

Fission's Ross McElroy on how "we are in the early stages of a uranium bull market"

InvestorIntel's Tracy Weslosky spoke with Ross McElroy, President & CEO of Fission Uranium Corp. (TSX: FCU | OTCQX: FCUUF), about the uranium market and the competitive advantages of Fission's Triple R uranium deposit.

"We do think that we are in the early stages of a uranium bull market," Ross said. "The longer we have increased demand, we will see restrictions in the supply, it will continue to drive the price of uranium up and there has been nothing but closures of uranium mines around the world."

"The recognition is there that nuclear power is a clean energy," Ross added. "Nuclear makes up over 15% of the United States' electrical needs and I think that will continue." He further commented, "Fission Uranium has the world's best large, high-grade shallow deposit that is in Saskatchewan. Saskatchewan is recognized as one of the top jurisdictions worldwide for mining investment."

To access the complete interview, [click here](#)

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Fission Uranium's President

on why the uranium bull market starts now

“Demand continues to grow as supply constricts”

Uranium prices continue to recover in 2020 leading to renewed hope for the uranium sector after some very tough years. The US appears to be close to finalizing a US uranium reserve and the associated \$150m a year funding as well as perhaps taking a tougher stance on overseas subsidized uranium from Russia and Kazakhstan. Should these trends continue, many are wondering are we in the start of a uranium bull market.

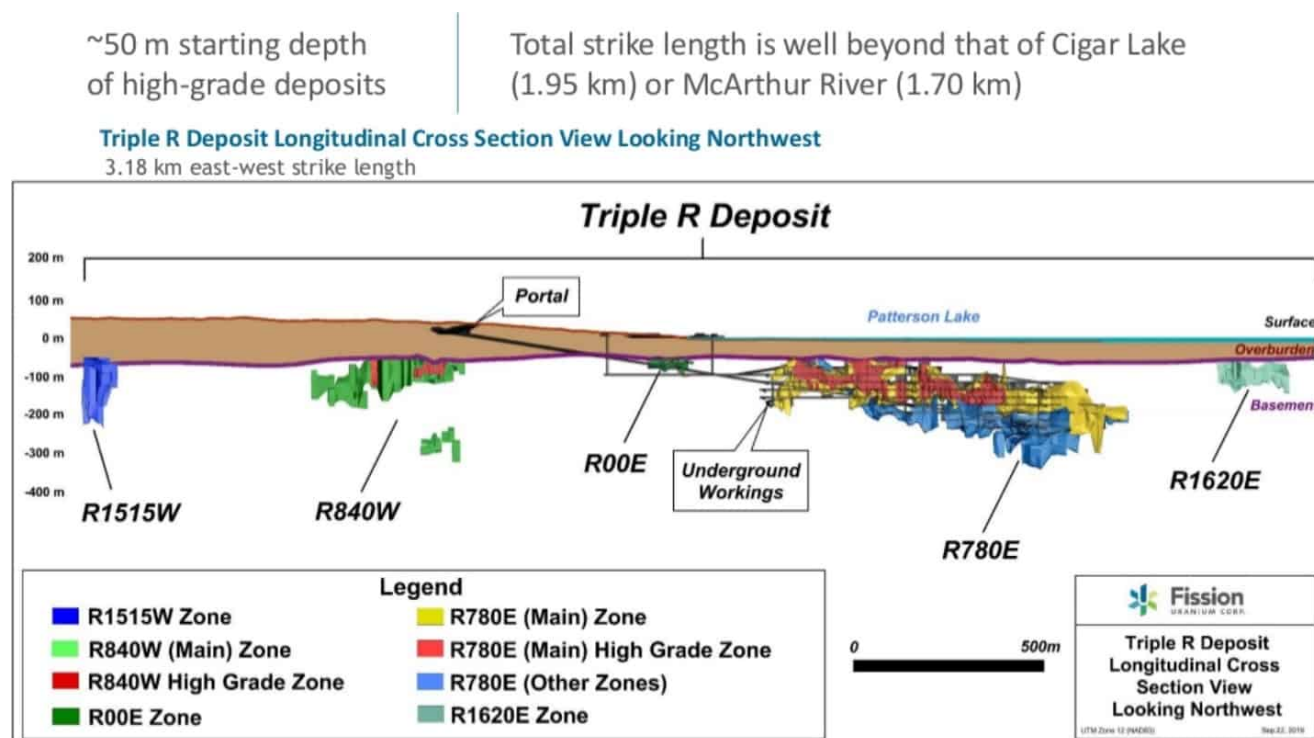
In an exclusive interview with InvestorIntel, Fission Uranium President & COO Ross McElroy said, **“I think we are in the start of a bull market right now.** That’s happened because there’s been so many production shutdowns globally. All the major mines, even all the production in Canada has been shutdown. So, we know the demand is there and it continues to grow, supply is constricting and these are the things that are making the bottom of the bull market happen.”

Fission Uranium Corp. (TSX: FCU | OTCQX: FCUUF)

Fission Uranium Corp. (“Fission”) is 100% owner of the Patterson Lake South (PLS) property, located in Canada’s Athabasca Basin, home to the world’s richest uranium mines. The PLS Property comprises 17 mineral claims totaling 31,039 ha located on the southwest margin of the Athabasca Basin. The Project is host to the award winning Triple R deposit – the most significant high-grade, near-surface project in the region. Fission has also discovered two other major, high-grade zones and has outlined the largest mineralized trend in the region.

The Triple R Deposit has 102,360,000 lbs. U₃O₈ Indicated Mineral Resource @2.10% U₃O₈ and 32,810,000 lbs. U₃O₈ Inferred Mineral Resource @1.22% U₃O₈.

The Triple R deposit longitudinal cross section showing the resource starting 50m underground



Source: Company presentation

The Triple R deposit remains open, and the PLS property has excellent exploration potential as ~80% of the property has yet to be explored. The deposit has substantial high-grade mineralization starting just 50m from surface.

The 2019 PFS had two scenarios. For the underground-only mine PFS scenario, the post-tax NPV8% was C\$702m, post-tax IRR was 25%, and the initial CapEx was C\$1,177m. Operating costs were estimated at a very low C\$9.57/lb U₃O₈ (US\$7.18) over a 7 year mine life.

Given the current uranium price of US\$32.25 that would make

the Triple R Project very profitable once established. Of course, further drilling will be required to build up the level of uranium reserves and extend the mine life. Given the success to date and the 80% yet unexplored, the odds favour of Fission achieving this over time. A higher uranium price and longer mine life could certainly help boost the Project's NPV.

Fission Uranium's Triple R Project PFS summary shows very low uranium costs of production in both scenarios

APRIL 2019 PFS (OP/UG) AND SEPT 2019 PFS (UG ONLY)

	Units	OP/UG (PFS Case)	UG Only (PFS Case)
Mine Type		6 years OP 2 years UG	7.3 years UG
Mine Life	Years	8.2	7.0
Construction Period	Years	4 years	3 years
Ore Mined	M tonnes	2.9	2.3
LOM Avg. Head Grade	% U ₃ O ₈	1.42	1.61
LOM Production	M lbs U ₃ O ₈	90.5	81.4
Avg. LOM Annual Production	M lbs U ₃ O ₈	11.0	11.3
Operating Costs	C\$/tonne	\$274	\$328
	C\$/lb U ₃ O ₈	\$9.03 (US\$6.77)	\$9.57 (US\$7.18)
Initial Capital	C\$M	\$1,499	\$1,177
LOM Sustaining Capital Cost	C\$M	\$137	\$209
Project Economics at US\$50/lb U ₃ O ₈ and C\$1.00:US\$0.75			
Pre-Tax Cash Flow	C\$M	\$2,910	\$2,656
After-Tax Cash Flow	C\$M	\$1,759	\$1,568
After-Tax NPV _{8%}	C\$M	\$693	\$702
After-Tax IRR		21%	25%

Source: Company presentation

Fission Uranium is now working on permitting, EIS, and a Feasibility Study. The company is well funded to achieve the above next steps after a recent raise.

Fission Uranium is backed by China's CGN Mining, which has invested over \$82m in Fission to date. More recently legendary mining investor Eric Sprott provided Fission with a US\$10 million senior secured Credit Facility at 10% pa for 4 years.

This shows that Sprott has confidence in the value of the resource and/or the Company's ability to service and pay back the Facility. In connection with the Facility, Fission has agreed to issue 20,666,667 common share purchase warrants to Sprott and its affiliates.

Closing remarks

With a uranium bull market possibly in the early stages, Fission Uranium looks well placed to continue to attract funding and grow their resource, thereby boosting their NPV in subsequent Feasibility Studies. The high CapEx remains a challenge to be funded but given the pedigree of past funding, and the very high quality resource, it should ultimately be achievable. Certainly the Western world is now looking much closer to home to secure their supply chains of critical materials such as uranium.

Fission Uranium is currently trading on a market cap of C\$190m. Investors will need some patience but should benefit from a tailwind or positive news flow in the uranium sector led by US developments that are expected to unfold in the near term.

Fission Uranium's Ross McElroy on the start of a uranium bull market

"We are at the start of a bull market right now. That has happened because there is so much production shutdowns globally. All the major mines, even all the production in Canada has been shutdown. We know the demand is there and it

continues to grow, supply is constricting and these are the things that are making the bottom of the bull market happen. I think we are actually in it. It hasn't been reflected yet in the price of the commodity, but it is coming and we think our share price will follow the price of the commodity upwards." States Ross McElroy, President, COO and Chief Geologist of Fission Uranium Corp. (TSX: FCU | OTCQX: FCUUF), in an interview with InvestorIntel's Tracy Weslosky.

Ross went on to say that Fission Uranium is well financed and stated that 2020-2021 will be significant years for the company as it advances its uranium project. Ross also commented on Fission's strong management team which has a great success record. The team has made two major discoveries, the most significant of which is the Triple R deposit on the company's PLS property in Canada's Athabasca Basin. The Triple R deposit is a world leading high-grade uranium deposit.

To access the complete interview, [click here](#)

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