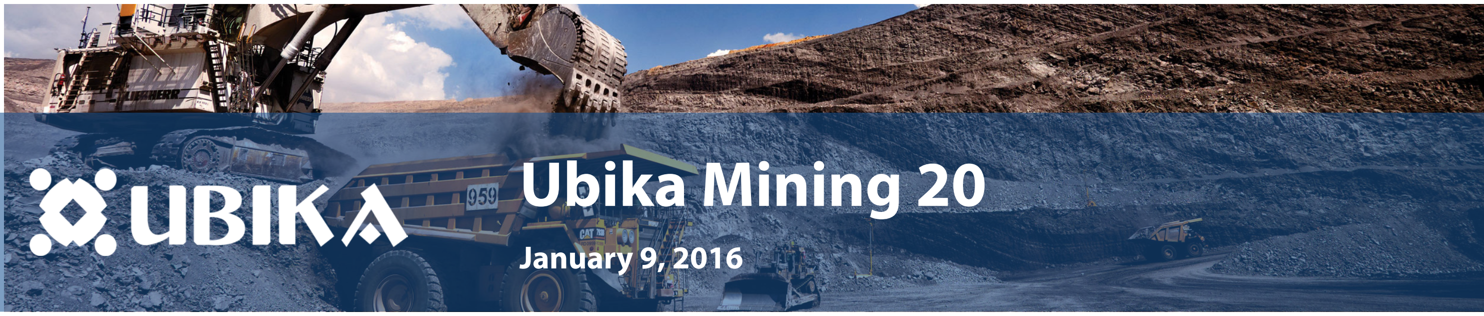
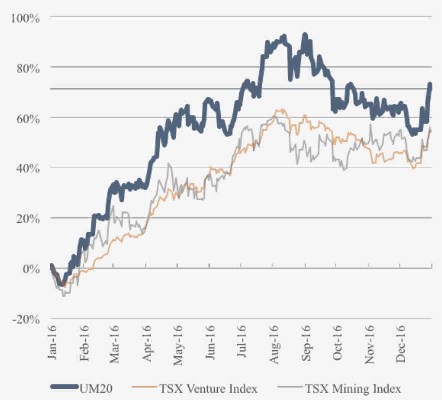


Ubika Mining 20

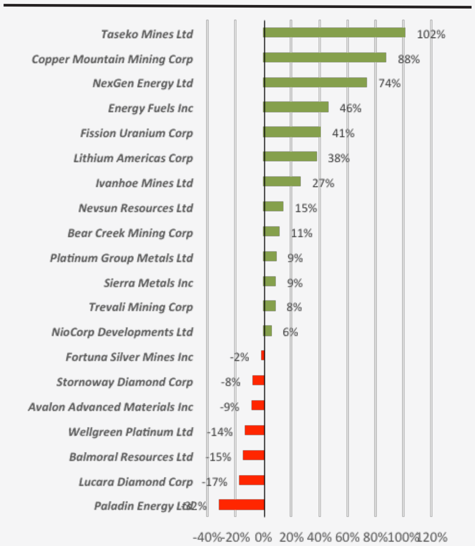
January 9, 2016

Ubika Mining 20
Nov. 8, 2016 - Jan. 9, 2016

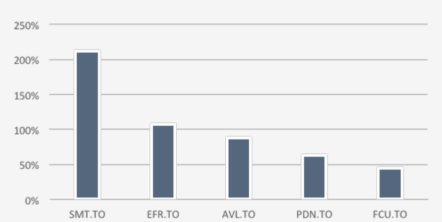
UM20:	+3.8% (+71% Y/Y)
TSX Venture:	+5.0% (+55% Y/Y)
TSX Mining:	+2.1% (+54% Y/Y)



Ubika Mining 20: Performance Distribution



Top Volume Gainers (m/m)



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Ubika Mining 20 Index Continues to Outperform

Over the period of November 8th to January 6th, the Ubika Mining 20 (UM20) Index rose 3.8%, beating its closest benchmark, the TSX Mining Index, which gained 2.1%, but falling short of the 5.0% rise in the TSX Venture Index. On an annual basis, the UM20 is up 71%, smashing past the TSX Mining and TSX Venture indexes' 54% and 55% returns, respectively.

It was a turbulent end to 2016, with the naming of the new U.S. President-elect and tax-loss selling season. The mining stocks had mixed results, with Taseko Mines rallying after receiving the final permit for its Florence copper test facility while market fears intensified over Paladin Energy's ability to meet its debt obligations. All this, and more, in this addition of the Ubika Mining 20.

Industry Highlights

- Trevali Mining Corporation (TSX:TV) has released record Q3 financial results, with EBITDA increasing significantly Q/Q to a record $14.8mm, in addition to income from operations of $10.6mm and a net profit of $2.4mm, or $0.01 per share. This milestone can be attributed to the initiation of commercial production at Trevali's Caribou zinc mine in New Brunswick, which despite not being fully ramped up to the 3,000-tpd rate, posted positive Q3 operational results. Caribou's operating cash costs are expected to decrease modestly as Trevali renegotiates major mining and supplies contracts in addition to normal course operational optimization and efficiency gains as the mine ramps up to full production capacity.
- Nevsun Resources Ltd (TSX:NSU) President and CEO, Cliff Davis, has announced he will be retiring in 2017. Mr. Davis, who turns 65 this year, has been associated with Nevsun for over 22 years and led Nevsun to be the strong, diversified mid-tier base metals company it is today.
- A notable performer in our previous issue, Energy Fuels Inc. (TSX:EFR) has intercepted more high-grade uranium mineralization regions at its Canyon Mine, confirming expanding uranium zones found previously by gamma analysis. The discoveries include a 28.5 feet mineralization with an average grade of 2.41% U308. These results of a larger mineralization deposit than previously expected, in addition to the possibility of recovering copper and silver as co-products, will help Energy Fuels reduce uranium production costs and compete with the industry's best mines

Upcoming Events

- Prospectors & Developers Association of Canada (PDAC): March 5th-8th, hosted at the Metro Toronto Convention Centre, Toronto, Canada
- Vancouver Resource Investment Conference 2017: January 22nd - 23rd, hosted at the Vancouver Convention Centre West, Vancouver, Canada

Notable Performers

Paladin Energy Ltd. (TSX: PDN)

Shares of Paladin Energy fell 39% since November 8th, due to increased fears of PDN's ability to service debt obligations. Recently, PDN received a notice from Electricite de France (EdF) regarding EdF's US$200mm pre-payment under the long term off-take contract between the two companies. EdF claims that PDN must put up more collateral and, as a result, PDN is selling assets to raise cash.

On December 14, PDN announced that it has divested numerous non-core Australian exploration assets including the Oobagooma and Angela/Pamela projects to Uranium Africa Limited for CAD$2.5mm. This divestiture is strategic as it is unlikely that PDN would be in a position to develop these assets within the next decade. The sale is expected to strengthen PDN's balance sheet from reductions in sales, rentals, and statutory commitments payable to keep the tenements in good standing. Additionally, Paladin Energy Ltd sold its entire shareholding in Deep Yellow Limited (DYL) for CAD$2.6M. Recently, Paladin has sold a 30% stake for US$10mm to MGT Resources, but this deal is not expected to close in time for EdF's debt repayment plan.

Paladin is in a race against time to raise cash. Selling valuable core assets would hinder PDN's future ability to meet delivery requirements of the off-take contract with EdF. Furthermore, bankruptcy of Paladin would result in EdF losing its US$200mm deposit. Back in 2012, EdF had agreed to accept a 60.1% ownership of the Michelin project as collateral, but due to the uranium downturn, the asset has since devalued and EdF has requested additional security for the pre-payment. PDN does not agree with EdF's position and the matter will now proceed to independent expert valuation; if the expert sides with EdF, Paladin would be required to pay the outstanding US$260mm within 30 days of determination. To avoid independent expert valuation, PDN has made a proposal for EdF to share security over Paladin's assets with PDN's bondholders. If EdF rejects the proposal, the matter would fall in the hands of expert valuation and could spell the end of Paladin Energy.

Taseko Mines Ltd. (TSX: TKO)

Taseko Mines has reached a new milestone and rallied to fresh 52-week highs after acquiring the final permit, the Underground Injection Control (UIC), for its much-anticipated Florence Copper test facility. Effective January 30, 2017, the permit, issued by the United States Environmental Protection Agency (EPA), will allow TKO to construct and operate its Phase 1 test facility in Florence, Arizona. As a result, TD Securities has raised its target price to C$1.65 from C$0.85 and upgraded TKO from 'hold' to 'speculative buy'.

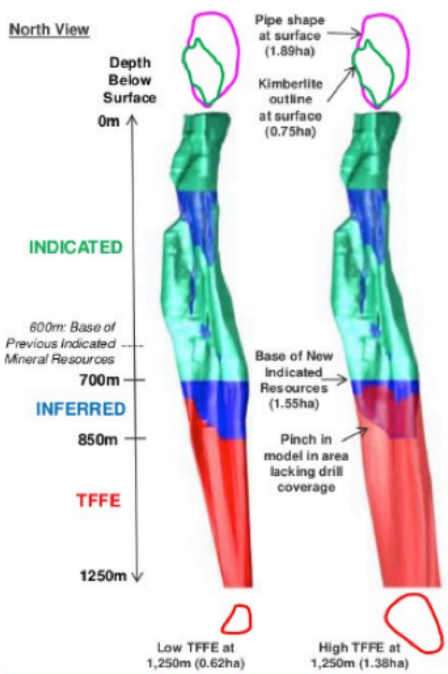
In November 2014, when low copper prices had prevented development of the Florence site, Taseko had strategically acquired 100% ownership in Florence Copper. Taseko's Phase 1 Test Facility will allow it to optimize its copper recovery process and demonstrate its environmental integrity and reliability. This facility is a pilot-scale demonstration of commercial in-situ copper recovery (ISCR) operations with estimated direct operating costs of just US$0.80/lb. The project entails drilling 24 wells using ISCR to recover copper using an environmentally-friendly water-based solution.

In a 2013 pre-feasibility study, the Florence Copper deposit was found to have an average grade of 0.36%, containing 2.4 billion pounds of copper. The economic analysis depicts a pre-tax IRR of 36%, and a payback period of 2.6 years. The pre-tax NPV is US$727mm (using a 7.5% discount rate and assuming long-term copper prices of US$2.75/lb). Once commercial production is reached, the project is expected to produce an average of 75 million pounds of copper annually for 25 years. The Florence Copper Project strengthens and diversifies Taseko's copper production capabilities, while promising decades of strong returns for shareholders.

Stornoway Diamond Corporation (TSX: SWY)

Expanding on the highlight of our November issue, Stornoway Diamond Corporation (TSX: SWY) put its name in the history books on December 3, 2016, as it achieved commercial production (60% name-plate capacity) at Renard, Quebec's first diamond mine. This milestone marks the end of the Renard project's capital expense period, and final capital costs are forecast to be CAD$775 million. The Company expects to continue the ramp-up of the process plant to full production (100% name-plate capacity) over the next two quarters. Average annual diamond production is forecast at 1.8 million carats per annum over the first 10 years of the mine's life. Three diamond sales are scheduled for the first quarter of 2017, as production continues to ramp-up at the Renard mine, which boasts a 22.3 million carat mineral reserve.

Figure 1. Renard Mineral Resource Estimate



Renard 2 NI 43-101 Mineral Resource Estimate

Indicated Mineral Resources[1,2,4]	Contained Carats (millions)		Tonnes (millions)		Grade (cpht)[3]	
Renard 2, All Units	21.58	+15.6%	25.70	+38.3%	84	-16.4%
Renard 2, w/o CRB-2A, CRB	20.39	+11.0%	20.52	+15.9%	99	-4.3%
CRB-2A	0.29	+2.6%	0.90	+2.6%	32	--
CRB	0.90	n/a	4.28	n/a	21	n/a

Inferred Mineral Resources[1,2]	Contained Carats (millions)		Tonnes (millions)		Grade (cpht)[3]	
Renard 2, All Units	3.88	-48.0%	6.59	-44.0%	59	-7.2%
Renard 2, w/o CRB	3.36	-46.1%	4.08	-22.0%	82	-30.9%
CRB	0.53	-57.6%	2.51	-61.6%	21	+10.5%

Notes
[1] Reserve and Resource categories were completed in accordance with the "CIM Definition Standards on Mineral Resources and Reserves". Mineral resources that are not mineral reserves do not have demonstrated economic viability.
[2] Totals may not add due to rounding.
[3] Carats per hundred tonnes. Estimated at a +1 DTC sieve size cut-off.
[4] Diamond valuation data utilized for the test of prospects of reasonable economic extraction are derived from a diamond valuation exercise undertaken in March 2014 (see Stornoway Annual Information Form dated July 2015).

Renard 2 Targets for Further Exploration

Target for Further Exploration[1]	Contained Carats (millions)			Tonnes (millions)			Grade (cpht)[2]		
Renard 2, All Units	3.7	to	15.5	6.1	to	15.5	60	to	100

Notes
[1] Represents potential upside that can be reasonably assumed given the nature and grade of material within the current 2015 Mineral Resource. The potential quantity and grade of any Exploration Target is conceptual in nature, there has been insufficient information to define a mineral resource, and it is uncertain if further exploration will result in the target being delineated as a mineral resource.
[2] Carats per hundred tonnes. Potential at a +1 DTC sieve size cut-off.

Source: Company Presentation

The Renard mine plan combines both open-pit and underground mining. Open-pit mining and processing at R2 is expected until 2018, after which four production levels in the R2 underground mine are to be commenced using blasthole shrink stoppage with panel retreat. Other target drill sites planned for the future include R3, R4, and R65.

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