

FISSION RESPONDS TO LIMITED TECHNICAL DISCLOSURE REVIEW BY BCSC

FISSION URANIUM CORP. (the "**Company**" or "**Fission**") (TSX:FCU) (OTCQX:FCUUF) (FRANKFURT:2FU) is issuing this news release to clarify certain of its disclosure.

Non-compliant disclosure of Preliminary Economic Assessment ("PEA")

(February 5, 2016) - The Company disclosed the results of the PEA of its Patterson Lake South Property ("**PLS**") in its January 27, 2016 Corporate Presentation ("**Presentation**") and in its September 17, 2015 CEO Corner article ("**CEO Article**"). Both the Presentation and the CEO Article were previously available on the Company's website and did not include the proximate cautionary language and details required by National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"). Accordingly:

1. The Company wishes to remind investors that the PEA is considered preliminary in nature, based, in part, on inferred mineral resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves;
2. The Company also notes that the PEA considers the PLS project as a stand-alone mine and mill operation, which includes development and extraction of the R00E and R780E zones (Triple R deposit) and that the PEA study is based on a number of qualifications and assumptions including the following (all values in C\$ unless otherwise noted):

Physicals:

- Three years of pre-production and 14 year mine life, processing nominally 1,000 tonnes per day (350,000 tonnes per year)
- Total Tonnes Processed: 4.8 million tonnes at 1.00% U3O8 average grade; open pit mining of 1.56 million tonnes at 2.21% U3O8
- Underground mining of 3.25 million tonnes at 0.42% U3O8
- Process recovery of 95%, supported by metallurgical testwork
- Production of 100.8 million lbs U3O8; an average of 13 million lbs U3O8 per year for 6 years, followed by an average of 3 million lbs U3O8 per year for 8 years

Revenue:

- Long term uranium price of US\$65 / lb U3O8
- Exchange rate of 0.85 US\$ / C\$1.00
- Gross revenue of \$7.71 billion, less Saskatchewan gross revenue royalties of \$556 million
- Less product transportation charges of \$34 million
- Net revenue of \$7.12 billion

Operating Costs

- Average OPEX of \$16.50/lb (US\$14.02/lb) U3O8 over the life of mine
- Unit Operating Costs of \$346 per tonne processed. Combined Mining \$154 per tonne processed

- Processing: \$114 per tonne processed
- Surface and G&A: \$78 per tonne processed
- Operating cash flow of \$5.45 billion

Capital Costs

- Pre-Production capital costs of \$1.1 billion
- Open pit mining \$363 million (includes dyke, slurry wall, and overburden removal)
- Process plant \$198 million
- Infrastructure \$117 million
- Indirects \$209 million
- Contingency \$208 million
- Sustaining capital costs of \$189 million (includes completion of overburden stripping, all underground mine capital costs, and tailings dam lifts)
- Reclamation and closure cost of \$50 million
- Cash flow from operations of \$4.12 billion

Investors are reminded that while these qualifications and assumptions were determined to be reasonable at the time of the PEA report they are based on preliminary information and the actual results and outcomes may differ materially from what is expressed in the PEA.

3. reference the comparative post-tax values from the PEA report noted below:

- base case pre-tax Net Present Value ("NPV") of \$1.81 billion, **post-tax NPV of \$1.02 billion** (10% discount rate)
- base case pre-tax Net Cash Flow over the proposed mine life of \$4.12 billion, **post-tax Net Cash Flow of \$2.53 billion**
- base case pre-tax Internal Rate of Return ("IRR") of 46.7%, **post-tax IRR of 34.2%**
- pay back estimated at 1.4 years (pre-tax), **pay back at 1.7 year (post-tax)**.

since disclosing pre-tax economics without also including the comparative post-tax values may substantially overstate the value of the project.

The Company's September 3, 2015 press release announcing the details of the PEA report (the "**PEA Release**") included a quotation from Ross McElroy, President COO and Chief Geologist for Fission. That quotation is retracted since it might imply that the Company had a feasibility-level study rather than a PEA. Similar concerns have been identified with certain words used in the CEO Article and on the Company's website content. Given the preliminary nature of a PEA that is based upon inferred mineral resources, these words and statements might be potentially misleading. Accordingly the words and statements have been removed from the Company's website. Investors are reminded that the Company's PEA is preliminary in nature and is based on inferred mineral resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves.

Non-compliant disclosure of Mineral Resources

The Presentation also disclosed mineral resources without including the following disclosure:

1. a caution that mineral resources that are not mineral reserves do not have demonstrated economic viability, and there is no certainty that the results presented in the PEA will be achieved; and
2. a reference to the Company's September 14, 2015 PEA report entitled "*Technical Report on the Preliminary Economic Assessment of the Paterson Lake South Property, Northern Saskatchewan Canada*" which is filed on SEDAR at www.sedar.com and which includes:
 - a reference to the July 28, 2015 effective date of the mineral resource estimates;
 - key assumptions, parameters and methods used to estimate the mineral resources;
 - any known legal, political, environmental or other risks that could materially affect the development of the mineral resource.

Reporting Gross In-Situ Metal Value

Slide 14 of the Presentation disclosed gross in-situ metal value on a gold equivalent basis. This disclosure is hereby retracted and the public should not rely upon such disclosure. Disclosure of gross metal value is restricted under NI 43-101 because it does not take into account the operating and capital costs, recovers, smelter costs and other factors relating to the potential mining extraction and recovery of metals which are described in the full PEA report.

The Presentation, CEO Article and certain other disclosure have been removed from the Company's website.

The technical information contained in this news release has been prepared in accordance with NI 43-101 and has been reviewed by Ross McElroy, P. Geol. President and COO for the Company, a qualified person.

ON BEHALF OF THE BOARD

Ross McElroy, President and COO

Cautionary Statement:

Certain information contained in this press release constitutes "forward-looking information", within the meaning of Canadian legislation. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur", "be achieved" or "has the potential to". Forward looking statements contained in this press release may include statements regarding the future operating or financial performance of Fission including the net present value, metal recoveries, capital costs, operating costs, production, rates of return and payback which involve known and unknown risks and uncertainties which may not prove to be accurate. Actual results and outcomes may differ materially from what is expressed or forecasted in these forward-looking statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Among those factors which could cause actual results to differ materially are the following: market conditions and other risk factors listed from time to time in our reports filed with Canadian securities regulators on SEDAR at www.sedar.com. The forward-looking statements included in

this press release are made as of the date of this press release and the Company and Fission Uranium disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation.

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