



January 9, 2018

2017: Year of Acquisition and Preparation

VANCOUVER, CANADA

Dear Friends and Stakeholders of GoviEx Uranium Inc. ("GoviEx" or the "Company"),

As the holiday season comes to a close, we have taken time to reflect on the events that affected GoviEx during 2017 and to share our vision for the future.

Commodity Price

The nine year bear market which took spot down from approximately US\$140/lb U_3O_8 in 2007 seems to have turned the corner and has slowly begun to turn upwards. After an initial surge, gains in the spot uranium price remained relatively muted during 2017, trading between \$20 and \$21/lb U_3O_8 for most of the year, as inventories and excess supply weighed heavily on the price. However, the year ended with announcements of significant production cuts by major uranium producers, with an approximately one-million-pound- U_3O_8 -per-annum production cut at AREVA's Somair Project in Niger, followed by Cameco's announcement to suspend production at its McArthur River Mine, the world's largest producing uranium mine, for at least 10 months starting this month, which is expected to be a cut of approximately 15-18 million pounds of U_3O_8 in 2018. Kazatomprom then followed up with another production cut of approximately 28.6 million pounds of U_3O_8 over the next three years, adding to the 10% cut it announced at the end of 2016.

Nuclear Revival

Nuclear reactor demand, which represents the primary end use for uranium, is forecast by the World Nuclear Association to increase steadily to 2030 and beyond. There are estimated to be 60 reactors under construction and another 164 reactors planned to be constructed worldwide, with China leading the movement. Japan also is restarting reactors and continues to target nuclear energy as 20% of the nation's total energy generation.

Along with forecast increased demand for uranium, the announced production cuts from the major producers, as well as the uranium price being currently below the price required to incentivize new production, the Ux Consulting Company has changed their uranium market forecast from one of supply surplus to supply deficit in 2018.

Company Developments

GoviEx has one of the largest total, publicly-held, uranium Mineral Resources bases amongst its peer group and two mine-permitted projects. GoviEx has been preparing for the forecasted improvement in the condition of the uranium market by focusing on consolidating land positions accretive to our existing mine-permitted projects and reviewing technology options with the target of improving the economic potential of our projects in order to be in a better position to advance our mine-permitted projects towards a potential production decision once uranium prices increase.

Niger

In 2016, we set out an integrated four-part strategy to advance development of GoviEx's Madaouela Project in Niger, working towards a production decision. This strategy included the following aspects:

1. Debt finance structuring and engagement with various Export Credit Agencies

In September 2016, GoviEx appointed Medea Capital Partners Ltd. ("Medea") as a Project Debt Advisor to assist the Company in the process of structuring the debt portion of the project financing required for the development of the Madaouela Project.

In September 2017, GoviEx announced that expressions of interest had been received from Export Credit Agencies and project finance banks (collectively, the "Lenders") to arrange US\$220 million of senior debt financing for the construction of the Madaouela Uranium Project in Niger. GoviEx will seek to enter into discussions with the Lenders, in order to determine the appointment of Mandated Lead Arrangers to execute the project debt financing.

The expressions of interest remain subject to final due diligence, credit committee, and Board approvals, and negotiation of final loan documentation. Key conditions from potential Lenders include, as is standard for project debt financing, the following:

- Release of a Bankable Feasibility Study for the Madaouela Project, following GoviEx's continued optimization work;
- Having long-term off-take contracts in place from creditworthy nuclear utility counterparties; and
- Having Export Credit Agency insurance cover in place, based on the nationality of either the off-take and/or procurement counterparties.

2. Project optimization and completion of detailed engineering

Management has been focused on optimization of the Madaouela Project prior to completion of a Bankable Feasibility Study. In November 2017, the Agaliouk Exploration Permit in Niger was granted; Agaliouk is adjacent to the boundaries of the Madaouela Project. The Agaliouk Exploration Permit added 11.67 million pounds (Mlb) U₃O₈ in the Measured and Indicated Resources category, of which 5.96 Mlb U₃O₈ relates to the open-pit amenable Miriam Deposit, and 9.35 Mlb U₃O₈ in the Inferred Mineral Resources category to the Madaouela Project's Mineral Resources.¹

Part of the Measured and Indicated Mineral Resources related to the Miriam Deposit within the Agaliouk Exploration Permit area were previously reported as part of the mineral reserve statement for the Madaouela Project, and is already covered by the Environmental Social Impact Assessment approved in 2015.¹

In addition, the Company has started programs focused on optimizing the operating and capital costs of the project. These programs include the assessment of nano-filtration, a technology

¹ An independent NI 43-101 technical report was prepared for the Madaouela Project in 2015 to a pre-feasibility level of confidence. The report titled "An Updated Integrated Development Plan for the Madaouela Project, Niger" has an effective date of August 11, 2015, and a revision date of August 20, 2015, and is available under GoviEx's profile on SEDAR at www.sedar.com and on GoviEx's website at www.goviex.com.

that targets the recovery of sulfuric acid used to leach uranium, highlighted as a major consumable in the Integrated Development Plan (“IDP”).² Paladin Energy has already successfully installed nano-filtration at its Langer Heinrich mine for this purpose, and GoviEx intends to test its applicability for the Madaouela Project.

GoviEx is also studying the potential of a dry attrition process as a further development to our existing wet ablation process. The goal is to reduce water and power consumption while processing mineralized material with similar process volume reduction and grade increase benefits that ablation testwork showed were possible, and were reported in the IDP.² In addition, GoviEx is seeking lower operating and capital benefits. The Company plans to provide technical updates during 2018 as and when appropriate or required.

3. Off-take structuring

In February 2017, GoviEx engaged Houlihan Lokey EMEA, LLP as financial advisor to assist the Company with the securing of potential long-term off-take agreements in relation to its Madaouela Project. Houlihan Lokey’s work is complimentary to the Company’s debt financing efforts for the Madaouela Project.

Zambia

African Energy acquisition

In October 2017, GoviEx completed a transaction to acquire the uranium mineral interests of African Energy Resources Ltd. (“**African Energy**”) in Zambia. The combination of African Energy’s Chirundu and Kiraba Valley properties with GoviEx’s Mutanga Project united these neighbouring properties, and significantly expanded and improved the potential economies of scale of the Mutanga Project.

The acquired Chirundu and Kariba Valley properties included a mining licence, a prospecting licence, and a pending exploration licence. The Chirundu large scale mining licence covers two uranium deposits: Gwabe and Njame.

With the addition of the Chirundu and Kariba Valley properties, the Mutanga Project now consists of three contiguous, fully-permitted mining licences in a contiguous property of approximately 140 km in strike length.

Mutanga PEA³

Following the completion of the African Energy acquisition, GoviEx reported the Preliminary Economic Assessment (“PEA”) for the expanded Mutanga Project, which evaluated the economic and technical viability of a large-scale uranium project with low capital costs and low operating costs.

² An independent NI 43-101 technical report was prepared for the Madaouela Project in 2015 to a pre-feasibility level of confidence. The report titled “An Updated Integrated Development Plan for the Madaouela Project, Niger” has an effective date of August 11, 2015, and a revision date of August 20, 2015, and is available under GoviEx’s profile on SEDAR at www.sedar.com and on GoviEx’s website at www.goviex.com.

³ “NI 43-101 Technical Report on a Preliminary Economic Assessment of the Mutanga Uranium Project in Zambia”, dated November 30, 2017, and is available GoviEx’s profile at www.sedar.com, and on GoviEx’s website at www.goviex.com.

Highlights of the PEA were as follows:

- The project development plan envisions an average annual production rate of 2.4 million pounds of U₃O₈ yellowcake over an initial 11-year mine life, with an 88% ultimate uranium recovery rate.
- Initial capital costs are estimated at US\$123 million, with estimated cash operating costs of US\$31.1/lb U₃O₈, excluding royalties. Total life-of-mine (“LoM”) costs are forecast at US\$37.9/lb U₃O₈.
- The PEA is based on Measured and Indicated Mineral Resources of 15 million pounds (Mlb) U₃O₈ and 45 Mlb of Inferred Mineral Resources.
- At a long-term uranium price of US\$58/lb U₃O₈, the base case project economics for this project are positive, and indicate an after-tax net present value of US\$112 million (at 8% discount rate) with an internal rate of return (IRR) of 25% and total LoM net free cash of US\$268 million.

The PEA is considered preliminary in nature and includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. Mineral Resources that are not Mineral Reserves have not yet demonstrated economic viability. Due to the uncertainty that may be attached to Inferred Mineral Resources, it cannot be assumed that all or any part of an Inferred Mineral Resource will be upgraded to an Indicated or Measured Mineral Resource as a result of continued exploration or Mineral Reserves once economic considerations are applied; therefore, there is no certainty that the production profile concluded in the PEA will be realized.

Corporate

Listing and liquidity

While the key focus has been on geological and technical developments of the Company’s African projects, we have also targeted the liquidity and tradability of the Company’s shares, including having the Company’s Class A Common shares trade on the OTCQB® Venture Market in the United States under the symbol “**GVXXF**”. The OTCQB Venture Market provides efficient access to U.S. investors. In addition, the Company’s class A Common shares have attained DTC eligibility and have been enabled to settle via CREST in the United Kingdom.

Best Mining Project

On November 23, 2017, GoviEx received the Gold Award as “Best Mining Project” at the Africa Investment Forum and Awards in Paris, France, which recognized the quality of the Company’s projects.

Financing

The Company undertook a non-brokered private placement which raised CDN\$ 5.3 million allowing us to enter 2018 with a strong cash position.

Looking Forward

GoviEx has now amassed one of the largest, publicly-held, combined uranium Mineral Resource bases of its peer group, with combined Measured Resources of 36.2 Mlb U₃O₈, Indicated Resources of 107.3 Mlb U₃O₈, and Inferred Resources of 86 Mlb U₃O₈ estimated in accordance with National Instrument 43-101 (“NI 43-101”).⁴ Each of the Company’s properties has considerable exploration upside, with numerous drill-ready targets defined at each property.

GoviEx’s experienced directors and management team are focused on continuing the development of a growing, Africa-focused uranium company with a defined project development pipeline. The Company has already commenced the core tasks required for the development of its flagship, mine-permitted Madaouela Project, and with an improving uranium price, these tasks will be accelerated.

The PEA for the enlarged, mine-permitted Mutanga Project has highlighted the project’s economic potential.² Expansion and upgrading of the Mineral Resources in Zambia will be key targets when the uranium price improves.

At the Company’s Falea Project⁵ in Mali, the uranium Mineral Resources needs to be expanded; however, we need to have a greater understanding of the precious and base metal mineralization that also exist on the property, through geophysics and drilling, in order to better evaluate the full potential of this project.

In 2017, GoviEx further enhanced its portfolio of mineral projects and laid the groundwork to position itself for an improving uranium market we see in the years to come. These accomplishments are only possible because of the tremendous effort of our employees, the dedication of our board of directors, and support from the investment community.

In particular, we would like to thank the respective African governments for their support of the mining industry, which has enabled us to advance the development of the Company’s projects, despite having gone through a protracted period of weakness in the uranium price cycle. We look forward to their continued support as the uranium market fundamentals improve.

We are most grateful for the trust that you, our stakeholders, have placed in GoviEx and its management. We look forward to rewarding that trust by continuing to work hard on your behalf to keep advancing the development of GoviEx’s projects in the uranium mining space. We look forward to the New Year with anticipation and with confidence.

Wishing you all a Happy and Prosperous 2018!

⁴ An independent NI 43-101 technical report was prepared for the Madaouela Project in 2015 to a pre-feasibility level of confidence. The report titled “An Updated Integrated Development Plan for the Madaouela Project, Niger” has an effective date of August 11, 2015, and a revision date of August 20, 2015, and is available under GoviEx’s profile on SEDAR at www.sedar.com and on GoviEx’s website at www.goviex.com.

⁵ “Technical Report on the Falea Uranium, Silver and Copper Deposit, Mali West Africa”, dated October 26, 2015, prepared by Roscoe Postle Associates Inc. for Denison Mines Corp., and is available on GoviEx’s website at www.goviex.com.

Qualified Person

The scientific and technical information in this news release has been reviewed and approved by Dr. Rob Bowell, a chartered chemist of the Royal Society of Chemistry, a chartered geologist of the Geological Society of London, and a Fellow of the Institute of Mining, Metallurgy and Materials, who is an independent Qualified Person under the terms of NI 43-101 for uranium deposits. Dr. Bowell has verified the data disclosed in this news release.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

About GoviEx Uranium

GoviEx is a mineral resource company focused on the exploration and development of uranium properties in Africa. GoviEx's principal objective is to become a significant uranium producer through the continued exploration and development of its flagship mine-permitted Madaouela Project in Niger, its mine-permitted Mutanga Project in Zambia, and its other uranium properties in Africa.

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Cautionary Statement Regarding Forward-Looking Statements

This news release may contain forward-looking information within the meaning of applicable securities laws. All information and statements other than statements of current or historical facts contained in this news release are forward-looking information. Forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed here and elsewhere in GoviEx's periodic filings with Canadian securities regulators. When used in this news release, words such as "will", "could", "plan", "estimate", "expect", "intend", "may", "potential", "should," and similar expressions, are forward-looking statements. Information provided in this document is necessarily summarized and may not contain all available material information.

Forward-looking statements include, without limitation, statements regarding the economic potential for either or both of the Mutanga and Madaouela projects to be developed; production rates for both those projects; the expectation that the uranium price will increase, as expected, as a result of anticipated uranium supply deficit and the timing forecasted for such deficits; and other statements that are not facts. Forward-looking statements are based on a number of assumptions and estimates that, while considered reasonable by management based on the business and markets in which GoviEx operates, are inherently subject to significant operational, economic, and competitive uncertainties and contingencies.

Assumptions upon which forward-looking statements have been made in this news release include that the uranium market may be reaching a turning point and that the long-term fundamentals of the uranium market remain very strong, and the price of uranium will rise

sufficiently high and the costs of advancing the GoviEx's mining projects sufficiently low so as to permit GoviEx to implement its business plans in a profitable manner.

Factors that could cause actual results to differ materially from expectations include (i) the failure of the Company's projects, for technical, logistical, labour-relations or other reasons; (ii) a continued low price of uranium below what is necessary to sustain the Company's operations; (iii) an inability to achieve the anticipated production rates for the Company's projects due to technical, legal, economic or other factors; (iv) an increase in the Company's operating costs above what is necessary to sustain its operations; (v) accidents, labour disputes, or the materialization of similar risks; (vi) a deterioration in capital markets conditions that prevents the Company from raising the funds it requires on a timely basis; (vii) the failure of the GoviEx's obtain any necessary debt financing as anticipated; and (viii) generally, the Company's inability to develop and implement a successful business plan for any reason. In addition, the factors described or referred to in the section entitled "Financial Risks and Management Objectives" in the MD&A of GoviEx for the year ended December 31, 2016, which is available on the SEDAR website at www.sedar.com, should be reviewed in conjunction with the information found in this news release.

GoviEx has attempted to identify important factors that could cause actual results, performance, or achievements to differ materially from those contained in the forward-looking statements. There can be other factors that cause results, performance, or achievements not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate or that management's expectations or estimates of future developments, circumstances or results will materialize. As a result of these risks and uncertainties, the results or events predicted in these forward-looking statements may differ materially from actual results or events. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this news release are made as of the date of this news release, and GoviEx disclaims any intention or obligation to update or revise such information, except as required by applicable law, and GoviEx assumes no any liability for disclosure relating to the other company herein.

This news release does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful, including any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933 (the "1933 Act") or any state securities laws, and may not be offered or sold within the United States or to, or for account or benefit of, U.S. Persons (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available.

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