KELOWNA, BRITISH COLUMBIA--(Marketwired - Dec 21, 2015) - FISSION URANIUM CORP. ("Fission" or the "Company") (TSX:FCU)(OTCQX:FCUUF)(FRANKFURT:2FU) today announced that it has entered into a binding letter of intent ("LOI") with CGN Mining Company Limited ("CGN Mining"). Pursuant to the agreement, Fission and CGN Mining have agreed to proceed towards a CDN\$82,226,059 private placement (the "Offering") in which CGN Mining would make a strategic investment in Fission which will result in CGN Mining owning approximately 96,736,540 common shares of the Company plus an additional number of common shares equal to 19.99% of the number of common shares issued by Fission prior to the closing of the Offering pursuant to the exercise of outstanding convertible securities of the Company (the "Subscription Shares"). The Subscription Shares will be issued pursuant to a subscription agreement between Fission and CGN Mining (the "Subscription Agreement") at a price of CDN\$0.85 per Subscription Share on a private placement basis. The Subscription Shares may not be traded for a period of four months plus one day from the closing of the Offering.

Fission and CGN Mining have also agreed to proceed towards entering into an offtake agreement pursuant to which CGN Mining will agree to purchase uranium production from the Company's PLS Property (the "Offtake Agreement"). The Offtake Agreement and the Subscription Agreement, are referred to as the "Transaction Agreements".

Dev Randhawa, Chairman and CEO, of Fission Uranium, commented,

"This is an historic moment for Canada's uranium industry. It is the first time a Chinese company has invested directly in a Canadian uranium company. We are thrilled that CGN Mining has chosen to invest in Fission, PLS and the Triple R deposit. CGN Mining's understanding of the uranium business is superb and we are excited at the opportunity to work with them. CGN Mining's knowledge and expertise will be invaluable as we progress PLS and add to shareholder value."

Mr. Xing Jianhua, Chief Financial Officer of CGN Mining, said,

"CGN Mining and Fission Uranium have worked hard together to forge this partnership. Both companies have a strong drive to cooperate and achieve the synergy which will result in sustained, mutual benefit."

CGN Mining Company Limited ('CGN Mining') is an investment holding company listed on Hong Kong Stock Exchange (HKSE) and mainly engaged in the trading of natural uranium. In order to become a resource development and energy services company with a focused business with clear development direction, and assets with high sustainability, CGN Mining acquired 100% equity interests in Beijing Sino-Kazakh Uranium in 2014.

The controlling shareholder of CGN Mining is China Uranium Development Company Limited, a fully-owned subsidiary of China General Nuclear Power Corporation, which is a leading global clean energy corporation in China.

The LOI provides that Fission and CGN Mining intend to enter into the Transaction Agreements on or prior to 2pm Pacific time, January 11, 2015 (the "Signing Deadline"). If either party is willing and able to enter into the Transaction Agreements and the other party is not able to or will not enter into the Transaction Agreements by the Signing Deadline, the defaulting party will pay a break fee in the amount of CDN\$3,000,000 ("Break Fee") to the non-defaulting party. The LOI further provides that the Break Fee will be payable by CGN Mining to Fission in the event that CGN Mining shareholder approval, Hong Kong Stock Exchange approval or the approval of the Chinese government is not obtained by February 29, 2016, Pacific time.

Upon closing of the Offering, CGN Mining will have the right to nominate two of nine representatives to the Board of Fission.

The Offering is scheduled to close on or about January 29, 2016, Pacific time, and is subject to signing of the Transaction Agreements, the achievement of certain conditions to closing, and regulatory approvals, including the approval of the Toronto Stock Exchange, the Hong Kong Stock Exchange and approval of the Chinese government.

Fission's financial advisor is GMP Securities.

About Fission Uranium Corp.

<u>Fission Uranium Corp.</u> is a Canadian based resource company specializing in the strategic exploration and development of the Patterson Lake South uranium property - host to the world-class Triple R uranium deposit - and is headquartered in Kelowna, British Columbia. Fission's common shares are listed on the TSX Exchange under the symbol "FCU" and trade on the OTCQX marketplace in the U.S. under the symbol "FCUUF."

ON BEHALF OF THE BOARD

Dev Randhawa, Chairman and CEO

Forward-Looking Statements

This press release to shareholders contains "forward-looking statements" within the meaning of applicable Canadian securities legislation (forward-looking information and forward-looking statements being collectively herein after referred to as "forward-looking statements") that are based on expectations, estimates and projections as at the date of this letter. These forward-looking statements include but are not limited to: statements relating to CGN's proposed investment in the Company, regulatory approvals and closing of the Offering, strategies; continued development of the PLS and its Triple R Deposit; future financial or operating performance of Fission; anticipated developments in operations; and success of exploration activities. These forward-looking statements are based on the beliefs of Fission's management, as well as on assumptions which such management believes to be reasonable based on information currently available at the time such statements were made. Such assumptions include, but are not limited to, assumptions about; general business and economic conditions; the supply and demand, and the level and volatility of, the price of uranium; changes in credit markets and conditions in financial markets generally; the Company's ability to attract and retain skilled staff; and market competition. We caution you that the foregoing list of important factors and assumptions is not exhaustive. There can be no assurance that the forward-looking statements will prove to be accurate.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Fission to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, without limitation: risks related to Fission's limited business history; that Fission has no history of mineral production or mining operations; discrepancies between actual and estimated mineral resources; risks caused by factors beyond Fission's control, such as uranium market price volatility, recovery rates of minerals from mined ore and demand for nuclear power; risks related to competition in the mineral industry; risk related to uranium industry competition and international trade restrictions; the potential deregulation of the electrical utility industry; competition of nuclear power with other energy sources; risks related to Fission's title to the PLS Property; risks related to dependence on key personnel; and risks of not meeting exploration budget forecasts. Although Fission has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date of this letter and, other than as required by applicable securities laws, Fission assumes no obligation to update or revise them to reflect new events or circumstances.

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