

Press Release

FOR IMMEDIATE RELEASE

TSX Trading symbol: U

**URANIUM PARTICIPATION CORPORATION REPORTS FINANCIAL RESULTS
FOR THE QUARTER ENDED AUGUST 31, 2019**

TORONTO, September 26, 2019 - Uranium Participation Corporation ('UPC' or the 'Corporation') today filed its Financial Statements and Management's Discussion & Analysis ('MD&A') for the periods ended August 31, 2019. 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:

	August 31, 2019	May 31, 2019	February 28, 2019	November 30, 2018
Net asset value (in thousands)	\$ 607,003	\$ 587,731	\$ 655,778	\$ 687,949
Net asset value per common share	\$ 4.40	\$ 4.26	\$ 4.75	\$ 4.98
U ₃ O ₈ spot price ⁽¹⁾ (US\$)	\$ 25.30	\$ 24.10	\$ 28.00	\$ 29.10
UF ₆ spot price ⁽¹⁾ (US\$)	\$ 86.00	\$ 80.50	\$ 87.00	\$ 89.25
Foreign exchange rate (US\$ to CAD\$)	1.3295	1.3527	1.3169	1.3301

⁽¹⁾ Spot prices as published by UxC, LLC ('UxC').

Overall Performance

The net gain for the three months ended August 31, 2019 was mainly driven by unrealized net gains on investments in uranium of \$14,022,000 and realized gains on the sale of conversion components of \$6,451,000, slightly offset by net operating expenses of \$1,351,000.

Unrealized net gains on investments in uranium during the three months ended August 31, 2019 were mainly due to the increase in the spot price of uranium. The spot price increased during the quarter from US\$24.10 per pound U₃O₈ and US\$80.50 per KgU as UF₆ at May 31, 2019 to US\$25.30 per pound U₃O₈ and US\$86.00 per KgU as UF₆ at August 31, 2019. The impact of the increase in the spot price on the unrealized gains on investments in uranium was partially offset by the change in the U.S. dollar to Canadian dollar exchange rate, which decreased by 2% during the quarter.

UPC's NAV per share increased to \$4.40 at August 31, 2019, from \$4.26 at May 31, 2019. Total equity increased to \$607,003,000 at August 31, 2019, from \$587,731,000 at May 31, 2019.

Sale of Conversion Components

During the three months ended August 31, 2019, the Corporation entered into an agreement with a primary UF₆ conversion supplier to sell the conversion components contained in 417,230 KgU as UF₆. This transaction resulted in the exchange of 417,230 KgU as UF₆ for 1,090,160 pounds of U₃O₈ as well as cash consideration of \$5,489,000 (US\$4,151,000) and beneficial storage and other arrangements valued at \$5,264,000 (US\$3,982,000). The gain on the sale of the conversion components was \$6,451,000, based on the difference between the total value of the cash proceeds plus the beneficial storage and other arrangements received and the historical cost of the conversion components of \$4,302,000. At the date of the transaction the fair value of the conversion components was \$10,480,000. There were no transaction fees relating to this sale.

Current Market Conditions

The uranium market saw very limited activity in the fiscal quarter ended August 31, 2019, with the price starting the quarter at US\$24.10 per pound U₃O₈ and increasing slightly to end the quarter at US\$25.30 per pound U₃O₈.

The most meaningful development in the uranium market during the quarter and, in fact, during the last 18 months, related to the completion of the investigation into the trade petition launched under Section 232 of the Trade Expansion Act of 1962 ('Section 232'), regarding uranium imports in the United States ('US'). On July 12, 2019, the United States President issued a memorandum which stated he did not concur with a US Department of Commerce ('DOC') finding that uranium imports threaten to impair US

national security. As a result, no trade actions were implemented in respect of uranium imports under Section 232.

The US administration, however, took the opportunity to order a further review of the nuclear fuel supply chain in the US and commissioned the Nuclear Fuel Working Group ('NFWG') with a mandate to make "recommendations to further enable domestic nuclear fuel production if needed" within 90 days. Accordingly, a report from the NFWG is expected on or before October 10, 2019. It was recently reported that, as part of this review, the Nuclear Energy Institute ('NEI') submitted a letter to the NFWG which included a request of the US administration to stimulate the US uranium mining industry by making use of provisions contained within the 1950 Defense Production Act – specifically by issuing direct payments to either a US nuclear utility or domestic uranium producer for the sale of US origin uranium to a US nuclear utility.

In other uranium industry news, the global nuclear industry gathered in London during the first week of September for the World Nuclear Association's ('WNA's) annual symposium. The general atmosphere around the conference was more positive than it has been in recent years, which was supported by the release of the WNA's biannual Nuclear Fuel Report. The report evaluates nuclear fuel demand and supply scenarios for the period from 2019 to 2040, using a reference, low and high case. For the first time in several years, the outlook for global uranium demand was positive in each of the scenarios.

The increase in expectations around uranium demand can be linked to several events that occurred during the fiscal quarter. Firstly, there was positive news out of the US, with Ohio passing a long-awaited energy bill, which supported the continued operation of the Davis-Besse and Perry nuclear power plants, operated by FirstEnergy Corp. Previous attempts to secure subsidies for these plants were unsuccessful, which had led most in the industry to believe the plants would be shut down by calendar year 2021.

Further good news relating to future uranium demand came out of Uzbekistan, which has recently indicated that it intends to add another two reactors, in addition to the two reactors already proposed for construction. Last October, Uzbekistan chose Russia's Rosatom to build two VVER-1200 reactors, which it expects to commission between 2028 and 2030. The country's Energy Minister said in a recent interview that it would add the two additional reactors to the same site.

In the United Kingdom ('UK'), a leaked government analysis stressed the need to build a fleet of new nuclear or carbon-capture power plants in order to meet climate targets. The UK government believes that up to 40 GWe of low carbon power stations could be needed in 2050 to reduce Britain's emissions to 'net zero' and currently there is just one nuclear power plant under construction – EDF Energy's 3.2 GWe Hinkley Point C in England.

Also during the quarter, the long-awaited outcome of Cameco Corp's ('Cameco's) arbitration case against Japan's Tokyo Electric Power Company ('TEPCO') was released. In July, a panel of arbitrators ruled in favour of Cameco, supporting the argument that TEPCO did not have the right to terminate its supply contract with the producer by claiming force majeure. However, Cameco was awarded damages of only US\$40 million, despite claiming US\$700 million. The decision cannot be appealed, and an explanation of the ruling will not be made public.

Offsetting the positive impacts on uranium demand, TEPCO officially announced that it will decommission its Fukushima-Daini nuclear power plant in Japan. This nuclear plant was not damaged in the Fukushima-Daichi accident, but is located only a few miles to the south of the troubled Daichi reactors. With both sites being decommissioned, TEPCO will be left only with its Kashiwazaki-Kariwa site, which has seven ABWR reactors. The company added to this news when it indicated it would consider decommissioning one or more units at Kashiwazaki as part of a possible agreement to restart units 6 and 7.

Further, the general situation around the nuclear power industry in Japan remains challenging. It was recently reported that it would cost US\$44.2 billion to bring all of Japan's operable nuclear plants into compliance with post-Fukushima safety standards. This estimate has sky-rocketed since 2013 when the estimated cost of meeting those requirements was US\$8.3 billion.

On the supply side of the uranium market, the world's largest uranium producer, National Atomic Company Kazatomprom announced in August that it would continue to maintain its 20% production curtailment through the end of calendar year 2021, rather than to the end of calendar 2020 as it had previously announced.

Also on the supply side, the sale of Rio Tinto's share in the Rössing uranium mine to China National Uranium Corporation Limited ('CNUC') has been completed. The arrangement called for an initial cash payment of US\$6.5 million, with a contingent payment of up to US\$100 million subject to certain benchmarks being met. With Rio Tinto's Ranger operation in Australia slowly ramping down over the next couple of years, one of the industry's major producers in past years will soon completely exit the market.

Outstanding Share Data

At September 26, 2019, there were 138,060,713 common shares issued and outstanding. There are no stock options or other equity instruments issued and outstanding.

About Uranium Participation Corporation

Uranium Participation Corporation 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 Corporation's website at www.uraniumparticipation.com.

For further information contact:

David Cates, President & Chief Executive Officer

(416) 979-1991 Ext. 362

Mac McDonald, Chief Financial Officer

(416) 979-1991 Ext. 242

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 the value of the Corporation's investments and expectations regarding uranium spot prices and uranium market factors, including expectations regarding uranium production levels, reactor restarts, levels of uncommitted utility reactor requirements, anticipated market supply and demand, the development of new nuclear power projects, the potential impact of international trade actions, 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 6, 2019 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.