



August 6, 2020

## GoviEx Announces Non-Brokered \$5M Private Placement

### Completes \$4.7M First Tranche Closing Supported by Lead Institutional Investor

#### Financing is Fully Subscribed

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VANCOUVER, CANADA – GoviEx Uranium Inc. (TSX-V: GXU; OTCQB: GVXXF) (“**GoviEx**” or “**Company**”) is pleased to announce that it is closing the first tranche of a fully subscribed non-brokered private placement offering of up to 35,714,286 units (“**Units**”) at a price of C\$0.14 per Unit (the “**Private Placement**”) for gross proceeds of approximately C\$5 Million.

“The U308 spot price is up over 30% from the beginning of this year and we are delighted by the strong support received from our lead institutional investor as well as other long-term shareholders seeking exposure to our quality pipeline of mineral projects,” stated Govind Friedland, GoviEx Executive Chairman.

“We believe we are at a key turning point in the uranium market, and with this equity raise and support from a number of astute institutions, including a single lead investor taking the majority of the placement, the Company will be well funded to achieve our corporate objectives for the year. The first half of 2020 has brought with it major challenges and GoviEx has responded to them well. Despite the various COVID-19 restrictions around the globe the Company continues to advance its projects.

The global demand for uranium has remained strong. New reactor construction is ongoing, and COVID-19 related supply restrictions on top of existing production constraint from the major producers has put pressure on the uranium spot price to the upside.

Accordingly, the updated pre-feasibility study for the Madaouela project in Niger (the “**Madaouela Project**”) continues to be advanced with the team focusing improvements to the planned operations and process design to potentially reduce capital and operating expenses and improve resulting project economics from those previously reported in the current pre-feasibility study on the Madaouela Project<sup>(1)</sup>, thereby improving the potential bankability of our flagship fully permitted Madaouela Project. Although COVID-19 has slightly impacted the timing for completion of the study, we remain confident to be able to announce results later this year,” said Mr Friedland.

#### Falea Uranium-Silver-Copper Project update

As announced on July 6, 2020, a recent gold geochemical sampling program on the Company’s Falea and Madini exploration licenses forming part of the Falea (Uranium-Silver-Copper) project in Mali (the “**Falea Project**”) highlighted significant gold in soils anomalies that show the potential extensions of the Sirabaya West and the Siribaya-Bambadinka gold

trends through, and potentially intersecting within, the Falea Project. We believe these preliminary results, when combined with the known uranium-silver-copper mineralisation of the Falea Project mineral resources<sup>(2)</sup>, has significantly raised the exploration potential of these licenses. A significant portion of this current financing is anticipated to be allocated to testing this precious metal potential.

### The Private Placement

Each Unit consist of one (1) Class A common share in the capital of the Company (a “**Common Share**”) one (1) transferable share purchase warrant (a “**Warrant**”). Each Warrant will entitle the holder to acquire one (1) Common Share (a “**Warrant Share**”) for a period of 60 months from the date of issue at an exercise price equal to the US\$ equivalent of C\$0.20.

All securities issued under this Private Placement are subject to the customary four-month hold period. In addition, securities issued to subscribers in the United States are subject to a hold period under the *United States Securities Act of 1933*, as amended (the “**1933 Act**”) and can only be resold in strict compliance with the applicable exemptions from the registration requirements of the 1933 Act.

The net proceeds from the Private Placement will be used to fund continued exploration and development activities on GoviEx’s Madaouela, Mutanga and Falea projects and for general working capital purposes.

In connection with the Private Placement, the Company will pay arm’s length finders an aggregate cash commission of 6% of the gross proceeds raised under the Private Placement from subscriptions sourced by finders and will issue that number of non-transferable finder’s warrants (equal to 6.0% of the number of Units sold under the Private Placement to subscribers sourced by finders) to acquire Common Shares (“**Finder’s Warrants**”). Each Finder’s Warrant will be exercisable for one (1) Common Share (a “**Finder’s Warrant Share**”) at a price of C\$0.14 per Finder’s Warrant Share.

### Closing of First Tranche of Private Placement

The Company is also pleased to announce that it has closed the first tranche of the Private Placement. In this first tranche, the Company issued an aggregate 33,664,286 Units for gross proceeds of approximately C\$4.7 Million. Warrants issued pursuant to the first tranche closing are exercisable at a price of US\$0.15 per Warrant Share until August 6, 2025, subject to applicable adjustments.

GoviEx insiders subscribed for a total of 185,715 Units. The placement to insiders constitutes a “related party transaction” within the meaning of Exchange Policy 5.9 and Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions (“**MI 61-101**”). The Company has relied on exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in respect of related party participation in the placement as neither the fair market value (as determined under MI 61-101) of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involved the related parties, exceeded 25% of the Company’s market capitalization (as determined under MI 61-101).

In connection with the first tranche close of the Private Placement, the finder, Red Cloud Securities Inc. (“**Red Cloud**”), will receive a cash commission of C\$209,460 and Finder’s Warrants exercisable until August 6, 2025, to acquire an aggregate 1,496,142 Finder’s Warrant Shares at price of C\$0.14 per Finder’s Warrant Share.

All securities issued under the first tranche close of the Private Placement are subject to a hold period and may not be traded before December 7, 2020.

The final tranche of the Private Placement is expected to close on or before August 13 2020.

The Private Placement remains subject to the final TSX Venture Exchange acceptance.

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

Notes:

1. 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](http://www.sedar.com).
2. See technical report titled, "Technical Report on the Falea Uranium, Silver and Copper Deposit, Mali, West Africa" prepared by Roscoe Postle Associates Inc. for Denison Mines Corp., October 26, 2015, available on the Company's website at [www.goviex.com](http://www.goviex.com).

## 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 multi-element Falea Project in Mali.

## Information Contacts

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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 the Company's belief that: the uranium market has reached a key turning point and that with the funds derived from the Private Placement the Company will be well funded to achieve its corporate objectives for the year; the timing and ability of the Company to deliver an updated pre-feasibility study on the Madaouela Project; the anticipation that improvements made to the planned operations and process design of the Madaouela project may have the potential to reduce capital and

operating expenses and improve resulting project economics from those previously reported in the current pre-feasibility study on the Madaouela Project; potential extensions of the Sirabaya West and the Siribaya-Bambadinka gold trends through, and potentially intersecting within, the Falea Project and the Company's belief that these preliminary results, when combined with the known uranium-silver-copper mineralisation of the Falea Project mineral resources, has significantly raised the exploration potential of the Falea and Madini exploration licenses; receipt of final TSX Venture Exchange acceptance of the Private Placement; the anticipated timing and completion of the final tranche of the Private Placement; and the proposed use of the proceeds of the Private Placement.

Although the Company believes the expectations reflected in such forward-looking statements are based on reasonable assumptions, it can give no assurances that its expectations will be achieved. Such assumptions, which may prove incorrect, include the following: (i) receipt of TSX Venture Exchange final acceptance of the Private Placement will be obtained; (ii) sufficient subscriptions will be received to complete the entirety of the offering under the Private Placement; (iii) improvements to the planned operations and process design of the Madaouela Project will result in reduced capital and operating expenses and improve resulting project economics and bankability of the Madaouela Project; (iv) the exploration potential of the Falea and Madini exploration license will be proven; and (v) the price of uranium will remain sufficiently high and the costs of advancing the Company'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 Company's failure to have the Private Placement fully subscribed or make effective use of the proceeds of the Private Placement; (ii) the failure of the Company's projects, for technical, logistical, labour-relations, or other reasons; (iii) the Company's inability to obtain TSX Venture Exchange acceptance of the Private Placement; (iv) a decrease in the price of uranium below what is necessary to sustain the Company's operations; (v) an increase in the Company's operating costs above what is necessary to sustain its operations; (vi) accidents, labour disputes, or the materialization of similar risks; (vii) a deterioration in capital market conditions that prevents the Company from raising the funds it requires on a timely basis; 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 for the year ended December 31, 2019, of GoviEx, which is available on the SEDAR website at [www.sedar.com](http://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.

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.