

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.*

*The securities offered hereby have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States. Accordingly, except as permitted under the Underwriting Agreement (as defined hereinafter) and pursuant to exemptions from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws, these securities may not be offered or sold within the United States of America, its territories and possessions, any state of the United States or the District of Columbia (the “United States”), and this Prospectus Supplement (as defined hereinafter), together with the accompanying short form base shelf prospectus, does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States. See “Plan of Distribution”.*

*This Prospectus Supplement, together with the short form base shelf prospectus dated December 9, 2016 to which it relates, as amended or supplemented, and each document incorporated or deemed to be incorporated by reference in this Prospectus Supplement and in the short form base shelf prospectus, constitutes a public offering of securities offered pursuant hereto only in the jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.*

*Information has been incorporated by reference in this Prospectus Supplement, and in the accompanying short form base shelf prospectus dated December 9, 2016 to which it relates, from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Uranium Participation Corporation at 1100 - 40 University Avenue, Toronto, Ontario, M5J 1T1 (telephone 416.979.1991), and are also available electronically at [www.sedar.com](http://www.sedar.com). See “Documents Incorporated by Reference”.*

**PROSPECTUS SUPPLEMENT  
To The Short Form Base Shelf Prospectus Dated December 9, 2016**

New Issue

May 24, 2018



**URANIUM PARTICIPATION CORPORATION**  
**\$20,008,000**  
**4,880,000 Common Shares**  
**Price: \$4.10 per Common Share**

This prospectus supplement (the “**Prospectus Supplement**”) of Uranium Participation Corporation (“**UPC**” or the “**Corporation**”), together with the accompanying short form base shelf prospectus dated December 9, 2016 (the “**Accompanying Prospectus**”), qualifies the distribution of 4,880,000 common shares (the “**Offered Shares**”) of the Corporation (the “**Offering**”) at a price of \$4.10 per Offered Share (the “**Offering Price**”), for aggregate gross proceeds of \$20,008,000. See “Description of Common Shares”. The Offering is being made pursuant to an underwriting agreement (the “**Underwriting Agreement**”) dated as of May 24, 2018, among the Corporation and Cormark Securities Inc. (“**Cormark**”), Cantor Fitzgerald Canada Corporation (together with Cormark, the “**Co-Lead Underwriters**”), TD Securities Inc. and BMO Nesbitt Burns Inc. (collectively, with the Co-Lead Underwriters, the “**Underwriters**”). The Offering Price was determined by arm’s length negotiations between the Corporation and Cormark, on behalf of the Underwriters. The Offering is being made in all of the provinces of Canada, other than Québec, pursuant to the terms of the Underwriting Agreement. The Offered Shares may also be offered for sale in the United States, by or through one or more registered United States broker-dealer affiliates or agents appointed by the Underwriters as sub-agents, under certain exemptions from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Subject to applicable law and the provisions of the Underwriting Agreement, the Underwriters may also offer the Offered Shares outside of Canada and the United States on a private placement or equivalent basis. See “Plan of Distribution”.

**An investment in the Offered Shares is highly speculative due to various factors, including the nature of the Corporation’s business, and should only be made by persons who can afford the total loss of their investment. Prospective investors should consider the risk factors described under “Risk Factors” in this Prospectus Supplement, the Accompanying**

Prospectus and in the Corporation's Annual Information Form (as defined hereinafter) which is available under the Corporation's profile on the System for Electronic Document Analysis and Retrieval ("SEDAR") at [www.sedar.com](http://www.sedar.com), before purchasing the Offered Shares.

The common shares (the "Common Shares") of the Corporation are listed and posted for trading on the Toronto Stock Exchange (the "TSX") under the symbol "U". On May 23, 2018, the last trading day before the date hereof, the closing price of the Common Shares on the TSX was \$4.11. The Corporation has received conditional approval to list the Offered Shares on the TSX. Listing will be subject to the Corporation fulfilling all of the requirements of the TSX.

**\$4.10 per Offered Share**

	<b>Price to the Public</b>	<b>Underwriters' Fee <sup>(1)</sup></b>	<b>Net Proceeds to the Corporation <sup>(2)</sup></b>
Per Offered Share.....	\$4.10	\$0.164	\$3.936
Total <sup>(3)</sup> .....	\$20,008,000	\$800,320	\$19,207,680

- (1) In consideration for the services rendered by the Underwriters in connection with the Offering, the Underwriters will be paid a cash fee of \$0.164 per Offered Share, representing 4.0% of the gross proceeds of the Offering (the "Underwriters' Fee").
- (2) After deducting the Underwriters' Fee, but before deducting expenses of the Offering, including in connection with the preparation and filing of this Prospectus Supplement, which are estimated to be \$225,000 and which will be paid from the proceeds of the Offering.
- (3) The Corporation has granted the Underwriters an over-allotment option (the "Over-Allotment Option"), exercisable in whole or in part, in the sole discretion of the Underwriters, at any time prior to 5:00 p.m. (Toronto time) on the day that is 5 days following the Closing Date (as defined hereinafter), to purchase up to an additional 732,000 Common Shares (the "Additional Offered Shares"), at the Offering Price, to cover over-allotments, if any, and for market stabilization purposes. The grant of the Over-Allotment Option is hereby qualified for distribution under this Prospectus Supplement. A purchaser who acquires Additional Offered Shares issuable on the exercise of the Over-Allotment Option acquires such Additional Offered Shares under this Prospectus Supplement regardless of whether the over-allotment position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. If the Over-Allotment Option is exercised in full, the total Price to the Public, Underwriters' Fee and Net Proceeds to the Corporation (before payment of the expenses of the Offering) will be \$23,009,200, \$920,368 and \$22,088,832, respectively. See "Plan of Distribution" and the table above.

The following table sets out the number of Additional Offered Shares for which the Over-Allotment Option may be exercised:

<b>Underwriters' Position</b>	<b>Number of Additional Offered Shares</b>	<b>Exercise Period</b>	<b>Exercise Price</b>
Over-Allotment Option	Up to 732,000	5 days following the Closing Date	\$4.10 per Additional Offered Share

Unless the context otherwise requires, all references to the "Offering" in this Prospectus Supplement shall include the Over-Allotment Option and all references to "Offered Shares" shall include Additional Offered Shares.

The Underwriters, as principals, conditionally offer the Offered Shares subject to prior sale, if, as and when issued by the Corporation, and accepted by the Underwriters, in accordance with the conditions contained in the Underwriting Agreement described under "Plan of Distribution" and subject to the approval of certain legal matters on behalf of the Corporation by Cassels Brock & Blackwell LLP and on behalf of the Underwriters by Borden Ladner Gervais LLP.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. Subject to certain exceptions, an electronic deposit evidencing the Offered Shares is expected to be registered to CDS Clearing and Depository Services Inc. ("CDS") and will be deposited with CDS at the closing of the Offering, which is anticipated to be on or about May 31, 2018 or such other date as may be agreed upon between the Corporation and Cormark, on behalf of the Underwriters (the "Closing Date"). A purchaser of such Offered Shares will receive only a customer confirmation from the registered dealer through which such Offered Shares are purchased. See "Plan of Distribution".

**In connection with the Offering, Cormark may be considered to be a “connected issuer” within the meaning of National Instrument 33-105 – *Underwriting Conflicts* (“NI 33-105”) to the Corporation.** Jeff Kennedy, Managing Director, Equity Capital Markets and Operations of Cormark is a director and the Chairman of the Corporation. See “Plan of Distribution”.

Investors should rely only on current information contained in or incorporated by reference into this Prospectus Supplement and the Accompanying Prospectus as such information is accurate only as of the date of the applicable document. The Corporation has not authorized anyone to provide investors with different information. Investors should not assume that the information contained in this Prospectus Supplement is accurate as of any date other than the date on the face page of this Prospectus Supplement or that the information contained in any document incorporated by reference herein is accurate as of any date other than the date of the applicable document incorporated by reference herein. Information contained on the Corporation’s website shall not be deemed to be a part of this Prospectus Supplement or to be incorporated by reference and should not be relied upon by prospective investors for the purpose of determining whether to invest in securities of the Corporation. The Corporation will not make an offer of these securities in any jurisdiction where the offer or sale is not permitted.

In connection with the Offering, subject to applicable laws, the Underwriters may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time. The Underwriters propose to offer the Offered Shares initially at the Offering Price. **After the Underwriters have made reasonable efforts to sell all of the Offered Shares at such price, the Offering Price may be decreased, and further changed from time to time, to an amount not greater than the Offering Price.** See “Plan of Distribution”.

**Thomas Hayslett and Ganpat Mani, each being directors of the Corporation, reside outside of Canada, and have appointed Cassels Brock & Blackwell LLP, Suite 2100, Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3C2 as agent for service of process in Canada. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.**

The Corporation’s registered and head office is located at 1100 - 40 University Avenue Toronto, Ontario, M5J 1T1.

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## ABOUT THIS PROSPECTUS

In this Prospectus Supplement, unless the context otherwise requires, references to “we”, “us”, “our” or similar terms, as well as references to “UPC” or the “Corporation”, refer to Uranium Participation Corporation together with its subsidiary, Uranium Participation Bermuda Limited (“UPBL”).

This document is in two parts. The first part is the Prospectus Supplement, which describes the terms of the Offering and adds to and updates information contained in the Accompanying Prospectus and the documents incorporated by reference therein. The second part is the Accompanying Prospectus, which gives more general information, some of which may not apply to the Offering. This Prospectus Supplement is deemed to be incorporated by reference into the Accompanying Prospectus solely for the purpose of the Offering. To the extent that the description of the Offered Shares varies between this Prospectus Supplement and the Accompanying Prospectus, you should rely only on the information in this Prospectus Supplement.

You should rely only on the information contained or incorporated by reference in this Prospectus Supplement and the Accompanying Prospectus (including the documents incorporated by reference herein and therein). We have not, and the Underwriters have not, authorized anyone to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. We are not making an offer to sell or seeking an offer to buy the Offered Shares in any jurisdiction where the offer or sale is not permitted. You should assume that the information contained in this Prospectus Supplement and the Accompanying Prospectus is accurate only as of the date on the front of those documents and that information contained in any document incorporated by reference is accurate only as of the date of that document, regardless of the time of delivery of this Prospectus Supplement and the Accompanying Prospectus or of any sale of our securities pursuant thereto. Our business, financial condition, results of operations and prospects may have changed since those dates.

## FINANCIAL INFORMATION AND CURRENCY

The financial statements of the Corporation incorporated by reference in this Prospectus Supplement have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and are reported in Canadian dollars.

The Offering amount in this Prospectus Supplement is in Canadian dollars. All currency amounts in this Prospectus Supplement are expressed in Canadian dollars, unless otherwise indicated. References to \$ are to Canadian dollars and references to US\$ are to United States dollars. The daily average rate of exchange reported by the Bank of Canada for the conversion of Canadian dollars to United States dollars on May 23, 2018 was \$1.00 = US\$0.7766 (US\$1.00 = \$1.2876).

## NON-IFRS FINANCIAL PERFORMANCE MEASURES

This Prospectus Supplement contains references to “Net Asset Value” or “NAV”, which is a non-IFRS financial performance measure. The NAV is calculated as the value of total assets less the value of total liabilities. To arrive at NAV per share, the NAV is then divided by the total number of Common Shares outstanding as at a specific date. The term NAV does not have any standardized meaning according to IFRS and therefore may not be comparable to similar measures presented by other companies. The NAV equals the Corporation’s total equity balance as reported in the Corporation’s consolidated financial statements. NAV per share does not have a comparable IFRS financial measure presented in the Corporation’s consolidated financial statements and thus there is no applicable quantitative reconciliation for this non-IFRS financial performance measure. The Corporation has calculated NAV and NAV per share consistently for many years and believes these measures provide information useful to its shareholders in understanding the Corporation’s performance and may assist in the evaluation of the Corporation’s business relative to that of its peers.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Prospectus Supplement (including the documents incorporated by reference herein) contains certain “forward-looking statements” and “forward-looking information” which may include, but is not limited to, statements with respect to: the future financial or operating performances of the Corporation and its subsidiary;

activities and intentions for the Corporation's investments in uranium and its uranium holdings; the future price of uranium; the availability of and terms relating to future financing options; the impact of changing tax rates; anticipated storage facilities for the Corporation's uranium; global uranium supply (primary and secondary) and demand; government regulation of uranium operations (including production, handling and storage of uranium); and the limitations of insurance coverage. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "estimate", "anticipate", "plan", "should", "believes", or "continue" or variations (including negative variations) or similar terminology.

By their very nature, forward-looking statements involve numerous factors, assumptions and estimates. A variety of factors, many of which are beyond the control of the Corporation, may cause actual results to differ materially from the expectations expressed in the forward-looking statement. These factors include, but are not limited to, risks related to: uranium price volatility from demand and supply factors; public acceptance of nuclear energy and competition from other energy sources; impact of global economic conditions; risks associated with facilities; foreign exchange rates; uranium lending or relocation; there being no public market for uranium; industry subject to influential political and regulatory factors; the lack of operational liquidity; the Corporation's NAV; the market price and the liquidity of the Common Shares; lack of dividends; the Corporation's reliance on its board of directors (the "**Board**") and the Manager (as defined hereinafter); resignation by the Manager; conflicts of interest; anti-bribery and anti-corruption laws; the Corporation's disclosure and internal controls; information systems and cyber security; and risks related to the Offering. The Corporation may note additional factors elsewhere in this Prospectus Supplement, the Accompanying Prospectus, or documents incorporated by reference herein or therein. See "Risk Factors" for a further description of the principal risks to the Corporation.

These and other factors should be considered carefully, and readers are cautioned not to place undue reliance on these forward-looking statements. Although management reviews the reasonableness of its assumptions and estimates, unusual and unanticipated events may occur which render them inaccurate. Under such circumstances, future performance may differ materially from those expressed or implied by the forward-looking statements. Except where required under applicable securities legislation, the Corporation does not undertake to update any forward-looking information or statements.

#### **DOCUMENTS INCORPORATED BY REFERENCE**

**This Prospectus Supplement is deemed to be incorporated by reference into the Accompanying Prospectus solely for the purposes of the Offering. Other documents are also incorporated, or are deemed to be incorporated by reference, into the Accompanying Prospectus and reference should be made to the Accompanying Prospectus for full particulars thereof.**

*Information has been incorporated by reference in this Prospectus Supplement from documents filed with the securities commissions or similar regulatory authorities in each of the provinces of Canada, other than Québec.* Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Uranium Participation Corporation at 1100 - 40 University Avenue, Toronto, Ontario, M5J 1T1 (telephone 416.979.1991). These documents are also available on SEDAR, which can be accessed online at [www.sedar.com](http://www.sedar.com). Information contained or featured on the Corporation's website shall not be deemed to be part of this Prospectus Supplement or the Accompanying Prospectus.

The following documents, filed by the Corporation with the securities commissions or similar authorities in each of the provinces of Canada, other than Québec, are specifically incorporated by reference into, and form an integral part of, this Prospectus Supplement and the Accompanying Prospectus:

- (a) the annual information form (the "**Annual Information Form**") of the Corporation dated May 14, 2018 for the fiscal year ended February 28, 2018;
- (b) the audited annual consolidated financial statements of the Corporation dated April 5, 2018 as at and for the financial years ended February 28, 2018 and February 28, 2017 together with the auditor's report thereon and the notes thereto (the "**Audited Financial Statements**");

- (c) the management’s discussion and analysis of the Corporation dated April 5, 2018 for the financial year ended February 28, 2018 (“**Annual MD&A**”);
- (d) the management information circular of the Corporation dated May 15, 2018 prepared in connection with the annual and special meeting of shareholders of the Corporation currently scheduled to be held on June 28, 2018 (the “**Circular**”);
- (e) the term sheet dated May 22, 2018 in connection with the Offering (the “**Term Sheet**”); and
- (f) the material change report dated May 23, 2018 in respect of the announcement of the Offering.

Any document of the type referred to in section 11.1 of Form 44-101F1 of National Instrument 44-101 – *Short Form Prospectus Distributions* and required to be filed by the Corporation with the securities commissions or similar regulatory authorities in Canada after the date of this Prospectus Supplement shall be deemed to be incorporated by reference in this Prospectus Supplement for the purposes of the Offering.

Any statement contained in this Prospectus Supplement, the Accompanying Prospectus or in any document incorporated or deemed to be incorporated by reference herein or therein for the purpose of the Offering shall be deemed to be modified or superseded for the purposes of this Prospectus Supplement to the extent that a statement contained herein, or in any other subsequently filed document which also is incorporated or is deemed to be incorporated by reference herein, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed in its unmodified or superseded form to constitute a part of this Prospectus Supplement.

#### MARKETING MATERIALS

In connection with the Offering, the Underwriters intend to use the Term Sheet as marketing materials. The Term Sheet does not form part of this Prospectus Supplement to the extent that the contents of the Term Sheet has been modified or superseded by a statement contained in this Prospectus Supplement. Any template version of “marketing materials” (as defined in National Instrument 41-101 – *General Prospectus Requirements*) filed after the date of this Prospectus Supplement and before the termination of the distribution under the Offering (including any amendments to, or an amended version of, the Term Sheet) is deemed to be incorporated in this Prospectus Supplement.

#### THE CORPORATION

Uranium Participation Corporation was incorporated by Articles of Incorporation pursuant to the *Business Corporations Act* (Ontario) on March 15, 2005 and became a publicly listed company on the TSX on May 10, 2005. The Corporation subsequently amalgamated with a subsidiary pursuant to Articles of Amalgamation dated November 2, 2011. UPBL is a wholly-owned subsidiary of the Corporation. It was formed effective March 11, 2016, pursuant to a certificate of continuance issued by the Bermuda Register of Companies.

The Corporation has no employees. Denison Mines Inc. (the “**Manager**”) manages the Corporation and provides the services of four officers to the Corporation, being the President and Chief Executive Officer, the Chief Financial Officer, the Vice President, Commercial and the Corporate Secretary, under the terms of a management services agreement with the Corporation effective April 1, 2016 (the “**Management Services Agreement**”). Pursuant to the Management Services Agreement, the Manager is entitled to (a) a base fee of \$400,000 per annum, payable in equal quarterly instalments; (b) a variable fee equal to (i) 0.3% per annum of the Corporation’s total assets in excess of \$100 million and up to \$500 million, and (ii) 0.2% per annum of the Corporation’s total assets in excess of \$500 million; (c) a fee, at the discretion of the Board, for on-going monitoring or work associated with a

transaction or arrangement (other than a financing, or the acquisition of or sale of UF<sub>6</sub> (as defined hereinafter) or U<sub>3</sub>O<sub>8</sub> (as defined hereinafter); and (d) a commission of 1.0% of the gross value of any purchases or sales of UF<sub>6</sub> or U<sub>3</sub>O<sub>8</sub>, or gross interest fees payable to the Corporation in connection with any uranium loan arrangements. The Manager is required to arrange, on behalf of the Corporation, for storage of the uranium at licensed Facilities (as defined hereinafter) and for insurance coverage. It is also responsible for the preparation of draft regulatory filing materials and reports for shareholders and to furnish office facilities to the Corporation.

To the extent the named executive officers of the Corporation are also named executive officers of Denison Mines Corp. (“**Denison**”), the parent company of the Manager, during a particular financial year, the compensation paid to these individuals by the Manager, or by Denison, can be found in Denison’s Compensation Discussion & Analysis contained in Denison’s annual management information circular which has been filed on SEDAR and can be accessed at [www.sedar.com](http://www.sedar.com). In particular, compensation disclosure relating to Mr. Cates, the Corporation’s President and Chief Executive Officer and Mr. McDonald, the Corporation’s Chief Financial Officer, for the 2017 calendar year is contained in Denison’s management information circular dated March 22, 2018. Mr. Melbye, however, does not serve as a named executive officer of Denison and, as such, his compensation is disclosed in the Circular.

The Corporation’s primary investment objective is investing in and holding uranium. The Corporation also lends its uranium to third parties from time to time. Unless the context requires, references to “uranium” means uranium oxide in concentrates (“U<sub>3</sub>O<sub>8</sub>”) and uranium hexafluoride (“UF<sub>6</sub>”).

## THE OFFERING

*The following summary contains basic information about the Offering and is not intended to be complete. It does not contain all the information that is important to you. You should carefully read the entire Prospectus Supplement, the Accompanying Prospectus and the documents incorporated by reference herein and therein before making an investment decision.*

Issuer.....	Uranium Participation Corporation
Securities Offered.....	4,880,000 Offered Shares at \$4.10 per Offered Share.
Common Shares issued and outstanding as of the date hereof.....	132,448,713 Common Shares
Common Shares to be outstanding upon closing of the Offering.....	137,328,713 Common Shares (138,060,713 if the Over-Allotment Option is exercised in full)
Over-Allotment Option.....	The Underwriters have been granted an Over-Allotment Option, exercisable in whole or in part, in the sole discretion of the Underwriters, at any time prior to 5:00 p.m. (Toronto time) on the day which is 5 days following the Closing Date, to purchase up to 732,000 Additional Offered Shares, at the Offering Price, to cover over-allotments, if any, and for market stabilization purposes.
Use of Proceeds.....	The net proceeds of the Offering will be used by the Corporation to fund (i) the future purchases of U <sub>3</sub> O <sub>8</sub> and/or UF <sub>6</sub> , and (ii) general corporate purposes. See “Use of Proceeds”.
Stock Exchange Symbols.....	The Common Shares are listed and posted for trading on the TSX under the symbol “U”.

The Corporation has received conditional approval to

list the Offered Shares on the TSX. Listing will be subject to the Corporation fulfilling all of the requirements of the TSX.

Income Tax Considerations.....

Holders are urged to consult their own tax advisors with respect to the Canadian federal, provincial, territorial, local and foreign tax consequences of purchasing, owning and disposing of the Offered Shares. See “Certain Canadian Federal Income Tax Considerations”.

Risk Factors.....

See “Risk Factors” in this Prospectus Supplement and the Accompanying Prospectus for a discussion of factors you should carefully consider before deciding to invest in the Offered Shares.

## **RISK FACTORS**

*An investment in the Offered Shares is highly speculative and involves significant risks, which should be carefully considered by prospective investors before purchasing such securities. In addition to information set out in this Prospectus Supplement, the Accompanying Prospectus and the documents incorporated by reference herein and therein, investors should carefully consider the risk factors set out below. Any one of such risk factors could materially affect the Corporation’s business, financial condition and/or future operating results and prospects and could cause actual events to differ materially from those described in forward-looking statements relating to the Corporation. Additional risks and uncertainties not currently identified by the Corporation or that the Corporation currently believes not to be material also may materially and adversely affect the Corporation’s business, financial condition, operations or prospects. The following information pertains to the outlook and conditions currently known to the Corporation that could have a material impact on the financial condition of the Corporation. This information, by its nature, is not all-inclusive and is not a guarantee that other factors will not affect the Corporation in the future.*

### **Risks Relating to the Offering**

#### ***Effect of Sales of a Significant Number of Common Shares***

Sales of a substantial number of the Common Shares or other equity-related securities in the public markets by the Corporation could depress the market price of the Common Shares and impair the Corporation’s ability to raise capital through the sale of additional equity securities. The Corporation cannot predict the effect that future sales of the Common Shares or other equity-related securities would have on the market price of the Common Shares. The price of the Common Shares could be affected by possible sales of the Common Shares or by hedging or arbitrage trading activity, which could occur in respect of the Common Shares.

#### ***Use of Proceeds***

The net proceeds of the Offering are intended be used by the Corporation in the manner as set out under the heading “Use of Proceeds”. There is no specific time frame under which the Corporation must purchase uranium, and the Board and/or management of the Corporation will use their discretion to determine the timing and quantum of uranium purchases. As a result, prospective investors will be relying on the judgment of management as to the specific application and timing of the use of proceeds from the Offering. There is no guarantee that the Corporation will be able to use the proceeds of the Offering on terms favourable to the Corporation or at all and no assurances can be given in this regard. Management may use the net proceeds from the Offering in ways that an investor may not consider optimal. The results and effectiveness of the application of the net proceeds from the Offering are uncertain.

### ***Enforcement of Judgments Against Foreign Persons***

Canadian investors should be aware that Thomas Hayslett and Ganpat Mani, each being directors of the Corporation, reside outside of Canada; as a result, it may not be possible for purchasers of Offered Shares to effect service of process within Canada upon these persons. All or a substantial portion of the assets of these persons is likely to be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against such persons in Canada or to enforce a judgment obtained in Canadian courts against such persons outside of Canada.

### **Risks Relating to the Corporation**

Additional risks relating to the Corporation are discussed under the heading “Risk Factors” in the Annual Information Form and under the heading “Risk Factors” in the Annual MD&A, both as incorporated by reference herein.

### **CONSOLIDATED CAPITALIZATION**

Other than as set out below, there has been no material change in the share and loan capital of the Corporation on a consolidated basis, since February 28, 2018, the date of the Corporation’s most recently filed annual financial statements. The following table sets forth our capitalization as of February 28, 2018 on an actual basis and as adjusted to give effect to the Offering as though it had occurred on such date. This table should be read in conjunction with the Audited Financial Statements.

<b>Description of Capital</b>	<b>As at February 28, 2018</b> (dollars in thousands other than Common Shares)	<b>As at February 28, 2018 after giving effect to the Offering</b> (1) (2) (dollars in thousands other than Common Shares)
Shareholders’ Equity		
Common Shares (Authorized – unlimited)	\$238,245 (132,448,713 Common Shares)	\$257,228 (137,328,713 Common Shares)
Contributed Surplus	\$648,005	\$648,005
Deficit	(\$422,921)	(\$422,921)
<b>Total Capitalization</b>	<b>\$463,329</b>	<b>\$482,312</b>

- (1) After deducting the expenses of the Offering, including the Underwriters’ Fee, estimated to be \$1,025,320 in the aggregate.
- (2) Excluding any exercise of the Over-Allotment Option.

### **USE OF PROCEEDS**

The Corporation estimates that its net proceeds from the Offering will be approximately \$18,982,680 after deducting the Underwriters’ Fee of \$800,320 and the expenses of the Offering, which are estimated to be \$225,000. If the Over-Allotment Option is exercised in full, the net proceeds to the Corporation will be approximately \$21,863,832 after deducting the Underwriters’ Fee of \$920,368 and the expenses of the Offering, which are estimated to be \$225,000.

The net proceeds of the Offering will be used by the Corporation to fund: (i) future purchases of U<sub>3</sub>O<sub>8</sub> and/or UF<sub>6</sub>; and (ii) general corporate purposes. It is the intention of management of the Corporation to spend at least 85% of the gross proceeds of the Offering on uranium purchases. There is no specific time frame under which the Corporation must purchase uranium, and the Board and/or management of the Corporation will use their discretion to determine the timing and quantum of uranium purchases. See “Risk Factors – Risks Related to the Offering – Use of Proceeds”.

## PLAN OF DISTRIBUTION

Pursuant to the Underwriting Agreement, the Corporation has agreed to sell and the Underwriters have severally, and not jointly nor jointly and severally, agreed to purchase on the Closing Date, an aggregate of 4,880,000 Offered Shares at a price of \$4.10 per Offered Share, payable against delivery of the Offered Shares, subject to the terms and conditions stated in the Underwriting Agreement. The price of the Offered Shares was determined by arm's length negotiations between the Corporation and Cormark, on behalf of the Underwriters.

The obligations of the Underwriters under the Underwriting Agreement are several (and not joint nor joint and several) and may be terminated at their discretion upon the occurrence of certain stated events. The Underwriters are, however, obligated to take up and pay for all of the Offered Shares if any of the Offered Shares are purchased under the Underwriting Agreement, but are not obligated to take up and pay for any Additional Offered Shares. The Underwriters are offering the Offered Shares, subject to prior sale, if, as and when issued to and accepted by them, subject to certain conditions contained in the Underwriting Agreement, such as receipt by the Underwriters of officers' certificates and legal opinions.

The Corporation has granted the Underwriters the Over-Allotment Option, exercisable in whole or in part, in the sole discretion of the Underwriters, for a period of 5 days following the Closing Date, to purchase up to 732,000 Additional Offered Shares at the Offering Price, to cover over-allotments, if any, and for market stabilization purposes. The grant of the Over-Allotment Option is qualified for distribution under this Prospectus Supplement. A person who acquires Additional Offered Shares issuable on the exercise of the Over-Allotment Option acquires such Additional Offered Shares under this Prospectus Supplement regardless of whether the over-allotment position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. If the Over-Allotment Option is exercised in full, the total price to the public, the Underwriters' Fee and the net proceeds to the Corporation (before payment of the expenses of the Offering) will be \$23,009,200, \$920,368 and \$22,088,832, respectively.

The Offering is being made in all of the provinces of Canada, other than Québec, pursuant to the terms of the Underwriting Agreement. The Offered Shares may also be offered for sale in the United States, by or through one or more registered United States broker-dealer affiliates or agents appointed by the Underwriters as sub-agents, under certain exemptions from the registration requirements of the U.S. Securities Act and the applicable U.S. state securities laws. Subject to applicable law and the provisions of the Underwriting Agreement, the Underwriters may also offer the Offered Shares outside of Canada and the United States on a private placement or equivalent basis.

The Offered Shares have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws, and may not be offered, sold or delivered, directly or indirectly, within the United States, except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Underwriters have agreed that, except as permitted by the Underwriting Agreement and as expressly permitted by applicable United States federal and state securities laws, they will not offer or sell any of the Offered Shares within the United States. The Underwriting Agreement permits the Underwriters to offer and sell the Offered Shares purchased by them outside the United States in compliance with Regulation S under the U.S. Securities Act. The Underwriting Agreement also permits the Underwriters to offer and resell the Offered Shares that they have acquired pursuant to the Underwriting Agreement in the United States to persons who are "qualified institutional buyers", as such term is defined in Rule 144A under the U.S. Securities Act, in compliance with Rule 144A under the U.S. Securities Act and applicable U.S. state securities laws. In addition, the Underwriting Agreement permits the Underwriters to offer the Offered Shares in the United States for sale directly by the Corporation to persons who are institutional "accredited investors", as such term is defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act, in compliance with Rule 506(b) of Regulation D under the U.S. Securities Act and applicable U.S. state securities laws.

This Prospectus Supplement does not constitute an offer to sell, or a solicitation of an offer to buy, any of the Offered Shares in the United States. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Offered Shares offered hereby within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act unless such offer or sale is made pursuant to an exemption from registration under the U.S. Securities Act.

The Offered Shares offered or sold in the United States will be “restricted securities” within the meaning of Rule 144(a)(3) promulgated under the U.S. Securities Act. Certificates, if any, representing such Offered Shares will bear a legend to the effect that the securities represented thereby are not registered under the U.S. Securities Act or any applicable U.S. state securities laws and may only be offered, sold, pledged or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws.

Terms used and not defined in the three preceding paragraphs shall have the meanings ascribed thereto by Regulation S under the U.S. Securities Act.

Subscriptions for the Offered Shares will be received by the Underwriters subject to rejection or allotment in whole or in part and the right is reserved to close the subscription book at any time without notice. Subject to certain exceptions, an electronic deposit evidencing the Offered Shares is expected to be registered to CDS and will be deposited with CDS on the Closing Date or such other date as may be agreed upon between the Corporation and the Underwriters. A purchaser of such Offered Shares will receive only a customer confirmation from the registered dealer through which such Offered Shares are purchased.

Pursuant to the Underwriting Agreement, the Underwriters will receive a fee equal to 4.0% of the gross proceeds of the Offering (\$0.164 per Offered Share and Additional Offered Share, if applicable) for an aggregate commission of \$800,320 (or \$920,368 in the event of the full exercise of the Over-Allotment Option). The Corporation will also pay certain expenses incurred by the Underwriters in connection with the Offering as set forth in the Underwriting Agreement. The Corporation has also agreed to indemnify each of the Underwriters, each of its affiliates and each of its and their directors, officers, partners, employees and agents against certain liabilities and expenses or will contribute to payments that the Underwriters may be required to make in respect thereof.

The Corporation has also agreed, pursuant to the terms of the Underwriting Agreement, not to directly or indirectly, for a period of 90 days from the Closing Date, issue any Common Shares or any securities convertible into or exercisable or exchangeable for Common Shares, other than in connection with (i) the grant or exercise of share purchase options and other similar issuances pursuant to the share purchase incentive plan of the Corporation and other share compensation arrangements; and (ii) acquisitions, without the prior written consent of Cormark, such consent not to be unreasonably withheld or delayed.

**The Underwriters propose to offer the Offered Shares initially at the Offering Price. After the Underwriters have made a reasonable effort to sell all of the Offered Shares offered by this Prospectus Supplement at the Offering Price, the Offering Price may be decreased, and further changed from time to time to an amount not greater than the Offering Price and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by the purchasers for the Offered Shares is less than the gross proceeds paid by the Underwriters to the Corporation. Any such reduction will not affect the proceeds received by the Corporation.**

In order to facilitate the Offering, the Underwriters may engage in transactions that stabilize, maintain or otherwise affect the market price of the Common Shares. The Underwriters may over-allot Common Shares in connection with the Offering, thus creating a short position for their own account. Short sales involve the sale by the Underwriters of a greater number of shares than they are committed to purchase in the Offering. To cover these short sales positions or to stabilize the market price of the Common Shares, the Underwriters may bid for, and purchase, Common Shares in the open market. These transactions may be effected on the TSX or otherwise. Additionally, the representatives, on behalf of the Underwriters, may also reclaim selling concessions allowed to another underwriter or dealer. Similar to other purchase transactions, the Underwriters' purchases to cover the syndicate short sales or to stabilize the market price of the Common Shares may have the effect of raising or maintaining the market price of the Common Shares or preventing or mitigating a decline in the market price of the Common Shares. As a result, the price of the Common Shares may be higher than the price that might otherwise exist in the open market. No representation is made as to the magnitude or effect of any such stabilization or other activities. The Underwriters are not required to engage in these activities and, if commenced, may discontinue any of these activities at any time.

Pursuant to rules and policy statements of certain Canadian securities regulators, the Underwriters may not, at any time during the period ending on the date the selling process for the Offered Shares ends and all stabilization

arrangements relating to the Offered Shares are terminated, bid for or purchase Common Shares. The foregoing restrictions are subject to certain exceptions including (a) a bid for or purchase of Common Shares if the bid or purchase is made through the facilities of the TSX, in accordance with the Universal Market Integrity Rules of Market Regulation Services Inc., (b) a bid or purchase on behalf of a client, other than certain prescribed clients, provided that the client's order was not solicited by the Underwriters, or if the client's order was solicited, the solicitation occurred before the commencement of a prescribed restricted period, and (c) a bid or purchase to cover a short position entered into prior to the commencement of a prescribed restricted period. The Underwriters may engage in market stabilization or market balancing activities on the TSX where the bid for or purchase of the Common Shares is for the purpose of maintaining a fair and orderly market in the Common Shares, subject to price limitations applicable to such bids or purchases. Such transactions, if commenced, may be discontinued at any time.

In connection with the Offering, Cormark may be considered a "connected issuer" within the meaning of NI 33-105 to the Corporation. Jeff Kennedy, Managing Director, Equity Capital Markets and Operations of Cormark is a director and the Chairman of the Corporation. The decision to distribute the Offered Shares, including the determination of the terms of the Offering, was made through arm's length negotiations between the Corporation and Cormark, on behalf of the Underwriters. Cormark will not receive any benefit in connection with the Offering, other than its share of the Underwriters' Fee payable by the Corporation.

### DESCRIPTION OF COMMON SHARES

The Offering consists of 4,880,000 Offered Shares (and up to 732,000 Additional Offered Shares in the event the Over-Allotment Option is exercised in full).

The Corporation is authorized to issue an unlimited number of Common Shares. As of May 23, 2018, there were 132,448,713 Common Shares issued and outstanding. The Common Shares are without nominal or par value. Each of the Common Shares carries one vote at all meetings of shareholders, is entitled to dividends as and when declared by the directors and is entitled upon liquidation, dissolution or winding up of the Corporation to a *pro rata* share of the property and assets of the Corporation distributable to the holders of the Common Shares. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

### PRIOR SALES

During the 12 month period before the date of this Prospectus Supplement, the Corporation has not issued Common Shares, or securities that are convertible into Common Shares, other than 11,600,000 Common Shares issued at a price of \$3.50 per Common Share for aggregate gross proceeds of \$40,600,000 pursuant to a public offering which was completed on October 4, 2017.

### PRICE RANGE AND TRADING VOLUMES

#### Common Shares

The Common Shares are listed and posted for trading on the TSX under the symbol "U".

The following table sets forth, for the periods indicated over the past 12 months prior to the date of this Prospectus Supplement, the high and low prices and the aggregate volume of trading of the Common Shares. (Source: TMX Datalinx)

Period	TSX		
	High	Low	Volume
	(\$)	(\$)	
<b>2017</b>			
May	4.09	3.75	2,130,800
June	4.06	3.69	2,299,000
July	3.88	3.63	1,656,100

Period	TSX		
	High	Low	Volume
	(\$)	(\$)	
August	3.83	3.55	1,259,500
September	3.83	3.47	2,918,600
October	3.70	3.47	1,976,000
November	4.57	3.51	8,977,900
December	4.68	4.11	6,363,800
<b>2018</b>			
January	4.45	3.88	5,119,900
February	4.13	3.81	3,177,600
March	4.08	3.75	2,733,519
April	3.98	3.70	2,470,244
May <sup>(1)</sup>	4.31	3.81	3,544,577

Note:

<sup>(1)</sup>For the period from May 1, 2018 through May 23, 2018.

At the close of business on May 23, 2018, the last trading day prior to the date of this Prospectus Supplement, the price of the Common Shares as quoted by the TSX was \$4.11.

#### CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Cassels Brock & Blackwell LLP, counsel to the Corporation, and Borden Ladner Gervais LLP, counsel to the Underwriters, the following is a general summary of the principal Canadian federal income tax considerations under the *Income Tax Act* (Canada) (the “**Tax Act**”) generally applicable to a holder who acquires Offered Shares as beneficial owner pursuant to this Prospectus Supplement and who, at all relevant times, for the purposes of the Tax Act, holds such securities as capital property, deals at arm’s length with the Corporation and the Underwriters, and is not affiliated with the Corporation or the Underwriters (a “**Holder**”). The Offered Shares will generally be considered capital property to a Holder unless the Holder holds the Offered Shares in the course of carrying on a business of buying and selling securities or has acquired the Offered Shares in a transaction or transactions considered to be an adventure in the nature of trade.

This summary is based on the current provisions of the Tax Act and the regulations thereunder (the “**Regulations**”) in force as of the date hereof, counsel’s understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the “**CRA**”) publicly available prior to the date hereof, and all specific proposals to amend the Tax Act and Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Proposed Amendments**”). This summary assumes that all Proposed Amendments will be enacted in the form proposed but no assurances can be given that the Proposed Amendments will be enacted or will be enacted as proposed. Other than the Proposed Amendments, this summary does not take into account or anticipate any changes in law or the administration policies or assessing practice of CRA, whether by judicial, legislative, governmental or administrative decision or action, nor does it take into account provincial, territorial or foreign tax legislation or considerations, which may differ significantly from those discussed herein.

This summary is not applicable to a Holder: (i) that is a “financial institution” within the meaning of section 142.2 of the Tax Act; (ii) that is a “specified financial institution”; (iii) that reports its “Canadian tax results” in a currency other than Canadian currency, (iv) an interest in which is a “tax shelter investment”, or (v) that enters into a “derivative forward agreement” with respect to its Offered Shares, all within the meaning of the Tax Act. Such Holders should consult their own tax advisors.

Additional considerations, not discussed herein, may be applicable to a Holder that is a corporation resident in Canada, and is, or becomes as part of a transaction or event or series of transactions or events that includes the

acquisition of Offered Shares, controlled by a non-resident corporation for purposes of the “foreign affiliate dumping” rules in section 212.3 of the Tax Act. Such Holders should consult their tax advisors with respect to the consequences of acquiring Offered Shares.

**This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder and no representations with respect to the income tax consequences to any particular Holder are made. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, prospective investors in the Offered Shares should consult their own tax advisors with respect to their own particular circumstances.**

#### **Holders Resident in Canada**

This section of the summary applies to a Holder who, at all relevant times, is, or is deemed to be, resident in Canada for the purposes of the Tax Act (a “**Resident Holder**”).

A purchaser whose Offered Shares might not otherwise qualify as capital property may be entitled to make the irrevocable election provided by subsection 39(4) of the Tax Act to have the Offered Shares and every other “Canadian security” (as defined in the Tax Act) owned by such person in the taxation year of the election and in all subsequent taxation years deemed to be capital property. Purchasers should consult their own tax advisors for advice as to whether an election under subsection 39(4) of the Tax Act is available and/or advisable in their particular circumstances.

The adjusted cost base to a Resident Holder of Offered Shares acquired pursuant to this Offering will be determined by averaging the cost of such acquired Offered Shares with the adjusted cost base of all other Common Shares (if any) owned by such Holder as capital property immediately prior to the acquisition.

#### ***Dividends***

A Resident Holder will be required to include in computing its income for a taxation year any taxable dividends received or deemed to be received on the Offered Shares. In the case of a Resident Holder that is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received from taxable Canadian corporations. Taxable dividends received from a taxable Canadian corporation which are designated by such corporation as “eligible dividends” will be subject to an enhanced gross-up and dividend tax credit regime in accordance with the rules in the Tax Act. There may be limitations on the ability of the Corporation to designate dividends as eligible dividends.

In the case of a Resident Holder that is a corporation, the amount of any such taxable dividend that is included in its income for a taxation year will generally be deductible in computing its taxable income for that taxation year. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own particular circumstances.

A Resident Holder that is a “private corporation” or a “subject corporation”, as defined in the Tax Act, will generally be liable to pay a refundable tax under Part IV of the Tax Act on dividends received or deemed to be received on the Offered Shares to the extent such dividends are deductible in computing the Resident Holder’s taxable income for the year.

#### ***Disposition of Offered Shares***

A Resident Holder who disposes of or is deemed to have disposed of an Offered Share will generally realize a capital gain (or capital loss) in the taxation year of the disposition equal to the amount by which the Resident Holder’s proceeds of disposition, net of any reasonable costs of disposition, exceed (or are exceeded by) the adjusted cost base to the Resident Holder of the Offered Share immediately before the disposition or deemed disposition.

### ***Capital Gains and Capital Losses***

A Resident Holder will generally be required to include in computing its income for the taxation year of disposition, one-half of the amount of any capital gain (a “**taxable capital gain**”) realized in such taxation year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder will generally be required to deduct one-half of the amount of any capital loss realized in a particular taxation year (an “**allowable capital loss**”) against taxable capital gains realized in the taxation year. Allowable capital losses in excess of taxable capital gains for a taxation year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such taxation years, to the extent and under the circumstances specified in the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of an Offered Share by a Resident Holder that is a corporation may, in certain circumstances, be reduced by the amount of dividends received or deemed to have been received by it on such an Offered Share to the extent and under the circumstances specified in the Tax Act. Analogous rules apply to a partnership or trust of which a corporation, partnership or trust is a member or beneficiary.

A Resident Holder that is throughout the relevant taxation year a “Canadian-controlled private corporation” (as defined in the Tax Act) may be liable to pay an additional refundable tax on its “aggregate investment income” (as defined in the Tax Act) for the year, including taxable capital gains.

### ***Minimum Tax***

In general terms, a Resident Holder who is an individual (other than certain trusts) that receives or is deemed to have received taxable dividends on the Offered Shares or realizes a capital gain on the disposition or deemed disposition of Offered Shares may be liable for minimum tax under the Tax Act. Resident Holders that are individuals should consult their own tax advisors in this regard.

### ***Holders Not Resident in Canada***

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act and any applicable tax treaty or convention: (i) is not, and is not deemed to be, resident in Canada; and (ii) does not use or hold the Offered Shares in connection with carrying on a business in Canada (a “**Non-Resident Holder**”). This summary does not apply to a Non-Resident Holder that carries on, or is deemed to carry on, an insurance business in Canada and elsewhere or is an authorized foreign bank, as defined in the Tax Act. Such Holders should consult their own tax advisors.

### ***Dividends***

Under the Tax Act, dividends on Offered Shares paid or credited to a Non-Resident Holder will be subject to Canadian withholding tax at the rate of 25% of the gross amount of the dividends, subject to any reduction in the rate of withholding to which the Non-Resident Holder is entitled under any applicable tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident. For example, where a Non-Resident Holder is a resident of the United States, is fully entitled to the benefits under the Canada-United States Tax Convention (1980) and is the beneficial owner of the dividend, the applicable rate of Canadian withholding tax is generally reduced to 15% of the amount of such dividend (or 5% for a company that beneficially owns at least 10% of the Corporation’s voting shares).

### ***Disposition of Offered Shares***

A Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized by such Non-Resident Holder on a disposition of Offered Shares unless the Offered Shares constitute “taxable Canadian property” (as defined in the Tax Act) of the Non-Resident Holder at the time of disposition and the Non-Resident Holder is not entitled to relief under an applicable tax treaty or convention.

As long as the Offered Shares are listed on a designated stock exchange (which currently includes the TSX), at the time of disposition and are not otherwise deemed to be “taxable Canadian property”, the Offered Shares generally will not constitute taxable Canadian property of a Non-Resident Holder, unless at any time during the 60

month period immediately preceding the disposition or deemed disposition of the Offered Share: (i) 25% or more of the issued shares of any class of the capital stock of the Corporation were owned by, or belonged to, one or any combination of the Non-Resident Holder and persons with whom the Non-Resident Holder did not deal at arm's length (within the meaning of the Tax Act) or partnerships in which the Non-Resident Holder or a person with whom the Non-Resident Holder did not deal at arm's length held a membership interest directly or indirectly through one or more partnerships; and (ii) more than 50% of the fair market value of the Offered Shares was derived directly or indirectly from one or any combination of: (A) real or immovable property situated in Canada; (B) "Canadian resource property"; (C) "timber resource property", or (D) options in respect of, or interests in, or for civil law rights in, property described in any of (A) through (C) above, whether or not such property exists (all as defined in the Tax Act).

If the Offered Shares are taxable Canadian property to a Non-Resident Holder, any capital gain realized on the disposition or deemed disposition of such Offered Shares may not be subject to Canadian federal income tax pursuant to the terms of an applicable tax treaty or convention between Canada and the country of residence of the Non-Resident Holder.

Non-Resident Holders whose Offered Shares are taxable Canadian property should consult their own advisors.

### **LEGAL MATTERS**

Certain legal matters in connection with the Offering will be passed upon on behalf of the Corporation by Cassels Brock & Blackwell LLP, Toronto, Canada, and on behalf of the Underwriters by Borden Ladner Gervais LLP, Toronto, Canada.

### **INTEREST OF EXPERTS**

The partners and associates of Cassels Brock & Blackwell LLP, as a group, beneficially own, directly or indirectly, less than one percent of the outstanding securities of the Corporation. The partners and associates of Borden Ladner Gervais LLP, as a group, beneficially own, directly or indirectly, less than one percent of the outstanding securities of the Corporation.

The Audited Financial Statements incorporated by reference in this Prospectus Supplement have been audited by PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licensed Public Accountants of Toronto, Canada. PricewaterhouseCoopers LLP is independent of the Corporation within the meaning of the Chartered Professional Accountants of Ontario CPA Code of Professional Conduct.

### **STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION**

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces of Canada, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

### **ELIGIBILITY FOR INVESTMENT**

In the opinion of Cassels Brock & Blackwell LLP, counsel to the Corporation, and Borden Ladner Gervais LLP, counsel to the Underwriters, based on the provisions of the Tax Act and the Regulations, as of the date hereof, the Offered Shares would be "qualified investments" under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans, registered disability savings plans and tax-free savings accounts (collectively, "**Registered Plans**") and deferred profit sharing plans, provided that the Offered Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSX).

Notwithstanding that an Offered Share may be a qualified investment for a Registered Plan, if the Offered Shares are a “prohibited investment” within the meaning of the Tax Act for the Registered Plan, the annuitant, holder or subscriber, as the case may be (the “**Controlling Individual**”), of the Registered Plan, will be subject to a penalty tax under the Tax Act. The Offered Shares generally will not be a prohibited investment for a Registered Plan provided the Controlling Individual of the Registered Plan: (i) deals at arm’s length with the Corporation for the purposes of the Tax Act; and (ii) does not have a “significant interest” (as defined in the Tax Act for purposes of the prohibited investment rules) in the Corporation. The Offered Shares will not be a prohibited investment if such securities are “excluded property” (as defined in the Tax Act for purposes of the prohibited investment rules) for the Registered Plan. Persons who intend to hold Offered Shares in a Registered Plan should consult their own tax advisors in regard to the application of these rules in their particular circumstances.

## CERTIFICATE OF THE CORPORATION

Dated: May 24, 2018

The short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces of Canada, other than Québec.

*“David Cates”*

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**DAVID CATES**

President and Chief Executive Officer

*“Gabriel McDonald”*

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**GABRIEL McDONALD**

Chief Financial Officer

On behalf of the Board of Directors

*“Paul Bennett”*

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**PAUL BENNETT**

Director

*“Dorothy Sanford”*

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**DOROTHY SANFORD**

Director

**CERTIFICATE OF THE UNDERWRITERS**

Dated: May 24, 2018

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces of Canada, other than Québec.

**CORMARK SECURITIES INC.**

*“David Sadowski”*

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By: David Sadowski

**CANTOR FITZGERALD CANADA CORPORATION**

*“Christopher Craib”*

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By: Christopher Craib

**TD SECURITIES INC.**

*“Dorian Cochran”*

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By: Dorian Cochran

**BMO NESBITT BURNS INC.**

*“Tom Jakubowski”*

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By: Tom Jakubowski

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. **Information has been incorporated by reference in this short form base shelf prospectus from documents filed with securities commissions or similar regulatory authorities in Canada.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Uranium Participation Corporation at 1100 - 40 University Avenue Toronto, Ontario M5J 1T1 (telephone 416.979.1991), and are also available electronically at [www.sedar.com](http://www.sedar.com). See "Documents Incorporated by Reference".

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form base shelf prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "1933 Act") or any state securities laws and may not be offered or sold in the United States or to U.S. persons (as defined in Regulation S under the 1933 Act) except pursuant to an exemption from the registration requirements of those laws. See "Plan of Distribution".

*This short form base shelf prospectus has been filed under legislation in each of the provinces of Canada, other than Québec, that permits certain information about these securities to be determined after the prospectus has become final and that permits the omission of that information from this prospectus. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities.*

## SHORT FORM BASE SHELF PROSPECTUS

New Issue

December 9, 2016



## URANIUM PARTICIPATION CORPORATION

Common Shares

Warrants

Units

**\$200,000,000**

Uranium Participation Corporation ("Uranium Participation Corp." or the "Corporation") may offer and sell from time to time, common shares (the "Common Shares"), common share purchase warrants (the "Warrants") or units (the "Units") comprised of Common Shares and Warrants (all of the foregoing, collectively, the "Securities") or any combination thereof up to an aggregate of \$200,000,000 during the 25 month period that this short form base shelf prospectus (the "Prospectus"), including any amendments thereto, remains effective. The Securities may be offered separately or together, in amounts, at prices and on terms to be determined based on market conditions at the time of sale and set forth in an accompanying shelf prospectus supplement (a "Prospectus Supplement").

The specific terms of the Securities with respect to a particular offering will be set out in the applicable Prospectus Supplement and may include, where applicable: (i) in the case of Common Shares, the number of Common Shares offered, the offering price, the dividend rate, if any, and any other terms specific to the Common Shares being offered; (ii) in the case of Warrants, the designation, the number and terms of the Common Shares issuable upon exercise of the Warrants, any procedures that will result in the adjustment of these numbers, the exercise price, the dates and periods of exercise and any other terms specific to the Warrants being offered; and (iii) in the case of Units, the designation, the number and terms of the Common Shares and Warrants issuable upon exercise of or comprising the Units and any other terms specific to the Units being offered. Where required by

statute, regulation or policy, and where Securities are offered in currencies other than Canadian dollars, appropriate disclosure of foreign exchange rates applicable to such Securities will be included in the Prospectus Supplement describing such Securities.

All information permitted under applicable laws to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus. Each Prospectus Supplement will be incorporated by reference into this Prospectus for the purposes of securities legislation as of the date of the Prospectus Supplement and only for the purposes of the distribution of the Securities to which the Prospectus Supplement pertains.

This Prospectus constitutes a public offering of these Securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such Securities. The Corporation may offer and sell Securities to, or through, underwriters or dealers and may also offer and sell certain Securities directly to other purchasers or through agents pursuant to exemptions from registration or qualification under applicable securities laws. A Prospectus Supplement relating to each issue of Securities offered pursuant to this Prospectus will set forth the names of any underwriters, dealers or agents involved in the offering and sale of such Securities and will set forth the terms of the offering of such Securities, the method of distribution of such Securities including, to the extent applicable, the proceeds to the Corporation and any fees, discounts or any other compensation payable to underwriters, dealers or agents and any other material terms of the plan of distribution.

**There is currently no market through which the Securities, other than Common Shares, may be sold and purchasers may not be able to resell such Securities purchased under this Prospectus. This may affect the pricing of the Securities, other than Common Shares, in the secondary market, the transparency and availability of trading prices, the liquidity of the Securities and the extent of issuer regulation. See “Risk Factors”.**

The outstanding Common Shares of the Corporation are listed and posted for trading on the Toronto Stock Exchange (the “TSX”) under the symbol “U”. On December 8, 2016, the last trading day of the Common Shares prior to the date of this Prospectus, the closing price of the Common Shares on the TSX was \$3.81. Unless otherwise specified in the applicable Prospectus Supplement, no Securities, other than the Common Shares, will be listed on any securities exchange. **No underwriter has been involved in the preparation of this Prospectus or performed any review of the contents of this Prospectus.**

**An investment in the Securities is highly speculative due to various factors, including the nature of the Corporation’s business and should only be made by persons who can afford the total loss of their investment. Prospective investors should consider the risk factors described under “Risk Factors” in this Prospectus and in the Corporation’s Annual Information Form (as defined herein) which is available under the Corporation’s profile on the System for Electronic Document Analysis and Retrieval (“SEDAR”) at [www.sedar.com](http://www.sedar.com), before purchasing the Securities.**

**Prospective investors should be aware that the acquisition of the Securities described herein may have tax consequences in Canada. Prospective investors should read the tax discussion contained in this Prospectus under the headings “Canadian Federal Income Tax Considerations” as well as the tax discussion contained in the applicable Prospectus Supplement with respect to a particular offering of Securities.**

The Corporation’s registered and head office is located at 1100 - 40 University Avenue Toronto, Ontario, M5J 1T1.

**Thomas Hayslett and Ganpat Mani, each being directors of the Corporation, reside outside of Canada, and have appointed Cassels Brock & Blackwell LLP, Suite 2100, Scotia Plaza, 40 King Street West, Toronto, ON M5H 3C2 as agent for service of process in Canada. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.**

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## ABOUT THIS PROSPECTUS

**Investors should rely only on the information contained or incorporated by reference in this Prospectus. The Corporation has not authorized anyone to provide investors with different information. The Corporation is not making an offer of the Securities in any jurisdiction where the offer is not permitted. Investors should not assume that the information contained in this Prospectus and any Prospectus Supplement is accurate as of any date other than the date on the front of those documents.**

**Unless the context otherwise requires, references in this Prospectus and any Prospectus Supplement to “Uranium Participation Corp.” or the “Corporation” include Uranium Participation Corporation and its subsidiary, Uranium Participation Bermuda Limited (“UPBL”).**

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Prospectus (including the documents incorporated by reference herein) contains certain “forward- looking statements” and “forward-looking information” which may include, but is not limited to statements with respect to: the future financial or operating performances of the Corporation and its subsidiary; activities and intentions for the Corporation’s investments in uranium and its uranium holdings; the future price of uranium; the availability of and terms relating to future financing options; the impact of changing tax rates; anticipated storage facilities for the Corporation’s uranium; global uranium supply (primary and secondary) and demand; government regulation of uranium operations (including production, handling and storage of uranium); and the limitations of insurance coverage. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “plan”, “should”, “believes”, or “continue” or variations (including negative variations) or similar terminology.

By their very nature, forward-looking statements involve numerous factors, assumptions and estimates. A variety of factors, many of which are beyond the control of the Corporation, may cause actual results to differ materially from the expectations expressed in the forward-looking statement. These factors include, but are not limited to risks related to: uranium price volatility from demand and supply factors; public acceptance of nuclear energy and competition from other energy sources; impact of global economic conditions; foreign exchange rates; uranium storage facilities, uranium lending; the lack of public market for uranium; industry competition for the supply of uranium; the lack of operational liquidity; the lack of investment liquidity; the Corporation’s net asset value; the market price and the liquidity of the Common Shares; the Corporation’s reliance on its board of directors (the “**Board**”) and the Manager (as defined herein); resignation of the Manager; conflicts of interest; regulatory changes; and the Corporation’s disclosure and internal controls. The Corporation may note additional factors elsewhere in this Prospectus or in a Prospectus Supplement and in any document incorporated by reference into this Prospectus. See “Risk Factors” for a further description of the principal risks to the Corporation.

These and other factors should be considered carefully, and readers are cautioned not to place undue reliance on these forward-looking statements. Although management reviews the reasonableness of its assumptions and estimates, unusual and unanticipated events may occur which render them inaccurate. Under such circumstances, future performance may differ materially from those expressed or implied by the forward-looking statements. Except where required under applicable securities legislation, the Corporation does not undertake to update any forward-looking information or statements.

You should rely only on the information contained or incorporated by reference in this Prospectus. The Corporation has not authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. The Corporation is not making an offer to sell the Securities in any jurisdiction where the offer or sale is not permitted. The information in this Prospectus may only be accurate as of the date on the front cover of this Prospectus.

## CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION

The financial statements of the Corporation incorporated by reference in this Prospectus Supplement have been prepared in accordance with IFRS and are reported in Canadian dollars.

All monetary amounts used in this Prospectus and any Prospectus Supplement are or will be stated in Canadian dollars, unless otherwise indicated. References to \$ are to Canadian dollars and references to US\$ are to United States currency. The noon rate of exchange reported by the Bank of Canada for the conversion of Canadian dollars to United States dollars on December 8, 2016 was \$1.00 = US\$0.7564 (US\$1.00 = \$1.3221).

## DOCUMENTS INCORPORATED BY REFERENCE

*Information has been incorporated by reference in this Prospectus from documents filed with the securities commissions or similar regulatory authorities in each of the provinces of Canada, other than Québec.* Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Uranium Participation Corporation at 1100 - 40 University Avenue Toronto, Ontario M5J 1T1 (telephone 416.979.1991). These documents are also available through the Internet on SEDAR, which can be accessed online at [www.sedar.com](http://www.sedar.com). Information contained or featured on the Corporation’s website shall not be deemed to be part of this Prospectus.

The following documents, filed by the Corporation with the securities commissions or similar authorities in each of the provinces of Canada, other than Québec, are specifically incorporated by reference into, and form an integral part of, this Prospectus:

- (a) the annual information form (the “**Annual Information Form**”) of the Corporation dated May 11, 2016 for the fiscal year ended February 29, 2016;
- (b) the audited consolidated financial statements of the Corporation dated May 5, 2016 as at and for the financial year ended February 29, 2016 and February 28, 2015 together with the auditor’s report thereon and the notes thereto;
- (c) the Corporation’s Management Discussion and Analysis dated May 5, 2016 for the financial year ended February 29, 2016;
- (d) the unaudited interim consolidated financial statements of the Corporation dated October 6, 2016 as at and for the three and six months ended August 31, 2016 and 2015, together with the notes thereto;
- (e) the Corporation’s Management Discussion and Analysis dated October 6, 2016 for the three and six months ended August 31, 2016;
- (f) the management information circular of the Corporation dated as of May 12, 2016 prepared in connection with the annual and special meeting of shareholders of the Corporation held on June 21, 2016 (the “**Circular**”);
- (g) the material change report of the Corporation dated March 8, 2016 in respect of the Corporation’s Management Services Agreement (as defined hereinafter); and
- (h) the material change report of the Corporation dated October 20, 2016 in respect of the bought deal offering of 5,000,000 common shares of the Corporation for aggregate gross proceeds of approximately \$20 million (including the over-allotment option) (the “**October 2016 Offering**”).

**Any document of the type referred to in section 11.1 of Form 44-101F1 of National Instrument 44-101 – *Short Form Prospectus Distributions* and required to be filed by the Corporation with the securities commissions or similar regulatory authorities in Canada after the date of this Prospectus shall be deemed to be incorporated by reference in this Prospectus.**

**Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for the purposes of this Prospectus, to the extent that a statement contained herein or in any other subsequently filed document that also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.**

Upon a new annual information form and the related annual financial statements being filed by the Corporation with, and, where required, accepted by, the applicable securities commissions or similar regulatory authorities during the currency of this Prospectus, the previous annual information form, the previous annual financial statements and all quarterly financial statements (including management’s discussion and analysis of financial condition and results of operations in the quarterly reports for such periods), material change reports and management information circulars filed prior to the commencement of the Corporation’s financial year in which the new annual information form is filed shall be deemed no longer to be incorporated into this Prospectus for purposes of further offers and sales of Securities hereunder.

A Prospectus Supplement containing the specific terms of an offering of Securities and other information relating to the Securities will be delivered to prospective purchasers of such Securities together with this Prospectus and will be deemed to be incorporated into this Prospectus as of the date of such Prospectus Supplement only for the purpose of the offering of the Securities covered by that Prospectus Supplement.

## THE CORPORATION

Uranium Participation Corp. was incorporated by Articles of Incorporation pursuant to the *Business Corporations Act* (Ontario) on March 15, 2005 and became a publicly listed company on the TSX on May 10, 2005. The registered and head office of Uranium Participation Corp. is located at 1100 - 40 University Avenue Toronto, Ontario M5J 1T1.

Uranium Participation Corp. has no employees. Denison Mines Inc. (the “**Manager**”) manages the Corporation and provides the services of four officers to the Corporation, being the President and Chief Executive Officer, the Chief Financial Officer, the Vice President, Commercial and the Corporate Secretary under the terms of an management services agreement with the Corporation effective April 1, 2016 (the “**Management Services Agreement**”) which replaced the previous management services agreement that expired March 31, 2016. Pursuant to the Management Services Agreement, the Manager is entitled to (a) a base fee of \$400,000 per annum, payable in equal quarterly instalments; (b) a variable fee equal to (i) 0.3% per annum of the Corporation’s total assets in excess of \$100 million and up to \$500 million, and (ii) 0.2% per annum of the Corporation’s total assets in excess of \$500 million; (c) a fee, at the discretion of the Board, for on-going monitoring or work associated with a transaction or arrangement (other than a financing, or the acquisition of or sale of UF<sub>6</sub> (as defined hereinafter) or U<sub>3</sub>O<sub>8</sub> (as defined hereinafter)); and (d) a commission of 1.0% of the gross value of any purchases or sales of UF<sub>6</sub> or U<sub>3</sub>O<sub>8</sub>, or gross interest fees payable to the Corporation in connection with any uranium loan arrangements. The Manager is required to arrange, on behalf of the Corporation, for storage of the uranium at licensed Facilities (as defined hereinafter) and for insurance coverage. It is also responsible for the preparation of draft regulatory filing materials and reports for shareholders and to furnish office facilities to the Corporation.

To the extent the named executive officers of the Corporation are also named executive officers of Denison Mines Corp. (“**Denison**”), the parent company of the Manager, during a particular financial year, the compensation paid to these individuals by the Manager, or by Denison, can be found in Denison’s Compensation Discussion & Analysis contained in Denison’s annual management information circular. Mr. Melbye, however, does not serve as a named executive officer of Denison and, as such, his compensation is disclosed in the Circular.

The Corporation invests at least 85% of the gross proceeds from the sale of its securities in uranium, with the primary investment objective of achieving appreciation in the value of its uranium holdings. The Corporation also lends its uranium to third parties from time to time. Unless the context requires, references to “uranium” means uranium oxide in concentrates (“**U<sub>3</sub>O<sub>8</sub>**”) and uranium hexafluoride (“**UF<sub>6</sub>**”).

UPBL is a wholly-owned subsidiary of the Corporation. It was formed effective March 11, 2016, pursuant to a certificate of continuance issued by the Bermuda Register of Companies on the migration of the Corporation’s subsidiary Uranium Participation Cyprus Limited (“**UPCL**”) from Cyprus to Bermuda. UPCL was incorporated under the laws of the Republic of Cyprus on September 10, 2006. In August 2007, UPCL obtained a business license and established a branch office in Luxembourg through which the operations of UPCL were previously conducted and which has been wound up in connection with the migration of and formation of UPBL. UPCL invests directly in and holds uranium.

## RECENT DEVELOPMENTS

During October 2016, the Corporation completed the October 2016 Offering and issued 5,200,000 common shares, at a price of \$3.85 per share, for gross proceeds of \$20,020,000, which included the partial exercise of the over-allotment option granted to the underwriters. The majority of the proceeds are expected to be used to fund the purchase of uranium. As of the date hereof, the Corporation has entered into agreements to purchase 560,000 pounds U<sub>3</sub>O<sub>8</sub> at an average price of US\$20.57 per pound, which deliveries were completed during November 2016.

## CONSOLIDATED CAPITALIZATION

Other than as set out below, there has been no material change in the share and loan capital of the Corporation on a consolidated basis, since August 31, 2016, the date of our most recently filed interim financial statements. The following table sets forth our capitalization as of August 31, 2016 on an actual basis and as adjusted to give effect to the October 2016 Offering as though it had occurred on such date. This table should be read in conjunction with the Corporation’s unaudited consolidated interim financial statements as at and for the three and six months ended August 31, 2016.

<b>Description of Capital</b>	<b>As at August 31, 2016</b> (dollars in thousands other than Common Shares)	<b>As at August 31, 2016 after giving effect to the October 2016 Offering<sup>(1) (2)</sup></b> (dollars in thousands other than Common Shares)
<b>Shareholders' Equity</b>		
Common Shares (Authorized – unlimited)	822,343 (115,648,713 shares)	841,363 (120,848,713 shares)
Contributed Surplus	6,762	6,762
Deficit	(330,965)	(330,965)
<b>Total Capitalization</b>	<b>498,140</b>	<b>517,160</b>

- (1) After deducting expenses of the October 2016 Offering, including the underwriters' fee, estimated to be \$800,800.  
(2) Includes the partial exercise of the over-allotment option for 200,000 additional Common Shares.

### USE OF PROCEEDS

Unless otherwise specified in a Prospectus Supplement, the net proceeds from the sale of the Securities will be used by the Corporation to fund: (i) the future purchase of uranium at available spot market terms and conditions for UF<sub>6</sub> and U<sub>3</sub>O<sub>8</sub>, and (ii) the ongoing obligations of the Corporation. At least 85% of the gross proceeds from the sale of securities by the Corporation must be invested in, or held for future purchases of uranium (the "**Minimum Uranium Investment Amount**"). There is no specific time frame under which the Corporation must purchase uranium. Such proceeds are not subject to any additional investment limitations. Each Prospectus Supplement will contain specific information concerning the number and type of Securities to be issued, the amount of net cash proceeds and the use of proceeds from the sale of Securities.

All expenses relating to an offering of Securities and any compensation paid to underwriters, dealers or agents, as the case may be, will be paid out of the Corporation's general funds, unless otherwise stated in the applicable Prospectus Supplement.

During the fiscal year ended February 29, 2016 and the six month period ended August 31, 2016, the Corporation had negative cash flow from operating activities. The Corporation anticipates it will continue to have negative cash flow from operating activities in future periods. In the event the Corporation continues to incur negative cash flow from operating activities, it may use part of the net proceeds, other than the Minimum Uranium Investment Amount, to fund general and administrative expenses and certain other operating activities of the Corporation. See "Risk Factors".

### PLAN OF DISTRIBUTION

The Corporation may from time to time, during the 25-month period that this Prospectus remains valid, offer for sale and issue Securities. The Corporation may sell the Securities to or through underwriters or dealers, and may sell Securities to one or more other purchasers directly or through agents. Each Prospectus Supplement will set forth the terms of the offering, including the name or names of any underwriters or agents, the purchase price or prices of the Securities and the proceeds to the Corporation from the sale of the Securities. The Prospectus Supplement also will include any underwriting discounts or commissions and other items constituting underwriters' compensation and will identify any securities exchanges on which the Securities may be listed.

If the Corporation or any selling security holders use underwriters in the sale of any Securities, the Securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions. The Securities may be offered to the public either through underwriting syndicates represented by managing underwriters or directly by underwriters. Generally, the underwriters' obligations to purchase the Securities will be subject to customary conditions. The underwriters will be obligated to purchase all of the offered Securities if they purchase any of the offered Securities.

The Securities may be sold, from time to time in one or more transactions at a fixed price or prices which may be changed or at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices including sales in transactions that are deemed to be “at the market distributions” as defined in Canadian National Instrument 44-102 – *Shelf Distributions*. Additionally, this Prospectus and any Prospectus Supplement may also cover the initial resale of the Securities purchased thereto. The prices at which the Securities may be offered may vary as between purchasers and during the period of distribution.

If, in connection with the offering of Securities at a fixed price or prices, the underwriters have made a *bona fide* effort to sell all of the Securities at the initial offering price fixed in the applicable Prospectus Supplement, the public offering price may be decreased and thereafter further changed, from time to time, to an amount not greater than the initial public offering price fixed in such Prospectus Supplement, in which case the compensation realized by the underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Securities is less than the gross proceeds paid by the underwriters to the Corporation. Common Shares issuable upon the exercise of Warrants may be included in an applicable Prospectus Supplement.

Underwriters, dealers and agents who participate in the distribution of the Securities may be entitled under agreements to be entered into with the Corporation to indemnification by the Corporation against certain liabilities, including liabilities under Canadian securities legislation, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof. Such underwriters, dealers and agents may engage in transactions with, or perform services for, the Corporation in the ordinary course of business.

In connection with any offering of Securities, except as otherwise set out in a Prospectus Supplement relating to a particular offering of Securities, the underwriters may over-allot or effect transactions which stabilize or maintain the market price of the Securities offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

Unless otherwise specified in a Prospectus Supplement, the Securities will not be registered under the 1933 Act or the securities laws of any states in the United States and, subject to certain exceptions, may not be offered or sold or otherwise transferred or disposed of in the United States or to or for the account of U.S. persons absent registration or pursuant to an applicable exemption from the 1933 Act and applicable state securities laws. In addition, until 40 days after closing of an offering of Securities, an offer or sale of the Securities within the United States by any dealer (whether or not participating in such offering) may violate the registration requirement of the 1933 Act if such offer or sale is made other than in accordance with Rule 144A or another exemption under the 1933 Act.

## **DESCRIPTION OF COMMON SHARES**

The Corporation is authorized to issue an unlimited number of Common Shares, of which 120,848,713 Common Shares were outstanding as of December 8, 2016. The Common Shares are without nominal or par value. Each of the Common Shares carries one vote at all meetings of shareholders, is entitled to dividends as and when declared by the directors and is entitled upon liquidation, dissolution or winding up of the Corporation to a *pro rata* share of the property and assets of the Corporation distributable to the holders of the Common Shares. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any or purchase fund provisions.

## **DESCRIPTION OF WARRANTS**

The Corporation may issue Warrants to purchase Common Shares. This section describes the general terms that will apply to any Warrants for the purchase of Common Shares. As of December 8, 2016, the Corporation did not have any Warrants outstanding.

Warrants may be offered separately or together with other Securities. Each series of Warrants will be issued under a separate warrant indenture to be entered into between the Corporation and one or more banks or trust companies acting as warrant agent. The applicable Prospectus Supplement will include details of the warrant indentures covering the Warrants being offered. The warrant agent will act solely as the agent of the Corporation and will not assume a relationship of agency with any holders of the Warrant certificates or beneficial owners of the Warrants. The following sets forth certain general terms and provisions of the Warrants offered under this Prospectus. The specific terms of the Warrants, and the extent to which the general terms described in this section apply to those Warrants, will be set forth in the applicable Prospectus Supplement.

Notwithstanding the foregoing, the Corporation will not offer Warrants for sale separately to any member of the public in Canada unless the Prospectus Supplement containing the specific terms of the Warrants to be offered separately is first approved for filing by the securities commissions or similar regulatory authorities in each of the provinces of Canada where the Warrants will be offered for sale.

The particular terms of each issue of Warrants will be described in the related Prospectus Supplement. This description will include, where applicable:

- the designation and aggregate number of Warrants;
- the price at which the Warrants will be offered;
- the designation, number and terms of the Common Shares purchasable upon exercise of the Warrants, and procedures that will result in the adjustment of those numbers;
- the date on which the right to exercise the Warrants will commence and the date on which the right will expire;
- the exercise price of the Warrants;
- the designation, number and terms of any Common Shares with which the Warrants will be offered, if any, and the number of the Warrants that will be offered with each Common Share;
- if the Warrants are issued as a Unit with Common Shares, the date or dates, if any, on or after which the Warrants and the related Common Shares will be transferable separately;
- any minimum or maximum amount of Warrants that may be exercised at any one time;
- any terms, procedures and limitations relating to the transferability, exchange or exercise of the Warrants;
- anti-dilution provisions of the Warrants, if any;
- whether the Warrants will be subject to redemption or call and, if so, the terms of such redemption or call provisions;
- material tax considerations of owning the Warrants; and
- any other material terms or conditions of the Warrants.

Prior to the exercise of their Warrants, holders of Warrants will not have any of the rights of holders of the Common Shares underlying the Warrants. Holders of the Warrants will not be entitled, solely by virtue of being holders, to vote, consent, receive dividends, receive notice as shareholders with respect to any meeting of shareholders for the election of our directors or any other matter, or exercise any rights whatsoever as shareholders. The Corporation may amend the warrant indenture(s) and the Warrants, without the consent of the holders of the Warrants, to cure any ambiguity, to cure, correct or supplement any defective or inconsistent provision, or in any other manner that will not prejudice the rights of the holders of outstanding Warrants, as a group.

#### **DESCRIPTION OF UNITS**

The Corporation may issue Units comprising any combination of the other Securities described in this Prospectus. Each Unit will be issued so that the holder of such Unit is also the holder of each Security included in such Unit. Therefore, the holder of a Unit will have the rights and obligations of a holder of each included Security (except in some cases where the right to transfer an included Security of a Unit may not occur without the transfer of the other included security comprising part of such Unit).

The Prospectus Supplement relating to any Units offered hereunder will describe the terms of the Units and the applicable offering, including some or all of the following:

- the designation and terms of the Units and the Securities comprising the Units, including whether and under what circumstances those securities may be held or transferred separately;
- any provisions for the issuance, payment, settlement, transfer or exchange of the Units or of the Securities comprising the Units; and
- whether the Units will be issued in fully registered or global form.

The preceding description and any description of Units in the applicable Prospectus Supplement do not purport to be complete and are subject to and are qualified in their entirety by reference to the Unit agreement, if any, and, if applicable, collateral agreements relating to such Units.

## CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Cassels Brock & Blackwell LLP, counsel to the Corporation, the following is a general summary of the principal Canadian federal income tax considerations under the *Income Tax Act* (Canada) (the “**Tax Act**”) generally applicable to a holder who acquires Common Shares or Warrants as beneficial owner pursuant to the Prospectus and who, at all relevant times, for the purposes of the Tax Act, holds such securities as capital property, deals at arm’s length with the Corporation, and is not affiliated with the Corporation (a “**Holder**”). The Common Shares and Warrants will generally be considered capital property to a Holder unless the Holder holds the Common Shares and/or Warrants in the course of carrying on a business of buying and selling securities or has acquired the Common Shares and/or Warrants in a transaction or transactions considered to be an adventure in the nature of trade.

This summary is based on the current provisions of the Tax Act and the regulations thereunder (the “**Regulations**”) in force as of the date hereof, counsel’s understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the “**CRA**”) publicly available prior to the date hereof, and all specific proposals to amend the Tax Act and Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Proposed Amendments**”). No assurances can be given that the Proposed Amendments will be enacted or will be enacted as proposed. Other than the Proposed Amendments, this summary does not take into account or anticipate any changes in law or the administration policies or assessing practice of CRA, whether by judicial, legislative, governmental or administrative decision or action, nor does it take into account provincial, territorial or foreign tax legislation or considerations, which may differ significantly from those discussed herein.

Additional considerations, not discussed herein, may be applicable to a Holder that is a corporation resident in Canada, and is, or becomes as part of a transaction or event or series of transactions or events that includes the acquisition of Common Shares and/or Warrants, controlled by a non-resident corporation for purposes of the “foreign affiliate dumping” rules in section 212.3 of the Tax Act. Such Holders should consult their tax advisors with respect to the consequences of acquiring Common Shares and/or Warrants.

**This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder and no representations with respect to the income tax consequences to any particular Holder are made. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, prospective investors in the Securities should consult their own tax advisors with respect to their own particular circumstances.**

### Allocation of Cost

A Holder who acquires Units will be required to allocate the purchase price paid for each Unit on a reasonable basis between the Common Share and the Warrant comprising each Unit in order to determine their respective costs to such Holder for the purposes of the Tax Act.

### Holders Resident in Canada

This section of the summary applies to a Holder who, at all relevant times, is, or is deemed to be, resident in Canada for the purposes of the Tax Act (a “**Resident Holder**”). This section of the summary is not applicable to a Resident Holder: (i) that is a “financial institution” within the meaning of section 142.2 of the Tax Act; (ii) that is a “specified financial institution”; (iii) that reports its “Canadian tax results” in a currency other than Canadian currency; (iv) an interest in which is

a “tax shelter investment”, or (v) that enters into a “derivative forward agreement” with respect to its Common Shares or Warrants, all within the meaning of the Tax Act. Such Resident Holders should consult their own tax advisors.

A Resident Holder whose Common Shares might not otherwise qualify as capital property may be entitled to make the irrevocable election provided by subsection 39(4) of the Tax Act to have the Common Shares and every other “Canadian security” (as defined in the Tax Act) owned by such Resident Holder in the taxation year of the election and in all subsequent taxation years deemed to be capital property. Resident Holders should consult their own tax advisors for advice as to whether an election under subsection 39(4) of the Tax Act is available and/or advisable in their particular circumstances. Such election is not available in respect of Warrants.

### *Exercise or Expiry of Warrants*

No gain or loss will be realized by a Resident Holder of a Warrant upon the exercise of such Warrant. When a Warrant is exercised, the Resident Holder’s cost of the Common Share acquired thereby will be equal to the adjusted cost base of the Warrant to such Resident Holder, plus the amount paid on the exercise of the Warrant. For the purpose of computing the adjusted cost base to a Resident Holder of each Common Share acquired on the exercise of a Warrant, the cost of such Common Share must be averaged with the adjusted cost base to such Resident Holder of all other Common Shares (if any) held by the Resident Holder as capital property immediately prior to the exercise of such Warrant.

Generally, the expiry of an unexercised Warrant will give rise to a capital loss equal to the adjusted cost base to the Resident Holder of such expired Warrant. The tax treatment of capital gains and losses is discussed in greater detail below under the subheading “Capital Gains and Capital Losses”.

### *Dividends*

A Resident Holder will be required to include in computing its income for a taxation year any taxable dividends received or deemed to be received on the Common Shares. In the case of a Resident Holder that is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received from taxable Canadian corporations. Taxable dividends received from a taxable Canadian corporation which are designated by such corporation as “eligible dividends” will be subject to an enhanced gross-up and dividend tax credit regime in accordance with the rules in the Tax Act. There may be limitations on the ability of the Corporation to designate dividends as eligible dividends.

In the case of a Resident Holder that is a corporation, the amount of any such taxable dividend that is included in its income for a taxation year will generally be deductible in computing its taxable income for that taxation year. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own particular circumstances.

A Resident Holder that is a “private corporation” or a “subject corporation”, as defined in the Tax Act, will generally be liable to pay a refundable tax of 38<sup>1/3</sup>% under Part IV of the Tax Act on dividends received or deemed to be received on the Common Shares to the extent such dividends are deductible in computing the Resident Holder’s taxable income for the year.

### *Dispositions of Common Shares and Warrants*

A Resident Holder who disposes of or is deemed to have disposed of a Common Share or Warrant (other than a disposition arising on the exercise of a Warrant) will generally realize a capital gain (or capital loss) in the taxation year of the disposition equal to the amount by which the Resident Holder’s proceeds of disposition, net of any reasonable costs of disposition, exceed (or are exceeded by) the adjusted cost base to the Resident Holder of the Common Share or Warrant, as applicable, immediately before the disposition or deemed disposition.

### *Capital Gains and Capital Losses*

A Resident Holder will generally be required to include in computing its income for the taxation year of disposition, one-half of the amount of any capital gain (a “**taxable capital gain**”) realized in such taxation year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder will generally be required to deduct one-half of the amount of any capital loss realized in a particular taxation year (an “**allowable capital loss**”) against taxable capital gains realized in

the taxation year. Allowable capital losses in excess of taxable capital gains for a taxation year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such taxation years, to the extent and under the circumstances specified in the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of a Common Share by a Resident Holder that is a corporation may, in certain circumstances, be reduced by the amount of dividends received or deemed to have been received by it on such Common Share to the extent and under the circumstances specified in the Tax Act. Analogous rules apply to a partnership or trust of which a corporation, partnership or trust is a member or beneficiary.

A Resident Holder that is throughout the relevant taxation year a “Canadian-controlled private corporation” (as defined in the Tax Act) may be liable to pay a refundable tax of 10<sup>2/3</sup>% (which is reduced for taxation years beginning before 2016 and ending after 2015) on its “aggregate investment income” (as defined in the Tax Act) for the year, including taxable capital gains.

### *Alternative Minimum Tax*

In general terms, a Resident Holder who is an individual (other than certain trusts) that receives or is deemed to have received taxable dividends on the Common Shares or realizes a capital gain on the disposition or deemed disposition of Common Shares or Warrants may be liable for alternative minimum tax under the Tax Act. Resident Holders that are individuals should consult their own tax advisors in this regard.

### **Holders not Resident in Canada**

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act: (i) is not, and is not deemed to be, resident in Canada; and (ii) does not use or hold the Common Shares or Warrants in connection with carrying on a business in Canada (a “**Non-Resident Holder**”). This summary does not apply to a Non-Resident Holder that carries on, or is deemed to carry on, an insurance business in Canada and elsewhere and such Holders should consult their own tax advisors.

### *Exercise or Expiry of Warrants*

The tax consequences of the exercise and expiry of a Warrant held by a Non-Resident Holder are the same as those described above under “Holders Resident in Canada - Exercise or Expiry of Warrants”.

### *Dividends*

Under the Tax Act, dividends on Common Shares paid or credited to a Non-Resident Holder will be subject to Canadian withholding tax at the rate of 25% of the gross amount of the dividends, subject to any reduction in the rate of withholding to which the Non-Resident Holder is entitled under any applicable income tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident. For example, where a Non-Resident Holder is a resident of the United States, is fully entitled to the benefits under the Canada-United States Tax Convention (1980) and is the beneficial owner of the dividend, the applicable rate of Canadian withholding tax is generally reduced to 15% of the amount of such dividend.

### *Dispositions of Common Shares and Warrants*

A Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized by such Non-Resident Holder on a disposition of Common Shares or Warrants unless the Common Shares or Warrants constitute “taxable Canadian property” (as defined in the Tax Act) of the Non-Resident Holder at the time of disposition and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention.

As long as the Common Shares are listed on a designated stock exchange (which currently includes the TSX), at the time of disposition, the Common Shares and Warrants generally will not constitute taxable Canadian property of a Non-Resident Holder, unless (a) at any time during the 60 month period immediately preceding the disposition or deemed disposition of the Common Share or Warrant (as applicable): (i) 25% or more of the issued shares of any class of the capital stock of the Corporation were owned by, or belonged to, one or any combination of the Non-Resident Holder and persons

with whom the Non-Resident Holder did not deal at arm's length (within the meaning of the Tax Act) or partnerships in which the Non-Resident Holder or a person with whom the Non-Resident Holder did not deal at arm's length held a membership interest directly or indirectly through one or more partnerships; and (ii) more than 50% of the fair market value of a Common Share was derived directly or indirectly from one or any combination of: (A) real or immovable property situated in Canada; (B) Canadian resource property (as defined in the Tax Act); (C) timber resource property (as defined in the Tax Act), or (D) options in respect of, or interests in, or for civil law rights in, property described in any of (A) through (C) above, whether or not such property exists; or (b) the Common Shares or Warrants (as applicable) are otherwise deemed under the Tax Act to be taxable Canadian property.

If the Common Shares or Warrants are taxable Canadian property to a Non-Resident Holder, any capital gain realized on the disposition or deemed disposition of such Common Shares or Warrants may not be subject to Canadian federal income tax pursuant to the terms of an applicable income tax treaty or convention between Canada and the country of residence of a Non-Resident Holder.

Non-Resident Holders whose Common Shares or Warrants are taxable Canadian property should consult their own advisors.

### **ELIGIBILITY FOR INVESTMENT**

In the opinion of Cassels Brock & Blackwell LLP, counsel to the Corporation, based on the provisions of the Tax Act and the Regulations, as of the date hereof, the Common Shares and Warrants, if issued on the date hereof, would be "qualified investments" under the Tax Act for trusts governed by registered retirement savings plans ("RRSPs"), registered retirement income funds ("RRIFs"), deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts ("TFSA"), provided that (i) the Common Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSX), and (ii) in the case of the Warrants, neither the Corporation, nor any person with whom the Corporation does not deal at arm's length for the purposes of the Tax Act, is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of, the particular registered plan.

Notwithstanding that a Common Share or Warrant may be a qualified investment for an RRSP, RRIF or TFSA (a "**Registered Plan**"), if the Common Share or Warrant is a "prohibited investment" within the meaning of the Tax Act for a Registered Plan, the annuitant or holder of the Registered Plan, as the case may be, will be subject to penalty taxes as set out in the Tax Act. A Common Share or Warrant generally will not be a prohibited investment for a Registered Plan provided the annuitant or holder, as the case may be, of the Registered Plan: (i) deals at arm's length with the Corporation for the purposes of the Tax Act; and (ii) does not have a "significant interest" (as defined in the Tax Act for purposes of the prohibited investment rules) in the Corporation. The Common Shares will not be a prohibited investment if such securities are "excluded property" (as defined in the Tax Act for purposes of the prohibited investment rules) for trusts governed by a Registered Plan. Persons who intend to hold Common Shares or Warrants in a Registered Plan should consult their own tax advisors in regard to the application of these rules in their particular circumstances.

**PRIOR SALES**

During the 12 month period before the date of this Prospectus, the Corporation has not issued Common Shares, or securities that are convertible into Common Shares, other than in connection with the October 2016 Offering pursuant to which, on October 27, 2016, the Corporation issued 5,200,000 Common Shares at a price of \$3.85 per Common Share, for gross proceeds of \$20,020,000.

**TRADING PRICE AND VOLUME**

The Common Shares trade on the TSX. The following table sets forth, for the periods indicated over the past 12 months prior to the date of this Prospectus, the high and low prices and the aggregate volume of trading of the Common Shares:

<b>Period</b>	<b>TSX</b>		<b>Volume</b>
	<b>High</b>	<b>Low</b>	
	(\$)	(\$)	
<b>2015</b>			
December.....	5.51	5.04	6,742,085
<b>2016</b>			
January.....	5.22	4.93	4,046,542
February.....	5.12	4.84	2,229,731
March.....	4.95	4.49	3,947,189
April.....	4.76	4.47	4,746,858
May.....	4.63	4.23	4,827,430
June.....	4.33	3.92	3,842,432
July.....	4.29	3.94	1,819,849
August.....	4.12	3.92	1,520,894
September.....	4.09	3.92	1,919,607
October.....	4.05	3.65	4,283,173
November.....	3.82	3.50	2,081,939
December <sup>(1)</sup> .....	3.82	3.52	799,495

Note:

<sup>(1)</sup> For the period from December 1, 2016 through December 8, 2016.

## RISK FACTORS

An investment in securities of the Corporation is highly speculative and involves significant risks, which should be carefully considered by prospective investors before purchasing such securities. In addition to information set out or incorporated by reference in this Prospectus, investors should carefully consider the risk factors set out below. Any one of such risk factors could materially affect the Corporation's business, financial condition and/or future operating results and prospects and could cause actual events to differ materially from those described in forward-looking statements relating to the Corporation. Additional risks and uncertainties not currently identified by the Corporation or that the Corporation currently believes not to be material also may materially and adversely affect the Corporation's business, financial condition, operations or prospects. The following information pertains to the outlook and conditions currently known to the Corporation that could have a material impact on the financial condition of the Corporation. This information, by its nature, is not all-inclusive and is not a guarantee that other factors will not affect the Corporation in the future.

### Uranium Price Volatility from Demand and Supply Factors

Since almost all of the Corporation's activities involve investing in uranium, the value of its securities will be highly sensitive to fluctuations in the prices of uranium. Historically, the fluctuations in these prices have been, and will continue to be, affected by numerous factors beyond the Corporation's control. Such factors include, among others: demand for nuclear power; political and economic conditions in uranium producing and consuming countries; public and political response to a nuclear accident; improvements in nuclear reactor efficiencies; reprocessing of used reactor fuel and the re-enrichment of depleted uranium tails; sales of excess inventories by governments and industry participants; and production levels and production costs in key uranium producing countries.

Since UF<sub>6</sub> is a different commodity than U<sub>3</sub>O<sub>8</sub>, its price is affected by its own supply/demand balance as well as the supply/demand balances of U<sub>3</sub>O<sub>8</sub> and for conversion services. As a result, the spot price of UF<sub>6</sub> spot may move differently than the spot price of U<sub>3</sub>O<sub>8</sub> or the spot conversion price alone. The factors that affect the UF<sub>6</sub> spot price will affect the value of the Corporation's assets minus its liabilities (the "NAV") per Common Share of the Corporation, which in turn may affect the price of the Corporation's securities.

Set out in the table below is the US dollar denominated spot price for U<sub>3</sub>O<sub>8</sub> per pound and the UF<sub>6</sub> price per KgU at February 28 (or February 29, if applicable) for each of the last the five fiscal years and for the most recent quarter ended August 31, 2016<sup>(1)</sup>.

	2012	2013	2014	2015	2016	August 31, 2016
U <sub>3</sub> O <sub>8</sub> <sup>(1)</sup>	\$52.00	\$42.00	\$35.50	\$38.75	\$32.15	\$25.25
UF <sub>6</sub> <sup>(1)</sup>	\$141.00	\$120.00	\$99.00	\$107.00	\$90.00	\$72.25

**Note:**

(1) As published by Ux Consulting Company, LLC ("UxC") in US dollars.

### Public Acceptance of Nuclear Energy and Competition from Other Energy Sources

The growth of the uranium and nuclear power industry will depend upon continued and increased acceptance of nuclear technology as a means of generating electricity. Because of unique political, technological and environmental factors that affect the nuclear industry, the industry is subject to public opinion risks which could have an adverse impact on the demand for nuclear power and increase the regulation of the nuclear power industry. An accident at a nuclear reactor anywhere in the world could impact the continued acceptance by the public and regulatory authorities of nuclear energy and the future prospects for nuclear generators, which could have a material adverse effect on the Corporation.

Nuclear energy competes with other sources of energy, including oil, natural gas, coal, hydro-electricity and other renewable or alternate forms of energy. These other energy sources are to some extent interchangeable with nuclear energy, particularly over the longer term. Sustained lower prices of oil, natural gas, coal and hydro-electricity, as well as the possibility of developing other low cost sources for energy, may result in lower demand for uranium. Technical advancements in renewable and other alternate forms of energy, such as wind and solar power, could make these forms of energy more commercially viable and put additional pressure on the demand for uranium concentrates.

### ***Impact of Global Economic Conditions***

Global financial conditions have been increasingly volatile, and the economies of certain countries have experienced instability in recent years. The Corporation takes precautions to mitigate against risks associated with carrying on business in uncertain financial conditions and markets. However, there is no guarantee that the Corporation will not be adversely impacted by risks arising from global financial conditions and unstable economies in the future.

Spot market volumes may also be impacted by global economic conditions, which can cause downward or upward pressure on the spot prices for uranium. Global economic conditions may influence the availability of financing or credit at various stages in the uranium market, such as the construction of new reactors, production from uranium producers or uranium exploration and development. In addition, global economic conditions can impact the amount of incremental supply of uranium made available to the market from remaining excess inventories.

### ***Risks Associated with the Facilities***

All uranium owned by the Corporation is stored at licensed uranium conversion, enrichment or fuel fabrication facilities (each one a “**Facility**” or collectively the “**Facilities**”) owned by different organizations in Canada, France and the United States. Under the Management Services Agreement, the Manager is required to arrange for all uranium to be stored at Facilities and to ensure that the Facilities provide satisfactory indemnities for the benefit of the Corporation or ensure that the Corporation has the benefit of insurance arrangements obtained on standard industry terms. There is no guarantee that either the indemnities or insurance in favour of the Corporation will fully cover or absolve the Corporation in the event of loss or damage. The Corporation may be financially and legally responsible for losses and/or damages not covered by indemnity provisions or insurance. Such responsibility could have a material adverse effect on the financial condition of the Corporation.

As the number of duly licensed Facilities is limited, there can be no assurance that new arrangements that are commercially beneficial to the Corporation will be readily available. Failure to negotiate commercially reasonable storage terms with the Facilities may have a material adverse effect on the financial condition of the Corporation.

By holding its investments in uranium with various licensed Facilities, the Corporation is exposed to the credit risks of these Facilities and their operators. There is no guarantee that the Corporation can fully recover all of its investments in uranium held with the Facilities. Failure to recover all uranium holdings could have a material adverse effect on the financial condition of the Corporation.

### ***Foreign Exchange Rates***

The Corporation maintains its accounting records, reports its financial position and results, and pays certain operating expenses in Canadian currency. In addition, its securities trade in Canadian currency. As the price of uranium is quoted in U.S. currency, fluctuations in the U.S. currency exchange rate relative to the Canadian currency can significantly impact the valuation of uranium and the associated purchase price from a Canadian currency perspective. Because exchange rate fluctuations are beyond the Corporation’s control, there can be no assurance that such fluctuations will not have an adverse effect on the Corporation’s operations or on the trading value of its securities.

### ***Uranium Lending***

The Corporation may, from time to time, enter into uranium lending or relocation arrangements. As a matter of practice, the Corporation has, and will in the future, ensure that adequate security is provided with respect to any loaned uranium. However, there is a risk that the borrower may not be able to return the uranium and may, in lieu, repay the equivalent value of borrowed uranium in cash. In such circumstances, the replacement cost of U<sub>3</sub>O<sub>8</sub> and UF<sub>6</sub> inventory may be higher depending on prevailing market conditions.

### ***No Public Market for Uranium***

There is no public market for the sale of uranium. The uranium future market on NYMEX does not provide for physical delivery of uranium, only cash on settlement, and the trading forum of certain buyers does not offer a formal market but rather facilitates the introduction of buyers to sellers. The Corporation may not be able to acquire uranium or, once acquired, sell uranium for a number of months. The pool of potential purchasers and sellers is limited, and each transaction

may require the negotiation of specific provisions. Accordingly, a purchase or sale cycle may take several months to complete. In addition, as the supply of uranium is limited, the Corporation may experience additional difficulties purchasing uranium in the event that it is a significant buyer. The inability to purchase and sell on a timely basis in sufficient quantities could have a material adverse effect on the securities of the Corporation.

From time to time, the Corporation enters into commitments to purchase  $U_3O_8$  or  $UF_6$ . Such commitments are generally subject to conditions in favour of both the vendor and the Corporation, and there is no certainty that the purchases contemplated by such commitments will be completed.

### ***Industry Competition for the Supply of Uranium***

The international uranium industry, including the supply of uranium concentrates, is competitive. Uranium supplies are available from a number of sources including: a relatively small number of uranium mining companies; excess inventory from utilities and government sources; reprocessed uranium and plutonium from used reactor fuel; and excess enrichment capacity, which can be used for underfeeding or re-enriching depleted uranium tails. Worldwide supply of uranium is also tied to political and economic conditions in uranium producing countries. The variety of sources, and the impact of a change in costs, government policies and other factors which are beyond the control of the Corporation, may impact the supply of uranium and its market price. For example, the supply of uranium from Russia is, to some extent, impeded by a number of international trade agreements and policies. These agreements and any similar future agreements, governmental policies or trade restrictions are beyond the control of the Corporation and may affect the supply of uranium available in uranium markets around the world.

### ***Lack of Operational Liquidity***

During the fiscal year ended February 29, 2016 and the six month period ended August 31, 2016, the Corporation had negative cash flow from operating activities. The Corporation anticipates it will continue to have negative cash flow from operating activities in future periods. The expenses of the Corporation are funded from cash on hand that is not otherwise invested in uranium and revenue from the lending or relocation of uranium. Once such available cash has been expended, the Corporation may generate cash from the lending or sale of uranium or the sale of additional equity securities. There is no guarantee that the Corporation will be able to sell additional equity securities on terms acceptable to the Corporation in the future, that the Corporation will be able to sell uranium in a timely or profitable manner or that the Corporation will be able to generate revenue through lending arrangements.

### ***Net Asset Value***

The NAV is calculated as the value of total assets less the value of total liabilities. To arrive at NAV per share, the NAV is divided by the total number of Common Shares outstanding as at a specific date. The total asset value is significantly dependent on the spot price of uranium published by UxC and the applicable foreign exchange rate. The liabilities may include estimated liabilities for future income taxes. Accordingly, the NAV per share may not necessarily reflect the actual realizable value of uranium held by the Corporation attributable to each Common Share of the Corporation.

### ***Market Price and Liquidity of Common Shares***

The Corporation cannot predict whether the common shares will, in the future, trade above, at or below the NAV per share. Securities of companies in, or investing in, the natural resource sector have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic conditions in North America and globally, and market perceptions of the attractiveness of particular industries. The price of the Corporation's securities is also likely to be significantly affected by short-term changes in commodity prices, other mineral prices, currency exchange fluctuation, changes in its financial condition or results of operations as reflected in its periodic reports and changes in general market interest in the Corporation's securities. If an active market for the common shares does not continue, the liquidity of an investor's investment may be limited and the price of the securities of the Corporation may decline such that investors could lose their entire investment in the Corporation. As a result of any of these factors, the market price of the securities of the Corporation at any given point in time may not accurately reflect the long-term value of the Corporation.

The Corporation's principal source of funds is from the sale or lending by the Corporation of uranium. Accordingly, the Corporation may not have the resources to declare any dividends or make other cash distributions unless and until a

determination is made to sell a portion of its uranium holdings for such purpose. Since inception, the Corporation has not declared any dividends, and the Corporation has no current intention to declare any dividends.

***Reliance on Board of Directors and Manager***

The Corporation is a self-governing corporation that is governed by the Board appointed and elected by the holders of common shares. The Corporation will, therefore, be dependent on the services of its Board for directing the affairs and for investment and other material decisions and the Manager for administration and management services.

***Resignation by Manager***

The Manager may terminate the Management Services Agreement in accordance with the terms thereof. The Corporation may not be able to readily secure similar services or management fees comparable to those under the Management Services Agreement, and its operations may therefore be adversely affected.

***Conflict of Interest***

Directors and officers of the Corporation may provide investment, administrative and other services to other entities and parties. The directors and officers of the Corporation have devoted, and have undertaken to devote, such reasonable time as is required to properly fulfill their responsibilities in respect to the business and affairs of the Corporation as they arise from time to time.

***Regulatory Change***

The Corporation may be affected by changes in regulatory requirements, customs, duties or taxes. Such changes could, depending on their nature, benefit or adversely affect the Corporation.

***Disclosure and Internal Controls***

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. Disclosure controls and procedures are designed to ensure that information required to be disclosed by a company in reports filed with securities regulatory authorities is recorded, processed, summarized and reported on a timely basis and is accumulated and communicated to company's management, including its chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of reporting, including financial reporting and financial statement preparation.

**AUDITORS, TRANSFER AGENT AND REGISTRAR**

The independent auditors of the Corporation are PricewaterhouseCoopers LLP, Chartered Professional Accountants, Toronto, Ontario. PricewaterhouseCoopers LLP is independent of the Corporation within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

The transfer agent and registrar for the common shares is Computershare Investor Services at its principal office in Toronto, Ontario.

**LEGAL MATTERS**

Certain Canadian legal matters related to the offering of Securities under this Prospectus will be passed upon by Cassels Brock & Blackwell LLP. As of the date of this Prospectus, the partners and associates of Cassels Brock & Blackwell LLP beneficially own, directly or indirectly, in the aggregate, less than 1% of the issued and outstanding Common Shares.

## STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces of Canada, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

In an offering of Securities which are convertible, exchangeable or exercisable for other securities of the Corporation, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the Securities which are convertible, exchangeable or exercisable for other securities of the Corporation are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal advisor.

Original purchasers of Warrants if offered separately, will have a contractual right of rescission against the Corporation in respect of the conversion, exchange or exercise of such Warrants. The contractual right of rescission will entitle such original purchasers to receive the amount paid upon conversion, exchange or exercise, upon surrender of the underlying securities acquired thereby, in the event that this Prospectus, the relevant Prospectus Supplement or an amendment thereto contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of such Warrants under this Prospectus and the applicable Prospectus Supplement; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of such Warrants under this Prospectus and the applicable Prospectus Supplement. This contractual right of rescission will be consistent with the statutory right of rescission described under section 130 of the *Securities Act* (Ontario), and is in addition to any other right or remedy available to original purchasers under section 130 the *Securities Act* (Ontario) or otherwise at law.

**CERTIFICATE OF THE CORPORATION**

Dated: December 9, 2016

This short form prospectus, together with the documents incorporated in this prospectus by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces of Canada, other than Québec.

(Signed) **DAVID CATES**  
President and Chief Executive Officer

(Signed) **GABRIEL McDONALD**  
Chief Financial Officer

On behalf of the Board of Directors

(Signed) **DOROTHY SANFORD**  
Director

(Signed) **PAUL BENNETT**  
Director