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**Plateau Uranium Inc. (PLU-V, \$0.60)**

Not Rated

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**Encouraging Grades Intersected at Pinocho Target Highlight Potential of Zone**

Plateau Uranium has released results of 6 new holes drilled from 2 platforms at the Pinocho target at its Macusani Plateau uranium project, Peru, which hosts an all-categories NI 43-101 uranium resource of 124 Mlb U<sub>3</sub>O<sub>8</sub> (225 Mt grading 250 ppm U<sub>3</sub>O<sub>8</sub>, Table 5), and a lithium resource of 175,740 t Li<sub>2</sub>O equivalent (140 Mt grading 0.126% Li<sub>2</sub>O equiv., Ind. + Inf., Table 1).

■ **Higher Grades Encountered Near-Surface:** Results from the previously undrilled Pinocho target (exhibit 1) include a couple of higher-grade intervals of >2,000 ppm U<sub>3</sub>O<sub>8</sub>, within wider intervals of elevated grade material (2-3x resource grade). Higher-grade material was located within ~50 metres from surface, suggesting the potential for future open pit mining, if a material resource can be defined at Pinocho, which is only a couple of kilometres SE of the Kihitian resource area. Encountering higher grade material near surface at Pinocho is encouraging, and highlights the potential for Plateau to define additional resources here, bringing with it the potential to improve the economics of the early-2016 PEA, with the addition of a higher-grade ‘starter’ pit. The PEA base case assumed a uranium price of US\$50/lb U<sub>3</sub>O<sub>8</sub>, per below, but PLU reminds us that the preliminary economics suggested a +29% IRR and project NPV<sub>(8%)</sub> of US\$360 million at US\$40/lb U<sub>3</sub>O<sub>8</sub>, suggesting the project could be profitable at a uranium price much closer to current once up and running. Lithium values included with uranium results today hovered around the existing resource grade for lithium.

■ **Select Drilling Highlights:**

- **TNE (70° @ 65° azimuth) – intersected 8.0 metres grading 861 ppm U<sub>3</sub>O<sub>8</sub> from 53 metres depth, including 3.0 metres grading 2,160 ppm**, and 3.5 metres grading 162 ppm U<sub>3</sub>O<sub>8</sub> from 66.5 metres depth. Also, intersecting 20.0 metres grading 1,154 ppm Li<sub>2</sub>O, from 50 metres depth.
- **TNW (70° @ 355° azimuth) – intersected 9.0 metres grading 566 ppm U<sub>3</sub>O<sub>8</sub> from 53 metres depth, including 2.0 metres grading 2,182 ppm**, and 8.0 metres grading 148 ppm U<sub>3</sub>O<sub>8</sub> from 88.0 metres depth. Also, intersecting 12.0 metres grading 1,177 ppm Li<sub>2</sub>O, from 50 metres depth, and 20.0 metres grading 1,259 ppm Li<sub>2</sub>O, from 160 metres.

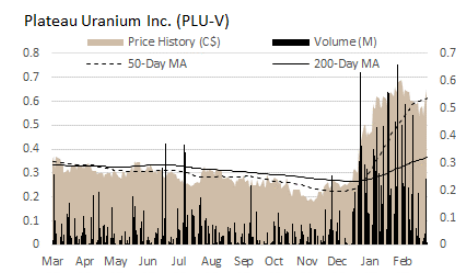
■ **The January 2016 PEA, which did not consider any Lithium by-product production**, outlined compelling economics at a uranium price of US\$50/lb U<sub>3</sub>O<sub>8</sub>, including lower-quartile uranium mine operating costs globally at US\$17.28/lb U<sub>3</sub>O<sub>8</sub>, for a +6 Mlb p.a. U<sub>3</sub>O<sub>8</sub> mine, which would place it among the top 5 current uranium mines globally in terms of production scale. 2016 PEA-update base-case highlights below (details in Table 3):

- **CAPEX:** US\$299.8 M, sustaining CAPEX of US\$43.9 M.
- **OPEX:** LoM OPEX US\$17.28/lb U<sub>3</sub>O<sub>8</sub>.
- **Production Rate:** 6.1 Mlb per annum for 10 years (10.9 Mtpa heap-leach).
- **NPV:** Post-Tax NPV<sub>8%</sub> of US\$603 million.
- **IRR:** Post-Tax IRR of 40.6%.
- **Pay-Back:** 1.76 years post-tax.

Current Price \$0.60  
 YTD Performance 140%  
 Dividend / Yield N/A / N/A%  
 52-Week High / Low \$0.69 / \$0.18  
 Shares O/S 57.7 million (basic)  
 65.3 million (F/D)

Market Capitalization \$34.6 million  
 Enterprise Value \$32.2 million  
 Daily Volume (3 month avg) 208,423  
 Currency C\$ unless noted  
 Web Site [plateauuranium.com](http://plateauuranium.com)  
 CEO/Director Ted O'Connor

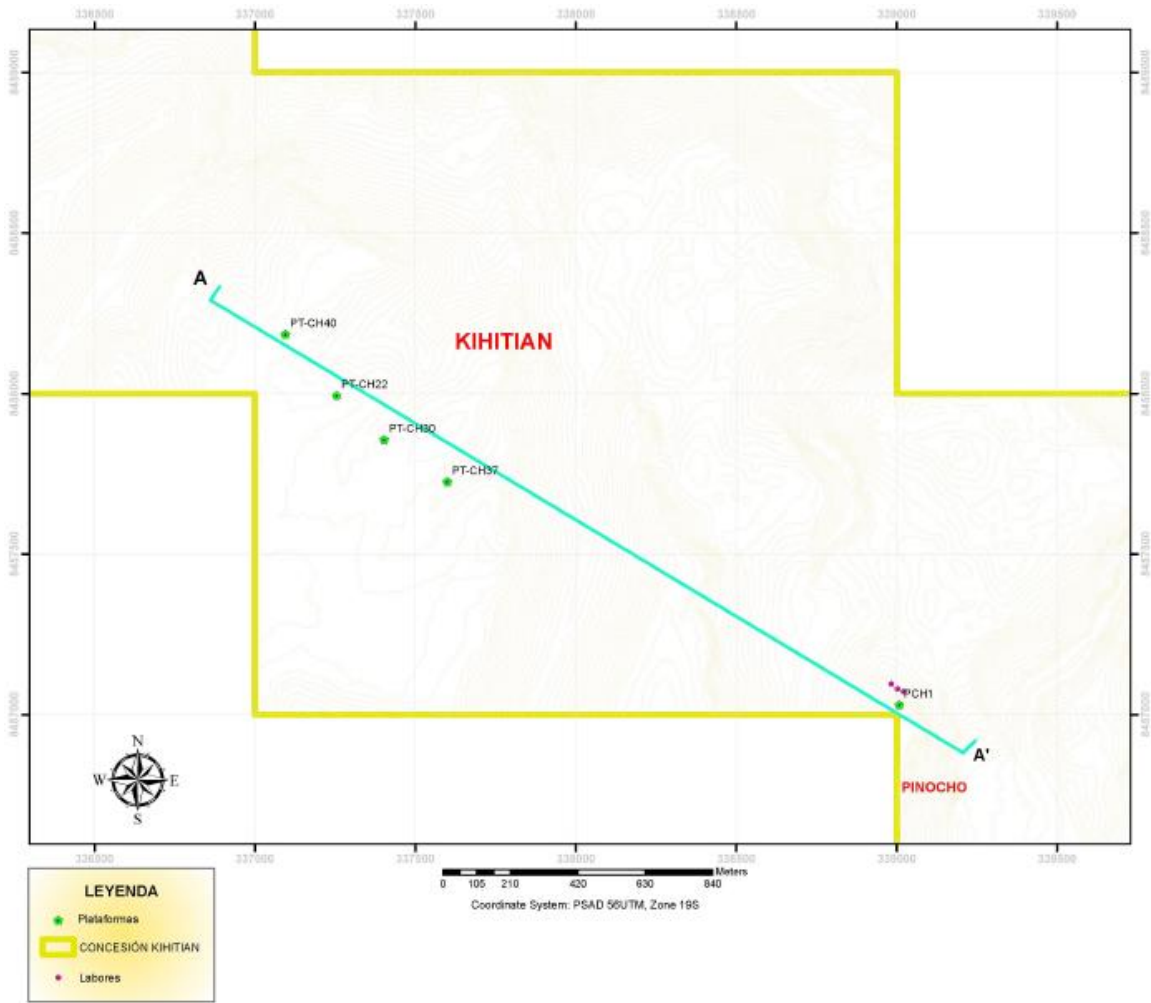
**Price Performance**



Source: Capital IQ



Exhibit 1: Pinocho Target Plan View Highlighting Proximity to Kihitian Resource



Sources: Plateau Uranium

Table 1: Details of Initial Lithium Resource Estimate

Deposit	Classification	Metric Units							Imperial Units		
		Tonne (Mt)	U grade (ppm)	U <sub>3</sub> O <sub>8</sub> grade (ppm)	Li grade (ppm)	Li <sub>2</sub> O equiv (%)	Li <sub>2</sub> O Content (kt)	K grade (%)	Ton (Mt)	U <sub>3</sub> O <sub>8</sub> Content (Mlb)	U <sub>3</sub> O <sub>8</sub> Grade (lb/ton)
Chilcuno Chico	Indicated	34.840	218	258	599	0.13	44.93	3.71	38.405	19.8	0.52
	Inferred	30.995	294	347	586	0.13	39.10	3.76	34.166	23.7	0.69
Quebrada Blanca	Indicated	5.509	279	329	541	0.12	6.42	3.68	6.073	4.0	0.66
	Inferred	13.436	269	317	511	0.11	14.78	3.67	14.811	9.4	0.63
Tantamaco	Indicated	7.393	191	225	615	0.13	9.79	3.73	8.150	3.7	0.45
	Inferred	35.849	172	202	580	0.12	44.77	3.69	39.517	16.0	0.40
Isivilla	Indicated	4.568	296	350	600	0.13	5.90	3.67	5.035	3.5	0.70
	Inferred	7.396	295	348	638	0.14	10.16	3.81	8.153	5.7	0.70
<b>TOTAL INDICATED</b>		<b>52.311</b>	<b>228</b>	<b>268</b>	<b>595</b>	<b>0.13</b>	<b>67.01</b>	<b>3.71</b>	<b>57.663</b>	<b>31.0</b>	<b>0.54</b>
<b>TOTAL INFERRED</b>		<b>87.677</b>	<b>240</b>	<b>283</b>	<b>576</b>	<b>0.12</b>	<b>108.73</b>	<b>3.73</b>	<b>96.648</b>	<b>54.8</b>	<b>0.57</b>

Minor discrepancies due to rounding may occur.  
Density 1.98 t/m<sup>3</sup>  
Cut-off 75ppm U

Sources: Plateau Uranium, Haywood Securities highlighting

Table 2: Initial Lithium Resource Estimate & Haywood Calculated Li<sub>2</sub>CO<sub>3</sub> equivalent in-situ Resource Value

Category	Mt	Li <sub>2</sub> O equiv. Grade (%)	Li <sub>2</sub> O equiv. (kt)	Li <sub>2</sub> CO <sub>3</sub> equiv. (kt)	In-Situ Li <sub>2</sub> CO <sub>3</sub> equiv. Value at US\$3.40/lb* (US\$ M)
Indicated	52.3	0.13%	67.0	165.7	\$1,242.2
Inferred	87.7	0.12%	108.7	268.9	\$2,015.5
<b>Total Resources</b>	<b>140.0</b>	<b>0.126%</b>	<b>175.7</b>	<b>434.6</b>	<b>\$3,257.7</b>

\* Lithium carbonate, min 99-99.5% Li<sub>2</sub>CO<sub>3</sub>, large contracts, del continental US, \$/lb

Source: Haywood Securities, Plateau Uranium, Metals Bulletin/Industrial Minerals

Table 3: Details January 2016 PEA vs December 2013 PEA:

Item	PLU January 2016 PEA	PLU December 2013 PEA Update	Δ Change
Supporting Assets:	Resources (PEA, Minable): 69.4 Mlb U <sub>3</sub> O <sub>8</sub> (109.0 Mt at 289 ppm U <sub>3</sub> O <sub>8</sub> , 75 ppm cut-off) (95% mining recovery, 5% mining dilution)	Resources (PEA, Minable): 48.4 Mlb U <sub>3</sub> O <sub>8</sub> (85.4 Mt, at 259.4 ppm U <sub>3</sub> O <sub>8</sub> ) Kihitian, Colibri 2/3 & Tupuramani, Corachapi, Triunfador 1	43.4%
Production Rate:	6.09 Mlb U <sub>3</sub> O <sub>8</sub> per year (10.9 Mtpa heap-leach in optimized base case) (Acid consumption: 9kg/t)	4.30 Mlb U <sub>3</sub> O <sub>8</sub> per year (5.17 Mlb U <sub>3</sub> O <sub>8</sub> per year in Y's 1-5)	41.6%
Process Recovery Rate:	88%	88%	unch
Mine Life:	10 years (predominantly open pit [30,000 tpd], with some underground mining [2,700 tpd] accessing higher grade material from the bottom of the Kihitian pit.)	10 years	unch
Strip Ratio (waste:ore):	2.05:1	1.54:1	33.1%
CAPEX (US\$/lb U <sub>3</sub> O <sub>8</sub> ):	\$299.8 million (pre-production, inclusive of \$50.1 million in contingencies) (+\$43.9 million LoM sustaining)	\$331 million (pre-production) (+\$228 million LoM sustaining)	(9.4%) (80.7%)
OPEX (US\$/lb U <sub>3</sub> O <sub>8</sub> ):	\$17.28 / lb	\$20.57 / lb	(16.0%)
NPV (pre-tax US\$):	Pre-tax: \$852.7 million (8% discount rate) Post-tax: \$603 million (8% discount rate)	Pre-tax: \$708 million (8% discount rate) Post-tax: \$417 million (8% discount rate)	20.4% 44.6%
IRR (pre-tax US\$):	Pre-tax: 47.6% Post-tax: 40.6%	Pre-tax: 47.5% Post-tax: 32.4%	0.2% 25.3%
Payback:	Pre-tax: 1.69 years Post-tax: 1.76 years	Pre-tax: 2.9 years Post-tax: 3.5 years	(41.7%) (49.7%)
Uranium Price Assumption:	\$50 / lb	\$65 / lb	(23.1%)

Sources: Haywood Securities, Plateau Uranium

- The PEA provides four (4) additional scenarios beyond the base-case (Table 2). Each of the 4 scenarios are reduced-production, lower-CAPEX options vs the base-case, each returning compelling OPEX numbers. Additional scenarios include 2 additional heap-leach options and 2 tank leach options. Both additional heap and tank-leach options under study include 2 variations: a) open-pit-only; and, b) open-pit-plus-underground. The tank-leach option was of interest, as it is expected to yield improved recoveries of ~93% (vs 88% in heap-leach assumption), and is also assumed to have a decreased plant footprint vs the base-case heap-leach scenario.

Table 4: Details January 2016 PEA vs December 2013 PEA:

Case	Initial Capital (millions US\$)	LOM Capital (millions US\$)	US\$/t ROM US\$/lb U <sub>3</sub> O <sub>8</sub> Mlb/a			Pre-Tax		Post-Tax	
			US\$/t ROM	US\$/lb U <sub>3</sub> O <sub>8</sub>	Mlb/a	NPV (M US\$)	IRR (%)	NPV (M US\$)	IRR (%)
Base Case	\$299.90	\$358.5	\$9.60	\$17.28	6.08	\$852.7	47.6%	\$603.10	40.6%
Case 1	\$247.50	\$279.4	\$14.60	\$17.39	4.26	\$544.4	41.2%	\$417.40	37.3%
Case 2	\$247.50	\$291.4	\$13.60	\$15.95	5.01	\$733.5	49.4%	\$550.90	43.7%
Case 3	\$267.40	\$299.3	\$17.60	\$19.73	4.5	\$510.2	36.8%	\$397.20	33.9%
Case 4	\$267.40	\$311.3	\$17.00	\$18.81	5.3	\$679.9	43.2%	\$516.10	28.9%

Sources: Haywood Securities, Plateau Uranium

Table 5: Plateau Uranium's resources on the Macusani Plateau:

Plateau Uranium Inc. NI 43-101 Resources (As at May 6, 2015) (75 ppm U cut-off ≈ 88.4 ppm U <sub>3</sub> O <sub>8</sub> )					Plateau Uranium Inc. NI 43-101 Resources (As at May 6, 2015) (200 ppm U cut-off ≈ 235.8 ppm U <sub>3</sub> O <sub>8</sub> )				
	Category	tonnes (Mt)	U <sub>3</sub> O <sub>8</sub> Grade (%)	Contained U <sub>3</sub> O <sub>8</sub> (Mlb)		Category	tonnes (Mt)	U <sub>3</sub> O <sub>8</sub> Grade (%)	Contained U <sub>3</sub> O <sub>8</sub> (Mlb)
Kihitian Complex	M & I	47.7	261	27.4	Kihitian Complex	M & I	16.2	505	18.1
	Inferred	83.6	273	50.3		Inferred	29.8	520	34.1
	<b>Project Resource</b>	<b>131.3</b>	<b>269</b>	<b>77.8</b>		<b>Project Resource</b>	<b>46.0</b>	<b>515</b>	<b>52.2</b>
Isivilla Complex	Total M & I	4.6	350	3.5	Isivilla Complex	Total M & I	2.9	465	2.9
	Inferred	16.1	293	10.4		Inferred	7.2	500	7.9
	<b>Project Resource</b>	<b>20.7</b>	<b>306</b>	<b>13.9</b>		<b>Project Resource</b>	<b>10.1</b>	<b>490</b>	<b>10.9</b>
Corani Complex	Total M & I	3.4	166	1.2	Corani Complex	Total M & I	0.4	342	0.3
	Inferred	6.1	131	1.8		Inferred	0.2	294	0.1
	<b>Project Resource</b>	<b>9.5</b>	<b>144</b>	<b>3.0</b>		<b>Project Resource</b>	<b>0.6</b>	<b>327</b>	<b>0.4</b>
Colibri 2 & 3 / Tupuramani	Total M & I	27.9	240	14.8	Colibri 2 & 3 / Tupuramani	Total M & I	11.0	376	9.1
	Inferred	20.4	170	7.6		Inferred	3.3	363	2.6
	<b>Project Resource</b>	<b>48.3</b>	<b>210</b>	<b>22.4</b>		<b>Project Resource</b>	<b>14.3</b>	<b>373</b>	<b>11.8</b>
Corachapi (Sep. 2010)	Total M & I	11.6	195	5.0	Corachapi (Sep. 2010)	Total M & I	2.9	372	2.4
	Inferred	3.8	230	1.9		Inferred	1.1	443	1.1
	<b>Project Resource</b>	<b>15.4</b>	<b>204</b>	<b>6.9</b>		<b>Project Resource</b>	<b>4.1</b>	<b>392</b>	<b>3.5</b>
Global PLU Macusani Plateau	Total M & I	95.2	248	52.0	Global PLU Macusani Plateau	Total M & I	33.5	445	32.9
	Inferred	130.0	251	72.0		Inferred	41.6	501	46.0
	<b>Total Resources</b>	<b>225.2</b>	<b>250</b>	<b>124.0</b>		<b>Total Resources</b>	<b>75.1</b>	<b>476</b>	<b>78.8</b>

Sources: Haywood Securities, Plateau Uranium



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<b>Hold</b>	8.9%	8	0.0%
<b>Sell</b>	0.0%	0	0.0%
<b>Tender</b>	1.1%	1	0.0%
<b>UR (Buy)</b>	0.0%	0	0.0%
<b>UR (Hold)</b>	0.0%	0	0.0%
<b>UR (Sell)</b>	0.0%	0	0.0%
<b>dropped (TTM)</b>	13.3%	12	3.8%