



## Consolidated Uranium Provides Update to Shareholders

Toronto, ON, December 29, 2021 – Consolidated Uranium Inc. (the "Company", "CUR" or "Consolidated Uranium" - <https://www.commodity-tv.com/ondemand/companies/profil/consolidated-uranium-inc/>) (TSXV: CUR) (OTCQB: CURUF) is pleased to share an open letter from Chairman and Chief Executive Officer, Philip Williams, to shareholders of the Company.

Dear Fellow Shareholders:

As we end 2021, I wanted to take a moment to reflect on our Company's achievements over the past year and set out our objectives for the upcoming year and beyond.

### Continued Uranium Market Resurgence

Looking back at our letter from last year, we noted that uranium prices had increased from the low of US\$20.00 per lb in early 2020 to close that year at approximately US\$30.00 per lb. At that time, we expected prices, both spot and long term, to continue to climb and we were not disappointed. As of writing this letter, according to TradeTech, the weekly spot price indicator sits at US\$43.25 per lb with the long-term price indicator at US\$45.00 per lb. This impressive 42% increase in the spot price year-over-year tells only part of the story. The spot price peaked at just over US\$50 per lb in September on the back of aggressive spot market purchases from the Sprott Physical Uranium Trust, which now holds 41.3 m lbs of U<sub>3</sub>O<sub>8</sub> up from just 18.1 m lbs at the beginning of the year.

As expected, this continued upward strength in the uranium price has had a positive impact on share prices for uranium equities. The best way to see this is by looking at the performance of North Shore Global Uranium Mining ETF (URNM), which is now up 82% year-to-date despite correcting 20% from its high of early November.

Notwithstanding this tremendous performance for the sector, our view at Consolidated Uranium remains the same as last year. We continue to expect uranium prices, both spot and long term, will continue to rise due to the inherent disconnect between the current price and the required price level that existing supply can be maintained profitably and new supply can be incentivized to come online. The disconnect exists for the current level of demand however, we of course believe the future for nuclear power looks very bright and any increase in demand could serve to drive prices even higher. To give readers a sense for where demand might go, we reference the International Atomic Energy Agency (the "IAEA") projections for Nuclear Power Growth published in September 2021. Under the high case scenario of its new outlook, the IAEA expects world nuclear capacity could double by 2050. This is the scenario we are preparing for at Consolidated Uranium.

### Evolving the Business Model

Last year we stated that our business model was "to acquire uranium projects around the globe", and while that remains true, we have now added "and develop" to the model. This distinction is important as we have now reached the point in the uranium cycle, in our opinion, where value can be created not only by identifying and acquiring new

projects but also by advancing those projects. To be clear, CUR intends to continue to be an aggressive, yet judicious, acquirer of assets under the right circumstances with a view to building out the portfolio and providing our shareholders with continued diversified exposure to the sector. However, we expect that 2022 will be characterized as much by our project-level activities as by new M&A activity. Read on to find out about the important additions we made to our board of directors and team to execute these project-level programs and for more details on the plans for our key projects.

### **Bolstered Management and Board**

The year 2021 saw the continued build out of the leadership team at Consolidated Uranium with two key additions. The first is the appointment of Mark Chalmers to the board of directors. Mark is a familiar name in the uranium sector in his role as the CEO of Energy Fuels Inc. (NYSE American: UUUU) (TSX: EFR), a leading U.S.-based uranium mining company, and CUR's largest shareholder. As a mining engineer with decades of experience in the uranium sector, his wealth of knowledge will be invaluable to CUR as it builds out and advances its portfolio. The second and most recent is the appointment of Marty Tunney as President and Chief Executive Officer. Marty is also a mining engineer by background, with diverse experience in mine permitting and development, investment banking and leading public mining companies. In his dual roles, Marty will be responsible for helping shape the direction of the Company, with a particular focus on project advancement and development. In addition, during the past year, the Company has continued to add to its technical and operational teams on the ground in its key jurisdictions. Local expertise is particularly critical for the Company given the global nature of the portfolio and continued challenges with global travel.

### **Growing and Advancing the Portfolio**

To say that 2021 was an active year on the project acquisition front would be an understatement. We ended last year with four option agreements signed. During this year, we closed two of those acquisitions, announced and closed two additional acquisitions and announced an additional acquisition. Our global portfolio, including 100% owned projects and projects under options, now consists of 13 "projects" in four countries, Australia, Canada, the US and Argentina, with historic uranium and vanadium resources. Importantly, through the transformational acquisition and strategic alliance with Energy Fuels, we now own three past producing uranium and vanadium mines in the US with potential for near term production as market conditions continue to improve. In Canada, we added the high grade Matoush project with strong exploration upside potential. Most recently, we closed the acquisition of the Laguna Salada uranium and vanadium project in Argentina. These three projects will see the bulk of our project level expenditures for the year.

We would be remiss not to mention the exciting developments surrounding our Moran Lake project in Labrador and the creation of Labrador Uranium ("LUR"). In a natural extension of our business model, we determined that to maximize the value of Moran Lake it made sense to combine it with other projects in the province owned by Altius Minerals and Mega Uranium and form a new company with a separate and dedicated management team to focus on exploration and potential resource expansion. This concept was met with strong enthusiasm from the investment community securing C\$8 million in financing with a listing expected in Q1 2022. Importantly, CUR shareholders will gain direct exposure to this exciting new uranium vehicle by receiving LUR shares on a pro rata basis based on the number of CUR shares held at the time of completion of the spin-out transaction.

### **The Future is Bright**

With a busy and successful year nearly complete we now turn our attention to 2022 and we believe the future is bright. Just over a month ago, we closed a financing for proceeds of C\$20 million, which provides for a very healthy balance

sheet entering 2022. As discussed above, these funds are expected to be allocated toward project-level expenditures as well as pursuing new project acquisition opportunities.

**In closing, we believe our investment case remains strong for existing and new shareholders:**

- CUR is in the right sector at the right time; uranium is currently in a bull trend and has the potential to deliver robust returns for equity investors;
- CUR has the right team; which together boasts decades of uranium, M&A, exploration and mine development expertise;
- CUR has the right portfolio; located in top tier mining and uranium jurisdictions with high grades on a global scale with significant past expenditures and near-term production potential; and
- CUR has a proven track record; in less than two years, the Company has executed multiple M&A transactions, secured multiple financings and has increased market recognition as measured by share price and trading liquidity.

I would like to thank all of you for supporting and joining us on this journey.

Yours truly,

Philip Williams, Chairman and Chief Executive Officer

**Grant of Compensation Securities**

Pursuant to CUR's long term incentive plan, the Company has granted certain officers, directors, employees and consultants options to purchase an aggregate of 1,450,000 common shares of the Company and an aggregate of 650,000 restricted share units. The options are exercisable at a price of \$2.79 per common share for a period of five years and vest over three years as follows: one-third vesting immediately, one-third vesting after one year and one-third vesting after two years. The restricted share units, each of which entitles the holder to receive one common share of the Company, vest over three years as follows: one-third vesting after one year, one-third vesting after two years and one-third vesting after three years. The options and restricted share units are subject to approval of the TSX Venture Exchange.

**About Consolidated Uranium**

Consolidated Uranium Inc. (TSXV: CUR) (OTCQB: CURUF) was created in early 2020 to capitalize on an anticipated uranium market resurgence using the proven model of diversified project consolidation. To date, the Company has acquired or has the right to acquire uranium projects in Australia, Canada, Argentina, and the United States each with significant past expenditures and attractive characteristics for development. Most recently, the Company completed a transformational strategic acquisition and alliance with Energy Fuels Inc. (NYSE American: UUUU) (TSX: EFR), a leading U.S.-based uranium mining company, and acquired a portfolio of permitted, past-producing conventional uranium and vanadium mines in Utah and Colorado. These mines are currently on stand-by, ready for rapid restart as market conditions permit, positioning CUR as a near-term uranium producer.

## For More Information, Please Contact

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*This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. "Forward-looking information" includes, but is not limited to, statements with respect to activities, events or developments that the Company expects or anticipates will or may occur in the future including expectations regarding Uranium prices and the potential to deliver robust returns for equity investors, expectations regarding world nuclear capacity, expectations regarding potential value creation from project acquisitions and advancement, expectations regarding project-level activities and new M&A activity, expectations regarding the anticipated timing for listing of LUR, the anticipated use of proceeds from recent financings and the Company's ongoing business plan. Generally, but not always, forward-looking information and statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negative connotation thereof or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotation thereof. Such forward-looking information and statements are based on numerous assumptions, including that general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed and on reasonable terms, and that third party contractors, equipment and supplies and governmental and other approvals required to conduct the Company's planned exploration and development activities will be available on reasonable terms and in a timely manner. Although the assumptions made by the Company in providing forward-looking information or making forward-looking statements are considered reasonable by management at the time, there can be no assurance that such assumptions will prove to be accurate.*

*Forward-looking information and statements also involve known and unknown risks and uncertainties and other factors, which may cause actual events or results in future periods to differ materially from any projections of future events or results expressed or implied by such forward-looking information or statements, including, among others: negative operating cash flow and dependence on third party financing, uncertainty of additional financing, no current mineral reserves or resources, reliance on key management and other personnel, potential downturns in economic*

*conditions, actual results of exploration activities being different than anticipated, changes in exploration programs based upon results, and risks generally associated with the mineral exploration industry, environmental risks, changes in laws and regulations, community relations and delays in obtaining governmental or other approvals.*

*Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information or implied by forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements or information. The Company undertakes no obligation to update or reissue forward-looking information as a result of new information or events except as required by applicable securities laws.*