Purepoint Uranium Group Inc.: Hook Lake JV Project Update

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TORONTO, May 11, 2021 - 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.

The winter 2021 exploration program included follow-up drilling north of encouraging hole HK19-105, an area referred to as the Sabre Target. Three holes were completed and one lost during the program for a total of 2,556 metres drilled. Favourable geology was drilled by the two northern holes, HK21-117A and 118, that both encountered wide intervals of strong to intense silicification proximal to graphitic shear zones. Assays for the most northerly hole drilled, hole HK21-118, returned 134 ppm U over 0.7 metres from the contact of silicified granodiorite and a graphitic shear. Hole HK21-117A was drilled south of HK21-118 and intersected weak radioactivity from within the graphitic shear zone while HK21-116, collared 400 metres north of HK19-105, failed to intersect significant alteration or radioactivity.

"Although we only completed 3 drill holes during the 2021 winter program, the EM conductors targeted by the two most northerly holes are explained by favourable graphitic shearing that was associated with strong silicification." said Scott Frostad, Purepoint's Vice President of Exploration. "While the strong alteration seen in hole HK19-105 was not present in our follow-up hole HK21-116, the current results show that the Sabre area remains prospective along strike north of HK21-118."

Highlights:

- Three diamond holes were completed and one hole was lost for a total of 2,556 metres of drilling.
- Drill holes HK21-117A and 118, drilled in the vicinity of previous hole HK20-115, encountered wide intervals of strong to intense silicification beginning at the unconformity and the targeted electromagnetic (EM) conductors for both holes were explained by graphitic shear zones.
- HK21-118 intersected 134 ppm U over 0.7 metres at the contact between strongly silicified granodiorite and a graphitic shear; a favourable setting for basement-hosted uranium mineralization.
- Hole HK21-116, the follow-up hole to HK19-115, intersected a 1-metre-wide band of unaltered graphitic diorite gneiss that explained the EM conductor. No anomalous alteration or radioactivity was encountered.
- The Sabre Target Area remains prospective near hole HK19-105, and north of HK21-118 towards historic hole HK-02 that encountered extensive graphitic shearing associated with anomalous radioactivity. These Sabre area drill targets will be prioritized with targets previously identified along the Carter Corridor and the "U" Conductor.
- All assays have now been received and final interpretation of the geochemical results are pending.

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

Drill Hole HK21-116 tested a ground EM anomaly located 400 metres north of favourable hole HK19-105. Below the unconformity, granodiorite gneiss was strongly hematite altered then strong to weakly chlorite altered due to paleoweathering. Unaltered diorite gneiss, hosting minor mafic and carbonatite dykes, was then encountered to the completion depth of 653 metres. A one-metre-wide interval of graphitic diorite gneiss explained the EM conductor and no significant radiation was encountered in the hole.

Drill Hole HK21-117A was designed to test a ground EM anomaly located 800 metres south of previous hole HK20-115. An initial hole at this location, HK21-117, was lost within flowing sand at a depth of 419 metres. Below the unconformity at 486 metres, strongly hematite altered porphyroblastic schist was initially encountered then intense to strongly silicified granodiorite gneiss was drilled to a depth of 626 metres. The granodiorite gneiss was then weakly chlorite altered to 645 metres followed by a wide graphitic shear zone hosted within diorite gneiss to 683 metres that returned the highest concentration of uranium for the hole at 16 ppm U over 0.3 metres. Unaltered diorite gneiss and granodiorite gneiss was then encountered to the hole completion depth of 747 metres.

Drill Hole HK21-118 tested a second EM anomaly that was located on the same survey line as hole HK20-115. Immediately above the unconformity at 485 metres, the hole encountered 70 metres of basement rock fragments (silicified granodiorite gneiss) within loose sand. Below the unconformity, strongly hematite altered diorite gneiss, granodiorite gneiss and porphyroblastic schist was drilled for 48 metres followed by 72 metres of intense to strongly silicified granodiorite gneiss to a depth of 605 metres. Five metres of weakly sheared and chloritized mafic dyke material hosting 10 to 15% graphite was then intersected and returned 134 ppm U over 0.7 metres from the upper contact. Weakly graphitic porphyroblastic schist and diorite gneiss was drilled to a depth of 700 metres followed by unaltered diorite gneiss to the completion depth of 737 metres. The wide zone of silicification encountered by HK21-118 and the associated graphitic shear zone has been correlated to similar geology in hole HK21-117A.

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. (TSXV: PUC) actively operates an exploration pipeline of 12 advanced projects in Canada's Athabasca Basin, the world's richest uranium region. 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 and NexGen's Arrow Deposit and encompasses its own Spitfire discovery (53.3% U3O8 over 1.3m including 10m interval of 10.3% U3O8). Together with its flagship project, the Company's projects stretch across approximately 185,000 hectares of claims throughout the Athabasca Basin. These claims host over 20 distinct and well-defined drill target areas with advanced geophysical surveys completed, and in some cases, have had first pass drilling performed.

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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