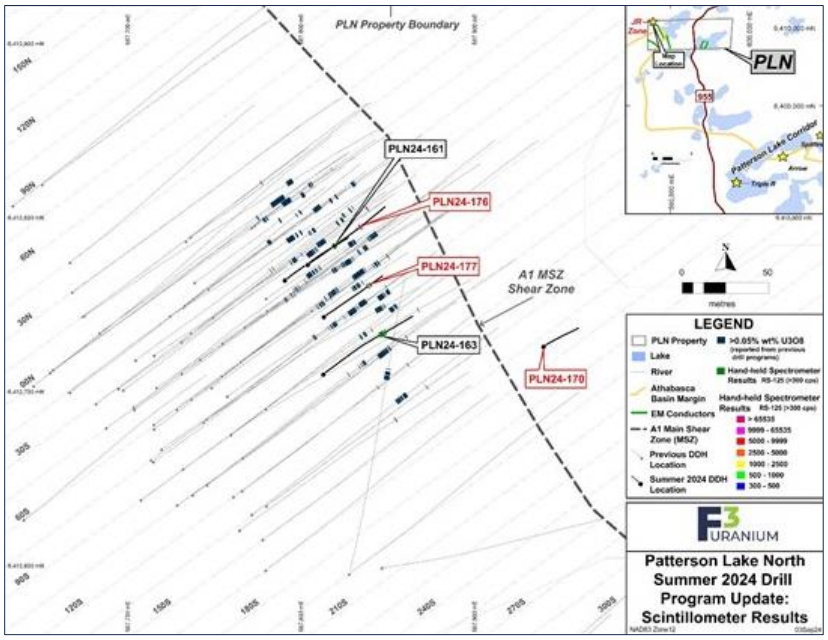
SCP EQUITY RESEARCH

Ticker: FUU CN	**Cash:** C$35.7m	**Project**: PLN (JR Zone)
Market cap: C$104m	**Price:** C$0.22/sh	**Country:** Canada (Saskatchewan)
REC. (unc): BUY	*TARGET (unc): C$0.75/sh*	*RISK RATING (unc): VENTURE*

Today's drilling results (scintillometer) included hole 176, which hit 11m of mineralization incl 4.3m at >65,535cps on line 35S, one of the best hits to date at JR Zone, and hole 177 hit 13m of mineralization on line 070S. The other hits were regional step outs which did not hit mineralization but did enhance understanding of structural and alteration on the A1 and B1 shears. We think the JR Zone provides a good baseload with potential to add pounds (lbs) as its dimensions are further defined, while the main upside remains the potential to discover another zone. What we like here is the combination of a well-funded team with a proven discovery track record, ground that has already yielded a major discovery, and aggressive drilling plans. ***We reiterate our BUY rating and our C$0.75/sh based on US$4/lb on a conceptual MRE target of 75Mlbs (equivalent to 0.5x NAV on a typical peer multiple of US$8/lb).*** *We continue to see ~20-30Mlbs defined at JR Zone but are optimistic that this team can make another discovery on highly sought after exploration ground in the Western Basin.*

Figure 1: Plan view map of today's drilling



Source: F3 Uranium

PLN summer drilling update includes 11m and 13m mineralized intercepts at JR Zone

F3 reported drilling results (scintillometer readings) at PLN. Hole PLN24-176 hit 11m of mineralization (>300cps) from 186m DH including 4.35m >65,535 cps on line 35S and Hole PLN24-177 hit 13m of mineralization from 199m DH including 0.20m >10,000 cps. Other holes tested the A1 conductor on lines 150S and 2850S while five holes tested the B1 shear zone, including Hole PLN24-175, which tested the B1 conductor 110m up dip of previously released Hole PLN24-168. Hole PLN24-175 intersected strong alteration in the basin with intense silicification and an additional follow up hole is planned down dip.

Why we like F3 Uranium

1. Prime ground in the Western Athabasca, which hosts 337Mlb Arrow (NXE) and 138Mlb PLS (FCU)
2. High grade core of 5% uranium drilled, 150m of strike indicates potential for a major new Athabasca discovery
3. Proven management team with multiple Athabasca uranium discoveries with bold approach to exploration and well-funded

Catalysts

- 2024: Summer drilling program

Research

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Ticker:	FUU CN	**Price / mkt cap:**	C$0.22/sh, C$104m	**Market P/NAV:**	0.14x	**Assets:**	PLN		
Author:	J Chan	**Rec / PT:**	BUY / C$0.75	**1xNAV$_{3Q24}$ FD:**	C$1.52/sh	**Country:**	Canada (Sask)		

Group-level SOTP valuation	1Q24	3Q24			
		C$m	**O/ship**	**NAVx**	**C$/sh**
Conceptual 75Mlbs at US$8/lb		800.0	100%	0.5x	0.74
Central SG&A & fin costs 3Q24		(30.0)	--	0.5x	(0.03)
Nominal value for other licenses		25.0	--	0.5x	0.02
Cash and restr. cash 1Q24		35.7	--	0.5x	0.03
Debt 1Q24		(15.0)	--	0.5x	(0.01)
ITM options		5.2	--	0.5x	0.00
1xNAV8% US$80/lb		**821**			**0.76**
Target multiples		**Multiple**			**C$/sh**
Target P/NAV Multiple		**0.50x**			**0.75**
Target price					**0.75**

Share data					
Basic shares (m): 484.4		FD + options (m):	506.8	FD&RSUs	541.1
Commodity price	**CY23A**	**CY24E**	**CY25E**	**CY26**	**CY27E**
Uranium price (US$/lb)	64.6	127.0	120.0	100.0	100.0
USD/CAD	0.75	0.75	0.75	0.75	0.75
Conceptual SCPe inventory		***kt***	**%U3O8**	**Mlbs**	**EV/U3O8**
SCPe exploration target		1008.0	3.4%	75.0	0.8

Source: SCP estimates

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NEUTRAL: The stock's total returns are expected to be in line with the overall market

SELL: The stocks total returns are expected to be materially lower than the overall market

TENDER: The analyst recommends tendering shares to a formal tender offering

UNDER REVIEW: The stock will be placed under review when there is a significant material event with further information pending; and/or when the research analyst determines it is necessary to await adequate information that could potentially lead to a re-evaluation of the rating, target price or forecast; and/or when coverage of a particular security is transferred from one analyst to another to give the new analyst time to reconfirm the rating, target price or forecast.

NOT RATED ((N/R): The stock is not currently rated

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2	The analyst or any associate of the analyst responsible for the report or recommendation or any individual directly involved in the preparation of the report holds or is short any of the issuer's securities directly or through derivatives	**NO**
3	An SCP partner, director, officer or analyst involved in the preparation of a report on the issuer, has during the preceding 12 months provided services to the issuer for remuneration other than normal course investment advisory or trading execution services	**NO**
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6	SCP is making a market in an equity or equity related security of the issuer	**NO**
7	The analyst preparing this report received compensation based upon SCP's investment banking revenue for the issuer	**NO**
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9	The analyst has been reimbursed for travel expenses for a site visit by the issuer	**NO**

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Summary of Recommendations as of September 2024	
BUY:	50
HOLD:	0
SELL:	0
UNDER REVIEW:	0
TENDER:	0
NOT RATED:	0
TOTAL	50

[1] As at the end of the month immediately preceding the date of issuance of the research report or the end of the second most recent month if the issue date is less than 10 calendar days after the end of the most recent month