

TORONTO, ONTARIO--(Marketwired - Sep 25, 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 August 31, 2017. Both documents can be found on the Company's website ([www.uraniumparticipation.com](http://www.uraniumparticipation.com)) or on SEDAR ([www.sedar.com](http://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:

|                                                                | August 31,<br>2017 | May 31,<br>2017 | February 28,<br>2017 |
|----------------------------------------------------------------|--------------------|-----------------|----------------------|
| Net asset value (in thousands)                                 | \$ 388,808         | \$ 407,362      | \$ 462,345           |
| Net asset value per common share - basic and diluted           | \$ 3.22            | \$ 3.37         | \$ 3.83              |
| U <sub>3</sub> O <sub>8</sub> spot price <sup>(1)</sup> (US\$) | \$ 20.00           | \$ 19.25        | \$ 22.25             |
| UF <sub>6</sub> spot price <sup>(1)</sup> (US\$)               | \$ 56.35           | \$ 55.55        | \$ 64.00             |
| Foreign exchange noon-rate (US\$ to CAD\$)                     | 1.2536             | 1.3500          | 1.3248               |

<sup>(1)</sup> 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 \$18.6 million during the three months ended August 31, 2017. This equates to a reduction in the NAV per common share of \$0.15.

The net loss for three months ended August 31, 2017, of \$18.6 million, was primarily due to unrealized net losses on investments in uranium of \$17.5 million, operating expenses of \$1.1 million, offset by income from lending and/or relocation of uranium of \$0.1 million.

Unrealized net losses on investments in uranium, during the three months ended August 31, 2017, were caused by the decrease in the U.S. dollar to Canadian dollar exchange rate, slightly offset by increases in the spot prices of U<sub>3</sub>O<sub>8</sub> and UF<sub>6</sub>.

Operating expenses, net of income from lending and/or relocation of uranium, of \$1.0 million, for the three months ended August 31, 2017, represents approximately 0.3% of the Corporation's NAV at May 31, 2017 and 0.2% of the NAV at February 28, 2017.

#### Current Market Conditions

Over the last several months, uranium prices continue to be under downward pressure. This is generally due to a prolonged over-supply in the uranium market. Uranium spot prices have fallen as much as 75% from March 2011 (US\$70 per pound U<sub>3</sub>O<sub>8</sub>), reaching a 13 year low of US\$17.75 per pound U<sub>3</sub>O<sub>8</sub> in early December 2016. In the first quarter of the 2018 financial year, uranium prices reached a high of US\$25.50 per pound U<sub>3</sub>O<sub>8</sub>, before retreating back to the US\$20 per pound U<sub>3</sub>O<sub>8</sub> range. Uranium prices during the second fiscal quarter of 2018, traded in a fairly narrow range between a low of US\$19.25 per pound U<sub>3</sub>O<sub>8</sub> in June, and a high of US\$20.75 per pound U<sub>3</sub>O<sub>8</sub> in August, and the long-term price indicator remained constant at US\$31 per pound U<sub>3</sub>O<sub>8</sub>.

While the ongoing realities of the over-supplied spot market can explain the recent market weakness, the longer term fundamentals continue to point towards market recovery, as new reactors are coming online around the world in significant numbers, and uranium production levels are not likely to be sustainable while spot prices challenge the all-in mining costs for most uranium mines.

Nuclear energy, with its reliability and clean air benefits, fills an important role in the supply of baseload electricity around the world. In each of 2015 and 2016, more new nuclear capacity was connected to the electricity grid than any of the preceding twenty-five years. As at August 31, 2017, the World Nuclear Association ("WNA") reported that there are 447 operable reactors worldwide, with 58 new reactors under construction, 160 reactors planned or on order, and another 351 proposed. When translated into uranium demand, UxC projects that these increases in nuclear power facilities will increase demand from approximately 185 million pounds U<sub>3</sub>O<sub>8</sub> (Base Case) in 2017 to over 202 million pounds U<sub>3</sub>O<sub>8</sub> by 2030 (9% increase) in the Base Case scenario, and as much as 276 million pounds U<sub>3</sub>O<sub>8</sub> by 2030 (49% increase) in the High Case scenario.

In the US, the Department of Energy's recently released the Energy Grid Reliability Study, which stresses the negative impact that highly-subsidized renewables and low-priced natural gas have had on the stability of the national electricity grid. In states where the energy market is deregulated, government subsidized renewables and inexpensive natural gas have contributed to the closure of six nuclear plants in recent years. However, the Federal Energy Regulatory Commission is looking into potential changes to the market structures in these states, to prevent further lost capacity.

Also in the US, two South Carolina utilities (SCANA and Santee Cooper) recently announced their decision to cancel the continued construction of two units, as a result of construction delays and cost overruns, by project manager Westinghouse Electric Company LLC ("Westinghouse"). In Georgia, Southern Companies, the majority owner of the two nuclear plants under construction by Westinghouse in that state, has decided to complete the construction of the reactors, using a new project manager, Bechtel Corp.

Japan's long-awaited recovery from Fukushima has taken a positive turn in 2017. According to the World Nuclear Association, 26 reactor restart applications have been received by the Japanese nuclear regulator and five units are now operating. UXC expects another four reactors, Ohi 3&4 and Genkai 3&4 units, to come on line by mid-2018. Fukushima operator, Tokyo Electric Power, recently received its restart approval for its undamaged Kashiwasaki-Kariwa units.

#### Outstanding Share Data

At September 25 2017, there were 120,848,713 common shares issued and outstanding. There are no stock options or other equity instruments issued and outstanding.

#### Subsequent Event

On September 25, 2017, the Corporation announced that it has entered into an agreement with Cormark Securities Inc., on behalf of a syndicate of underwriters (together the 'Underwriters'), under which the Underwriters have agreed to purchase, on a bought-deal basis, 10,745,000 common shares at a price of \$3.50 per share, for gross proceeds of \$37,607,500.

The Corporation has granted the Underwriters an over-allotment option to sell an additional 855,000 common shares at \$3.50 for additional gross proceeds of \$2,992,500. The over-allotment option is exercisable, in whole or in part, at any time during the five day period after the closing. The closing of the offering is expected to occur on or about October 4, 2017. The majority of the net proceeds of the offering will be used to fund the purchase of uranium, with the balance to be used to fund the operating expenses of the Corporation.

#### About Uranium Participation Corporation

[Uranium Participation Corp.](#) is a company that invests substantially all of its assets in uranium oxide in concentrates ("U<sub>3</sub>O<sub>8</sub>") and uranium hexafluoride ("UF<sub>6</sub>") (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](http://www.sedar.com) and on [Uranium Participation Corp.](#)'s website at [www.uraniumparticipation.com](http://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](http://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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