMining Inc. Our target price is based on a 1.0x multiple to our $NAV_{8\%}$ valuation of $4.28 per share. The change is due to the rolling forward of our NAV valuation methodology to 2018 as the starting year from 2017. Goldmining Inc. currently trades at 0.42x NAVPS, a discount to intrinsic value.

On April 12th, GoldMining Inc. and Bellhaven Copper and Gold Inc. announced that they have entered into an agreement in which GoldMining Inc. will acquire all the outstanding common shares of Bellhaven by way of plan of arrangement. Upon completion of the arrangement, GoldMining Inc. will own 100% of Bellhaven Copper & Gold (TSXV-BHV, Not Rated), whose key asset is the La Mina Gold Project located in Colombia. Management believes that La Mina possesses several excellent underexplored porphyry targets which offer opportunities for gold discovery, near existing infrastructure. This acquisition further advances GoldMining's strategy to acquire significant gold/copper projects in the Americas. La Mina is located 6 km from GoldMining's Titiribi project (6.21M AuEq ounces M&I along with 3.33M AuEq ounces Inferred) which was acquired last August from NovaCopper. Once completed, this transaction would create one of the largest gold-copper resource portfolios in Colombia's Mid Cauca Belt.

The Mid Cauca Belt has seen increased activity in recent years with companies such as Cordoba Minerals (TSXV-CDB, Not rated) and HPX Exploration (San Matias), Continental Gold (Buritica, TSX-CNL, Not rated), IAMGOLD (TSX-IMG, NYSE-IAG, Not rated), Gran Colombia (Zancudo, TSX-GCM, Not rated), AngloGold Ashanti (JSE-ANG, NYSE-AU, ASX-AGG, Not rated), and B2Gold (Nuevo Chaquiro, TSX-CNL, Not rated), active in the area.

With an Indicated grade of 1.12 g/t AuEq along with an Inferred grade of 1.07 g/t AuEq, La Mina is also considered to be one of the highest grade porphyry Au/Cu project in the Americas.

Exhibit 8. La Mina: 6Km proximity to Titiribi



Source: GoldMining Inc.

The La Mina Project is located approximately 41 km southwest of the city of Medellin in the Department of Antioquia, in central Colombia and approximately 6 km southeast of GoldMining's Titiribi Project. La Mina is comprised of two concessions that cover an area of 32km². The project includes the Middle Zone and La Cantera gold-copper porphyry deposits as well as the highly prospective La Garrucha prospect located approximately 800m to the east.

A Preliminary Economic Assessment ("PEA") on the project conducted in 2012 concluded that La Mina could be one of the lower cost gold development projects in the Americas, with costs estimated to total US$408/oz. (net of by-product credits). Further PEA highlights include an $NPV_{8\%}$ of US262M/$171M (before/after tax) along with an IRR of 33.5%/27.2% (before/after tax). This was calculated when using a gold price of $1,400/oz. along with $3.25/lb copper and $20.00/oz. silver, and assuming a nearly 10 year life of mine, producing 93,400 Au ounces along with 20.6M lbs of copper.

Exhibit 9: GoldMining Inc. Net Asset Value

Mining Assets

		CDN$ 000s	Per share	Comment
Sao Jorge	(100%)	$141,398	$1.00	8% NPV
La Mina	(100%)	$37,563	$0.27	8% NPV
Boa Vista	(100%)	$5,040	$0.04	In-Situ Valuation ($35/oz Indicated, $15/oz Inferred)
Cachoeira	(100%)	$32,275	$0.23	In-Situ Valuation ($35/oz Indicated, $15/oz Inferred)
Island Mountain	(100%)	$35,705	$0.25	In-Situ Valuation ($35/oz Indicated, $15/oz Inferred)
Raintree West	(100%)	$23,100	$0.16	In-Situ Valuation ($35/oz Indicated, $15/oz Inferred)
Surubim	(100%)	$7,545	$0.05	In-Situ Valuation ($35/oz Indicated, $15/oz Inferred)
Titiribi	(100%)	$210,800	$1.49	In-Situ Valuation ($35/oz Indicated, $15/oz Inferred)
Whistler	(100%)	$72,550	$0.51	In-Situ Valuation ($35/oz Indicated, $15/oz Inferred)
Rea Uranium Project	(100%)	$10,000	$0.07	Exploration spend
Total Mining Assets		**$575,976**	$4.07	

Financial Assets

		CDN$ 000s	Per share
Cash		$21,338	$0.15
Working Capital net of cash		($1,944)	($0.01)
LT Liabilities		($298)	($0.00)
Proceeds from ITM Instruments		$10,992	$0.08
		$30,088	$0.21
Net Asset Value	CDN$	**$606,064**	$4.28
Shares Outstanding (000s)		127,215	
NAV/sh		$4.76	
Diluted shares outstanding		**141,558**	
NAV per Diluted share (C$/share)		$4.28	
Current share price (C$/share)		$1.79	
Price / NAV		**0.42x**	

(1) Corporate adjustments are as of last reported Financial Statements

Source: Cantor Fitzgerald Canada Estimates, Company Reports

HARTE GOLD (HRT-TSX): BUY, $1.10 (UNCHANGED)

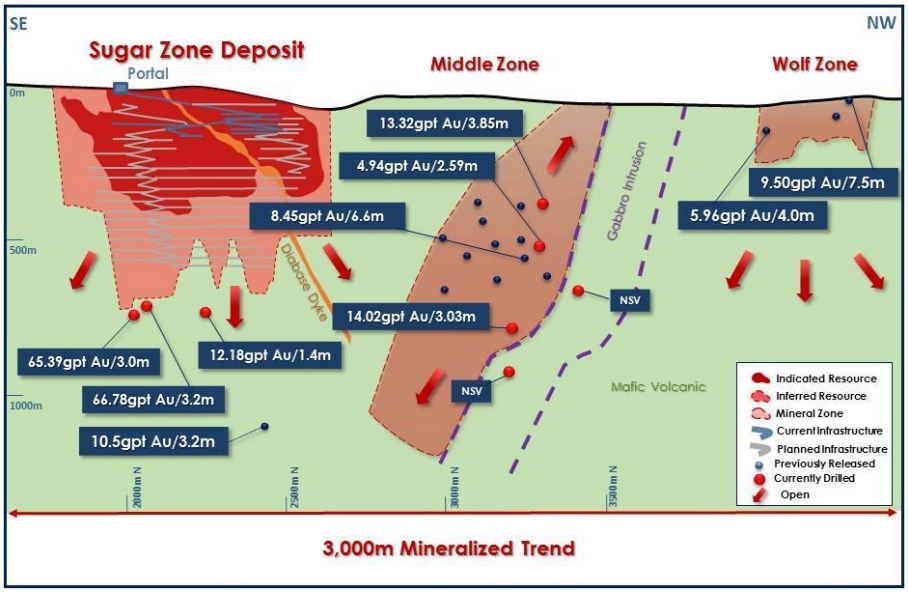
We maintain our Buy recommendation on Harte Gold and 12-month target price of $1.10/share. Our DCF-based NAVPS is driven via a long-term gold price deck of US$1,300/oz. (unchanged).

Eight drill rigs are currently active on the property, four at Sugar Zone, two at Middle, one at the new Lynx zone, and one conducting in-fill across Sugar/Middle/Wolf. An updated 43-101 compliant resource is on schedule for late Q4/17 early Q1/18 and we believe a target of 1.5-2.0 MMoz is achievable, with all zones continuing to remain open. Longer term, our resource target remains at ~3 MMoz at +9g/T Au, and we continue to expect Sugar and Middle to converge at depth.

Harte remains an attractive takeover candidate by companies with significant operating and exploration stage assets within short trucking distance of Sugar Zone (which enjoys superior grades).

The company has a strong balance sheet with cash on hand amounting to over $50MM.

Exhibit 10. Sugar/Middle/Wolf Long Section



Source: Harte Gold

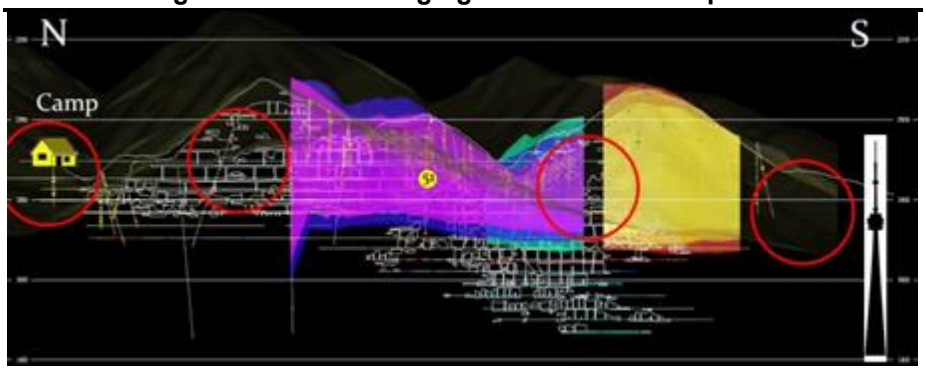
NORTHERN DYNASTY MINERALS (NAK-NYSE, NDM-TSX): BUY, $5.00, US$3.75 (UNCHANGED)

We launched coverage of Northern Dynasty on June 5 and our target and rating on the company are unchanged. In our view, Pebble is simply too large, too high quality, and too important globally for it to not wind up in the project pipelines belonging to the majors. Once in production (much longer term), Pebble will eventually be scaled up to what we believe will be the world's single largest mining operation, comprised of both an open-pit component and underground block cave. The stock is inexpensive by any and all metrics, with the current share price essentially pricing in only "option" value. Owning NAK/NDM ahead of a JV-partnering announcement, we believe is an excellent asymmetric risk/reward trade. We believe a JV-partner will emerge in September/October, which would arguably be the single most important catalyst in the company's history.

OCEANUS RESOURCES (OCN-TSXV): BUY, $0.45 (UNCHANGED)

Our Buy rating and 52-week target price of $0.45 are unchanged for Oceanus given that there are no adjustments to our long term gold or silver price deck. Our target price is based on a 1.0x P/NAV target multiple (rounded) driven via a maiden resource of just over 1.0 MMoz AuEq valued at $30/oz. in-situ, at the low end of the Mexican Au-Ag exploration stage peer group. There is considerable upside bias to our target price given our longer-term view of the multi-million ounce potential at El Tigre, and the likelihood that the EV/oz. valuation should re-rate higher upon de-risking the resource through more drilling and metallurgical test work.

Exhibit 11. Significant "Low Hanging Fruit" Resource Upside



Source: Oceanus Resources Corp.

The most significant catalyst will be the initial 43-101 compliant resource, which we estimate at +1.0 MMoz AuEq, scheduled for imminent release. Beyond this, El Tigre has multi-million ounce potential, although drilling across the entire 5.3 km strike length, and potentially at other satellite targets is a longer-term effort.

PERSHING GOLD (PGLC-NASDAQ; PGLC-TSX): BUY, US$4.25 (-9%)

We are maintaining a BUY recommendation and are lowering our target price to US$4.25 per share. Our target price is based on a 1.0x multiple to our NAV valuation of US$4.27 per share. The adjustment is based on our lower revised gold price forecasts. Pershing Gold currently trades at 0.72x NAVPS, a discount to intrinsic value.

On June 5th, Pershing Gold announced the completion of a NI 43-101 compliant Preliminary Feasibility Study ("PFS") on its Relief Canyon Mine in Nevada. The PFS shows an increase in annual production over the PEA of 93,900 oz. Au versus 88,500/oz. prior, while leaving operating costs virtually the same. Moreover, about 80% of the 2016 M&I gold ounces were converted to reserves. The PFS will serve as basis for the Phase II application process, expected to be submitted later this year.

More specifically, the increase in production is based on the decision to crush and agglomerate all production as opposed to having a run of mine component. This led the decision to move the plans for two ore pads forward. As such, the operation will start with three pads as opposed to one. This is the primary driver behind the increased initial CapEx estimate to US$23.6M from US$12.2M.Despite the increase in production, operating costs are largely the same in the PFS relative to the PEA with AISC now at US$802/oz. Au versus US$804/oz. Au in the PEA. Management notes that MDA, the author of the report, was able to source favourable contract mining agreements that led to the low cost. Moreover, management noted that the contracts mining agreements contain buyout clauses that allow PGLC to exit out of the contract and self mining should it be more favourable to the company.

Pershing Gold is planning a two-phase permitting and development scenario for the project. Phase I, which has been approved, is the re-purposing of previously approved disturbance for expanded mining to a pit bottom elevation of 5,080 feet, partial backfilling of the Phase I pit to approximately 20 feet above the historical groundwater elevation to eliminate a pit lake, expanded exploration operations, full build-out of the heap leach pad to accommodate leaching of the Phase I ore, and construction of a new waste rock storage facility.

Exhibit 12: Relief Canyon PFS vs. PEA Highlights

	PFS	PEA
Life of mine ("LOM")	5.6 years	5.8 years
Average LOM production	93,900 oz Au/year	88,500 oz Au/year
Cash Cost	$770/oz Au	$772/oz Au
AISC	$802/oz Au	$804/oz Au
Initial CAPEX	$23.6 million	$12.2 million
Sustaining CAPEX	$22.8 million	$16.6 million
Working Capital	$11.0 million	$14.9 million
Pre-tax NPV, 5%	$145 million	$159 million
Pre-tax IRR	89%	125%
Pre-tax Net Cash Flow	$192.7 million	$206 million
After-tax NPV, 5%	$126 million	$121 million
After-tax IRR	85%	109%
After-tax Net Cash Flow	$167.7 million	$157.6 million

Source: Pershing Gold Corp.

Exhibit 13: Pershing Gold Net Asset Value

Mining Assets			
		USD$ 000s	Per share
Relief Canyon	(100%)	$112,914	$3.98
Total Mining Assets		**$112,914**	$3.98

Financial Assets		
	USD$ 000s	Per share
Cash	$6,904	$0.24
Working Capital net of cash	$3,551	$0.13
LT Liabilities	($2,129)	($0.07)
Proceeds from ITM Instruments	$0	$0.00
	$8,326	$0.29
Net Asset Value	**$121,240**	$4.27
Shares Outstanding (000's)	28,402	
NAV/sh	$4.27	
Diluted shares outstanding	**28,402**	
NAV per Diluted share (US$/share)	$4.27	
Current share price (US$/share)	$3.09	
Price / NAV	**0.72x**	

(1) Corporate adjustments are as of last reported Financial Statements dated March 31, 2017
Source: Cantor Fitzgerald Canada Estimates, Company Reports

PREMIER GOLD (PG-TSX): BUY, $4.65 (+1%)

We are maintaining a BUY recommendation and are adjusting our target price on Premier Gold to $4.65 per share, or by 1%. Our target price is based on a 1.0x multiple to our NAV valuation of $4.52 per share. The change is based on the rolling forward of our NAV valuation to start on 2018 versus 2017. This effectively brought forward the impact of future production from our Greenstone and Rahill-Bonanza estimates by a year. The impact of those changes were offset by our reduced gold and silver price forecasts. Premier Gold currently trades at 0.69x NAVPS, a discount to intrinsic value.

Q2 production results were announced on July 18. Gold production results from South Arturo along with silver production results from Mercedes beat our estimates and has led management to increase consolidated guidance by 5,000 ounces for gold (the mid-point now being 135,000 ounces) and 15,000 ounces for silver (the mid-point now being 352,500 ounces) for FY/17. South Arturo has notably outperformed expectations from the start and continues to provide additional upside. Of note is that our conservative valuation for South Arturo does not include potential production from two possible open pits (that are in various stages of planning) and only applies an in-situ valuation for the underground potential, which is clearly significant given the amount of work Barrick/Premier Gold has done and plans to do.

More specifically, consolidated Q2/17 gold production amounted to 37,617 ounces, topping our estimate for 33,400 ounces. The outperformance came from South Arturo which produced 15,724 gold ounces, compared with our forecast of 11,300 ounces. Since initial production announced in Q3/16, South Arturo has consistently outperformed with higher grades than initially forecast. Additionally, revised pit wall slopes have allowed for additional extraction. At the Mercedes mine, gold production of 21,893 ounces was inline with our forecast of 22,100 ounces. Silver production of 89,474 ounces beat our forecast by about 9,000 ounces.

FY/17 guidance was increased to 130,000-140,000 ounces from 125,000 to 135,000 ounces of gold and to 340,000 to 365,000 ounces of silver, up from 325,000 to 350,000 ounces**.** We currently forecast consolidated production of 140,000 oz. of gold and 354,000 oz. of silver for 2017. At South Arturo, a Plan of Operations for the construction of a ramp at El Nino to access high-grade mineralization down-dip of the current pit has been submitted for approval with Nevada regulatory authorities and several permits have now been granted. Once received, the partnership is planning to develop an underground access to complete detailed drilling and mine planning in advance of potential future production. As noted two weeks ago, Phase 1 open pit development is in the draft mine plan stage. If approved, development may begin in early 2019. We have not modelled in any production from possible Phase 1 or Phase 3 open pits, which would be positive to our valuation should they be approved.

Lastly, note that on July 20th the company received approval from the TSX for a normal course issuer bid ("NCIB") to purchase up to 10% of the company's public float. The TSX has approved the purchase of up to 19,599,646 of Premier Gold's issued and outstanding shares. This represents about 10% of the public float.

Exhibit 14. Q2 Production Highlights

Mine	Gold Production (ounces)		Silver Production (ounces)	
	Q2 2017	YTD 2017	Q2 2017	YTD 2017
Mercedes, Mexico	21,893	44,057	89,474	178,046
South Arturo, Nevada	15,724	44,539	0	0
Consolidated Production	**37,617**	**88,596**	**89,474**	**178,046**
Gold Ounces Sold	*43,213*	*94,806*	*97,357*	*171,190*

Source: Premier Gold

Exhibit 15: Premier Gold Mines Net Asset Value

Mining Assets

		CDN$ 000s	Per share
Mercedes	(100%)	$212,601	$1.03
South Arturo	(40%)	$64,634	$0.31
Greenstone	(50%)	$218,492	$1.06
Rahill-Bonanza	(44%)	$190,164	$0.92
Hasaga	(100%)	$121,470	$0.59
McCoy-Cove	(100%)	$84,340	$0.41
Other Assets		$20,663	$0.10
Total Mining Assets		**$912,363**	$4.44

Financial Assets

		CDN$ 000s	Per share
Cash		$147,292	$0.72
Working Capital net of cash		$30,872	$0.15
LT Liabilities		($150,418)	($0.73)
Proceeds from ITM Instruments		$12,185	$0.06
		$39,930	$0.19
Net Asset Value	CDN$	**$952,293**	$4.63

Shares Outstanding (M)	200,406
NAV/sh	$4.75
Diluted shares outstanding	**205,649**
NAV per Diluted share (C$/share)	$4.63
Current share price (C$/share)	$3.18
Price / NAV	**0.69x**

(1) Corporate adjustments are as of last reported Financial Statements dated March 31, 2017

Source: Cantor Fitzgerald Canada Estimates, Company Reports

SEABRIDGE GOLD INC. (SEA-TSX, SA-NYSE): BUY, $20.00, US$15.00 (UNCHANGED)

Seabridge is well cashed up with +C$50 MM on the balance sheet. The 2017 drill campaign has begun at Iron Cap, and the first hole has just been completed (pending assay) the nearby Iskut property. We regard Iskut as a highly prospective free "option" and expect strong exploration results at Iron Cap to the north, where it remains open and grade appears to be improving. Seabridge will follow-up on hole IC-16-62, completed at the tail end of the 2016 program, that returned 555.2m @ 0.83g/T Au and 0.24% Cu, one of the best holes ever encountered at KSM. Seabridge conducted a site visit to KSM and Iskut earlier this week (Cantor site visit note pending). Similar to Northern Dynasty, we expect Seabridge to "partner-up" with a large-tier company (or consortium of companies) given the size, scale, and project status (permitted, construction-ready) of KSM. We believe this will be a Q3 or Q4/17 event and as such, believe the stock represents an excellent risk-reward trade both over the short term (ahead of partnering) and over the long-term.

AZARGA URANIUM (AZZ-TSX): BUY, $1.05 (-9%)

We are maintaining our BUY recommendation on Azarga Uranium and are decreasing our target price to $1.05 per share, or by 9%. Our target price reflects a 1.0x multiple to our NAV estimate of $1.03/share. The negative price change is a result of our reduced uranium price forecasts and the pushing out of production from Dewey Burdock and centennial to 2020 from 2019. Azarga currently trades at 0.27x NAVPS a material discount to intrinsic value.

In early March it was announced that Azarga Uranium Corp.'s wholly owned subsidiary, Powertech (USA) Inc. has received notice that the United States Environmental Protection Agency ("EPA") has issued two draft permits for the Dewey Burdock Uranium Project. The EPA's issuance of the draft Class III and Class V UIC permits further de-risks and validates the project and represent a major step on the development path.

Additionally, the South Dakota Department of Environment and Natural Resources staff has recommended approval of the major state permits; however, the hearings to finalize the state permitting process have been put on hold until the federal permits (namely those pertaining to the NRC and EPA), are issued. Once Azarga receives its final Class III and Class V UIC permits, it will be able to resume the formal hearings to complete the state permitting process. According to the EPA's public notice, the draft permits will be made available for public review and comment until 19 May 2017. The EPA's final permit decision will evaluate all public comments pertaining to the draft permits.

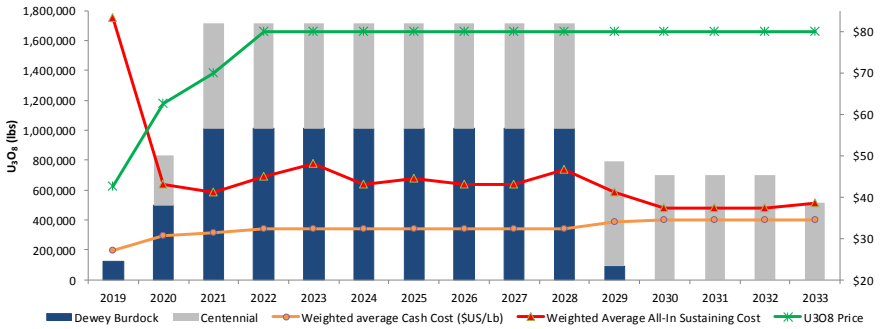
We continue to highlight the near term (we expect sometime in 2018) production potential out of the Dewey Burdock project which happens to be the highest grade ISR project in the U.S. and is currently in development. Located in South Dakota's Edgemont uranium district, the Dewey Burdock project boasts an NI 43-101 compliant M&I resource of over 8.5M lbs U_3O_8 at 0.25%. We note as well that the project has been fully permitted by the NRC since April 2014.

Exhibit 16: Azarga Uranium Net Asset Value

Azarga Uranium			
Projects	**NAV**	**Per Share**	**Comment**
Dewey Burdock	$57.9	$0.72	2018 DCF @ 10% Discount Rate
Centennial	$63.9	$0.79	2018 DCF @ 10% Discount Rate
Aladdin	$2.1	$0.01	100% interest; $0.50/lb In-Situ Value
Kyzyl Ompul	$1.5	$0.02	80% interest; $0.25/lb In-Situ Value
Debt	($24.3)	($0.30)	PV of LT Debt and assumed debt @ 10% Discount Rate
Cash	$0.5	$0.01	Q1/17 Financials + Cash Proceeds from ITM Options
Net working capital (less cash)	($3.1)	($0.04)	Q1/17 Financials
NPV of Corporate Costs	($34.0)	($0.42)	PV of Corp Costs @ 10% Discount Rate
Total in USD	**$64.4**	**$0.78**	
Total in CAD	**$85.3**	**$1.03**	

Source: Cantor Fitzgerald Canada Estimates, Company Reports

Exhibit 17: Production and Cost Forecast

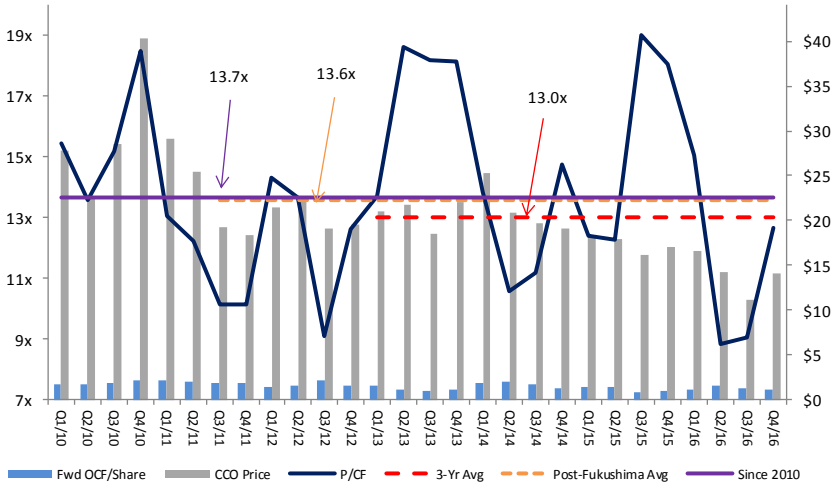


Source: Cantor Fitzgerald Canada Estimates, Company Reports

CAMECO CORPORATION (CCO-TSX, CCJ-NYSE): BUY, $15.70 (-7%)

We are maintaining our BUY recommendation on Cameco and lowering our target price to $15.70 per share on the back of our reduced uranium price forecasts. Our target price is based on the application of a 13.0x multiple to our forward cash flow estimate of $1.21/share. This valuation is inline relative to historical trends as Cameco has traded at an average 13.0x multiple over the last three years, 13.6x post-Fukushima, and 13.7x since the beginning of 2010. It is currently trading at a 10.5x multiple to our forward cash flow estimate while paying a 3.2% yield.

Exhibit 18: Cameco historical forward P/CF trading multiple



Source: Cantor Fitzgerald Canada Research

On April 28th Cameco released its Q1/17 financial results and outlook for the year. The company missed on the bottom line with a reported -$0.07/share adjusted loss compared with our estimate of -$0.02/share and that of consensus of -$0.01/share. A revenue beat of $393M topped both our and consensus estimates totaling $381M and $370M, respectively, on higher than forecast sales volumes although realized prices were lower than forecast. While the market will view the earnings miss as a negative, we point out that Cameco maintained its guidance across the board and sales has historically been back loaded to the last two quarters, a period when it is expected to receive a higher realized price given that this quarter's price is below full year guidance as well.

Cameco's Q1 production amounted to 6.7M lbs. at a total production cost of $24.88/lb., exceeding our initial estimate for 6.3M lbs. at $26.15/lb. An additional 1.8M lbs. was purchased during the quarter at a cost of $41.47/lb (these purchases were part of historic purchase agreements that were signed before Cigar Lake was in production). The production figure was 4% lower than that of Q1/16 due to planned lower production coming from Inkai and U.S. operations, along with suspended operations from Rabbit Lake.

Sales amounted to 5.7M lbs. at an average realized price of US$34.43/lb. (or $45.51/lb.). We were forecasting sales of 5.0M lbs. at an average realized price of US$37.01/lb. (or $49.00/lb.). Uranium revenues were down by 25% compared to Q1/16 largely due to a 22% decrease in the Canadian dollar average realized

price and a decrease in sales volumes of 3%. Moreover, note that pricing under Cameco's contract portfolio was impacted by the disputed TEPCO agreement and uranium prices which were 25% weaker than the previous year. On the conference call, it was noted that pricing for Q2 and Q3 will be similar to that with Q1. FY/17 guidance has been maintained both financially and operationally. Cameco continues to see production of 25.2M lbs. with total deliveries amounting to 30-32M lbs., at an average realized price of $49.00/lb.

Exhibit 19. Quarterly Uranium Production & guidance (CCO's share)

(M lbs)	Q1/17a	CF Q1/17e	Q1/16a	Guidance FY 2017e	CF FY 2017e
McArthur River/Key Lake	3.6	3.1	2.9	12.6	12.6
Cigar Lake	2.3	2.3	2.2	9.0	9.0
Inkai	0.7	0.8	1.1	3.1	3.1
Rabbit Lake	0.0	0.0	0.4	0.0	0.0
Smith Ranch-Highland	0.1	0.1	0.3	0.4	0.4
Crow Butte	0.0	0.0	0.1	0.1	0.1
Total	6.7	6.3	7.0	25.2	25.2

Source: Cameco Corporation, Cantor Fitzgerald Canada estimates

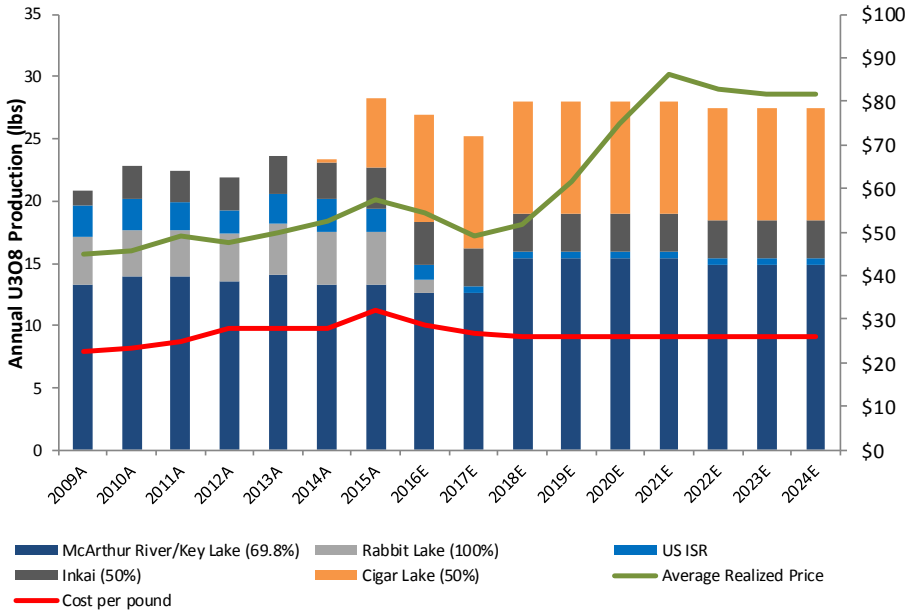
Cameco will report Q2/17 earnings on Thursday July 2?tth before markets open. We expect a top line of $410M resulting in an EPS estimate of -$0.06. Consensus estimates calls for revenues of $383M and EPS of -$0.03. A conference call will take place later that day at 1:00 pm ET. To join the call, dial 855-327-6838. A recorded version of the proceedings will be available on Cameco's website or by calling (800) 319-6413 (Canada and US) or (604) 638-9010 (Passcode 1546).

Exhibit 20: Cameco Q2/17 Earnings Expectations

	CF Estimates Q2/17E	Variance with Est. % Change	Reported Q1/17A	Variance Qtr-over-Qtr % Change	Reported Q2/16A	Variance Yr-over-Yr % Change
INCOME STATEMENT (in C$ 000's)						
Total revenue	**409,510.7**	**0.0%**	**392,546.0**	**4.3%**	**466,397.0**	**-12.2%**
Operating costs	287,026.3	0.0%	294,950.0	-2.7%	306,401.0	-6.3%
Gross margin	**122,484.4**	**0.0%**	**97,596.0**	**25.5%**	**159,996.0**	**-23.4%**
Gross margin %	29.9%		24.9%		34.3%	
Depreciation and amortization	79,870.4	0.0%	42,230.0	89.1%	117,306.0	-31.9%
General and administrative	39,763.0	0.0%	40,711.0	-2.3%	60,596.0	-34.4%
Exploration	6,549.7	0.0%	10,351.0	-36.7%	11,549.0	-43.3%
Research and development	984.3	0.0%	1,999.0	-50.8%	1,798.0	-45.3%
Gain on sale of assets	210.0	0.0%	(630.0)	NM	5,212.0	-96.0%
Other expenses	(15,189.7)	NM	5,569.0	NM	124,368.0	NM
Operating earnings	**10,296.7**	**0.0%**	**(2,634.0)**	**NM**	**(160,833.0)**	**NM**
Net Finance Expenses	(16,386.0)	NM	(26,486.0)	NM	(30,604.0)	NM
Other expense	(15,393.0)	NM	15,094.0	NM	(8,158.0)	NM
Net earnings before tax	**(21,482.3)**	**NM**	**(14,026.0)**	**NM**	**(199,595.0)**	**NM**
Income tax (reversal) expense	2,310.6	0.0%	4,080.0	-43.4%	(64,546.0)	NM
Tax rate	-10.8%	NM	-29.1%	NM	32.3%	NM
Non-controlling Interest	-	NM	(66.0)	NM	2,319.0	NM
Net earnings (as reported)	**(23,792.9)**	**NM**	**(18,106.0)**	**NM**	**(135,049.0)**	**NM**
Adjustments	-	NM	(11,000.0)	NM	80,000.0	NM
Adjusted earnings	**(23,792.9)**	**NM**	**(29,106.0)**	**NM**	**(57,368.0)**	**NM**
Operating EPS	$0.03	0.0%	-$0.01	NM	-$0.41	NM
Earnings Per Share - Basic	-$0.06	NM	-$0.05	NM	-$0.35	NM
Adjusted Earnings Per Share - Basic	-$0.06	NM	-$0.07	NM	-$0.14	NM
Adjusted Earnings Per Share - Fully Diluted	-$0.06	NM	-$0.07	NM	-$0.14	NM

Source: Cantor Fitzgerald Canada Estimates, Company Reports

Exhibit 21: Cameco Production, Cost, and Realized Price Forecast.



Source: Cantor Fitzgerald Canada Estimates, Company Reports

DENISON MINES (DML-TSX, DNN-NYSE): BUY, $1.40, (-20%)

We are maintaining a BUY recommendation and are lowering our target price to $1.40 per share, or by -20%, for Denison Mines. Our target price is based on a 1.0x multiple to our NAV valuation of $1.38 per share. The change in our valuation was driven by the reduction in our in-situ multiples for McClean Lake, Midwest, and Waterbury Lake projects to US$2.00/lb from US$7.00/lb. Denison currently trades at 0.43x NAVPS, a material discount to intrinsic value.

On May 26th Denison Mines announced that assay results from the winter drilling campaign at Gryphon increased grades by 45%. The announced assay results were from within Gryphon's A, B, and C lenses, along with meaningful intercepts from outside the currently defined inferred resource area.

Specifically, the infill drilling results were comprised of 17 drill holes totaling 8,402m. The results confirm the continuity and high grade nature of Gryphon's A, B, and C series inferred resource. Infill highlights include:

- 7.3% U_3O_8 over 6.0m (including 10.9% U_3O_8 over 4.0m) A series mineralization in WR-567D2
- 5.1% U_3O_8 over 7.0m (including 7.6% U_3O_8 over 4.5m) A series mineralization in WR-567D1
- 4.3% U_3O_8 over 6.0 m (including 8.2% U_3O_8 over 3.0m) A series mineralization in WR-582D2

A total of nine drill holes totaling 6,330m were completed outside of the current inferred resources estimated for the Gryphon deposit, including four holes targeting the Gryphon D series lenses, and five holes down-dip of the A and B series lenses. Highlights include:

- 3.3% U_3O_8 over 13.5m (including 11.8% U_3O_8 over 3.5m) D series mineralization in WR- 633D3
- 6.2% U_3O_8 over 2.5m D series mineralization in WR-633D3
- 15.1% U_3O_8 over 1.0m D series mineralization in WR-689

In terms of combined grades and thickness of mineralization, drill hole WR633-D3 represents the best drill hole drilled to date from the mineralized zone identified to the northwest of the current resources estimated for the Gryphon deposit. Assay results from the winter drilling campaign have been on average 45% higher than that of the initial corresponding radiometric equivalent grades.

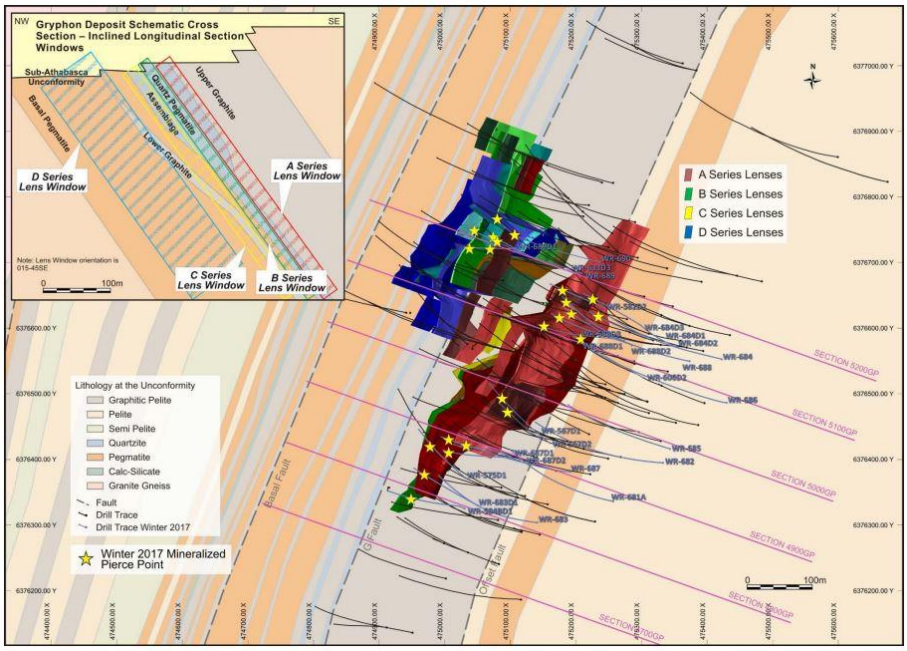
A more recent update was announced on July 24. As of that date, 9,446m over 17 holes have been drilled out of a program targeting 18,000m over 40 holes. Nine infill and delineation drill holes on the Gryphon deposit's A, B and C series lenses designed to bring the current estimated inferred resources to an indicated level of confidence. Notable results include:

- 1.3% eU_3O_8 over 25.3m (including 3.3% eU_3O_8 over 7.8m) in drill hole WR-604D1
- 4.1% eU_3O_8 over 5.9m in drill hole WR-692
- 2.3% eU_3O_8 over 9.3m in drill hole WR-564D1

Management notes that an updated resource estimate will be released once the summer drill program's assay results are received. A Preliminary Feasibility Study is planned for 2018.

Recall that as of a resource update from November 2015, the Gryphon deposit is estimated to contain inferred resources of 43.0M lbs U_3O_8 (above a cut-off grade of 0.2% U_3O_8) based on 834,000 tonnes of mineralization at an average grade of 2.3% U_3O_8, occurring as a series of stacked lenses on various stratigraphic, fault-controlled planes within the basement rocks – termed the A, B, and C series lenses.

Exhibit 22: Gryphon Deposit Cross Section



Source: Denison Mines

Also note that on July 5th, operations at McClean Lake were granted a 10 year Uranium Mine Operating Licence from the Canadian Nuclear Safety Commission ("CNSC"). The licence renewal was expected seeing as just last year Denison Mines (along with their joint venture partners) obtained regulatory approval from the CNSC to increase its annual uranium production capacity to 24M lbs (previously 13m lbs). Going forward, once summer assays are fully received we expect an updated mineral resource for Wheeler River, followed by a Pre-Feasibility study expected for 2018.

Exhibit 23. Denison Mines Net Asset Value

Asset	Attributable M Lbs U_3O_8	EV/Lb	Value US($M)	Per share	Ownership	Notes
Revenue Generating Assets						
Wheeler River Project			$241.2	$0.43	60%	NPV @ 10%. Cameco 30% & JCU 10%
McClean Lake Mill			$214.3	$0.38	22.5%	7% DCF for processing expected Wheeler River feed; C$1B Residual value
UPC Contract Value			$23.2	$0.04		Minimum annual fee at a 5% Discount Rate
In-Situ Valuation						
McClean Lake Deposits	5.9	$2.00	$11.9	$0.02	22.5%	McLean Lake, McLean Lake North, & Sue D; Areva 70% & OURD 7.5%
Midwest	13.4	$2.00	$26.9	$0.05	25.17%	Areva 69.16% & OURD 5.67%; Development on hold reviewed every 6 months
Waterbury Lake	7.8	$2.00	$15.6	$0.03	60%	40% KEPCO
Other Assets						
25% stake in GoviEx Uranium			$8.5	$0.015		80% of the market value for conservatism
18.7% stake in Skyharbour Resources			$5.0	$0.009		80% of the market value for conservatism
Working Capital Net of Cash			($5.4)	($0.01)		As of Q1/17 Financials
Cash + proceeds from options and warrants			$43.5	$0.08		As of Q1/17 Financials
Valuation			**$584.7**	**$1.05**		
Valuation in CAD			**$771.3**	**$1.38**		in CAD

Source: Cantor Fitzgerald Canada Research

ENERGY FUELS (EFR-TSX, UUUU-NYSE): BUY, $4.05 (-20%)

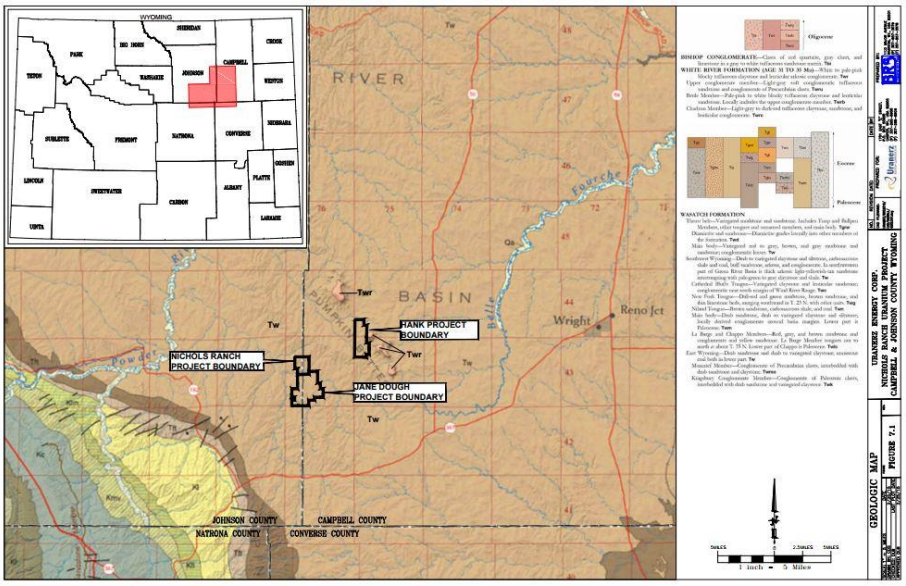
We are maintaining a BUY recommendation and are lowering our target price to $4.05 per share, or by 20%, for Energy Fuels. Our target price is based on a 1.0x multiple to our NAV valuation of $4.07 per share. The change was primarily driven by the reduction in our uranium price forecasts. Energy Fuels currently trades at 0.54x NAVPS, a material discount to intrinsic value.

On May 5th Energy Fuels announced Q1/17 financial results. Though the 60,000 lbs of U_3O_8 sales were below our estimate, pricing at $58.28/lb was inline. Given the continued weakness in the uranium price environment, FY/17 production guidance was lowered to 675,000 lbs. Activities at pipeline projects such as Jane Dough (now fully licensed and permitted) and Canyon (completed shaft sinking and positive drill results,) along with a strong current working capital position (US$23.8M, with cash and equivalents of US$12.2M at the end of Q1/17) re-enforce our view that Energy Fuels remains a top leverage play to the upcoming uranium recovery.

Additionally, FY/17 production guidance now calls for 300,000 lbs to be produced at Nichols Ranch (previously 350,000 lbs) along with 275,000 lbs recovered from the mill tailings management system ("Pond Return"), and 100,000 lbs from alternate feed material. At the end of Q1/17, Nichols Ranch had nine header houses extracting uranium (53,000 lbs recovered during the quarter). Further header house development will be deferred until market conditions become more favourable.

FY deliveries of 520,000 lbs U_3O_8 is still being maintained for the year. This amount is split by 320,000 lbs under long term contracts along with 200,000 lbs under a contract where price is based on the average spot price per lb for five weeks prior to dates of delivery. Additionally, over the course of 2017, Energy Fuels will be earning a fee for processing approximately 1.0M lbs U_3O_8 contained in alternate feed materials. This recovery process has begun in Q1/17 with the completion of 39,000 lbs of processed material. The contract is expected to result in US$6.5M in revenues for the year. Energy fuels ended the quarter with approximately 550,000 lbs of uranium concentrate in inventory.

Exhibit 24. Nichols Ranch Property Location



Source: Energy Fuels

Exhibit 25. Energy Fuels Net Asset Value

Projects	NAV $000s	Per Share	Comment
Uranium Operations	313,639	$4.47	2017 DCF @ 10% Discount Rate
Virginia Energy (VUI-TSXV) 16.5%	258	$0.004	80% of the market value for conservatism
Mega Uranium (MGA-TSX)	170	$0.002	80% of the market value for conservatism
enCore Energy (EU-TSXV)	216	$0.003	80% of the market value for conservatism
Cash	12,164	$0.17	Q1/17 Cash
Working Capital (Net of Cash)	11,657	$0.17	As of most recent quarter
NPV of Corporate G&A	(121,674)	-$1.73	Discounted @ 10%
USD Total	**216,429**	**$3.08**	
CAD Total	**285,466**	**$4.07**	USD/CAD 0.76

Source: Cantor Fitzgerald Canada Research

FISSION URANIUM (FCU-TSX): BUY, $1.30 (+8%)

Our recommendation for Fission Uranium remains a BUY and we are raising our target price to $1.30 per share, or by 8%. Our target price is based on a 1.0x multiple to our NAV valuation of $1.28 per share. Our valuation change was driven by the rolling forward of our NAV calculation to start at 2018 from 2017. This effectively brought forward the expected future cash flows from PLS by one year. Fission Uranium currently trades at 0.52x NAVPS, a discount to intrinsic value.

In early June Fission released a final set of assay results from the winter drilling program. With six of eight holes mineralized in the R1515W zone, the results at this new zone are certainly encouraging and points to yet another additional pod of mineralization that may be added to a potential mine plan. Also, the additional mineralization located 120m further west shows the possibility of even more uranium along trend.

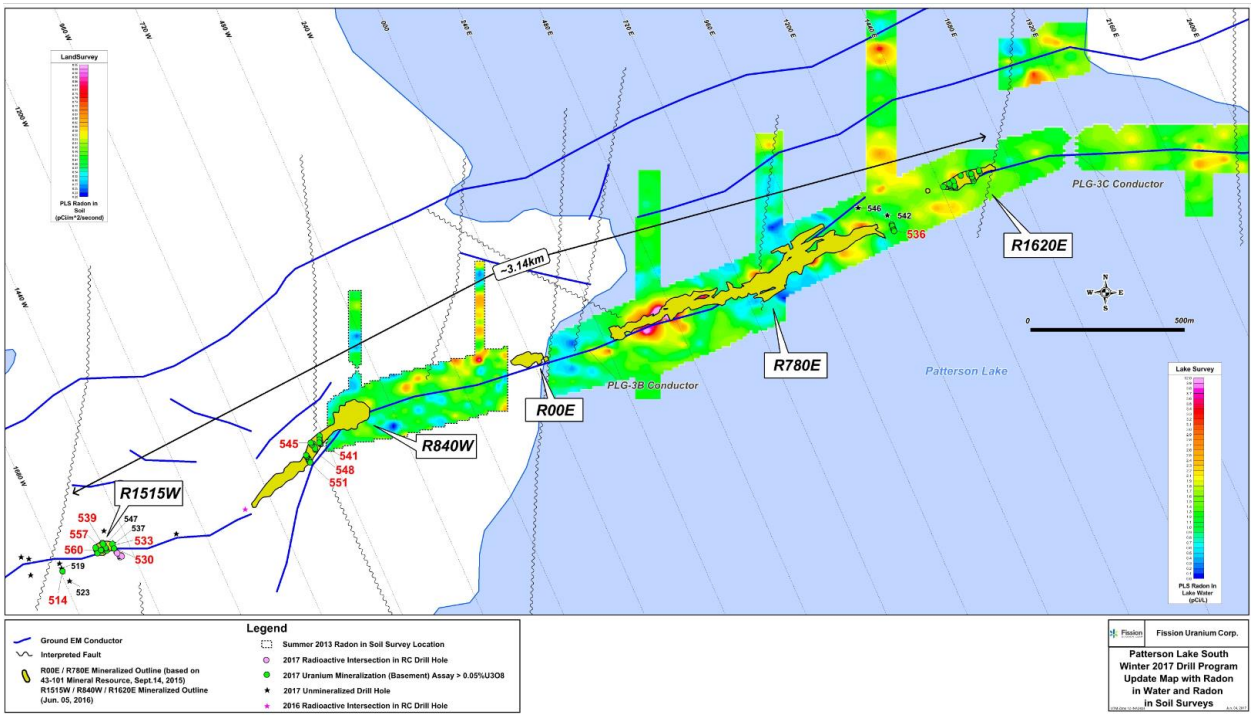
Specifically, six of the eight holes drilled in the R1515W zone encountered mineralization. Highlights include:

- PLS17-557 (line 1530W): 27.50m @ 1.24% U_3O_8 (189.0m to 216.5m)
    - Including: 8.50m @ 3.12% U_3O_8 (192.5m to 201.0m)
    - And 9.0m @ 1.71% U_3O_8 (219.0m to 228.0m)
        - Including: 2.0m @ 5.15% U_3O_8 (225.5m to 227.5m)
    - We estimate that this hole suggests ~200,000 lbs. U_3O_8
- PLS17-553 (line 1515W): 12.0m @ 3.16% U_3O_8 (184.5m to 196.5m)
    - Including: 2.50m @ 6.03% U_3O_8 (185.5m to 188.0m)
    - Including: 3.0m @ 7.01% U_3O_8 (190.5m to 193.5m)
    - And 14.50m @ 0.82% U_3O_8 (199.0m to 213.5m)
        - Including: 4.5m @ 2.25% U_3O_8 (206.5m to 211.0m)
    - We estimate that this hole suggests ~158,000 lbs. U_3O_8
- PLS17-560 (line 1545W): 14.0m @ 0.66% U_3O_8 (196.5m to 210.5m)
    - Including: 2.5m @ 2.05% U_3O_8 (202.5m to 205.0m)
    - We estimate that this hole suggests ~37,000 lbs. U_3O_8

The company also noted that additional mineralization was encountered 120m west of R1515W as an exploration hole encountered 0.74% U_3O_8 over 0.5m. This once again continues the string of pearls configuration at Patterson Lake South, which now stretches over 3.17 km in length. Of note is the high grade uranium boulder field that led to the discovery of PLS is located about 3km west of the R1515W zone and about 4.5km west of R00E.

The first two scintillometer results from the summer drilling campaign were announced on July 24. The two announced drill holes both encountered large intervals of composite mineralization with certain sections of "off-scale" radioactivity (10,000 cps +). The results have expanded the R1515W zone to approximately 45m. Both drill holes featured similar characteristics to those found in the R780E zone.

Exhibit 26. PLS Zones & Drilling Locations



Source: Fission Uranium

Exhibit 27. Fission Uranium Net Asset Value

Mining Assets		C$ 000s	Per share
Patterson Lake South	(100%)	580,541	1.20
Total Mining Assets		**580,541**	1.20

Financial Assets	C$ 000s	Per share
Cash	44,592	0.09
Working Capital net of cash	(2,644)	(0.01)
LT Liabilities	(1,653)	(0.00)
Proceeds from ITM Instruments	175	0.00
12.36% Stake in Fission 3.0	2,309	0.00
	42,780	0.09
Net Asset Value	**623,321**	1.28
Shares Outstanding (000's)	484,598	
NAV/sh	$1.29	
Diluted shares outstanding	**485,298**	
NAV per Diluted share (C$/share)	$1.28	
Current share price (C$/share)	$0.67	
Price / NAV	**0.52x**	

(1) Corporate adjustments are as of last reported Financial Statements

Source: Cantor Fitzgerald Canada Research

KIVALLIQ ENERGY (KIV-TSXV): BUY, $0.15 (UNCHANGED)

We are maintaining our BUY rating and target price of $0.15 per share on Kivalliq Energy. Our target price is based on the application of a 1.0x multiple to our NAVPS of $0.15 that is based on a weighted average of three resource scenarios: 43M lbs. (current resource size), 60M lbs. and finally 80M lbs. The lowering of our rating reflects the strong price performance for Kivalliq. Kivalliq Energy currently trades at 0.66x NAVPS.

On May 8th, Kivalliq Energy announced the acquisition of a large land position in one of the largest undeveloped greenstone-iron formation gold belts in Nunavut, Canada. In a transaction with Commander Resources Ltd. (TSXV:CMD; Not Covered) the package includes a Mineral Exploration Agreement (MEA) with Nunavut Tunngavik Inc. ("NTI"") and the acquisition of 15 prospecting permits. The acquisition represents a large foothold (408,981 hectares) in one of the biggest undeveloped greenstone belts in Canada. Previous exploration on the property has identified numerous prospects and shown evidence of several high grade gold intercepts.

The Baffin Gold Property is comprised of consolidated mineral tenure located approximately 230Km southwest of the community of Clyde River on Baffin Island, in the Qikiqtani region of Nunavut. The property comprises fifteen prospecting permits, six crown mineral claims and three Inuit Owned Land parcels subject to MEA's with NTI. The Baffin Gold Property is a district-scale land package covering an entire Proterozoic gold belt having geological and structural similarities to multi-million ounce gold mines in the north (i.e. Meadowbank, Lupin) as well as the prolific Homestake Mine in South Dakota.

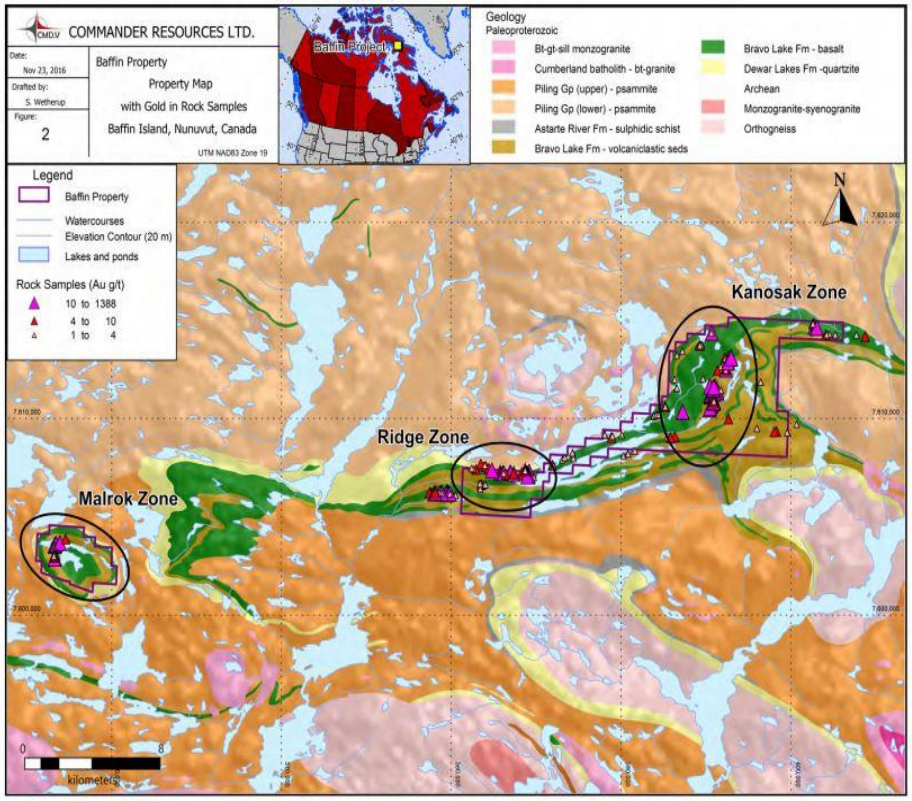
Over US$25M of exploration has already been spent on the property from BHP-Billiton, Falconbridge, Commander Resources and AngloGold Ashanti exploration programs performed between 2001 and 2011.

Historic drilling has identified numerous prospects along 140Km of strike length, with high-grade gold occurring in multiple settings: silicate and sulphide iron formation; shear zones and quartz veins hosted in granodiorite, metavolcanics and metasediments. Drilling highlights have included:

- 21.3 g/t Au over 4.2m
- 10.2 g/t Au over 4.5m
- 9.2 g/t Au over 6.0m

Kivalliq's exploration priorities include an immediate review, compilation and reinterpretation of all geological and exploration data, to develop integrated structural, geophysical and geochemical models targeting the untapped potential of this extremely prospective gold belt. A $775,000 exploration program began on July 23rd. The focus will be on geological mapping, prospecting and geochemical sampling.

Exhibit 28: Bravo Lake Formation Zones



Source: Commander Resources Ltd.

Under the terms of the Baffin Gold Property Option Agreement comprising 6 mineral claims (5,948 hectares) and a recently signed MEA with NTI on two blocks within Inuit Owned Lands (8,105 hectares):

- Commander Resources Ltd. is to receive a cash payment of $10,000 and an aggregate of 500,000 Kivalliq shares within 12 months.
- Moreover, Kivalliq will fulfill Commander's obligations to NTI for Year 1 under the MEA.
- Contingent payments to Commander will include: 500,000 Kivalliq shares at a Bankable Feasibility Study and a cash payment up to $6M upon commencement of commercial production.
- Finally, Commander will retain a 0.25% to 0.5% NSR royalty on Commander's Baffin Gold Property optioned lands while Kivalliq will grant Commander a 0.25% NSR royalty on Kivalliq's Baffin mineral tenures adjacent to Commander's Baffin Gold Property optioned lands.

Exhibit 29: Valuation based on three resource size scenarios at Angilak

Resource Size	Weight	Valuation	Blended Vaulation
43 M lbs (current)	60%	$0.12	$0.07
60 M lbs	30%	$0.16	$0.05
80 M lbs	10%	$0.21	$0.02
	100%		**$0.14**
Cash ($M)		$2.70	**$0.01**
Net Working Capital (less cash in $M)		$0.31	**$0.00**
Valuation			**$0.15**

Source: Cantor Fitzgerald Canada Research

NEXGEN ENERGY (NXE-TSX): BUY, $5.20 (+7%)

We are maintaining a BUY recommendation and are modestly increasing our target price to $5.20/share from $4.85/share on NexGen Energy. Our target price is based on a 1.0x multiple to our $NAV_{10\%}$ of $5.22/share. The change in our estimate is a result of the rolling forward of our NAV calculation to commence on 2018 from 2017. This effectively brings forward the forecasted cash flows from Arrow by a year. NexGen Energy currently trades at 0.57x NAVPS, a discount to intrinsic value.

On June 30th NexGen announced that it had entered into a binding term sheet with CEF Holdings Ltd. ("CEF") for a second financing package totaling US$110M. While NXE will have an excellent cash position of about $200M after this transaction along with an exceptionally strong voting alignment agreement with CEF, we are not enamored with the strapping on of additional debt for an exploration company that does not generate revenue. The timing and terms of the deal perplexes us since the PEA is expected in the near term and if positive, could provide a basis for improved terms or alternative financing for development. Moreover, the project has advanced since the first deal with CEF was struck a year ago that would justify improved terms for this round.

The total financing package involves US$50M in common shares of NexGen (24.1M shares) along with a US$60M aggregate principal amount of unsecured convertible debentures. The new debentures have a five-year term and carry an interest of 7.5%, just like the previously announced issue. They are convertible at US$2.69 (or $3.52 at an exchange rate of 1.3060). This amounts to a conversion premium of 30% to the 20 day VWAP (just as in the previous financing) and 33% to the last close. The US$50M placement will result in the issuance of approximately 24.1M placement shares at a price of $2.70 (US$ 2.07 at an exchange rate of 1.3060) per placement share representing the 20 day VWAP of the common shares.

The existing debentures, placement shares and new debentures are expected to be held by CEF Limited and holding companies controlled by Li Ka Shing and his son, Victor Li. CEF is expected to hold US$20M principal amount of existing debentures, US$25M of the placement shares and US$20M principal amount of new debentures and the holding companies controlled by Li Ka Shing and Victor Li will hold the balance. In this report we will refer to this collective group as "CEF".

Along with the financing, NexGen secured a strong voter alignment agreement that its advisors and legal counsel believe is the strongest around. We would tend to agree that the agreement appears very supportive of management and concede that the duplicating the terms of the debenture financing on behalf of CEF for the second round may have been a result of providing such support. Indeed, Rook I appears to be unencumbered from a takeout perspective by these investments by CEF.

On July 25, the company announced the final assay results from 31 drill holes from the winter drilling program. The majority of the drill hole samples encountered uranium mineralization, some of which had strong grades over wide intervals. The Arrow deposit remains open in most directions with significant potential. Highlights from the A3 expansion drilling include:

- Step-out hole AR-17-136c2 which intersected a new area of semi-massive to massive pitchblende mineralization in the A3 shear has returned high grade

assays. Note that the high grade mineralization was encountered 40m outside the current resource and 70m outside the current A3 high grade domain.

- Specifically, AR-17-136c2 (170m northeast and up-dip from AR-15-57c2) intersected 13.5m at 9.58% U3O8 (446.5 to 460.0m) including 5.0 m at 23.49% U3O8 (451.0 to 456.0m).

Step-out drilling in the southwest gap area was highlighted by drill hole AR-17-131c3 (80m northeast and down-dip from AR-15-97) intersected 21.5m at 2.51% U3O8 (646.0 to 667.5m) including 7.0m at 4.68% U3O8 (649.5 to 656.0m). Recall that initial drilling on the Southwest Gap area has intersected numerous lenses of high grade uranium mineralization. The gap itself represents a significant resource expansion opportunity. The area has not been included in the March 2017 updated resource estimate.

As we await the imminent release of a maiden Preliminary Economic Assessment, the seven drill rig summer drill program is underway, targeting 25,000m.

Exhibit 30: NexGen Energy Net Asset Value Estimate

Asset	Value ($M)	Per share	Ownership	Notes
Development Projects				
Rook I	$1,892.1	$5.12	100%	NPV @ 10%, US$80/lb, US$0.90/CAD
Other				
Present Value of Debenture	($123.1)	($0.33)		10% discount rate at current exchange rate
Working Capital Net of Cash	$9.4	$0.03		As of Q1/17 Financials
Cash + Proceeds from In-the-Money Options and Warrants	$235.2	$0.64		As of Q1/17 Financials + US$110M at 0.766 USD/CAD
NPV of Corporate G&A	($85.4)	($0.23)		NPV of corporate costs at 10%
Valuation in CAD	**$1,928.3**	**$5.22**		in CAD

Source: Cantor Fitzgerald Canada Research

UR-ENERGY (URE-TSX, URG-NYSE): BUY, $1.90 (-16%)

We are maintaining our BUY rating on Ur-Energy and lowering our target price to $1.90 per share, or by 16%. Our valuation is based on a 1.0x multiple to our NAV valuation of $1.89 per share. The change in our valuation is due to our lowered uranium price forecasts. Ur-Energy currently trades at 0.44x NAVPS, a material discount to intrinsic value.

On July 14th Ur-Energy announced its Q2/17 operating results. Total U3O8 captured during the quarter was 65,257 lbs. captured (CF forecast being 66,700 lbs.), of which 70,833 lbs. were packaged in drums (CF, 70,800 lbs.) and 74,406 lbs. of drummed inventory was shipped out of Lost Creek processing plant. A total of 241,000 lbs. were sold into contracts at an average realized price of US$48.95/lb. (both in line with CF forecasts). Of this amount, 31,000 lbs. was sourced from Lost Creek production while the balance was purchased during the quarter at an average price of US$23.19/lb. The contracted sales price for Q2/17 represents a figure more than double that of the average spot price during the period which amounted to US$20.79/lb.

Given that Lost Creek is beyond its third year of continuous production, grades have declined to 27 PPM, below our estimate of 39 PPM. Though lower than our forecast, flow rates however at 2,378 GPM have remained consistent over the last four quarters, and were above our forecast of 1,654 GPM. We will be adjusting our flow rate expectation higher going forward. Ur-Energy has delivery commitments of 109,000 lbs. for Q3/17 at an average price of US$36/lb. While the company is expected to produce between 60,000-70,000 lbs. from its Lost Creek operations, the entire contracted amount will be filled via market purchases at an average cost of US$20/lb. We continue to applaud this strategy for fulfilling contracts as long as spot prices remain below URE's cost of production, which is in the high US$20s on a steady state basis.

Exhibit 31. Q2/17 Operating Highlights

	Reported Q2/17A	CF Estimates Q2/17E	Variance with Est. % Change	Reported Q1/17A	Variance Qtr-over-Qtr % Change	Reported Q2/16A	Variance Yr-over-Yr % Change
U_3O_8 Captured ('000 lbs)	65	67	-2%	79	-18%	133	-51%
U_3O_8 Dried & Drummed ('000 lbs)	71	60	18%	74	-5%	130	-46%
U_3O_8 Purchased ('000 lbs)	210	210	0%	200	5%	0	N/A
Avg. Purchase Price	$23.19	$23.00	1%	$20.08	15%	$0.00	N/A
U_3O_8 Sold ('000 lbs)	241	241	0%	250	-4%	187	29%
Average Realized Price	$48.95	$49.00	0%	$59.28	-17%	$36.05	36%
Average Flow Rate (gpm)	2,378	1,654	44%	2,403	-1%	2,210	8%
U_3O_8 Head Grade (mg/l)	27	39	-31%	32	-16%	58	-53%

Source: Ur-Energy, Cantor Fitzgerald Canada Research

Exhibit 32. Ur-Energy Net Asset Value

Projects	NAV	Per Share	Comment
Lost Creek	$69.5	$0.46	2016 DCF @ 8% Discount Rate
Shirley Basin	$76.7	$0.50	2016 DCF @ 10% Discount Rate
Lost Soldier	$117.3	$0.77	2016 DCF @ 10% Discount Rate
Disposal Revenue	$5.8	$0.04	2016 DCF @ 8% Discount Rate
Debt	($14.0)	($0.09)	PV of LT Debt @ 10% Discount Rate
NPV of Corporate Costs	($47.6)	($0.31)	PV of Corp Costs @ 10% Discount Rate
Working Capital	$9.8	$0.06	Q1/17 Financials + Cash Proceeds from ITM Options
Total in USD	**217.5**	**$1.43**	
Total in CAD	**286.9**	**$1.89**	

Source: Cantor Fitzgerald Canada Research

URANIUM ENERGY CORP. (UEC-NYSE): BUY, US$2.30 (-8%)

We are maintaining our BUY rating and adjusting our target price to US$2.30 per share, or by -8%. Our valuation is based on a 1.0x multiple to our NAV valuation of US$2.30 per share. Our valuation revision was based on our lower uranium price forecast. Uranium Energy Corp currently trades at 0.74x NAVPS, a discount to intrinsic value.

On May 9th, Uranium Energy Corp. announced that it has entered into a definitive share purchase agreement to acquire the fully permitted Reno Creek in-situ recovery project located in the Powder River Basin, Wyoming.

Located in Wyoming's Powder River Basin, The Reno Creek project has an NI 43-101 Measured and Indicated resource of 27.47M tons at a grade of 0.0415 U_3O_8 that contains an estimated 21.98M lbs U_3O_8. It received the critical Source and By Product Materials License from the U.S. Nuclear Regulatory Commission in February 2017 to produce up to 2M lbs U_3O_8 annually.

A Pre-Feasibility Study ("PFS") was completed in 2014 on Reno Creek that estimated 1.5M lbs of annual production at an all-in cost of $33.87/lb. over a 15 year mine life. Initial capital costs were estimated at $78M and $225M over the life of mine. Estimated project economics at $65/lb returned an $NPV_{8\%}$ of $150M and an IRR of 32.2%. Using the most recent mine start-ups in the region as reference, such as Energy Fuels' Nichols Ranch and Ur-Energy's (URE-TSX, URG-NYSE, Buy, Target $2.25) Lost Creek, we make the following estimates for UEC's Reno Creek project:

Exhibit 33. Reno Creek Estimates and Forecasts

Mining Method	In-Situ Recovery
Initial Production	2019
Life of Mine	13 years
Production Capacity - Stage 1	850,000 lbs
Production Capacity - Stage 2	1,500,000 lbs
Stage 1 CapEx	$30M
Stage 2 CapEx	$25M
Production Grade	0.083%
Average Recovery	85%
Average Cash Cost per Lb.	$24.00
Avg. AISC/Lb.	$33.83
Long Term Uranium Price	$80.00
Discount Rate	10%
Project NAV	$160.9M
IRR	52%

Source: Cantor Fitzgerald Canada Estimates

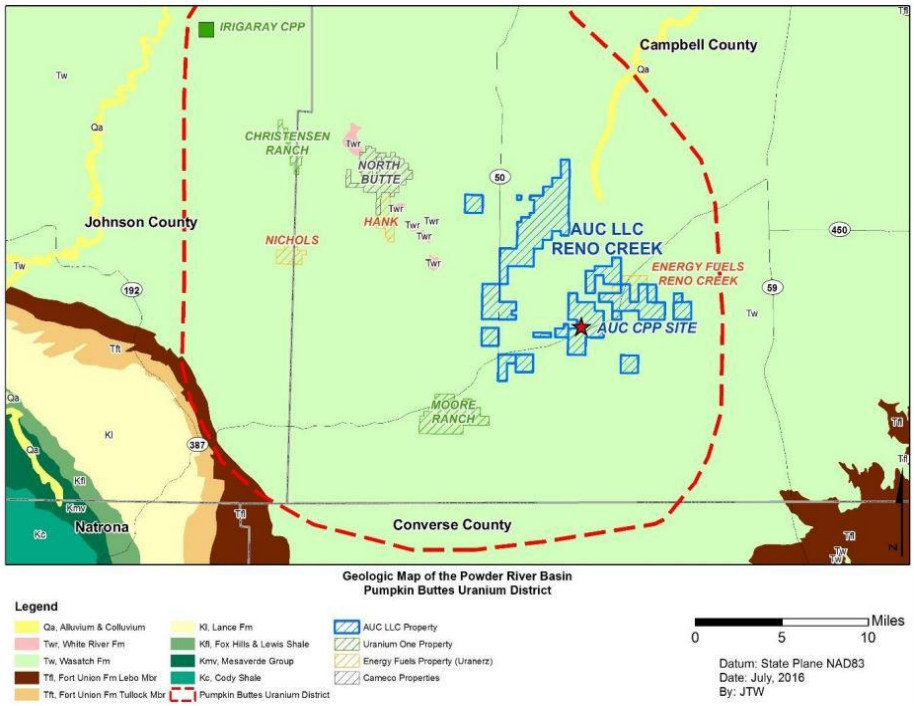
UEC is in the process of acquiring the project via a deal with Pacific Road Resources Funds. In exchange for Pacific Road's 97.27% ownership UEC will give Pacific Road:

- 14.0M shares of the Company

- 11.0M warrants with each warrant entitling the holder to acquire one share of the Company at an exercise price of $2.30/share for a period of five years from closing. The warrants will have an accelerator clause which provides that, in the event that the closing price of UEC's common shares on its principally traded exchange is equal to or greater than $4.00/share for a period of 20 consecutive trading days, UEC may accelerate the expiry date of the warrants to within 30 days by providing written notice to the holders
- 0.5% net profits interest royalty, capped at $2.5M

The remaining 2.73% of the company will be acquired from Bayswater Uranium by way of drag along rights for pro-rata consideration. The transaction is subject to NRC approval and is expected to close on or about July 31, 2017.

Exhibit 34. Powder River Basin Uranium Projects



Source: Uranium Energy Corp.

Announced drilling results on July 25th at Burke Hollow have expanded the initial production area to 4.0 miles from 1.7 miles. Of the total announced 94 drill holes, 34 have exceeded 0.3 grade-thickness (GT) uranium cut-off and averaged 0.067% U_3O_8. As a result of this success, the drilling campaign at site will now extend until September with an additional 30 holes to be drilled.

Exhibit 35. UEC Net Asset Value

Uranium Energy Corp.			
Projects	NAV	Per Share	Comment
Palangana	66,327,151	$0.43	10% NPV
Goliad	141,343,847	$0.93	10% NPV
Burke Hollow	61,752,159	$0.40	10% NPV
Reno Creek	152,340,753	$1.00	10% NPV
Salvo	2,839,000	$0.02	$1.0/lb In-situ Valuation
Nichols	1,307,000	$0.01	$1.0/lb In-situ Valuation
Yuty	5,570,000	$0.04	$0.50/lb In-situ Valuation
Anderson	29,000,000	$0.19	$1.0/lb In-situ Valuation
Workman Creek	5,542,000	$0.04	$1.0/lb In-situ Valuation
NPV of Debt	(18,356,396)	($0.12)	10% Discount Rate
Working Capital (net of cash)	14,787,013	$0.10	Fiscal Q2/17
NPV of Corporate Costs	(120,703,555)	($0.79)	10% Discount Rate
Cash	9,332,492	$0.06	Fiscal Q2/17
Total	**351,081,463**	**$2.30**	

Source: Cantor Fitzgerald Canada Estimates, Company Reports

URANIUM PARTICIPATION (U-TSX): HOLD↓, $3.95 (-32%)

We are downgrading our recommendation for Uranium Participation to HOLD from BUY and are decreasing our target price to $3.95 per share, or by 32%. The catalyst for the decrease is our reduced uranium price forecast. Our target price is based on a 1.0x multiple to our forecasted portfolio NAV of $3.93/share. The portfolio NAV is derived from the application of a U_3O_8 price of US$23.94/lb. and a UF_6 price of US$71.81/kg to the portfolio, which is our rolling forward four quarter average estimate. UPC currently trades at 0.98x NAVPS. Note that in periods of uranium market bullishness, UPC has historically traded at a premia to its NAV.

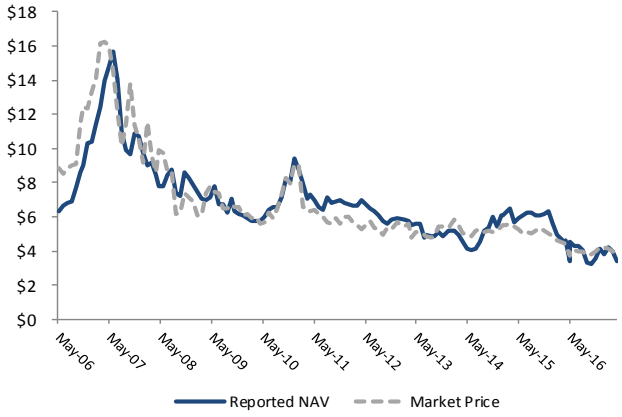
Exhibit 36. Uranium Participation Corp. Valuation

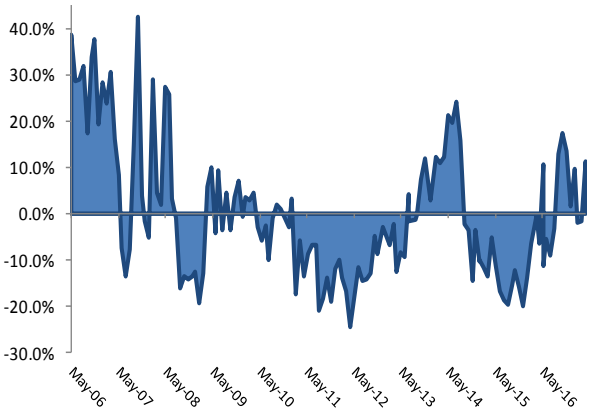
Valuation Forecast					
			Cantor Forecast	Cantor Forecast	Market Value
	Units	Quantity	USD	CAD	CAD
U3O8	lb	10,080,024	$23.94	$29.94	301,821
UF6	kg	1,903,471	$71.81	$89.83	170,984
					472,805
Net Working Capital					2,267
			NAV		**475,072**
Shares O/S	120,848,713		**NAVPS**		**$3.93**

Source: Cantor Fitzgerald Canada Estimates, Company Reports

Note that on July 10th, UPC announced the NAV value for June 30, 2017 that totaled $406.6M or $3.36/share. We note that the current premium to this most recent published NAV is 14%. However, relative to the latest spot price of US$20.75/lb for U_3O_8 and US$58.50/Kg for UF_6, the premium stands at 15.1% on an NAVPS of $3.34/share.

Exhibit 37. Market price Premium / Discount to NAV analysis





Source: Cantor Fitzgerald Canada Estimates, Company Reports

LITHIUM X ENERGY CORP. (LIX-TSXV): BUY, $3.00 (+3%)

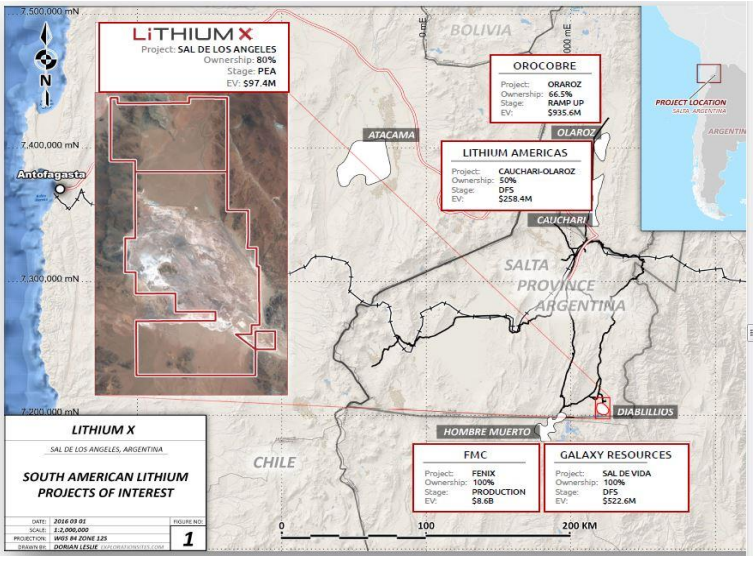
We are maintaining our recommendation on Lithium X Energy with a BUY and are increasing the target price to $3.00, or by 3%. Our target price reflects a 1.0x multiple to our $3.01 per share net asset value for the company. The target price change was driven by our project financing estimate that assumes a portion be raised via an equity financing at an 8% discount to market. LIX shares are currently trading at a higher price relative to our last update and as such, a fewer amount of shares are needed to satisfy the financing assumption, which in turn decreases dilution. LIX currently trades at 0.72x NAVPS, a discount to intrinsic value.

In late June, Lithium X Energy announced that it had entered into a definitive agreement with Aberdeen International Inc. to purchase the remaining 50% interest in Potasio y Litio de Argentina S.A. (PLASA), thus consolidating 100% of the Sal de los Angeles project.

Lithium X Energy will be acquiring Aberdeen's remaining 50% interest in the in the Sal de los Angeles Project by paying to Aberdeen $5.0M in cash and issuing 6.0M Lithium X shares (valued at $11.3M given yesterday's closing price). Additionally, if within three years following the closing, the Lithium X shares have a volume weighted average trading price of $3.00 or more during a period of 20 consecutive trading days, the Company will issue to Aberdeen an additional 3.0M LIX. All Lithium X Shares issued to Aberdeen will be subject to a four-month hold period under applicable securities laws, with Aberdeen agreeing to a further six-month hold period (for a total hold period of ten months) in respect of 3.0M of the Lithium X shares issued on closing.

Following the announced sale last month of the company's Nevada-based Clayton Valley asset, Lithium X Energy has become exclusively devoted to getting the Sal de los Angeles brine project into production. Having sold all of its interests in Nevada to Pure Energy Minerals (PE-TSXV; Not Covered) in exchange for 20.038M PE common shares and 2.022M warrants (amounting to a share portion value of $10.2m when announced on May 11, 2017) Lithium X will become the largest shareholder in PE at 19.99% ownership. If all warrants are exercised, LIX would own 22.5% of PE. In conjunction with the asset sale, Lithium X Energy subscribed for 3.571M units of PE at a price of $0.56, or $2.0M. The unit consisted of one PE common share and one half of a warrant at an exercisable at a price of $0.75. The unit price represented a 9.8% premium to the close just before the announcement. The proceeds are expected to be spent entirely on the Nevada assets.

Exhibit 38. Sal de Los Angeles Property Location



Source: Lithium X Energy Corp.

Exhibit 39. Lithium X Net Asset Value

Mining Assets		C$ 000s	Per share
Sal de los Angeles	(100%)	$419,306	$3.00
Total Mining Assets		**$419,306**	$3.00

Financial Assets		C$ 000s	Per share
Cash		$19,454	$0.14
Working Capital net of cash		$6,118	$0.04
LT Liabilities		$0	$0.00
NPV of corporate costs @ 10%		($42,382)	($0.30)
19.99% Ownership of Pure Energy (PE-TSXV) @ 20% discount		$10,766	$0.08
Proceeds from ITM Instruments		$8,492	$0.06
Total Financial Assets		$2,448	$0.02
Net Asset Value	$	**$421,754**	$3.01
Shares Outstanding ('000s)		85,057	
NAV/sh (C$/share)		$4.96	
Diluted shares outstanding		92,724	
NAV per diluted share (C$/share)		$4.55	
Post Financing shares outstanding		**139,998**	
NAV per post financing share		**$3.01**	
Current share price (C$/share)		$2.16	
Price / NAV		**0.72x**	

(1) Corporate adjustments are as of last reported Financial Statements

Source: Cantor Fitzgerald Canada Research

APPENDIX

Exhibit 40. Comparable Valuations

Uranium Producer Company Name	Stage	Stock Price (Local $)	Market Cap ($'000)	Enterprise Value ($'000)	NI43-101 Resources/JORC (M lbs)					MKT / LB	EV / LB
					Avg Grade	P&P	M&I	Inferred	Total		
Cameco Corporation (TSX:CCO)	Production	12.69	5,022,609.8	6,272,230.8	6.089%	416.7	471.2	243.4	1,131.3	$4.44	$5.54
Energy Fuels Inc. (TSX:EFR)	Production	2.17	152,870.8	143,477.2	0.076%	0.0	110.3	61.9	172.2	$0.89	$0.83
Paladin Energy Ltd (ASX:PDN)*	Production	0.05	79,907.9	415,638.4	0.080%	130.0	226.3	150.4	506.6	$0.16	$0.82
Peninsula Energy Ltd. (ASX:PEN)*	Production	0.36	82,416.9	114,253.8	0.050%	0.0	17.2	30.2	47.4	$1.74	$2.41
Uranium Energy Corp. (NYSE:UEC)*	Production	1.69	294,646.8	286,683.0	0.062%	0.0	32.4	36.3	68.7	$4.29	$4.17
UR-Energy Inc. (TSX:URE)	Production	0.84	122,534.1	112,380.2	0.080%	0.0	34.5	10.3	44.9	$2.73	$2.50
Producer Average			**$959,164.4**	**$1,224,110.6**		**91.1**	**148.6**	**88.8**	**328.5**	**$2.37**	**$2.71**

*Market Cap and Enterprise value for PDN, PEN and UEC. has been converted to $CAD at the prevailing $AUD/$CAD or $USD/$CAD market exchange rates, P/NAV for PDN & PEN is from Bloomberg

**Performance in local currency

Uranium Explorer/Developer Company Name	Stage	Stock Price ($Local)	Market Cap (C$'000)	Enterprise Value (C$'000)	NI43-101/JORC Resources (M lbs)				MKT / LB	EV / LB
					Avg Grade	M&I	Inferred	Total		
Hathor Exploration (Acquired)	Exploration	4.70	654,240.0	581,240.0	8.63%	17.2	40.7	57.9	$11.29	$10.03
Denison Mines (TSX:DML)	Exploration	0.61	341,041.5	229,209.4	2.29%	102.0	97.6	199.7	$1.71	$1.15
Fission Uranium Corp. (TSX:FCU)	Exploration	0.67	324,694.1	280,102.0	1.51%	79.6	25.9	105.5	$3.08	$2.66
NexGen Energy (TSX:NXE)	Exploration	3.01	942,052.0	974,946.1	2.54%	179.5	122.1	301.6	$3.12	$3.23
Kivalliq Energy Corp. (TSXV:KIV)	Exploration	0.10	24,699.7	21,785.7	0.69%	0.0	43.3	43.3	$0.57	$0.50
UEX Corp. (TSX:UEX)	Exploration	0.23	71,828.7	63,618.3	0.84%	68.2	16.5	84.7	$0.85	$0.75
Azarga Uranium (TSX:AZZ)	Development	0.28	21,102.7	19,694.0	0.17%	18.1	5.7	23.8	$0.89	$0.83
Average			**$339,951.3**	**$310,085.1**		**66.4**	**50.3**	**116.7**	**$3.07**	**$2.74**

Company Name	Stage	Stock Price ($Local)	Market Cap (C$'000)	Enterprise Value (C$'000)	$/lb	C$	
					U3O8 Spot	NAV	Premium/Discount
Uranium Participation Corp. (TSX:U)	Holding Co.	$3.80	459,225.1	454,942.1	22.50	3.95	1.6%

Lithium Company Name	Stage	Stock Price ($Local)	Market Cap (C$'000)	Enterprise Value (C$'000)	NI43-101 Resources ('000 Tonnes)				MKT / Tonne	EV / Tonne
					Avg Grade Li (mg/l)	M&I	Inferred	Total		
Lithium X (TSXV:LIX)	Development	$2.18	$172,692.9	$146,238.4	456.2	194.9	189.1	384.0	$449.7	$380.8

* Performance in local currency

** UEX is not under official CF Coverage

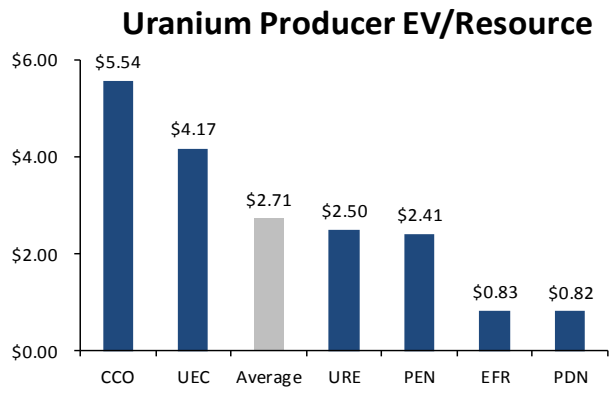
Gold Company Name	Stage	Stock Price (Local $)	Market Cap (C$'000)	Enterprise (C$'000)	NI43-101 Resource (M oz AuEq)					MKT / OZ	EV / OZ
					Avg Grade Au g/t	P&P	M&I	Inferred	Total		
Avino Silver & Gold Mines (TSXV:ASM)	Production	$2.06	$108,049.1	$102,776.8	0.86	0.0	0.3	0.5	0.8	$134.68	$128.11
GoGold Resources (TSX:GGD)	Production	$0.59	$101,112.1	$155,831.4	0.86	0.0	1.6	0.3	1.9	$53.97	$83.18
Premier Gold (TSX:PG)	Production	$3.23	$650,971.6	$557,555.9	1.51	2.9	3.1	2.6	8.6	$75.96	$65.06
Pershing Gold (NASDAQ:PGLC)	Development	$3.07	$109,074.0	$112,624.0	0.61	0.6	0.8	0.0	1.5	$74.25	$76.66
GoldMining (TSXV:GOLD)	Exploration	$1.81	$228,420.4	$208,873.7	0.60	0.0	11.5	13.0	24.6	$9.30	$8.50
Harte Gold (TSX:HRT)	Exploration	$0.61	$302,003.1	$279,600.0	8.16	0.0	0.3	0.1	0.4	$736.59	$681.95
Northern Dynasty (TSX:NDM)	Development	$1.79	$543,393.9	$488,685.9	0.31	0.0	191.7	69.9	261.6	$2.08	$1.87
Oceanus Resources (TSXV:OCN)	Exploration	$0.33	$41,379.8	$38,505.3	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Seabridge Gold (TSX:SEA)	Development	$14.07	$807,155.4	$799,168.4	0.47	64.27	19.83	76.39	160.49	$5.03	$4.98
Alexco Resource Corp. (TSX: AXR)*	Development	$1.64	$165,906.9	$142,567.9	363	0.00	1.04	0.26	1.30	$128.08	$110.06
Average			**$305,746.6**	**$288,618.9**			**25.57**	**18.12**	**51.23**	**$135.55**	**$128.93**

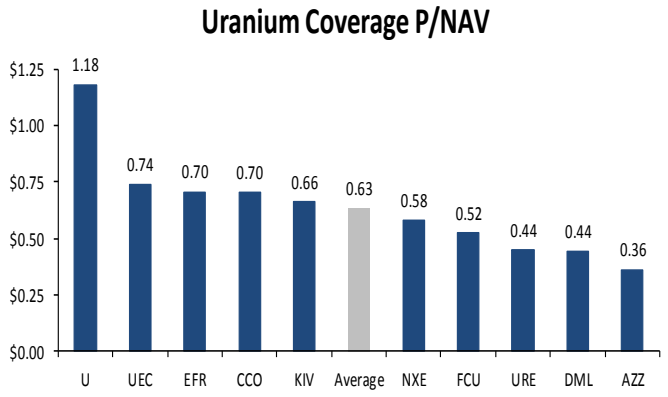
* AuEq is calculated givern an Au price of $1,300/oz and a Ag price of $20/oz as per Cantor Fitzgerald Canada LT forecasts

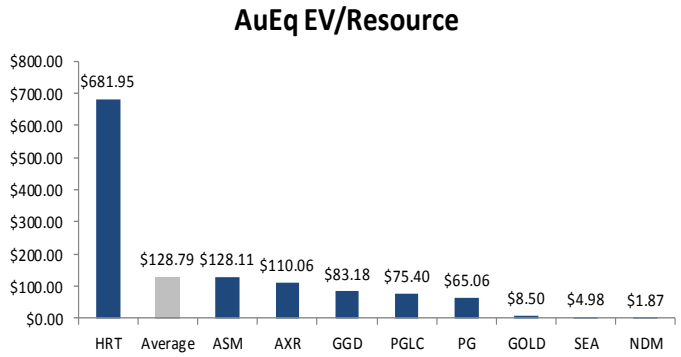
** Average Ag grade given for Alexco Resource Corp.

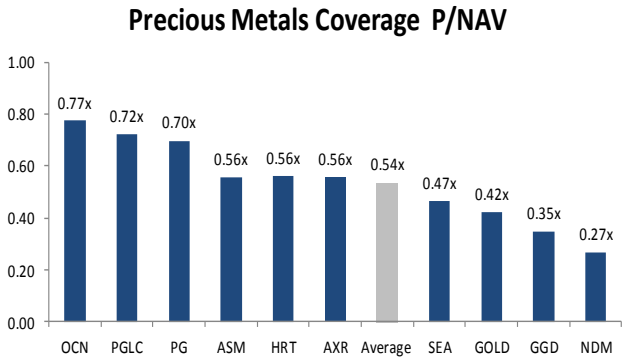
Source: Cantor Fitzgerald Canada Estimates, Company Reports, Bloomberg

Exhibit 41. Comparable Valuation









Source: Cantor Fitzgerald Canada Estimates, Company Reports

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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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