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This Announcement should be read in its entirety. In particular, you should read and understand the information provided in the "Important Information on the Placing for Invited Placees Only" section of this Announcement.

News Release

1 February, 2017

Anglo Pacific Group PLC Proposed Acquisition, Equity Placing and Refinancing

Anglo Pacific Group PLC ("**Anglo Pacific**", the "**Company**") (LSE: APF, TSX: APY) is pleased to announce that it has entered into a conditional financing agreement relating to the portion of the toll milling proceeds from the McClean Lake Mill attributable to Toronto Stock Exchange listed Denison Mines Inc. ("**Denison**") together with an associated conditional streaming agreement, for total cash consideration of C\$43.5 million (£26.4 million).

The McClean Lake Mill, operated by AREVA Resources Canada Inc. ("**ARC**"), receives all of the output from the Tier 1 Cigar Lake uranium ("**U₃O₈**") mine, ("**Cigar Lake**"), operated by Cameco Corporation ("**Cameco**"). Denison is entitled to 22.5 per cent. of the proceeds from the mill, which earns toll revenue on each pound of U₃O₈ that it processes. Anglo Pacific is entitled to payment in respect of toll milling revenues backdated to July 1, 2016.

The Denison Financing is structured as: (i) an initial C\$40.8 million (£24.8 million) 13-year loan with an interest rate of 10 per cent. per annum payable to Anglo Pacific; and (ii) the acquisition of a right to receive Denison's portion of the toll milling proceeds from the McClean Lake Mill after the first 215 Mlbs of throughput, for an upfront payment of C\$2.7 million (£1.64 million)

The Denison Loan is payable quarterly in cash and is structured so as to entitle Anglo Pacific to accelerated repayments of the loan principal when toll revenues exceed scheduled interest payments. In the event that toll revenues do not equal the accrued interest in any one period, the interest will capitalise and become due in the next period. The Denison Financing will be guaranteed by a parent company guarantee from Denison Mines Corporation ("**DMC**") (with recourse limited to the toll milling proceeds) and includes certain security arrangements.

The Denison Financing is expected to be part funded through the issue of new ordinary shares in the Company to raise up to £13.7 million (the "**Placing**"). The balance of the consideration payable is intended to be funded by drawdown on a new revolving credit facility which becomes available upon receipt by the Company of the placing funds⁽¹⁾ and will replace the previous US\$30m three-year facility which was due to expire in February 2018.

The Placing is being conducted through an accelerated bookbuilding process (the "**Bookbuild Process**") which will be launched immediately following release of this Announcement and which is expected to close today. The timing of the closing of the book, pricing and allocations are at the discretion of the Joint Bookrunners and the Company. The Placing is subject to the terms and conditions set out in the Appendix to this Announcement.

¹ In the event that £13.7m is not received but the Company proceeds with the transaction, the remaining funds will be drawn on the existing revolving credit facility

Key highlights of the Denison Financing

- Immediately accretive to adjusted EPS and dividend cover ⁽¹⁾;
- Producing asset with immediate cashflow generation and expected to have a stable cashflow profile;
 - Denison's portion of toll milling revenue received from Cigar Lake production of 18Mlbs per annum will be subject to the Denison Financing;
- Production upside potential from Cigar Lake Phase II mine life extension, expected to be captured in the Denison Stream;
 - McClean Lake Mill has scope to increase production to 24Mlbs, which may, in turn, result in an increase in income for the Group;
- Exposure to the highest grade uranium operation globally, which is well positioned on the global uranium cost curve and has a 12 year reserve based mine life;

- The mine and mill are operated by established uranium majors Cameco and ARC respectively;
- Reduced commodity price risk given the toll-milling nature of the asset; and
- Transaction delivers further diversified asset base, commodity exposure and geography, as well as increased exposure to non-carbon energy.

(1) No statement in this Announcement is intended to be a profit forecast and no statement in this Announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

Commenting on the acquisition, Julian Treger, Chief Executive Officer of Anglo Pacific, said:

"This transaction ticks all the boxes for Anglo Pacific and moves forward our growth and diversification in a material way. The transaction should be accretive to our 2017 income, building on the more than doubling of income in 2016, which we now estimate to be in the range of £19.5m to £20.5m following receipt of the final payment amount from Rio Tinto in respect of our Kestrel royalty."

"We are looking forward to working in partnership with Denison, and are pleased the structure of the transaction will facilitate their continued development."

Denison's President and CEO, David Cates, commented:

"This Financing represents a truly creative partnership between Anglo Pacific and Denison - whereby Denison is able to use its existing asset base to provide the company with the financial flexibility needed to advance our flagship Wheeler River project towards a development decision. With recourse being limited to the proceeds from Denison's interest in the toll milling revenues from the processing of Cigar Lake ore at the McClean Lake mill, this Financing allows Denison to benefit immediately from the cash flow expected to be produced from the McClean Lake mill over the next several years, without the overhang of a bullet payment or convert at the end of a debt, and without selling its strategic ownership stake in the McClean Lake mill or the McClean Lake Joint Venture."

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The Bookbuild Process and Placing

THE PLACING IS FOR INVITED PLACEES ONLY. MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING.

The Placing is being conducted through the Bookbuild Process which will be launched immediately following release of this Announcement and which is expected to close today.

BMO Capital Markets, Macquarie Capital and Peel Hunt (the "**Joint Bookrunners**") are acting as joint bookrunners in connection with the Placing.

The Placing is subject to the terms and conditions set out in the Appendix (which forms part of this announcement, such announcement and the Appendix together being the "**Announcement**"). The price per ordinary share at which the Placing Shares are to be placed (the "**Placing Price**") will be decided at the close of the Bookbuild Process. The book will open with immediate effect following this Announcement. The timing of the closing of the book, pricing and allocations are at the discretion of the Joint Bookrunners and the Company. Details of the Placing Price and the number of Placing Shares will be announced as soon as practicable after the close of the Bookbuild Process.

The Placing Shares, when issued, will be fully paid and will rank pari passu in all respects with the existing ordinary shares of the Company, including the right to receive all dividends and other distributions declared, made or paid after

the date of issue.

It is expected that certain Directors and employees will participate in the Placing subject to final allocations.

Application will be made for the Placing Shares to be admitted to the standard listing segment of the Official List (the "**Official List**") of the Financial Conduct Authority (the "**FCA**") and to be admitted to trading on the main market for listed securities of the London Stock Exchange plc (the "**London Stock Exchange**") (together, "**Admission**"). Settlement for the Placing Shares and Admission is expected to take place on or before 8.00 a.m. (GMT) on 6 February 2017. An application has been made to the Toronto Stock Exchange (the "**TSX**") to list the Placing Shares. The Placing is conditional, among other things, upon Admission becoming effective and the placing agreement between the Company and the Joint Bookrunners (the "**Placing Agreement**") not being terminated in accordance with its terms. The Appendix sets out further information relating to the Bookbuild Process and the terms and conditions of the Placing.

Current Trading

The Company is revising its royalty income estimate for the year to December 2016 to a range of £19.5 million - £20.5 million (previously £20.5 million - £21.5 million), following receipt of the Q4 payment from Rio Tinto in respect of the Company's Kestrel royalty.

Background to and reasons for the Denison Financing, the Placing and the Refinancing

The Denison Financing

The Denison Financing comprises:

- (i) a proposed C\$40.8 million (£24.8 million) thirteen-year loan with an interest rate of 10 per cent. per annum payable to Anglo Pacific (the "**Denison Loan**") repayable by way of limited recourse to Denison's 22.5 per cent. portion of the toll milling proceeds from the McClean Lake Mill (up to the first 215 Mlbs of throughput after 1 July 2016), structured by way of a loan agreement between the Company and the Denison SPV (the "**Denison Loan Agreement**") and a second loan agreement between the Denison SPV and Denison on substantially similar terms (the "**Denison On-Loan Agreement**"); and
- (ii) the acquisition of a right to receive Denison's portion (22.5 per cent.) of the toll milling proceeds from the McClean Lake Mill (other than on the first 215 Mlbs of throughput after July 1, 2016) for an upfront payment of C\$2.7 million (£1.64 million) (the "**Denison Stream**" and, together with the Denison Loan, the "**Denison Financing**").

The Denison Loan is payable quarterly in cash and is structured so as to entitle Anglo Pacific to accelerated repayments of the loan principal when toll revenues exceed scheduled interest payments. In the event that toll revenues do not equal the accrued interest in any one period, the interest will capitalise and become due in the next period. Anglo Pacific is entitled to payment in respect of toll milling revenues backdated to July 1, 2016 which, upon receipt, will be treated as prepayment of the principal amount outstanding under the Denison Loan.

The Denison Financing is restricted to Denison's attributable portion of toll milling revenue received from Cigar Lake U_3O_8 production of up to 18 Mlbs per annum as currently allowed under the Toll Milling Agreement ("**TMA**"). If the TMA is amended to increase the production from Cigar Lake above 18 Mlbs per annum, Anglo Pacific and Denison will split the additional toll revenue attributable to Denison in the ratio of 80:20.

The toll revenue is generated by Denison's 22.5 per cent. interest in the McClean Lake Joint Venture ("**MLJV**"), entitling Denison to 22.5 per cent. of the proceeds from the toll milling of Cigar Lake ore under the terms of the TMA entered into between the MLJV and Cigar Lake Joint Venture ("**CLJV**"). The toll milling fee is payable to the MLJV per pound of U_3O_8 produced from Cigar Lake ore, and is subject to inflation-linked escalators. The Denison Financing does not obligate the Company to contribute towards operating or capital costs, nor environmental or reclamation liabilities of either the MLJV or the CLJV.

The Denison Financing will be guaranteed by a parent company guarantee from DMC (with recourse limited to the toll milling proceeds) and secured by: (i) a second lien charge over the shares of Denison, which owns the 22.5 per cent. interest in the MLJV, (ii) a first lien share pledge over the Denison SPV, and (iii) a security interest over a collateral account into which Denison will place toll milling revenues. These security arrangements are regulated by an intercreditor agreement with The Bank of Nova Scotia, Denison's senior lending bank which has first ranking security. In order to facilitate Denison's future ability to secure mineral project development financing, in the event that Anglo Pacific and Denison's financiers are unable to agree an intercreditor agreement in relation to a project financing following the fifth anniversary of the loan and stream financing date, Denison is entitled to prepay any outstanding amounts on the loan and buyback the stream at the same time at a considerable premium to the outstanding loan principal and initial stream purchase price.

The Denison Financing provides for certain contractual protections, including sharing in the economic benefit associated with any increase in the annual rate of production permitted under the TMA.

In connection with the closing of the Denison Financing, Denison will grant Anglo Pacific 1,673,077 share purchase warrants, subject to receipt of regulatory approvals, including the approval of the Toronto Stock Exchange and the NYSE MKT. The warrants are expected to have an exercise price of CAD\$1.27 per share, and will be exercisable for a period of 3 years immediately following the closing of the Denison Financing.

Reasons for the Denison Financing

Anglo Pacific's primary strategic objective is to assess royalty and stream-based financing opportunities and/or acquire existing royalties and/or streams under third party ownership mainly in respect of production or near production stage base metals and bulk materials assets.

The Company currently holds a core portfolio of five royalties over mines that are in production and six royalties over projects that are in development or early stage development. However, the majority of the Group's income has historically been derived from its Kestrel royalty.

The Directors believe that the Denison Financing will provide the Group with the following benefits:

- further diversification of the royalty portfolio, both in terms of commodity and operator risk, and reduced dependence on Kestrel as the Group's primary source of earnings;
- reduced commodity price risk given toll milling fees are inflation-linked and based on units of production;
- additional income that is expected to be immediately accretive to the key performance indicators of adjusted earnings per share and dividend cover ⁽¹⁾;
- a producing asset with immediate cashflow generation and expected to have a stable cashflow profile;
- exposure to an asset with an attractive position on the global U₃O₈ producer cost curve;^[2]
- an asset that has scope to increase production which may, in turn, result in a corresponding increase in income for the Group; and
- the addition of a long-life asset to the portfolio, with the potential for the life of the Denison Stream, in connection with the Denison Financing, to be extended in the future through the development of existing Mineral Resources at Cigar Lake.

(1) No statement in this Announcement is intended to be a profit forecast and no statement in this Announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

The Refinancing

The Denison Financing and associated expenses are expected to be part funded through the Placing, which is expected to raise up to £13.7 million (~US\$17.1 million).

The balance of the consideration payable is intended to be funded by drawdown on a new revolving credit facility which becomes available upon receipt by the Company of the placing funds and will replace the previous US\$30m three-year facility which was due to expire in February 2018. The following are the key terms of the new facility:

- syndicated three-year revolving credit facility shared equally between Barclays Bank PLC and Investec Bank PLC (the "Lenders");
- initial US\$30m facility with the option for the banks to upsize to US\$40m upon future royalty acquisitions;
- LIBOR + 3.00 per cent. based on leverage ratios of less than 1x Margin increases by 25bps with each 0.25x increase in leverage ratio capped at LIBOR + 4.0 per cent;
- existing security package to be expanded to include the assignment of the Denison Loan rights;
- financial covenants and undertakings largely unchanged from the existing facility with the addition of a minimum collateral secured asset pool value (at US\$100m) and certain review rights by the Lenders in the event of a severe downturn in Anglo Pacific's income generation profile;
- 298,000 Anglo Pacific warrants issued to Investec Bank PLC for signing into the syndicate. Warrants are exercisable by the holder at any time within three years of granting at a 20 per cent. premium to the Anglo Pacific share price immediately prior to this Announcement; and
- the Company's new revolving credit facility is conditional on completion of the Denison Financing.

The Company expects, based on current commodity price and foreign exchange forecasts, to operate at less than 1x leverage going forward, absent any unforeseen circumstances.

The Placing is not conditional upon completion of the Denison Financing. Should the Denison Financing not complete, approximately US\$7.3 million of the net proceeds of the Placing will be used to repay the drawn down portion of the Company's revolving credit facility. The balance of the net proceeds will be available to help finance potential future acquisitions and for general corporate purposes.

McClean Lake Mill

The McClean Lake Mill is located in the Athabasca Basin in northern Saskatchewan, Canada. The McClean Lake Mill began producing uranium concentrate from ore mined at Cigar Lake in October 2014.

The McClean Lake Mill is a joint-venture between ARC (70 per cent.), Denison (22.5 per cent.) and OURD (Canada) Ltd. (7.5 per cent.), and is operated by ARC and its subsidiaries. As of 24 January 2017, ARC's parent company had an enterprise value of approximately US\$9.6 bn.^[3]

The McClean Lake Mill has been designed and constructed to process high grade uranium ores in a safe and environmentally responsible manner. The mill uses sulphuric acid and hydrogen peroxide leaching and a solvent extraction recovery process to extract and recover the uranium product from the ore.

The McClean Lake Mill is capable of processing uranium ore grades from less than 1 per cent. to 30 per cent. without dilution.

To accommodate the future 18.0 Mlbs U₃O₈ per year production, the McClean Lake Mill has obtained authorisation from the Canadian Nuclear Safety Commission to increase its annual production capacity of U₃O₈ from 13 Mlbs to 24 Mlbs per year which will lead to a progressive ramp-up of the mill in line with the Cigar Lake mine's ramp-up.^[4] Construction of the expansion is being fully funded by the CLJV.^[5]

Mill Production

The estimated total future mill production schedule across the current 12-year mine life, as published by Cameco in the Cigar Lake Qualified Person's Report, is set out in the following table.

<u>Year</u>	<u>Mill Production (U₃O₈) ⁽¹⁾</u>
	<u>100 per cent. Basis</u>
	Mlbs
2017	18.1
2018	18.2
2019	18.2
2020	18.2
2021	18.2
2022	18.2
2023	18.2
2024	18.2
2025	18.2
2026	18.2
2027	16.7
2028.....	3.4

(1) Cigar Lake Qualified Person's Report (p.113).

Toll Milling Revenue Estimates (Cameco)

The toll milling fee is payable to the MLJV on a per pound of U₃O₈ produced basis. While the Group is restricted from disclosing the terms of the TMA, a recent Cameco estimate of the toll milling revenues is presented below based on CLJV Mineral Reserves. In addition to the Reserves-based mine life, there exists potential for the mine life to be extended based on existing Mineral Resources. The toll milling estimates are presented in real terms, although they are subject to inflation adjustments.

<u>Year</u>	<u>Toll Milling Revenue</u>	<u>Attributable to Denison</u>
	<u>100 per cent. Basis⁽¹⁾</u>	<u>(22.5 per cent.)</u>
	C\$m	C\$m
2016	25.5	5.7
2017	25.8	5.8
2018	25.9	5.8
2019	25.9	5.8
2020	25.9	5.8
2021	25.9	5.8
2022	25.9	5.8
2023	25.9	5.8
2024	24.6	5.5
2025	15.3	3.4
2026	15.3	3.4
2027	14.1	3.1
2028.....	3.2	0.7

(1) Cigar Lake Qualified Person's Report (p.137).

Cigar Lake Mine

The third party information contained in this section is principally derived from the Cigar Lake Qualified Person's Report published on 29 March 2016 by Cameco and, where identified in the footnotes below, other publically available information.

Overview of Cigar Lake

Cigar Lake is a world-class mine located in the Athabasca Basin, a leading uranium district in Saskatchewan, Canada. The minesite is located approximately 660 km north of Saskatoon. The McClean Lake Mill is located 69km northeast of the minesite by road. The property is accessible by an all-weather road and by air. Site activities occur year round, including supply deliveries. Cigar Lake is operated on behalf of the CLJV by Cameco, an established uranium major.

The CLJV parties are Cameco (50.025 per cent.) which as of 24 January 2017 had an enterprise value of US\$6.1 bn, ARC (37.1 per cent.) a subsidiary of AREVA SA which as of 24 January 2017 had an enterprise value of US\$ 9.6 bn, Idemitsu Canada Resources Ltd ("Idemitsu") (7.875 per cent.) a subsidiary of Idemitsu Kosan Co Ltd. which as of 24 January 2017 had an enterprise value of US\$12.9 bn and Tokyo Electric Power Company Resources Inc. ("TEPCO") (5 per cent.) a subsidiary of Tokyo Electric Power Company Holdings Inc. which as of 24 January 2017 had an enterprise value of US\$68.8 bn. [\[6\]](#)

The Cigar Lake Qualified Person's Report describes Cigar Lake as the world's highest grade uranium mine. The uranium grades of the Mineral Reserves are over 100 times the world average for uranium deposits with an average ore grade

above 18 per cent.^[7] Current published Proven Mineral Reserves and Probable Mineral Reserves are 221.6 Mlbs U_3O_8 making the deposit one of the largest in the world.

The mine began commercial production in May 2015 and is expected by Cameco, its operator, to produce 16.0 Mlbs U_3O_8 in 2016. Full production of 18.0 Mlbs per annum is expected by Cameco in 2017. The remaining mine life of the deposit based on current Mineral Reserves will be approximately 12 years. The currently published mine plan is for Cigar Lake to produce less than the full annual production of 18.0 Mlbs in 2016 and the latter years of the mine life.

All in costs over the mine life are estimated to be US\$18.75/lb.^[8]

All of Cigar Lake's ore slurry is at the moment being processed at the McClean Lake Mill.

Forecast position on the Global Cost Curve (US\$/lb U_3O_8)

On a global benchmark comparison, operations at Cigar Lake are well positioned on the U_3O_8 cost curve as estimated by CRU International Limited (CRU). CRU forecasts Cigar Lake to be located at the middle of the global U_3O_8 business costs 2017E cost curve, and in the second quartile of the global U_3O_8 business costs 2020E cost curve per the charts viewable by clicking on the link below:

http://www.rns-pdf.londonstockexchange.com/rns/6727V_-2017-2-1.pdf

(1) CRU as of June 2016. Business costs defined as including all costs associated with mining and processing, transportation to port, insurance, freight, mineral royalties, sustaining capital and interest on working capital adjusted for any realised quality premiums or discounts

Mineral Resources and Mineral Reserves

A summary of Cigar Lake's Mineral Resources and Mineral Reserves, with an effective date of 31 December 2015 and taken from the Cigar Lake Qualified Person's Report, is set out in the table below:

<u>Category</u>	<u>Quantity</u>	<u>Grade</u>	<u>Contained</u>
	Mt	per cent. U_3O_8	Mlbs
Mineral Resources and Mineral Reserves^(1,2)			
Phase I			
Proven	223.7	21.91	108.1
Probable	375.7	13.55	112.3
Measured	2.7	6.06	0.4
Indicated	17.5	7.59	2.9
Inferred	42.4	11.17	10.4
Phase II			
Inferred	242.4	17.35	92.7
Broken ⁽³⁾			
Proven	2.4	24.56	1.3

(1) Cigar Lake's Mineral Resources and Mineral Reserves are taken from the Cigar Lake Qualified Person's Report. Mineral Resources are Mineral Reserves are reported in accordance with NI 43-101.

(2) Mineral Resources are reported exclusive of Mineral Reserves.

(3) The known mineralisation at Cigar Lake is divided into two areas. The eastern area is denoted as Phase I and the western area as Phase II. The Phase I mineral resource and reserve estimate is based on 641 mineralized underground surface diamond drillholes and surface freezehoies. The Phase II mineral resource estimate is based on 41 mineralized surface diamond drillholes. Broken uranium deposits are those found in rocks that have been broken due to tectonic fracturing, or weathering.

Uranium Market Outlook^[9]

Uranium demand is primarily driven by nuclear power capacity which is expected to grow at a CAGR of 2.1 per cent. between 2015 and 2035. The majority of the growth in demand is expected to come from Asia which is expected to grow at 7.03 per cent. CAGR over this period is driven by the need for stable low-carbon base-load power generation. China is the most important demand driver as it is expected to double its nuclear capacity from c.27 GW in 2015 to c.53 GW in 2020. 27 of the 69 reactors currently under construction globally are in China. Japan is also progressively restarting c.50 per cent. of its pre-Fukushima nuclear capacity.

Global uranium stockpiles have been at elevated levels recently (with more than 100 kt U_3O_8 accumulated since 2010) given the rapid inventory build up in China and the post-Fukushima inventory overhang in Japan. Although Chinese inventory is expected to continue to build up over the next 10 years, rapid growth in nuclear power capacity in China and the unwinding of legacy offtake contracts by Japanese utilities are expected to drive demand coverage of utility stocks from c.16 years in 2015 down to c.4 years in the 2030s.

Uranium supply is driven by primary supply as well as secondary supply from the existing government stockpile of fissile materials. Following the end of the Megatonnes to Megawatts program in 2013, secondary supply is no longer dominated by the downsizing of cold war stockpiles. Supply from committed and operating mines is expected to peak towards the end of this decade with most greenfield projects at least 8 years away and requiring higher prices to

incentivise development. The top 4 uranium miners globally produced c.65 per cent. of global primary U_3O_8 supply in 2015 emphasising the risk of supply disruption.

As the market works through the inventories, and global production from operating mines starts to decline, supply shortage is expected to emerge and lift the prices in the long-term. A long-term nominal contract price of \$80/lb is expected to be required to incentivise new supply to meet the expected demand by 2030.

About the Company

Anglo Pacific Group PLC is a global natural resources royalty and streaming company. The Company's strategy is to develop a leading international diversified royalty and streaming company with a portfolio centred on base metals and bulk materials, focusing on accelerating income growth through acquiring royalties and streams on projects that are in the main currently cash flow generating or are expected to be within the next 24 months. It is a continuing policy of the Company to pay a substantial portion of these royalties and streams to shareholders as dividends.

Disclaimer

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Persons needing advice should consult an independent financial adviser.

This Announcement has been issued by and is the sole responsibility of the Company. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by the Joint Bookrunners or by any of their respective affiliates or agents as to, or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

BMO Capital Markets, Macquarie Capital and Peel Hunt, each of which are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, are acting exclusively for the Company and no-one else in connection with the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for providing advice in relation to the Placing or any other matter referred to in this Announcement.

The distribution of this Announcement and the placing of the Placing Shares as set out in this Announcement in certain jurisdictions may be restricted by law. No action has been taken by the Company or the Joint Bookrunners that would permit an offering of such shares or possession or distribution of this Announcement or any other offering or publicity material relating to such shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company and the Joint Bookrunners to inform themselves about, and to observe, such restrictions.

In connection with any offering of the Placing Shares, each of the Joint Bookrunners and any of their respective affiliates may take up a portion of the securities in the offering as a principal position and in that capacity may retain, purchase or sell for their own account such securities. In addition, each of the Joint Bookrunners or their respective affiliates may enter into financing arrangements and swaps with investors in connection with which each of the Joint Bookrunners (or their respective affiliates) may from time to time acquire, hold or dispose of shares. The Joint Bookrunners do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

This Announcement contains "forward-looking statements" with respect to certain of the Company's plans and its current goals or expectations relating to its future financial condition and performance. Forward-looking statements typically use forward-looking terminology such as 'aims', 'believes', 'expects', 'may', 'will', 'could', 'should', 'intends', 'estimates', 'plans', 'assumes' or 'anticipates' or the negative thereof or other words of similar meaning. These statements are subject to a number of risks and uncertainties and actual results and events could differ materially from those currently being anticipated as reflected in such forward-looking statements. Factors which may cause future outcomes to differ from those foreseen in forward-looking statements include, but are not limited to: general economic and business conditions; demand for the commodities in which the Company has invested; factors affecting the assets and operations to which the Company's royalty interests relate; competitive factors in the industries in which the Company operates; exchange rate fluctuations; legislative, fiscal and regulatory developments; political risks; terrorism, acts of war and pandemics; and changes in law and legal interpretations. Forward-looking statements speak only as of the date of such statements and, except as required by applicable law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. The information contained in this Announcement is subject to change without notice and neither the Company nor the Joint Bookrunners assume any responsibility or obligation to update publicly or review any of the forward-looking statements contained herein. This Announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the Placing Shares.

Any indication in this Announcement of the price at which Ordinary Shares have been bought or sold in the past cannot be relied upon as a guide to future performance. No statement in this Announcement is intended to be a profit forecast and no statement in this Announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

Copies of the contents of this Announcement are not being, and must not be, directly or indirectly, released, mailed,

transmitted or otherwise forwarded, distributed or sent, in whole or in part, in or into a jurisdiction in which to do the same would be unlawful, and persons receiving such documents (including, without limitation, custodians, nominees and trustees) should observe these restrictions and must not, directly or indirectly, mail, transmit or otherwise forward, distribute or send any such documents in, into or from any such jurisdiction. The Company and its advisers do not assume any responsibility for any violation by any person of any of these restrictions.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.

The price of shares and any income expected from them may go down as well as up and an investor may not get back the full amount invested upon disposal of the shares.

DEFINITIONS

In this Announcement (including the Appendix) the following terms have the following meanings unless the context requires otherwise:

Admission	the admission of the Placing Shares to the standard listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange
Announcement	this announcement including the Appendix
ARC	AREVA Resources Canada Inc.
BMO or BMO Capital Markets	BMO Capital Markets Limited
Board	the Directors of the Company
Bookbuild Process	the accelerated bookbuilding process in respect of the Placing
Business Day	a day (excluding Saturdays and Sundays or public holidays in England and Wales) on which banks are generally open for business in London for the transaction of normal banking business
Cameco	Cameco Corporation
Cigar Lake	the Cigar Lake U ₃ O ₈ mine located 70 km south-west of the McClean Lake Mill
Cigar Lake Qualified Person's Report	means the National Instrument 43-101 Technical Report published on 29 March 2016 by Cameco in relation to the Cigar Lake operation in northern Saskatchewan, Canada
CLJV or Cigar Lake Joint Venture	the joint venture between Cameco (50.025 per cent.), ARC (37.1 per cent.), Idemitsu (7.875 per cent.) and TEPCO (5 per cent.) relating, inter alia, to Cigar Lake
Companies Act	the Companies Act 2006 (as amended) including any statutory modification or re-enactment thereof for the time being in force
Company or Anglo Pacific	Anglo Pacific Group PLC, registered in England and Wales under number 00897608
CREST	the relevant system, as defined in the CREST Regulations (in respect of which Euroclear is operator as defined in the CREST Regulations)
CREST Regulations	the Uncertificated Securities Regulations 2005, as amended
CRU	CRU International Limited
Denison	Denison Mines Inc.
Denison Financing	the Denison Loan and the Denison Stream
Denison Loan	a C\$40.8 million thirteen year secured loan provided to the Denison SPV by the Company with an interest rate of 10 per cent. per annum
Denison Loan Agreement	means the loan agreement between the Company and Denison SPV relating to the Denison Loan
Denison On-Loan	a C\$40.8 million thirteen year secured loan provided to Denison by the Denison SPV with an interest rate of 10 per cent. per annum
Denison On-Loan Agreement	means the loan agreement between the Denison SPV and Denison relating to the Denison On-Loan
Denison SPV	9373721 Canada Inc., registered in Canada under number 9373721
Denison Stream	a right to receive Denison's portion of the toll milling proceeds at the McClean Lake Mill, other than on the first 215 Mlbs of throughput after 1 July 2016, for an upfront payment of C\$2.7 million
Denison Streaming Agreement	means the streaming agreement between a wholly-owned subsidiary of the Company, and Denison
Directors	the Directors of the Company
DMC	Denison Mines Corporation
EU	the European Union
Euroclear	Euroclear UK & Ireland Limited (formerly CrestCo Limited), the operator of CREST
Existing Ordinary Shares	the 169,942,034 existing ordinary shares of 2 pence each in nominal value in the capital of the Company as at the date of this document
Financial Conduct Authority or FCA	the UK Financial Conduct Authority
FSMA	the Financial Services and Markets Act 2000 (as amended) and all regulations promulgated thereunder from time to time
Group	Anglo Pacific Group PLC and its subsidiaries
Idemitsu	Idemitsu Canada Resources Ltd
Indemnified Taxes	stamp duty or stamp duty reserve tax or similar taxes
Joint Bookrunners	Macquarie Capital, BMO Capital Markets and Peel Hunt
Kestrel	means the Kestrel coal mine in Australia, which is operated by Kestrel Coal on behalf of the joint venture partners, QCPL

Kestrel Coal lbs	and Mitsui Kestrel Coal Pty Ltd, a subsidiary of Rio Tinto Coal Australia pounds
Lenders Listing Rules	Barclays Bank PLC and Investec Bank PLC the listing rules made by the FCA in exercise of its functions as competent authority pursuant to Part VI of FSMA
London Stock Exchange or LSE Macquarie Capital Market Abuse Regulation	London Stock Exchange plc Macquarie Capital (Europe) Limited Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and any amendment thereto
McClean Lake Mill	the McClean Lake Mill located in the Athabasca Basin in northern Saskatchewan, Canada
Mitsui Mlbs MLJV or McClean Lake Joint Venture	Mitsui Kestrel Coal Investment Pty Limited million pounds the joint venture between ARC (70 per cent.), Denison (22.5 per cent.) and OURD (Canada) Ltd (7.5 per cent.) relating, inter alia, to the McClean Lake Mill
Mt NI 43-101	million tonnes Canadian National Instrument 43-101 - Standards of Disclosure for Mineral projects
Official List Order	the Official List of the FCA the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005
Ordinary Shares	ordinary shares in the capital of the Company from time to time
Peel Hunt Placing	Peel Hunt LLP the conditional placing of the Placing Shares on the terms and subject to the conditions of the Placing Agreement
Placing Agreement	the Placing Agreement dated 1 February 2017 between Macquarie Capital, BMO Capital Markets, Peel Hunt and the Company relating to the Placing
Placing Price	the price per Placing Share at which the Placing Shares are to be placed
Placing Shares	the new Ordinary Shares of 2 pence each in the nominal value in the capital of the Company to be issued in connection with the Placing
Prospectus Rules	the prospectus rules made by the FCA in exercise of its functions as competent authority pursuant to Part VI of FSMA
QCPL Qualified Investors	Queensland Coal Pty Limited Qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive
Regulations Rio Tinto Securities Act Shareholder TEPCO	the Money Laundering Regulations 2007 Rio Tinto Coal Australia Pty Limited the United States Securities Act of 1933, as amended a holder of Existing Ordinary Share(s) Tokyo Electric Power Company Resources Inc.
Terms of Subscription	the terms of subscription setting out the final number of Placing Shares and the final Placing Price following completion of the Bookbuild Process
TMA	the Toll Milling Agreement dated 1 January 2002 entered into between the MLJV and CLJV as amended and restated on 30 November 2011
TSX U₃O₈	the Toronto Stock Exchange triuranium octoxide
UK Listing Authority	the FCA in its capacity as the competent authority for the purposes of Part VI of FSMA
uncertificated or in uncertificated form	recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST, and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
United Kingdom or UK US or United States	the United Kingdom of Great Britain and Northern Ireland the United States of America, its territories and possessions, any State of the United States of America and the District of Columbia
WNA	World Nuclear Association

For the purposes of this document, **subsidiary** shall, unless the context otherwise requires, have the meaning given to it by the Companies Act.

All references to **pounds sterling, £** and **pence** are to the lawful currency of the United Kingdom.

All references to **US\$** are to the lawful currency of the United States.

All references to **C\$** are to the lawful currency of Canada.

Exchanges rates used in this announcement:

CAD:GBP 0.61

USD:GBP 0.80

APPENDIX: TERMS AND CONDITIONS OF THE PLACING

THIS ANNOUNCEMENT AND THE INFORMATION CONTAINED HEREIN ARE RESTRICTED AND ARE NOT FOR PUBLICATION, RELEASE OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, AUSTRALIA, JAPAN, SOUTH AFRICA OR ANY JURISDICTION IN WHICH THE SAME WOULD BE UNLAWFUL.

IMPORTANT INFORMATION ON THE PLACING FOR INVITED PLACEES ONLY.

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS SET OUT IN THIS APPENDIX ARE FOR INFORMATION PURPOSES ONLY AND ARE DIRECTED ONLY AT: (A) PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA WHO ARE QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 2(1)(E) OF THE EU PROSPECTUS DIRECTIVE (WHICH MEANS DIRECTIVE 2003/71/EC, AS AMENDED FROM TIME TO TIME, AND INCLUDES ANY RELEVANT IMPLEMENTING DIRECTIVE MEASURE IN ANY MEMBER STATE) (THE "**PROSPECTUS DIRECTIVE**") ("**QUALIFIED INVESTORS**"); (B) IN THE UNITED KINGDOM, QUALIFIED INVESTORS WHO ARE PERSONS WHO (I) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(1) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE "**ORDER**"), OR (II) ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) ("HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC") OF THE ORDER; OR (C) PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**"). THIS APPENDIX AND THE TERMS AND CONDITIONS SET OUT HEREIN MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. NOTWITHSTANDING THE FOREGOING, THIS ANNOUNCEMENT MAY BE DISSEMINATED, IN ACCORDANCE WITH APPLICABLE CANADIAN SECURITIES LAWS, IN CANADA FOR INFORMATION PURPOSES. PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS APPENDIX AND THE TERMS AND CONDITIONS SET OUT HEREIN RELATE IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THIS APPENDIX DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY.

NONE OF THE JOINT BOOKRUNNERS NOR THE COMPANY MAKES ANY REPRESENTATION TO ANY PLACEES REGARDING AN INVESTMENT IN THE SECURITIES REFERRED TO IN THIS ANNOUNCEMENT.

THE SECURITIES REFERRED TO IN THIS ANNOUNCEMENT HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR UNDER THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED OR SOLD DIRECTLY OR INDIRECTLY IN OR INTO THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ARE BEING OFFERED OR SOLD OUTSIDE THE UNITED STATES IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT. THE PLACING SHARES ARE BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT.

EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF AN ACQUISITION OF PLACING SHARES.

Persons who are invited to and who choose to participate in the Placing, by making an oral or written offer to acquire Placing Shares, including any individuals, funds or others on whose behalf a commitment to acquire Placing Shares is given (the "**Placees**"), will be deemed to have read and understood this Announcement in its entirety and to be making such offer on the terms and conditions, and to be providing the representations, warranties, acknowledgements and undertakings, contained in this Appendix. In particular, each such Placée represents, warrants and acknowledges that:

- (a) it is a Relevant Person (as defined above) and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
- (b) it is acquiring the Placing Shares for its own account or for an account with respect to which it exercises sole investment discretion, and that it (and any such account) is outside the United States and is acquiring the Placing Shares in an "offshore transaction" in accordance with Regulation S under the Securities Act (as defined above) and has not entered into any arrangement for transfer of the Placing Shares or any economic interest therein to any person in the United States; and
- (c) if it is a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, that any Placing Shares acquired by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of securities to the public other than an offer or resale in a member state of the EEA which has implemented the Prospectus Directive to Qualified Investors, or in circumstances in which the prior consent of the Joint Bookrunners has been given to each such proposed offer or resale.

The Placing Shares are being offered and sold outside the United States in accordance with Regulation S under the Securities Act.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any State securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this Announcement. Any representation to the contrary is unlawful.

The Placing Shares have not been, and will not be, qualified for distribution by prospectus under the securities laws of any province or territory of Canada, except with the consent of the Company, and are not being offered or sold in Canada or to persons subject to Canadian securities laws. This Announcement may, in accordance with applicable Canadian securities laws, be disseminated in Canada for information purposes.

No prospectus has been lodged with or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; and the Placing Shares have not been, nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of Australia or Japan or South Africa. The Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into the United States, Canada, Australia, Japan, South Africa or any other

jurisdiction outside the United Kingdom.

Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Appendix or the Announcement of which it forms part should seek appropriate advice before taking any action.

This announcement is not being distributed by, nor has it been approved for the purposes of section 21 of the Financial Services and Markets Act 2000 (as amended) ("**FSMA**") by, a person authorised under FSMA. This announcement is being distributed and communicated to persons in the UK only in circumstances in which section 21(1) of FSMA does not apply.

Details of the Placing Agreement and the Placing Shares

BMO Capital Markets, Macquarie Capital and Peel Hunt (together, the "**Joint Bookrunners**") have entered into a placing agreement (the "**Placing Agreement**") with the Company under which they have agreed as agents for the Company to use their respective reasonable endeavours to procure Placees to take up the Placing Shares, on the terms and subject to the conditions set out therein. Subject to the execution of a terms of subscription setting out, among other things, the final number of Placing Shares and the final Placing Price (as defined below) following completion of the Bookbuild Process (as defined below) (the "**Terms of Subscription**"), if any such Placee defaults in paying the Placing Price in respect of any Placing Shares allotted to it each Joint Bookrunner has agreed severally and not jointly or jointly and severally to subscribe for such shares in respect of the Placees procured by such Joint Bookrunner and the Company has agreed to allot or issue, as applicable, such shares to the relevant Joint Bookrunners at the Placing Price, on and subject to the terms set out in the Placing Agreement.

The new ordinary shares in the Company to be issued in the Placing ("**Placing Shares**") will, when issued, be credited as fully paid and will rank *pari passu* in all respects with the existing issued ordinary shares of 2 pence per share in the capital of the Company (the "**Ordinary Shares**"), including the right to receive all dividends and other distributions declared, made or paid on or in respect of the Ordinary Shares after the date of issue of the Placing Shares, and will on issue be free of all claims, liens, charges, encumbrances and equities.

Application for listing and admission to trading

Application will be made to the Financial Conduct Authority (the "**FCA**") for admission of the Placing Shares to the standard listing segment of the Official List of the UK Listing Authority and to London Stock Exchange plc for admission to trading of the Placing Shares on its main market for listed securities ("**Admission**").

It is expected that Admission of the Placing Shares will become effective at or around 8.00a.m. on 6 February 2017 and that dealings in the Placing Shares will commence at that time.

An application to the Toronto Stock Exchange (the "**TSX**") has been made to list the Placing Shares.

Bookbuild Process

The Joint Bookrunners will today commence an accelerated bookbuilding process in respect of the Placing (the "**Bookbuild Process**") to determine demand for participation in the Placing by Placees. This Appendix gives details of the terms and conditions of, and the mechanics of participation in, the Placing. No commissions will be paid to Placees or by Placees in respect of any Placing Shares.

The Joint Bookrunners and the Company shall be entitled to effect the Placing by such alternative method to the Bookbuild Process as they may, in their sole discretion, determine.

Participation in, and principal terms of, the Placing

1. The Joint Bookrunners are arranging the Placing severally and not jointly or jointly and severally as bookrunners and agents of the Company. Participation will only be available to persons who may lawfully be, and are, invited to participate by any of the Joint Bookrunners. Each of the Joint Bookrunners and their respective affiliates are entitled to enter bids as principal in the Bookbuild Process.
2. The Bookbuild Process, if successful, will establish a single price payable in respect of the Placing Shares (the "**Placing Price**") to the Joint Bookrunners by all Placees whose bids are successful. The Placing Price and the aggregate proceeds to be raised through the Placing will be agreed between the Joint Bookrunners and the Company following completion of the Bookbuild Process. The Placing Price and the number of Placing Shares to be issued will be announced on a Regulatory Information Service following the completion of the Bookbuild Process.
3. To bid in the Bookbuild Process, prospective Placees should communicate their bid by telephone to their usual sales contact at one of the Joint Bookrunners. Each bid should state the number of Placing Shares which the prospective Placee wishes to acquire at the Placing Price ultimately established by the Company and the Joint Bookrunners or at prices up to a price limit specified in its bid.
4. The Bookbuild Process is expected to close on 1 February 2017 but may be closed earlier or later with the agreement of the Joint Bookrunners and the Company. The Joint Bookrunners may, in agreement with the Company, accept bids that are received after the Bookbuild Process has closed. The Company reserves the right to reduce the amount to be raised pursuant to the Placing, in its discretion.
5. Each Placee's allocation will be confirmed to Placees orally by the relevant Joint Bookrunner following the close of the Bookbuild Process, and a contract note will be dispatched as soon as possible thereafter. The relevant Joint Bookrunner's oral confirmation to such Placee will constitute an irrevocable legally binding commitment upon such person (who will at that point become a Placee) in favour of such Joint Bookrunner and the Company, under which such Placee agrees to acquire the number of Placing Shares allocated to it and to pay the relevant Placing Price on the terms and conditions set out in this Appendix and in accordance with the Company's corporate documents.
6. The Company will make a further announcement following the close of the Bookbuild Process detailing the number of Placing Shares to be issued and the price at which the Placing Shares have been placed.
7. Subject to paragraphs 3 and 4 above, the Joint Bookrunners will, in effecting the Placing, agree with the

Company the identity of the Placees, the Placing Price and the basis of allocation of the Placing Shares.

8. A bid in the Bookbuild Process will be made on the terms and subject to the conditions in this Appendix and will be legally binding on the Placee on behalf of which it is made and except with the relevant Joint Bookrunner's consent will not be capable of variation or revocation after the time at which it is submitted. Each Placee will also have an immediate, separate, irrevocable and binding obligation, owed to the relevant Joint Bookrunner, to pay it (or as it may direct) in cleared funds an amount equal to the product of the Placing Price and the number of Placing Shares that such Placee has agreed to acquire. Each Placee's obligations will be owed to the relevant Joint Bookrunner.
9. Except as required by law or regulation, no press release or other announcement will be made by the Joint Bookrunners or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee's prior written consent.
10. Irrespective of the time at which a Placee's allocation pursuant to the Placing is confirmed, settlement for all Placing Shares to be acquired pursuant to the Placing will be required to be made at the same time, on the basis explained below under "Registration and Settlement".
11. All obligations under the Bookbuild Process and Placing will be subject to fulfilment or (where applicable) waiver of the conditions referred to below under "Conditions of the Placing" and to the Placing not being terminated on the basis referred to below under "Right to terminate under the Placing Agreement".
12. By participating in the Bookbuild Process, each Placee agrees that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee after confirmation (oral or otherwise) by a Joint Bookrunner.
13. To the fullest extent permissible by law, neither the Joint Bookrunners, the Company nor any of their respective directors, officers, employees, agents or affiliates shall have any responsibility or liability (whether in contract, tort or otherwise) to Placees (or to any other person whether acting on behalf of a Placee or otherwise). In particular, neither the Joint Bookrunners, the Company nor any of their respective directors, officers, employees, agents or affiliates shall have any responsibility or liability (whether in contract, tort or otherwise and including to the extent permissible by law any fiduciary duties) in respect of the Joint Bookrunners' conduct of the Bookbuild Process or of such alternative method of effecting the Placing as the Joint Bookrunners, their respective affiliates and the Company may agree.

Conditions of the Placing

The Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms. The Joint Bookrunners' obligations under the Placing Agreement are conditional on customary terms and conditions, including among others:

- (a) Admission occurring not later than 8:00 a.m. (GMT) on 6 February 2017 (or such other time or date as the Joint Bookrunners may agree) (the "**Closing Date**");
- (b) the representations, warranties and undertakings of the Company contained in the Placing Agreement being true, accurate and complete on and as of the date of the Placing Agreement and the Closing Date, in each case by reference to the facts and circumstances then existing;
- (c) the Company having complied with all of the agreements and undertakings and having satisfied and performed all of the conditions and obligations on its part (in all respects which are material in the context of the Placing and/or Admission) to be performed or satisfied under the Placing Agreement on or before Admission;
- (d) the conditional approval of the listing of the Placing Shares by the TSX subject to the fulfilment of certain customary requirements of the TSX prior to Admission (the "**TSX Conditional Approval**");
- (e) the execution and delivery of the Terms of Subscription;
- (f) no material adverse change having occurred or having been made public since the execution of the Placing Agreement and prior to Admission;
- (g) the publication of the results of the Placing on a Regulatory Information Service as soon as reasonably practicable after the execution of the Terms of Subscription and in any event by 5.00 p.m. (GMT) on the Business Day following the date of execution of the Terms of Subscription the Placing Agreement (or such later time or date as the Company and the Joint Bookrunners may agree); and
- (h) the Company allotting, subject only to Admission and receipt of the TSX Conditional Approval, the relevant Placing Shares in accordance with the Placing Agreement.

If (i) any of the conditions contained in the Placing Agreement, including those described above, are not fulfilled or (where applicable) waived by the Joint Bookrunners by the respective time or date where specified (or such later time or date as the Company and the Joint Bookrunners may agree) or (ii) the Placing Agreement is terminated in the circumstances specified below under "Right to terminate under the Placing Agreement", the Placing will lapse and the Placees' rights and obligations hereunder in relation to the Placing Shares shall cease and terminate at such time and each Placee (or any person on whose behalf the Placee is acting) agrees that no claim can be made by it in respect thereof.

The Joint Bookrunners may, at their discretion and upon such terms as they think fit, jointly waive compliance by the Company with the whole or any part of any of the Company's obligations in relation to the conditions contained in the Placing Agreement or to jointly extend the time provided for fulfillment of any such conditions in respect of all or any part of the performance thereof, save that the above condition relating to Admission taking place may not be waived and the date for satisfaction of this condition can only be extended by mutual agreement between the Joint Bookrunners and the Company. Any such extension or waiver will not affect Placees' commitments as set out in this Announcement.

None of the Joint Bookrunners, nor any of their respective directors, officers, employees, agents or affiliates shall have any liability (whether in contract, tort or otherwise) to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision it may make as to whether or not to waive or to extend the time and/or

date for the satisfaction of any condition to the Placing nor for any decision they may make as to the satisfaction of any condition or in respect of the Placing generally and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of the Joint Bookrunners.

Right to terminate under the Placing Agreement

The Joint Bookrunners are entitled, at any time before or on Admission, to terminate the Placing Agreement in accordance with the terms of the Placing Agreement in certain circumstances, including, inter alia: any breach of the representations and warranties given in the Placing Agreement at the time such representations and warranties are given by the Company or deemed to be repeated by the Company in accordance with the Placing Agreement; any material failure to perform any of the Company's undertakings or agreements in the Placing Agreement by the times specified therein; any material adverse change, or any development reasonably likely to result in, a material adverse change, in the condition, earnings, solvency or prospects of the Group taken as a whole; or the occurrence of a suspension or material limitation in the trading in any securities of the Company, certain other force majeure events or a banking moratorium declared by the United States, United Kingdom or Ireland or an actual or prospective material adverse change in UK taxation affecting the Group, which in the sole opinion of the Joint Bookrunners (acting jointly and in good faith), would make it impracticable or inadvisable to proceed with the Placing, the underwriting of the relevant Placing Shares, or Admission.

If the Placing is terminated in accordance with its terms, the rights and obligations of each Placee in respect of the Placing as described in this Announcement shall cease and terminate at such time and no claim may be made by any Placee in respect thereof.

By participating in the Placing, Placees agree that the exercise by the Joint Bookrunners of any right of termination or the exercise by any Joint Bookrunner of any other discretion under the Placing Agreement shall be within the absolute discretion of such Joint Bookrunner and that it need not make any reference to Placees and that it shall have no liability to Placees whatsoever in connection with any such exercise.

Lock-up and undertakings of the Company

The Company has undertaken to the Joint Bookrunners that, between the date of the Placing Agreement and the date which is 90 calendar days later (both dates inclusive) save as contemplated by the Placing Agreement or pursuant to the Denison Financing, it will not, without the prior written consent of the Joint Bookrunners (acting in good faith), (i) directly or indirectly, issue, offer, pledge, sell, contract to issue or sell, issue or sell any option or contract to purchase, purchase any option or contract to issue or sell, grant any option, right or warrant to purchase, deposit into any depositary receipt facility or otherwise transfer or dispose of, directly or indirectly, any Ordinary Shares or any securities convertible into or exercisable or exchangeable for Ordinary Shares or any other interest therein or file any registration statement under the Securities Act with respect to any of the foregoing (or publicly announce the same) or (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences of ownership of Ordinary Shares, whether any such swap or transaction described in statement (i) or (ii) above is to be settled by delivery of Ordinary Shares or such other securities, in cash or otherwise. The foregoing sentence shall not apply to: (a) the Placing Shares; (b) the issue of any Ordinary Shares pursuant to any convertible instruments, options, warrants or other rights existing at the date of the Placing Agreement; (c) the issue of any Ordinary Shares or options to acquire Ordinary Shares pursuant to any employee, director or executive share schemes existing at the date of the Placing Agreement; (d) the issue of any Ordinary Shares or options to the issue of any Ordinary Shares in lieu of payment of a cash dividend or pursuant to a scrip dividend; (e) the issue of any Ordinary Shares, options or other interests to any director or employee in lieu of any cash payment otherwise payable to such director or employee; (f) the issue of any Ordinary Shares or options to acquire Ordinary Shares to any employee or director of the Company in respect of Ordinary Shares representing an aggregate of no more than one per cent. of the issued share capital of the Company immediately following Admission, provided that such issue is, as at the date thereof, in accordance with an employee share scheme that has been implemented by the Company and that no issue of Ordinary Shares shall result in the requirement for the publication by the Company of a prospectus pursuant to the Prospectus Directive; or (g) the issue of Ordinary Shares or other securities in connection with any acquisition by the Company of a royalty or stream, provided that no issue of Ordinary Shares shall result in the requirement for the publication by the Company of a prospectus pursuant to the Prospectus Directive.

The Company has also undertaken to the Joint Bookrunners that it will not, between the date of the Placing Agreement and the date which is 90 calendar days after the Closing Date (inclusive), enter into any agreement, commitment or arrangement or put itself into a position where it is obliged to announce any agreement, commitment or arrangement which is material in the context of the Placing or which could materially and adversely affect the Placing without prior consultation with the Joint Bookrunners (where legal and reasonably practical).

The Company has also undertaken to the Joint Bookrunners that it will comply with FSMA, the Market Abuse Regulation and the Listing Rules so as to permit the completion of the distribution of the Placing Shares as contemplated in this Announcement and the Placing Agreement and in compliance with all other applicable laws or regulations, codes of conduct and contractual terms, in each case, insofar as they are relevant to the Placing.

No Prospectus

No offering document or prospectus has been or will be submitted to be approved by the UKLA in relation to the Placing.

Placees' commitments will be made solely on the basis of the information contained in this Announcement. Each Placee, by accepting a participation in the Placing, agrees that the content of this Announcement and all other publicly available information previously or simultaneously published by the Company by notification to a Regulatory Information Service or otherwise filed by the Company is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any other information, representation, warranty, or statement made by or on behalf of the Company or the Joint Bookrunners or any other person and none of the Joint Bookrunners or the Company nor any other person will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement which the Placees may have obtained or received. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

Registration and Settlement

Settlement of transactions in the Placing Shares (ISIN: GB0006449366) following Admission will take place within the CREST system, save as otherwise agreed in respect of any Placee. Subject to certain exceptions, the Joint Bookrunners

and the Company reserve the right to require settlement for and delivery of the Placing Shares to Placees by such other means that they deem necessary if delivery or settlement is not practicable within the CREST system within the timetable set out in this Announcement or would not be consistent with the regulatory requirements in the Placee's jurisdiction.

Each Placee allocated Placing Shares in the Placing will be sent a contract note in accordance with the standing arrangements in place with the relevant Joint Bookrunner stating the number of Placing Shares allocated to it at the Placing Price, the aggregate amount owed by such Placee to the Joint Bookrunner and settlement instructions. Each such Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with the standing CREST or certificated settlement instructions in respect of the Placing Shares that it has in place with the relevant Joint Bookrunner.

It is expected that the Placing will settle on 6 February 2017 in accordance with the instructions set out in the contract note.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of two percentage points above LIBOR as determined by the Joint Bookrunners.

Each Placee is deemed to agree that, if it does not comply with these obligations, the Joint Bookrunners may sell any or all of the Placing Shares allocated to that Placee on such Placee's behalf and retain from the proceeds, for the Joint Bookrunners' account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable for any shortfall below the aggregate amount owed by it and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties) or other similar taxes imposed in any jurisdiction which may arise upon the sale of such Placing Shares on such Placee's behalf.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the contract note is copied and delivered immediately to the relevant person within that organisation.

Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax. Placees shall not be entitled to receive any fee or commission in connection with the Placing.

Representations, Warranties and Further Terms

By participating in the Placing each Placee (and any person acting on such Placee's behalf) irrevocably acknowledges, confirms, undertakes, represents, warrants and agrees (as the case may be) with each Joint Bookrunner (in their capacity as bookrunners and placing agents), in each case as a fundamental term of their application for Placing Shares:

- 1 that it has read and understood this Announcement, including the Appendix, in its entirety and that its acquisition of the Placing Shares is subject to and based upon all terms, conditions, representations, warranties, indemnities, acknowledgements, agreements and undertakings and other information contained in this Appendix and that it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with Admission, the Placing, the Company, the Placing Shares or otherwise, other than the information contained in this Announcement and any other publicly available information;
- 2 that no offering document or prospectus has been prepared in connection with the placing of the Placing Shares and represents and warrants that it has not received a prospectus or other offering document in connection therewith;
- 3 that none of the Joint Bookrunners, the Company, any of their respective affiliates or any person acting on behalf of any of them has provided, nor will provide it, with any material regarding the Placing Shares or the Company other than this Announcement; nor has it requested any of the Joint Bookrunners, the Company, any of their affiliates or any person acting on behalf of any of them to provide it with any such information;
- 4 that the content of this Announcement is exclusively the responsibility of the Company and that none of the Joint Bookrunners, their respective affiliates or any person acting on behalf of any of them has made any representations to it, express or implied, with respect to the Company nor shall have any liability for any information, representation or statement contained in this Announcement or any information previously published by or on behalf of the Company and will not be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in this Announcement or otherwise. Each Placee further represents, warrants and agrees that the only information on which it is entitled to rely and on which such Placee has relied in committing itself to acquire Placing Shares is contained in this Announcement and any information previously published by the Company by notification to a Regulatory Information Service, such information being all that such Placee deems necessary to make an investment decision in respect of the Placing Shares and that it has neither received nor relied on any other information given or representations, warranties or statements made by any of the Joint Bookrunners or the Company nor any of their respective affiliates and none of the Joint Bookrunners or the Company will be liable for any Placee's decision to accept an invitation to participate in the Placing based on any other information, representation, warranty or statement, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by that person. Each Placee further acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company and the Group in deciding to participate in the Placing;
- 5 that in making any decision to acquire the Placing Shares, it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for or purchasing the Placing Shares. It further confirms that it is experienced in investing in securities of this nature in this sector and is aware that it may be required to bear, and is able to bear, the economic risk of participating in, and is able to sustain a complete loss in connection with, the Placing. It further confirms that it relied on its own examination and due diligence of the Company and its associates taken as a whole, and the terms of the Placing, including the merits and risks involved, and not upon any view expressed or information provided by or on behalf of the Joint Bookrunners and that it may not rely, and has not relied, on any investigation that the Joint Bookrunners, any of their affiliates or any person acting on their behalf, may have conducted with respect to the Placing Shares or the Company, and none of such persons has made any representation, express or implied, with respect to the Company, the Placing Shares or the accuracy, completeness or adequacy of the information contained in this Announcement, any marketing material relating to the Company or the Placing Shares or any other information;

- 6 that the Ordinary Shares in the capital of the Company are listed on the standard segment of the Official List of the UK Listing Authority and admitted to trading on the main market for listed securities of the London Stock Exchange, and that the Company is therefore required to publish certain business and financial information in accordance with the rules and practices of the FCA and that it is able to obtain or access such information, or comparable information concerning any other publicly traded company, in each case without undue difficulty;
- 7 that none of the Joint Bookrunners, their respective affiliates or any person acting on behalf of any of them has or shall have any liability for any publicly available or filed information or any information, representation, warranty or statement relating to the Company or the Group contained therein or otherwise, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by that person;
- 8 that it is not, and at the time the Placing Shares are acquired will not be, located in the United States or a resident of Australia, Canada (unless the Company has expressly authorized the Placee to participate in the Placing), Japan, or South Africa and each of it and the beneficial owner of the Placing Shares is not a resident of the United States, Australia, Canada, Japan, or South Africa and, at the time the Placing Shares are acquired, (i) will be acquiring the Placing Shares in an "offshore transaction" in accordance with Rule 903 or Rule 904 of Regulation S under the Securities Act; (ii) has such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of an investment in the Placing Shares, (iii) will not look to the Joint Bookrunners for all or part of any such loss it may suffer, (iv) is able to bear the economic risk of an investment in the Placing Shares, (v) is able to sustain a complete loss of an investment in the Placing Shares and (vi) has no need for liquidity with respect to its investment in the Placing Shares;
- 9 that, unless the Company has expressly authorized the Placee to participate in the Placing, it is not a resident of Canada or otherwise subject to the laws of Canada and is not purchasing the Placing Shares as principal who is a resident of Canada or otherwise subject to the laws of Canada;
- 10 that the Placing Shares have not been and will not be registered nor will a prospectus be cleared in respect of any of the Placing Shares under the securities laws or legislation of the United States, Australia, Canada, Japan, or South Africa and, subject to certain exceptions, may not be offered, sold, or delivered or transferred, directly or indirectly, within those jurisdictions;
- 11 unless otherwise specifically agreed with the Joint Bookrunners, that it is, or at the time the Placing Shares are acquired that it will be, the beneficial owner of such Placing Shares, or that the beneficial owner of such Placing Shares is not a resident of the United States, Australia, Canada, Japan or South Africa;
- 12 that the issue to it, or the person specified by it for registration as holder, of Placing Shares will not give rise to a liability under any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that the Placing Shares are not being acquired in connection with arrangements to issue depository receipts or to issue or transfer Placing Shares into a clearance service;
- 13 that it has complied with its obligations under the Criminal Justice Act 1993, the Market Abuse Regulation and in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Terrorism Act 2006 and the Money Laundering Regulations 2007 and any related or similar rules, regulations or guidelines, issued, administered or enforced by any government agency having jurisdiction in respect thereof (the "**Regulations**") and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;
- 14 if a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, that the Placing Shares purchased by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a Member State of the European Economic Area which has implemented the Prospectus Directive other than Qualified Investors, or in circumstances in which the prior consent of the Joint Bookrunners has been given to the offer or resale;
- 15 that it has not offered or sold and, prior to the expiry of a period of six months from Admission, will not offer or sell any Placing Shares to persons in the United Kingdom, except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) of FSMA;
- 16 that it has not offered or sold and will not offer or sell any Placing Shares to persons in the European Economic Area prior to Admission except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in any member state of the European Economic Area within the meaning of the Prospectus Directive;
- 17 that it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to the Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person;
- 18 that it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Placing Shares in, from or otherwise involving, the United Kingdom;
- 19 that no action has been or will be taken by either the Company or the Joint Bookrunners or any person acting on behalf of the Company or the Joint Bookrunners that would, or is intended to, permit a public offer of the Placing Shares in any country or jurisdiction where any such action for that purpose is required other than the United Kingdom;
- 20 that it and any person acting on its behalf is entitled to acquire the Placing Shares under the laws of all relevant jurisdictions which apply to it and that it has fully observed such laws and obtained all such governmental and other guarantees, permits, authorisations, approvals and consents which may be required thereunder and complied with all necessary formalities and that it has not taken any action or omitted to take any action which will or may result in the Joint Bookrunners, the Company or any of their respective directors, officers, agents, employees or advisers acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Placing;

- 21 that it (and any person acting on its behalf) will make payment in respect of the Placing Shares allocated to it in accordance with this Appendix on the due time and date set out herein, failing which the relevant Placing Shares may be placed with other acquirers or sold as the Joint Bookrunners may in their sole discretion determine and without liability to such Placee, who will remain liable for any amount by which the net proceeds of such sale falls short of the product of the relevant Placing Price and the number of Placing Shares allocated to it and may be required to bear any stamp duty, stamp duty reserve tax or other similar taxes (together with any interest or penalties) which may arise upon the sale of such Placee's Placing Shares;
- 22 that none of the Joint Bookrunners, nor any of their respective affiliates, nor any person acting on behalf of any of them, is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be a client of any Joint Bookrunner and that the Joint Bookrunners have no duties or responsibilities to it for providing the protections afforded to their respective clients or customers or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of their respective rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;
- 23 that the person whom it specifies for registration as holder of the Placing Shares will be (i) itself or (ii) its nominee, as the case may be. None of the Joint Bookrunners or the Company will be responsible for any liability to stamp duty or stamp duty reserve tax or other similar taxes resulting from a failure to observe this requirement ("**Indemnified Taxes**"). Each Placee and any person acting on behalf of such Placee agrees to participate in the Placing and it agrees to indemnify the Company and the Joint Bookrunners on an after-tax basis in respect of any Indemnified Taxes;
- 24 that any agreements entered into by it pursuant to these terms and conditions, and all non-contractual or other obligations arising out of or in connection with them, shall be governed by and construed in accordance with the laws of England and Wales and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract (including any dispute regarding the existence, validity or termination of such contract or relating to any non-contractual or other obligation arising out of or in connection with such contract), except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by either the Company or the Joint Bookrunners in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange;
- 25 that the Company, the Joint Bookrunners and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings which are given to the Joint Bookrunners on their own behalf and on behalf of the Company and are irrevocable;
- 26 to indemnify on an after tax basis and hold the Company, the Joint Bookrunners and their respective directors, officers, employees, agents and affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings in this Appendix and further agrees that the provisions of this Appendix shall survive after completion of the Placing;
- 27 that it has neither received nor relied on any inside information concerning the Company in accepting this invitation to participate in the Placing; and
- 28 if it is a pension fund or investment company, its purchase of Placing Shares is in full compliance with applicable laws and regulations.

The foregoing representations, warranties, confirmations, acknowledgements and undertakings (as the case may be) are given for the benefit of the Company as well as each of the Joint Bookrunners and are irrevocable.

The agreement to settle a Placee's acquisition of Placing Shares (and/or the acquisition by a person for whom such Placee is contracting as agent) free of stamp duty and stamp duty reserve tax depends on the settlement relating only to a subscription by it and/or such person direct from the Company for the Placing Shares in question. Such agreement also assumes that the Placing Shares are not being subscribed for in connection with arrangements to issue depositary receipts or to issue or transfer the Placing Shares into a clearance service. If there are any such arrangements, or the settlement relates to any other dealing in the Placing Shares, stamp duty or stamp duty reserve tax or other similar taxes may be payable, neither the Company nor the Joint Bookrunners will be responsible and the Placees shall indemnify the Company and the Joint Bookrunners on an after-tax basis for any stamp duty or stamp duty reserve tax paid by them in respect of any such arrangements or dealings. If this is the case, each Placee should seek its own advice and notify the Joint Bookrunners accordingly.

In addition, Placees should note that they will be liable for any stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the UK by them or any other person on the acquisition by them of any Placing Shares or the agreement by them to acquire any Placing Shares.

Each Placee, and any person acting on behalf of the Placee, acknowledges that neither the Company nor the Joint Bookrunners shall owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreement.

Each Placee and any person acting on behalf of the Placee acknowledges and agrees that any Joint Bookrunner or any of its affiliates may, at its absolute discretion, agree to become a Placee in respect of some or all of the Placing Shares.

When a Placee or person acting on behalf of the Placee is dealing with a Joint Bookrunner, any money held in an account with such Joint Bookrunner on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the rules and regulations of the FCA made under the FSMA. The Placee acknowledges that the money will not be subject to the protections conferred by the client money rules; as a consequence, this money will not be segregated from such Joint Bookrunner's money in accordance with the client money rules and will be used by such Joint Bookrunner in the course of its own business and the Placee will rank only as a general creditor of such Joint Bookrunner.

All times and dates in this Announcement may be subject to amendment. The Joint Bookrunners shall notify the Placees and any person acting on behalf of the Placees of any changes.

The information contained herein is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any State of the United States and the District of Columbia). These materials do not contain or constitute an offer for sale or the solicitation of an offer to purchase securities in the United States. The securities referred to herein have not been and will not be registered under the Securities Act, and may not be offered or sold in the United States absent registration under the Securities Act or an available exemption from, or transaction not subject to, the registration requirements of the Securities Act.

This Announcement is being sent into Canada only for information in connection with the Placing, Denison Financing and other matters set out in this Announcement and does not constitute an offer to sell, or a solicitation of an offer to buy, Placing Shares to or from a person in, or subject to the securities laws of Canada.

Offsetting provisions

No portion of a Placee's Placing participation may be offset through any purchase of Placing Shares by any other means. A Placee may not reduce its Placing participation through further placing or any other means, nor undertake hedging activities such as selling shares of the Company nor induce the sale of shares of the Company nor enter into put options or call options or any other hedging derivatives transactions on shares of the Company nor carry out any other transaction for its own account which could have a significant effect on the price of the shares of the Company or that is intended, directly or indirectly, to have the economic effect of hedging or otherwise mitigating the economic risk associated with the Placing participation.

Without prejudice to the foregoing sentence, the foregoing restrictions above shall not apply to (a) (i) transactions entered into for the purposes of hedging derivatives transactions of any kind in relation to shares of the Company, or (ii) proprietary positions on securities of the Company, in each case entered into by a Placee prior to this Announcement, or (b) any other hedging transactions relating to ordinary course market making or customer facilitation transactions. Furthermore, a Placee will be subject to no limitation on carrying out the restricted transactions for the account of its customers, or on buying shares of the Company for its own account, provided that those transactions are carried out in the ordinary course of its business and it complies with the securities market's existing regulations on rules of conduct and market abuse.

^[2] As estimated by CRU.

^[3] Bloomberg.

^[4] DMC press release dated 31 May 2016.

^[5] DMC 2015 Annual Information Form published on 24 March 2016.

^[6] Bloomberg

^[7] Information published by the WNA and updated on 7 March 2016: 'Uranium in Canada'.

^[8] Cameco filings

^[9] Source: CRU