

TORONTO, ONTARIO--(Marketwired - Jun 28, 2017) - [Uranium Participation Corp.](http://www.uraniumparticipation.com) ("UPC" or the "Corporation") (TSX:U) today filed its Financial Statements and Management's Discussion & Analysis ("MD&A") for the period ended May 31, 2017. Both documents can be found on the Company's website (www.uraniumparticipation.com) or on SEDAR (www.sedar.com). The highlights provided below are derived from these documents and should be read in conjunction with them. All amounts are in Canadian dollars, unless otherwise noted.

Selected financial information:

	May 31, 2017	February 28, 2017
Net asset value (in thousands)	\$ 407,362	\$ 462,345
Net asset value per common share	\$ 3.37	\$ 3.83
U ₃ O ₈ spot price ⁽¹⁾ (US\$)	\$ 19.25	\$ 22.25
UF ₆ spot price ⁽¹⁾ (US\$)	\$ 55.55	\$ 64.00
Foreign exchange noon-rate (US\$ to CAD\$)	1.3500	1.3248

⁽¹⁾ Spot prices as published by Ux Consulting Company, LLC ("UxC").

Overall Performance

Total equity, or the value of the Corporation's assets minus its liabilities ("Net Asset Value" or "NAV"), decreased by \$55.0 million during the three months ended May 31, 2017. This equates to a reduction in the NAV per common share of \$0.46.

The net loss for three months ended May 31, 2017, of \$55.0 million, was primarily due to unrealized net losses on investments in uranium of \$53.8 million and operating expenses partially offset by income from lending and/or relocation of uranium of \$1.2 million.

Unrealized net losses on investments in uranium, during the three months ended May 31, 2017, were caused by decreases in the spot prices of U₃O₈ and UF₆, slightly offset by an increase in the U.S. dollar to Canadian dollar exchange rate.

Operating expenses of \$1.3 million, partially offset by income from lending and/or relocation of uranium of \$0.1 million, for the three months ended May 31, 2017, represents approximately 0.3% of the Corporation's NAV at May 31, 2017 and 0.3% of the NAV at February 28, 2017.

Current Market Conditions

Uranium spot prices continued to be volatile during the first quarter of the 2018 financial year, ranging between a low of US\$19.25 per pound and a high of US\$25.50 per pound during the period. Despite the volatility, the spot price remained above a thirteen year low of US\$18.25 per pound U₃O₈, which was set in November 2016. Uranium spot prices increased during the first part of the financial first quarter, reaching a high of US\$25.50 per pound in March 2017, buoyed primarily by positive supply-side developments, including the impact of an announced 10% cut to 2017 Kazakhstan uranium production. The rally lost steam, however, and the spot price fell back to US\$19.25 per pound U₃O₈ by the end of May 2017. In early June 2017, the spot price has improved slightly to approximately US\$20.00 per pound U₃O₈, on increased opportunistic demand driven by low spot prices. The quarter was characterized by transactions involving relatively thin volumes, as utility end-users continued to delay the purchasing activities required to cover their future reactor needs. The discretionary nature of buying on the part of utilities is believed to have also contributed to a continued low spot price. Given it is expected that substantial uncovered reactor requirements will emerge as early as 2020, market observers continue to speculate when the required increase in procurement activities will materialize.

Recent nuclear industry conferences in Toronto (World Nuclear Association/Nuclear Energy Institute) and Budapest (World Nuclear Fuel Market) have highlighted the unsustainable nature of current uranium prices, which are at a level below the all-in production cost of most of the global mine supply - thus making it difficult to incentivize the capital investments needed to expand production to meet growing demand in the future. Finite secondary supplies are currently filling the gap between demand and primary sources of supply, but as these supplies are drawn down, the industry may find itself in a situation where demand exceeds existing mine capacities and additional primary production is needed. The lead-times to expand existing operations or build new operations, however, may be too long and complicated to meet this demand in a timely manner when it materializes.

With respect to demand fundamentals, the Japanese recovery from Fukushima appears to have finally gained some momentum, with another reactor having restarted in June 2017. Five reactors are now operating in Japan, 12 have received their restart approvals from regulators, and a total of 13 other restart applications have been submitted to the regulators. UxC expects that as many as seven reactors could be in operation by the end of 2017 calendar year, with another two to potentially follow in early 2018. Positive news was also announced in the United States, with Westinghouse Electric Company LLC's parent-company, Toshiba Corporation, agreeing to provide a financial guarantee to Georgia Power, to ensure the completion of the Vogtle 3 and 4 nuclear reactors currently in advanced stages of construction. Also in the United States, a number of state

legislatures in deregulated markets are considering varying levels of support to preserve the critical base-load, grid stabilizing, clean air capacity coming from nuclear power plants in their jurisdictions. While nuclear power generation costs are competitive in these regions, the deregulated structures in these markets fail to recognize the value of continuous reliability and carbon-free electricity. These markets are typically dominated by subsidized intermittent renewables, and low-priced natural gas.

Nuclear energy growth in Asia continues at a robust pace, with India recently announcing a commitment to build 10 new indigenous-designed nuclear power plants in the coming years, to address its growing energy deficit, as well as air quality issues. In South Korea, the campaign promise by newly elected president Moon Jae-in, to gradually phase out nuclear energy in that country, is being challenged as technically and economically challenging, and is being met with considerable opposition from the nuclear industry, Korean business leaders, labor unions, and affected local communities.

Despite the challenges in the industry, 2015 and 2016 were the best two years in the past 25 for new global nuclear capacity additions, with 10 new reactors coming on line last year alone. This rapid increase in global demand, in combination with additional supply-side rationalization and the emergence of a dysfunctional pipeline of economic development projects, created by several years of low uranium prices, continues to point towards a positive outlook for uranium prices going forward.

About Uranium Participation Corporation

[Uranium Participation Corp.](#) is a company that invests substantially all of its assets in uranium oxide in concentrates ("U₃O₈") and uranium hexafluoride ("UF₆") (collectively "uranium"), with the primary investment objective of achieving appreciation in the value of its uranium holdings through increases in the uranium price. Additional information about Uranium Participation Corporation is available on SEDAR at www.sedar.com and on [Uranium Participation Corp.](#)'s website at www.uraniumparticipation.com.

Cautionary Statement Regarding Forward-Looking Statements

Certain information contained in this press release constitutes forward looking statements or forward looking information. These statements can be identified by the use of forward looking terminology such as "may", "will", "expect", "intend", "estimate", "anticipate", "plan", "should", "believe" or "continue" or the negative thereof or variations thereon or similar terminology. In particular, this press release contains forward-looking information pertaining to expectations regarding uranium spot prices and uranium market factors, including expectations regarding reactor restarts, levels of uncommitted utility reactor requirements, anticipated contracting cycle and market supply and demand, the development of new nuclear power projects and other statements regarding the outlook for the uranium industry and market.

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 UPC, may cause actual results to differ materially from the expectations expressed in the forward looking statements. For a list of the principal risks of an investment in UPC, please refer to the "RISK FACTORS" section in the Corporation's Annual Information Form dated May 16, 2017 available under UPC's profile at www.sedar.com. 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, UPC does not undertake to update any forward looking information.

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