



December 30, 2019

GoviEx Letter to Stakeholders and Market Comments

VANCOUVER, CANADA – GoviEx Uranium Inc. (TSX-V: GXU; OTCQB: GVXXF) (“**GoviEx**” or “**Company**”) today provides a Market Update & Letter to Stakeholders from the Executive Chairman, Govind Friedland and the Chief Executive Officer, Daniel Major.

To Our Fellow Stakeholders,

As the decade comes to an end, we take this opportunity to thank you for placing your trust in our team. We continue our mission with reinvigorated efforts to develop our African mineral projects in a responsible, sustainable, and safe manner, and we wish to both reaffirm our belief in the fundamentals of nuclear power and to state clearly our resolve to play a leading role in the development of this clean, low-cost energy solution for years to come.

We appreciate you taking the time to review this sector perspective. We advance into 2020 with increased confidence in the overall uranium and nuclear industries, and GoviEx’s opportunity to operate and create lasting value in improving market conditions.

Thanks to the unwavering support of our committed stakeholders, GoviEx has one of the largest undeveloped uranium mineral resources in the industry. Because of our efforts and your support we and our local teams are now positioned, subject to increasing U_3O_8 prices sufficient to obtain project financing to move towards development of our two mine-permitted projects, with our initial focus on our flagship Madaouela Project located in Niger. Our Madaouela Project team has been operating in Niger for more than 10 years and benefits from much of the key infrastructure (road access, skilled mine labour, ground water and grid power) necessary to develop this strategic asset.

We are grateful for the work completed by our teams in Niger, Zambia and Mali, and for the strong and continuous support from the neighbouring communities and all levels of government.

Even though the spot uranium price declined slightly in 2019, we see reason for optimism in the uranium market fundamentals. The World Nuclear Association’s (“**WNA**”) Fuel Report issued in September 2019 (the “**2019 Fuel Report**”) highlights improving market dynamics, and demand expectations have improved in an environment of supply constraint and drawdown of utility inventories.

The WNA 2019 Fuel Report, forecasts an improvement in nuclear energy demand of 2.0% CAGR in the reference case from the demand forecast in the previous report in 2017. This improved forecast is supported by the reported 55 new reactors currently under construction and government policy changes resulting in extended reactor lives in the USA and France.

The supply constraint shouldered by the major uranium producers has resulted in the supply of uranium being in a deficit in all of the forecast scenarios in the WNA 2019 Fuel Report.

Projected increased demand and supply constraints have already been noted in the SWU and Conversion markets with rising prices, and we believe this will next flow through to the U_3O_8 prices in 2020.

Against this backdrop GoviEx continued its focus on preparing the Madaouela Project in Niger for future development. GoviEx signed definitive agreements with the Republic of Niger (the “**State**”) in July 2019, which resulted in the incorporation of our local operating mining company with the State as our partner holding a 20% equity interest in the local operating mining company. As part of our agreement with the State, GoviEx settled all outstanding tax claims and historical mining permit acquisition costs on the Madaouela 1 mining permit. In addition, the State agreed to defer the payment of future area taxes for up to 3 years from the incorporation of the local operating mining company.⁽¹⁾

At the same time the State agreed to re-shape the Madaouela 1 mining permit to include an additional 5.96 million pounds (Mlb) U₃O₈ in the Measured and Indicated categories, and agreed to issue new 9-year exploration permits for approximately 1,547 km² of exploration area contiguous to our Madaouela 1 mining permit.^(1, 2)

Over the year our feasibility study consultants SRK Consulting (UK) Ltd (“**SRK**”) and SGS Bateman (Pty) Ltd (“**SGS**”) have been focusing on options that have significant potential to improve the feasibility of the Madaouela Project. They are targeting areas that will reduce both operating and capital costs relative to the current technical report on the Madaouela Project⁽³⁾ while at the same time reduce technical risk, with a focus on improving overall project economics. Metallurgical test work is ongoing to verify initial results, and we anticipate being able to provide an update on the project economics during the first half of 2020.

GoviEx completed a financing in April 2019 for gross proceeds of C\$3,502,000⁽⁴⁾ and in addition received over US\$1.0m from Linkwood Holdings Pte Ltd. as part of its repayment of the US\$2.75m loan provided by GoviEx.⁽⁵⁾ These funds have enabled the Company to advance key aspects of the Madaouela Project including continued engineering and project optimization, as well as the advancement of primary corporate objectives related to the project with particular reference to our definitive agreement with the State noted above.

GoviEx expects our main value driver, the uranium commodity price, to improve through 2020 as the impact of the current supply deficit, expected removal of political uncertainty in the USA, and increase in producer buying to meet contract commitments impacts buyer actions in a positive manner. GoviEx will continue to advance its projects in a responsible, safe and sustainable manner, consistent with past practices.

We continue focusing on our strategy to position the Company at the forefront of our peers to take advantage of anticipated market changes to incentivize new production. Our near-term goals are to deliver technical studies that synthesise the last 5 years of improvements in our resources, planned operations and process design that have the potential to reduce capital and operating expenses and improve resulting project economics.

We thank you for the support during these “bottom of the cycle” years and look forward to a market on the upswing.

Sincerely,

Govind Friedland & Daniel Major

Notes:

1. See: News release dated July 19, 2019

2. See: News release dated September 23, 2019

3. An independent NI 43-101 technical report was prepared for the Madaouela Project in 2015 to a prefeasibility 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 at GoviEx's profile on SEDAR at www.sedar.com.

4. See: News release dated April 10, 2019

5. See: News release dated December 20, 2019

Qualified Persons

The scientific and technical information disclosed in this release has been reviewed, verified, 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 Fellow of the Institute of Mining, Metallurgy and Materials, who is an independent Qualified Person under the terms of National Instrument 43-101 for uranium deposits.

Neither the TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada 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 those with respect to our belief in the fundamentals of nuclear power; increased confidence in the overall uranium and nuclear industries; GoviEx's opportunity to operate and create lasting value in improving market conditions; to move towards development of our two mine-permitted projects, with our initial focus on our

flagship Madaouela Project located in Niger; continuous support from the neighbouring communities and all levels of government; projected increased demand will next flow through to the U₃O₈ prices in 2020; potential to improve the feasibility of the Madaouela Project; WNA 2019 Fuel Report forecasts; anticipated ability of GoviEx to provide an update on the project economics during the first half of 2020; and GoviEx's expectations that the uranium commodity price will improve through 2020.

In addition, the factors described or referred to in the section entitled "Financial Risks and Management Objectives" in the MD&A for the year ended December 31, 2018, of GoviEx, which is available on the SEDAR website at www.sedar.com, should be reviewed in conjunction with the information found in this news release.

Although 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, no assurance can be given that any events anticipated by the forward-looking information in this news release will transpire or occur, or if any of them do so, what benefits that GoviEx will derive therefrom. 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.