



March 2, 2018

## GoviEx Uranium and Toshiba Corporation agree to settle Uranium Bond

VANCOUVER, CANADA – GoviEx Uranium Inc. (TSX-V: GXU; OTCQB: GVXXF) (“GoviEx” or “Company”) today announced that, further to its news release of December 18, 2017, it has signed a Termination Agreement and Mutual Release (the “**Agreement**”) with Toshiba Corporation (“**Toshiba**”). The Agreement sets out the terms under which GoviEx and Toshiba (collectively, the “**Parties**”) have agreed to settle the Tranche B Bond dated April 18, 2012, as amended (the “**B Bond**”), terminate the Sale and Purchase of Uranium Concentrates Agreement dated April 18, 2012, as amended (the “**Offtake Agreement**”), and provide their mutual release to each other in accordance with the terms and conditions of the Agreement.

“We believe this transaction is positive for GoviEx Shareholders,” said Govind Friedland, Executive Chairman of GoviEx. “On behalf of the GoviEx board of directors, we welcome the opportunity to settle the uranium B Bond with Toshiba early and at an attractive price. We remain grateful for Toshiba’s financial support, which helped GoviEx advance the Madaouela Project through preliminary feasibility and the environmental and mine permitting process, and wish to thank Toshiba for their important contributions over the last six years.

“We are pleased that we have reached a mutually-acceptable agreement to settle the B Bond. This agreement allows GoviEx to settle this uranium-price-linked liability at a low point in the uranium market cycle, discharges the security granted to Toshiba in connection with the B Bond, and removes the associated risks to our shareholders.

“We are equally pleased with the strong signal of support and strength from our other strategic shareholders, as demonstrated by the expression of interest from Denison Mines to assist in funding the B Bond settlement. Upon closing, GoviEx will be essentially debt free,” added Mr. Friedland.

### **B Bond**

Pursuant to a Bond Purchase Agreement dated April 18, 2012, as amended (the “Bond Purchase Agreement”) with Toshiba, the Company borrowed 200,000 pounds of uranium concentrate  $U_3O_8$  at an interest rate of 12% compounded annually, for which GoviEx granted the B Bond to Toshiba. As of December 31, 2017, a total of 382,193 pounds of  $U_3O_8$ , including interest accrued, was due to Toshiba under the B Bond. The Ux Consulting broker average spot uranium price on February 27, 2018 was US\$21.44/lb  $U_3O_8$ , which results in a face value for the B Bond of US\$8.2 million. The B Bond and the Bond Purchase Agreement are secured by a floating charge on all Nigerien assets of the Company (the “**Security**”). GoviEx has agreed to pay Toshiba US\$4.5 million by March 31, 2018 to settle the B Bond in full, and for Toshiba to provide a release of all associated Security.

## Offtake Agreement

In April 2012, GoviEx signed the Offtake Agreement with Toshiba and Advanced Uranium Asset Management (“**AUAM**”). Pursuant to the Offtake Agreement, AUAM would have the ability to purchase up to 600,000 lb U<sub>3</sub>O<sub>8</sub> per annum for 14 years, based on spot and term pricing. The Offtake Agreement will be terminated as part of the Agreement, concurrently with the settlement of the B Bond.

## Denison Warrant Exercise

Subject to the satisfaction of certain conditions, Denison Mines has expressed an interest in exercising up to a total of 22,420,180 warrants it holds in the Company (the “**Warrants**”), which could result in a cash inflow to GoviEx of up to US\$3.36 million. The proceeds from the exercise of the Warrants are expected to be used towards funding the settlement of the B Bond with Toshiba.

## Toshiba Shareholding in GoviEx

Due to a wider strategic change in focus, and as part of a wider transaction in conjunction with GoviEx, Toshiba has entered in to a share purchase agreement (“**SPA**”) with a mutually-agreed third party investor (the “**Investor**”) to sell its entire shareholding in GoviEx to such Investor. The SPA and the Agreement are expected to close concurrently.

The Agreement is conditional on Toshiba and the Investor completing the SPA by March 31, 2018. Upon completion of the Agreement, GoviEx and its affiliates shall thereafter have no debt or interest or other amount owing to Toshiba under the B Bond or the Bond Purchase Agreement, the Offtake Agreement will be terminated without any further acts of the Parties and without liability of any sort to the Parties, and Toshiba shall have undertaken to discharge the Security.

*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.*

## 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.

## 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, without limitation, statements regarding the completion of the Agreement as and when anticipated and that thereafter, no debt or interest or other amount will be owing by GoviEx to Toshiba under the B Bond or the Bond Purchase Agreement; the termination of the Offtake Agreement without any further acts of the Parties and without liability of any sort to the Parties; the discharge of the Security; the debt-free status of GoviEx upon completion of the Agreement; the potential exercise of warrants by Denison Mines and anticipated use of proceeds from such warrant exercises; 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 GoviEx and Toshiba will be able to satisfy the conditions in the Agreement; that Toshiba and the Investor will be able to satisfy the conditions of the SPA; that the Agreement and SPA will be successfully concluded; and that Denison Mines will exercise the Warrants.

Factors that could cause actual results to differ materially from expectations include, among other things, the inability or unwillingness of the Parties to the Agreement to complete it for any reason and the inability or unwillingness of Toshiba or the Investor to complete the SPA 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](http://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 any other company herein.