Purepoint Uranium Group Inc.: Hook Lake JV 2020 Exploration Program Update

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TORONTO, May 6, 2020 - Purepoint Uranium Group Inc. (TSXV: PTU) ("Purepoint" or the "Company") today provided an update of this winter's exploration program at the Hook Lake Project, a joint venture between Cameco Corporation (39.5%), Orano Canada Inc. (39.5%), and Purepoint (21%) in the Patterson Uranium District, Saskatchewan, Canada. The Hook Lake Project lies on the southwestern edge of Saskatchewan's Athabasca Basin and is adjacent to and on trend with recent high-grade uranium discoveries including Fission Uranium's Triple R Deposit and NexGen's Arrow Deposit.

An update Webinar, presentation and maps have been posted today on the Company's website (www.purepoint.ca/videos/) which includes a discussion with the President of the Saskatchewan Mining Association, Ms. Pam Schwann, who provides detail on current efforts to safeguard and support Saskatchewan's mining industry during the COVID-19 emergency.

A focus of the 2020 exploration program included follow-up north of encouraging hole HK19-105, an area referred to as the Sabre Target. This year's geophysical survey was conducted over the Sabre Target area and consisted of five lines of stepwise-moving loop electromagnetic (EM) surveying spaced 800 metres apart. Interpretation of the EM results has revealed that the previously identified "W" conductor is actually two continuous parallel conductors of variable strength, associated with previously unknown, sub-parallel conductors. The presence of numerous EM conductors in this area is thought to be reflecting highly prospective structural complexity. Plans for the follow up program will include significant drilling along this 3.5 kilometre stretch of conductive rocks.

In addition to the geophysical survey, five target areas were tested this winter by seven diamond holes for a total of 3,659 metres of drilling.

"Our greatest success this year was returned from the Sabre Target area where the recent EM survey delineated parallel conductors between last year's HK19-105 drill hole and our most recent hole HK20-115, approximately 3.5 kilometres to the north." said Scott Frostad, Purepoint's Vice President of Exploration. "Both these holes encountered strong hydrothermal alteration within the Sabre area that was known to be associated with favourable airborne geophysical survey results. Our priority is now considered to be initial drill testing of the new Sabre Target area EM conductor picks."

Highlights:

- Seven diamond holes for 3,659 metres of drilling and five lines of stepwise-moving loop EM completed.
- Hole HK20-115 encountered strong hydrothermal clay and hematite alteration associated with graphitic shearing along the "W" conductor, approximately 3.5 kilometers along strike of previous drilling.
- The interpretation of the 2020 EM survey results shows the "W" conductor as two parallel conductors that are variable in strength, as well as sub-parallel weaker conductors.
- The 2020 EM survey covered the edge of a gravity high identified by the 2019 airborne gravity survey, funded by the Targeted Geoscience Initiative (TGI). The gravity high edge is considered to reflect a lithologic contact, possibly providing a zone of weakness and structural traps for focusing uranium-rich fluids.
- Interpretation of the Tilt Derivative of the airborne magnetic results suggests destruction of the magnetic response in the area of the 2020 EM survey, possibly due to hydrothermal alteration.
- All assays have now been received. Inversions of the EM results and interpretation of the geochemical results are pending.

Sabre Target Area ("W" Conductor - North):

The 2020 geophysical survey covered the Sabre Target area and consisted of five lines of stepwise-moving

loop EM surveying that were 800 metres apart. The survey results have now been interpreted and have provided initial drill targets covering 3.5 kilometres of conductor strike length. The purpose of the survey was to provide drill targets northeast of last year's hole HK19-105 that intersected numerous shear zones, strong hydrothermal alteration and elevated radioactivity (up to 125 ppm U over 0.3 metres). Interpretation of the EM results provided four to six conductor picks of varying strength along each survey line. The "W" conductor now appears as two continuous parallel conductors of variable strength associated with numerous sub-parallel weaker conductors.

Drill hole HK20-115 tested a 2020 EM conductor pick located approximately 3.5 kilometres northeast along strike of favourable drill hole HK19-105. Below the unconformity at 460 metres, the hole encountered strongly clay altered porphyroblastic schist and mafic intrusive to 500 metres, strongly hematite altered granodiorite gneiss to 512 metres, then strongly chloritized, sheared and graphitic mafic intrusive to a depth of 525 metres before completion within unaltered diorite gneiss at a depth of 638 metres.

"W" Conductor (South):

Three holes, HK20-109, 111, and 112A, were completed on the southern portion of the "W" Conductor testing a strike length of approximately 1.5 kilometres. The EM conductors are explained by graphitic shear zones in all three holes. The graphitic shearing was associated with a lithologic contact between diorite gneiss and carbonatite in hole HK20-109 in the south, and a contact between diorite gneiss/mafic intrusives and unaltered granodiorite gneiss in holes HK20-111 and 112A in the north. No anomalous alteration or radioactivity was encountered by these holes.

Hornet Zone:

A single hole, HK20-110, was completed southwest of the Hornet zone where the 2019 EM survey results showed a second parallel EM conductor associated with the conductor targeted by HK15-26. The hole intersected a 34-metre interval of diorite gneiss that hosted pyrite and disseminated graphite and is considered to be the source of the targeted EM conductor. No significant radiation was encountered by the hole.

Spitfire-Dragon Conductor:

Drill hole HK20-113 was designed to test a strong ground EM anomaly, located by the 2019 stepwise moving loop survey, between the Spitfire and Dragon graphitic shears. The conductor was explained by a wide interval of graphitic diorite gneiss that was strongly sheared locally and no anomalous radioactivity was intersected.

Dragon Conductor (Northeast):

Drill hole HK20-114A was a lake hole designed to test the Dragon conductor northeast of previous drilling where it is associated with a magnetic low. The initial hole at this location was lost due to strongly desilicified sandstone and pressurized sand seams. The unconformity was intersected at 354 metres, after which strongly hematized mafic intrusives, granodiorite and diorite gneiss were encountered to 400 metres, followed by fenitized mafic intrusive and carbonatite. The hole failed to explain the EM anomaly or encounter significant radioactivity. The geology has a shallower dip then expected and carbonatite was intersected sooner in this area. The optimal target in this location is now thought to lie to the immediate west of HK20-114A.

Hook Lake JV Project

The Hook Lake JV Project is owned jointly by Cameco Corp. (39.5%), Orano Canada Inc. (39.5%), and Purepoint Uranium Group Inc. (21%) as operator and consists of nine claims totaling 28,598 hectares situated in the southwestern Athabasca Basin. The Hook Lake JV Project is considered one of the highest quality uranium exploration projects in the Athabasca Basin due to its location along the prospective Patterson Lake trend and the relatively shallow depth to the unconformity.

Current exploration is targeting the Patterson Lake Corridor that hosts Fission's Triple R Deposit (indicated mineral resource 87,760,000 lbs U3O8 at an average grade of 1.82% U3O8 – www.fissionuranium.com), NexGen Energy's Arrow Deposit (indicated mineral resource 256,600,000 lbs U3O8 at an average grade of 4.03% – www.nexgenenergy.ca) and the Spitfire discovery by the Hook Lake JV. The foregoing mineral resource disclosure is information about the properties adjacent to the Company's property and does not imply that the Company will obtain similar information from its own property.

About Purepoint

Purepoint Uranium Group Inc. is focused on the precision exploration of its nine projects in the Canadian Athabasca Basin, the world's richest uranium region. Established in the Athabasca Basin well before the initial resurgence in uranium earlier last decade, Purepoint's flagship project is the Hook Lake Project, a joint venture with two of the largest uranium suppliers in the world, Cameco Corporation and Orano Canada Inc. The Hook Lake JV Project is on trend with recent high-grade uranium discoveries including Fission Uranium's Triple R Deposit, NexGen's Arrow Deposit and the Hook Lake JV's Spitfire discovery.

Scott Frostad BSc, MASc, PGeo, Purepoint's Vice President, Exploration, is the Qualified Person responsible for technical content of this release.

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