

Tax Instruction Letter
(For Completing Federal, Provincial and Quebec Tax Elections)

DENISON MINES CORP. (“DENISON”)
ACQUISITION OF SHARES OF
FISSION ENERGY CORP. (“FISSION”)

The tax election process is time sensitive. Your immediate attention to the matters contained herein is suggested.

The deadline for providing your information, including copies of the applicable tax election forms, to Denison is on or before July 25, 2013, which is the 90th day after the Effective Date.

All capitalized terms used in this Tax Instruction Letter, not otherwise defined herein, have the meanings set forth in the Arrangement Agreement dated March 7, 2013, as amended (the “Arrangement Agreement”), and the plan of arrangement appended as “Schedule A” to the Arrangement Agreement (the “Plan of Arrangement”).

The information included in this Tax Instruction Letter is of a general nature only and is not intended to be, nor should it be construed as, legal or tax advice or a representation to any Fission shareholder. These materials are being provided to the shareholders of Fission solely for their convenience. Denison is not and will not provide Fission shareholders with any tax advice whatsoever on making the joint election. Accordingly, Fission shareholders should consult their own tax advisors for specific advice concerning whether they should make the joint election, as well as the proper completion and execution of the required forms having regard to their own particular circumstances.

Fission shareholders are also advised to review Information Circular IC76-19R3 and Interpretation Bulletin IT-291R3 issued by Canada Revenue Agency (“CRA”), which are available on CRA’s website, for information with respect to the joint election under the *Income Tax Act (Canada)* (the “Tax Act”). In addition, if applicable to you, for information about the joint election under the *Taxation Act* (Québec), you should also review Interpretation Revenu Québec Bulletins IMP. 520.1-1/R1 and IMP.521.2-1/R1.

I. KEY INFORMATION

- Contact Information for assistance:

By phone: 416-979-1991 extension 288 (Denison Tax Election Hotline); or

By email: taxelection@denisonmines.com; or

By mail: Denison Mines Corp.
595 Bay Street, Suite 402
Toronto, ON, Canada, M5G 2C2
Attn: Tax Election

The following key information is used for purposes of this Tax Instruction Letter:

- **Share exchange and cash consideration:**

As part of the Plan of Arrangement (“The Arrangement”), each common share of Fission (“Fission Energy Share”) was exchanged for a Fission Class A Share (“**Class A Share**”) and a share in the newly formed Fission Uranium Corp. (“Fission Uranium”) (“Fission Uranium Share”). Each Class A Share was then exchanged for 0.355 of a Denison common share (no fractional shares issued) and cash consideration of CDN\$0.0001.

- **The fair market value of a Class A Share:**

For tax purposes, Denison will use **CDN\$0.4490** as the fair market value of each class Class A share that it acquires. This fair market value was determined as 0.355 multiplied by the fair market value of a Denison common share of **CDN\$1.2644**, plus **CDN\$0.0001**. The fair market value of a Denison common share was computed using the volume weighted average trading price on the TSX from March 29, 2013 to April 25, 2013.

- **The fair market value of a Fission Uranium Share**

For tax purposes, Denison will use **CDN\$0.5325** as the fair market value of each Fission Uranium Share on the date that such share was acquired pursuant to The Arrangement. This fair market value was determined as the excess of fair market value of a Fission Energy Share, of **CDN\$0.9815**, over the fair market value of a Class A Share, of **CDN\$0.4490**. The fair market value of a Fission Energy share was computed using the volume weighted average trading price on the TSX Venture Exchange from March 29, 2013 to April 25, 2013.

II. INTRODUCTION

You are receiving this package (the “**Tax Election Package**”) because you have checked the appropriate box on the letter of transmittal and election form (the “**Letter of Transmittal**”) that you submitted in respect of the Plan of Arrangement involving Fission, Denison, and Fission Uranium pursuant to the Arrangement Agreement and the Plan of Arrangement.

Pursuant to the Plan of Arrangement, each Class A Share held by a Fission shareholder (“**Fission Shareholder**”) has been transferred to Denison on the Effective Date, which was **April 26, 2013**, in exchange for 0.355 of a Denison common share (fractional shares were rounded down to a whole common share, a “**Denison Share**”) and cash consideration of CDN\$0.0001. Subject to certain restrictions set out below, a Fission Shareholder that qualifies as an Eligible Shareholder (as defined in the Plan of Arrangement) (“**Eligible Fission Shareholder**”) is entitled to make a joint election (a “**Joint Election**”) with Denison pursuant to subsection 85(1) or (2) of the Tax Act, as applicable, with respect to the transfer by such Eligible Fission Shareholder of its Class A Shares to Denison in exchange for the Denison Shares and the cash consideration. The procedure for making a Joint Election is set out herein (the “**Joint Election Procedure**”). An Eligible Fission Shareholder is also entitled to make an equivalent tax election under the corresponding provisions of any applicable provincial income tax legislation, including in particular the Province of Quebec.

This Tax Election Package contains the following:

- a) A sample Federal Form T2057 (and for an Eligible Fission Shareholder subject to Quebec taxation, a Quebec Form TP-518) (**on white paper and marked “SAMPLE”**), to which the instructions contained in this letter are cross-referenced for illustrative purposes;
- b) Two copies of partially completed Form T2057 (and for an Eligible Fission Shareholder subject to Quebec taxation, a Quebec Form TP-518) (**on yellow paper**) that must be completed by an Eligible Fission Shareholder, that is an individual, trust, or corporation, who wants to make a Joint Election; and
- c) Two copies of partially completed Form T2058 (**on blue paper**) (and for an Eligible Fission Shareholder subject to Quebec taxation, a Quebec Form TP-529) that must be completed by an Eligible Fission Shareholder that is a partnership and that wants to make a Joint Election.

Extra copies of Forms T2057 and T2058 can be obtained from the CRA website at <http://cra-arc.gc.ca/formspubs/menu-eng.html>

Extra copies of Forms TP-518 and TP-529 can be obtained from the Revenue Quebec website at <http://www.revenuquebec.ca/en/sepf/formulaires/>

III. PROCEDURE FOR MAKING A JOINT ELECTION

The instructions provided herein are only of a general nature and are not intended to be (nor should they be construed to be) legal or tax advice to any particular Eligible Fission Shareholder concerning a Joint Election or the Joint Election Procedure. It is the Eligible Fission Shareholder’s responsibility to take the steps required to make a valid Joint Election, which include ensuring that the elected amount specified in a Joint Election (an “**Elected Amount**”) complies with the limitations prescribed in the Tax Act. An Elected Amount that does not comply with such limitations will be automatically adjusted under the Tax Act so that it is in compliance. Neither Denison nor Fission will be responsible for the proper completion and filing of any election form and, except for the obligation of Denison to so sign and return duly

completed election forms that are received by Denison on or before **July 25, 2013**, which is the 90th day after the Effective Date. None of Denison, Fission nor Fission Uranium will be responsible for any taxes, interest or penalties resulting from the failure by an Eligible Fission Shareholder to properly complete or file an election form in the form and manner and within the time prescribed by the Tax Act (and equivalent provincial statute including the Quebec Taxation Act). **Accordingly, Eligible Fission Shareholders should consult with their own tax advisors for specific advice in respect of making a Joint Election (including the advisability of the Eligible Fission Shareholder potentially deferring the recognition of all or part of the gain realized on the exchange of its Class A Shares by making a Joint Election) and complying with the Joint Election Procedure, having regard to their own particular circumstances.**

Where a Canadian province or territory, such as the Province of Quebec, requires the filing of a separate provincial or territorial tax election form in order to make a provincial or territorial election analogous to a Joint Election, Denison will also make any such analogous provincial or territorial joint election with an Eligible Fission Shareholder under the same terms and conditions that it is willing to make the Joint Election. Eligible Fission Shareholders are entirely responsible for determining whether any such separate provincial or territorial election is applicable in their circumstances and (if so) obtaining, completing and ensuring that the relevant forms are received (at the address listed above) for execution by Denison on or before **July 25, 2013**, which is the 90th day after the Effective Date.

To ensure the availability of a Joint Election (and any analogous elections under provincial and territorial legislation), two copies of the applicable election form(s) must be properly completed and executed and must be received by Denison no later than **July 25, 2013**, which is the 90th day after the Effective Date. Denison may choose to sign and return an election form received by it after such date, but Denison will have no obligation to do so.

Denison will assume that any representative who signs an election form on behalf of a corporation, trust or estate has been duly authorized to do so, and will not take any action to verify the validity of any such authorization. Eligible Fission Shareholders that are corporations, trusts or estates, or persons who co-own shares, should consult their own legal advisors in determining whether such authorization has been properly given.

In order for the CRA (and where applicable, the provincial and territorial taxation authorities) to accept a Joint Election without a late-filing penalty being assessed to an Eligible Fission Shareholder, the applicable election form must be received by such taxation authorities on or before the day that is the earliest of the days on or before which either Denison or the Eligible Fission Shareholder is required to file an income tax return for the taxation year in which the Eligible Fission Shareholder's Class A Shares are exchanged for the Denison Shares and cash consideration. Denison's 2013 taxation year is scheduled to end on December 31, 2013, although Denison's taxation year could end earlier as a result of an event such as an amalgamation, and its tax return is required to be filed within six months from the end of the taxation year. Eligible Fission Shareholders are urged to consult their own advisors as soon as possible respecting the deadlines applicable to their own particular circumstances. **However, regardless of such deadlines, information necessary for an Eligible Fission Shareholder to make a Joint Election must be received by Denison in accordance with the procedures set out in this letter on or before July 25, 2013, which is the 90th day after the Effective Date. Denison will not be responsible for any late-filing penalties where a particular Joint**

Election with an Eligible Fission Shareholder is due to be filed prior to the 90th day after the Effective Date. Please review the enclosed forms very carefully and consult with your tax advisor as to their proper completion, delivery and filing.

IV. INSTRUCTIONS FOR COMPLETING PRESCRIBED FORMS FOR A JOINT ELECTION

A. Where Class A Shares are Co-owned

Where Class A Shares were formally held in joint ownership and two or more co-owners wish to make a Joint Election, each co-owner may complete his or her own Tax Election Form or one of the co-owners may be designated to complete a combined election (the “**Designated Co-Owner**”). A Designated Co-Owner must return to Denison (at the address listed above):

- 1 A written designation signed by each co-owner, authorizing the Designated Co-Owner to execute and file the election on behalf of that co-owner;
- 2 Two copies of the completed Form T2057 (and the relevant election form(s) for any applicable provincial or territorial election analogous to the Joint Election), **for each** co-owner, signed by the Designated Co-Owner; and
- 3 A list containing the name, address and social insurance number or tax account number of each co-owner.

Please note that co-owners filing in Quebec cannot file a single Provincial Tax Election form and instead each co-owner must file their own Provincial Tax Election form TP-518.

B. Where Class A Shares are held by a Partnership

Where Class A Shares were formally held as partnership property and all members of the partnership are residents of Canada and all of the Partners wish to make a Joint Election, a partner designated by the partnership (the “**Designated Partner**”) must return to Denison (at the address listed above):

- a) A written designation signed by each Partner, authorizing the Designated Partner to execute and file the election (partnerships may have their own form of authorization);
- b) Two copies of Form T2058 (and the relevant election form(s) for any applicable provincial or territorial election analogous to a Joint Election, including where applicable Quebec form TP-529) executed by the Designated Partner on behalf of all members of the partnership; and
- c) A list containing the name, address and social insurance number or tax account of each partner.

Eligible Fission Shareholders who are members of a partnership seeking to take advantage of a Joint Election should consult with their own tax advisors for advice respecting the Joint Election Procedure relevant to partnerships.

Eligible Fission Shareholders completing Form T2058 (and Quebec Form TP-529) may generally refer to the instructions detailed below regarding Form T2057 (and Quebec Form TP-518). However, there may be some differences in the information that is required and the order of presentation of such information.

C. Completion of Form T2057 (and where applicable Quebec Form TP-518) for Eligible Fission Shareholders

With respect to Form T2057 (and Quebec Form TP-518), the following are included in this package:

- a) A Form T2057 (and Quebec Form TP-518) prepared on **white paper** and marked “SAMPLE” (the “**Sample Form**”), which is included for illustrative purposes only. **Do not execute the Sample Form and do not return the Sample Form to Denison.**
- b) Two partially completed Form T2057 (and Quebec Form TP-518) prepared on **yellow paper** (the “**Original Forms**”) to be completed and executed by the Eligible Fission Shareholder and returned to Denison (at the mailing address listed above). The Original Forms are only partially completed. You are required to fill in certain important information on the Original Forms. An Original Form will then be executed by Denison and returned to the Eligible Fission Shareholder for the shareholder to file with the CRA.

The instructions set forth have been cross-referenced to the Sample Form. Eligible Fission Shareholders are encouraged to refer to the Sample Form when reading the instructions below and completing the Original Forms.

D. Instructions for Eligible Fission Shareholders Completing Form T2057 (and where applicable Quebec Form TP-518)

Page 1 – Identification Information:

- 1. Name of taxpayer:** The legal first and last name of an individual OR name of a corporation or trust.
- 2. Social Insurance number** (of an individual), business number (of a corporation) or trust account number (of a trust).
- 3. Address:** mailing address, being the same one used for filing the applicable income tax return.
- 4. Taxation Year that includes the Effective Date of April 26, 2013**

Each Eligible Fission Shareholder must provide their taxation year that includes the Effective Date of **April 26, 2013**

- a) **Individuals** are generally taxed on a calendar year basis and generally have a December 31st taxation year end, so the taxation year would be 2013/01/01 to 2013/12/31.
- b) **Corporations** may have a taxation year that ends at any time of the year. The taxation year that is provided must include the Effective Date.

- c) **Inter vivos trusts** are taxed on a calendar year basis and have a December 31st taxation year end. Inter vivos trusts that were established on or before January 1, 2013 will generally provide the taxation year 2013/01/01 to 2013/12/31 (Inter vivos trusts settled in the current year may report a short taxation year ending 2013/12/31).
- d) **Testamentary trusts** may have a taxation year that ends at any time of the year. For testamentary trusts, the taxation year that is provided must include the Effective Date. The taxation year end will appear on the last income tax return filed by the Trust.
- e) As noted above, an Eligible Fission Shareholder that is a partnership must complete Form T2058 (not Form T2057). Partnerships may have a taxation year that ends at any time of the year. For partnerships, the taxation year that is provided must include the Effective Date. For example, if the partnership's year began on September 1, 2012 and ends on August 31, 2013, the taxation year will be 2012/09/01 to 2013/08/31.

5. Tax Services Office:

The CRA Tax Centre applicable to a shareholder can be obtained from the Notice of Assessment issued by the CRA to the shareholder after filing their most recent tax return. Alternatively, the shareholder can call the CRA at 1-800-959-8281 (individuals) or 1-800-959-5525 (corporations and trusts). A complete listing of Tax Centres can be found on CRA's website at www.cra-arc.gc.ca. See Schedule A attached hereto for further assistance.

6. Name of Co-Owner(s), if any

If you owned the Class A Shares with another owner (e.g. your spouse) or owners, a single Tax Election Form may be used for purposes of the election. In this case, there would be a single Elected Amount applicable to you and any co-owner(s). If a single Tax Election Form is being used for multiple co-owners, you must provide the name, social insurance number (or business number or trust account number, as applicable), address and CRA Tax Centre for each co-owner. Please attach details on a separate sheet if there is more than one co-owner.

Alternatively, each co-owner may complete his or her own Tax Election Form. Each co-owner should set out the co-owner's respective ownership interest in the Class A Shares (e.g. 50%). The co-owner would report amounts on his or her Tax Election Form corresponding to his or her percentage ownership of the Class A Shares. The co-owner should also choose an Elected Amount in respect of his or her particular ownership interest in the Class A Shares.

Please note that co-owners filing in Quebec cannot file a single Provincial Tax Election form and instead each co-owner must file their own Provincial Tax Election form TP-518

7. Name of Corporation (Transferee) and related information

This part of the form is or will be completed by Denison.

8. Penalty for late Filed or Amended Election

On the assumption that you will file the election in prescribed form and time and that this is not an amended election there is no need to complete this part of the form.

Page 2 – Information Required & Description of Shares Received

The forms have been provided with suggested answers where possible. The following instructions are provided for answering the questions where suggested responses were not possible:

Instruction 1: If you are a resident of Canada, within the meaning of the Tax Act, insert “x” in the “no” box on page 2 of Form T2057. If you are a non-resident of Canada, within the meaning of the Tax Act, insert an “x” in the “yes” box. **If you are unsure of your residency status, you should consult with your tax advisor.**

Instruction 2: If you hold your Class A Shares as capital property, insert “x” in the “yes” box on page 2 of Form T2057. If you do not hold your Class A Shares as capital property for purposes of the Tax Act, insert an “x” in the “no” box. An Eligible Fission Shareholder that is unsure of whether their Class A Shares are capital property or inventory should consult with their tax advisor. The instructions below assume that you hold your Class A Shares as capital property (this assumption affects the instructions below). **In most cases the answer should be “yes”.**

Instruction 3: We are not aware of any facts that would suggest that the responses to questions 6(a), 6(c), 7, and 8 should be “yes”. As such, the responses to those questions have been marked “no”.

Instruction 4: The response to this question has been marked as “no”. If you acquired Fission Energy Shares in a transaction considered not to be “arm’s length” for the purposes of the Tax Act, please consult with your tax advisor. Whether your shares were acquired in a non-arm’s length transaction is a question of fact and law. For example, one circumstance in which individuals are considered not to be dealing at arm’s length is when they are connected by blood relationship, marriage or common-law partnership or adoption.

Instruction 5: Insert in this box the total number of Denison Shares that you received for your Class A Shares. The total number of Denison shares is determined by multiplying the number of Class A Shares you owned by 0.355. If the number arrived at includes a fraction, disregard the fraction as no fractional shares were issued. This amount should be the same as “Amount K” from the Shareholder Worksheet provided below.

Page 3 – Particulars of Eligible Property Disposed of and Consideration Received

Please complete the Shareholder Worksheet, below, and insert the Amounts in the **Particulars of Eligible Property** section as instructed on the Sample Form T2057 (and where applicable Quebec Form TP-518).

Shareholder Worksheet	Please insert or compute as necessary:	Amount
The number of shares you owned in Fission Energy Corp. immediately prior to the effective date:		[A]
The estimated fair market value of a Class A Share of Fission Energy Corp. at the effective date ¹ :	CDN\$0.4490	[B]
The estimated fair market value of all of your Class A Shares exchanged for Denison shares at the effective date:	[A] x [B] =	[C]
<p>The adjusted cost base of all of the shares you owned in Fission Energy Corp. immediately prior to the effective date²:</p> <p>As a general rule this would be the cost of the shares owned, determined as:</p> <p>The total amount that you paid for the Fission shares plus costs of acquisition such as brokerage commissions – except if the shares acquired were flow-through shares, in which case the adjusted cost base would be zero.</p> <p>This calculation will be more complex if you have acquired, sold, or held shares prior to the share ownership that you had on the Effective Date.</p>		[D]
The estimated fair market value of a share in the newly formed Fission Uranium or “SpinCo” at the effective date:	CDN\$0.5325	[E]

¹ Please note that the amount shown above is an estimate and is not binding on you or the CRA. Fair market value is a question of fact, and it is possible that the fair market value is different from the estimate provided above.

² The rules for determining the tax cost base are complex and Denison does not have access to information that can assist Eligible Fission Shareholders in calculating their particular adjusted cost base. Eligible Fission Shareholders should consult their tax advisor to obtain assistance in determining the correct adjusted cost base of their Class A Shares.

Shareholder Worksheet Cont'd	Please insert or compute as necessary:	Amount
The estimated fair market value of all of the shares you received in Fission Uranium or "SpinCo" at the effective date:	$[A] \times [E] =$	[F]
The estimated adjusted cost base in all of your Class A Shares of Fission Energy Corp. at the effective date: (If negative, please enter "nil")	$[D] - [F] =$	[G]
<p>Please record the amount that you would like to elect as the proceeds of disposition on the exchange of all of your Class A Shares for shares of Denison³:</p> <ul style="list-style-type: none"> If you intend to defer all gain otherwise associated with your exchange of Class A Shares, you will ordinarily elect an Elected Amount equal to your adjusted cost base of the Class A Shares (Amount "G"). In general, the Elected Amount... <ul style="list-style-type: none"> (a) may not exceed the fair market value of the Class A Shares at the time of the exchange (Amount "C"); and (b) cannot be less than the lesser of (i) the adjusted cost base to the Eligible Fission Shareholder of the Class A Shares exchanged (Amount "G"), determined at the time of the exchange, and (ii) the fair market value of the Class A Shares at that time (Amount "C"). The Elected Amount cannot be less than the amount of non-share consideration received (Amount "J"). 		[H]
The capital gain that you must generally report on your income tax return for your taxation year that includes the Effective Date:	$[H] - [G] =$	[I]

³ Eligible Fission Shareholders are urged to consult their own tax advisors regarding the selection of the appropriate Elected Amount having regard to their particular circumstances.

Shareholder Worksheet Cont'd	Please insert or compute as necessary:	Amount
The total non-share consideration received as part of the disposal of your Class A Shares of Fission Energy Corp. to Denison: (Round up to the nearest whole cent, with the minimum non share consideration amount being Cdn\$0.01)	Cdn\$0.0001 x [A] =	[J]
The number of Denison Shares that you received in exchange for the Class A Shares: (Disregard any fractions as no fractional shares were issued. Round down the number of Denison Shares issued to the nearest whole number. For example: if the number is 103.6, enter 103)	[A] x 0.355 =	[K]
The estimated fair market value of a Denison share at the Effective Date:	CDN\$1.2644	[L]
The estimated fair market value of all of the Denison shares your received in exchange for Class A at the Effective Date:	[K] x [L] =	[M]
The total fair market value of the Denison Shares and the cash consideration you received in exchange for transferring your Class A Shares to Denison:	[J] + [M] =	[N]

Please complete the **Election and Certification** section of the form, as follows:

Instruction 6: You (or your authorized representative if you are not an individual) should sign your legal name on this line.

If you are filing Quebec Form TP-518, please also print your legal name (or your authorized representative's legal name) on the line above.

Instruction 7: **Leave this line blank.** Provided that you send the properly completed and executed election forms to Denison (at the address listed above) within the time limits described above, an authorized officer of Denison will sign on this line.

Instruction 8: **Leave this line blank.** The appropriate date will be inserted by the authorized officer of Denison at the time Denison executes your election forms.

Eligible Fission Shareholders completing Form T2058 and/or any applicable provincial or territorial tax forms (such as TP-518V or TP-529V) may refer to the instructions set out above, although the order of presentation of the information on the other forms differs from that of Form T2057 and some of the required information may be different.

E. Additional Information

Eligible Fission Shareholders that are required to file a Quebec income tax return are also required to file an additional “Quebec Tax Election Form” (TP-518V or TP-529V) in order to obtain a tax deferral for Quebec income tax purposes. Please complete the form and submit to Denison for signing, and it will be returned to you for filing with the Quebec taxation authority. Additional instructions for completion of the applicable Quebec Tax Election Form have also been included in this tax package.

Eligible Fission Shareholders that are required to file an Alberta income tax return may be required to file a separate “Alberta Tax Election Form” in order to obtain a tax deferral for Alberta income tax purposes. This requirement to file only applies if the Eligible Fission Shareholder decides to choose a different Elected Amount than that elected for Federal tax purposes. Where the Elected Amount is the same for both Federal and Alberta tax purposes, the Alberta tax authorities do not require a separate Alberta Tax Election Form.

If you desire a different Elected Amount for Alberta tax purposes, you will have to prepare a draft Alberta Election Form AT107 or Form AT108, as the case may be. The Elected Amount is governed by the same rules as the Federal Elected Amount. The draft AT107 or AT108 can be sent to Denison to be signed by an authorized officer and will be returned to you for filing with the Alberta Tax and Revenue Administration.

F. Additional Questions on Quebec Election Forms

It is assumed that in most cases the elected amount on the Quebec tax election will be the same as the elected amount on the federal tax election. The questions that refer to this have been answered on this basis.

Likewise, other questions have been answered on the basis of what is believed will apply to most Eligible Fission Shareholders.

SCHEDULE A:

The CRA has designated specific Tax Services Offices for all corporations and individuals, depending on where they are located. For an Eligible Fission Shareholder that is a corporation or an individual, the Tax Services Offices and the locations that they serve are listed as follows:

Tax Services Office	Location of Eligible Fission Shareholder
Surrey Tax Centre	British Columbia, Yukon and Regina
Winnipeg Tax Centre	Alberta, Manitoba, Northwest Territories, Saskatoon, London, Windsor, and Thunder Bay
Sudbury Tax Centre	Sudbury/Nickel Belt, Toronto Centre, Toronto East, Toronto West, Toronto North, and Barrie
Shawinigan Tax Centre	Montréal, Laval, Ottawa, Sherbrooke, Rouyn-Noranda, North Eastern Ontario, and Nunavut
Jonquière Tax Centre	Québec, Chicoutimi, Rimouski, Trois-Rivières, Outaouais, and Montérégie-Rive-Sud
St. John's Tax Centre	Nova Scotia, New Brunswick, Newfoundland and Labrador, Kingston, Peterborough, and St. Catharines
Summerside Tax Centre	Prince Edward Island, Belleville, Hamilton, and Kitchener/Waterloo
International Tax Services Office (Ottawa)	Non-residents of Canada

For an Eligible Fission Shareholder that is a trust or a partnership, the Tax Services Office is the Ottawa Technology Centre regardless of where the Eligible Fission Shareholder is located.



ELECTION ON DISPOSITION OF PROPERTY BY A TAXPAYER TO A TAXABLE CANADIAN CORPORATION

SAMPLE - DO NOT SUBMIT

- For use by a taxpayer and a taxable Canadian corporation to jointly elect under subsection 85(1) where the taxpayer has disposed of eligible property within the meaning of subsection 85(1.1) to the corporation and has received as consideration shares of any class in that corporation.
- File one completed copy of the election and related schedules (if any) as follows:
 - a) one copy by the transferor, or
 - b) two or more copies if two or more transferors elect regarding the transfer of the same property (co-ownership), or two or more members of the same partnership elect for the transfer of their partnership interests. In these situations, one transferor designated for the purpose should file simultaneously one copy for each transferor, together with a list of all transferors electing. This list should contain the address and Social insurance number or Business Number of each transferor;
- on or before the **earliest date** on which any one of the parties to the election is required to file an income tax return for the tax year in which the transaction occurred, taking into consideration any election under subsection 99(2) (due date);
- at the tax centre serving the area where the transferor is located. Where two or more co-owners or members of a partnership referred to above elect, the elections will be processed in bulk and should be filed at the tax centre of the transferee; and
- separate from any tax returns. You may put it in the same envelope with a return, but do not insert it in or attach it to the return.
- Sections and subsections referred to on this form are from the *Income Tax Act*.

Do not use this area

Name of taxpayer (transferor) (print) IDENTIFICATION - SAMPLE TAXPAYER						Social insurance number or Business Number					
Address						Postal code					
Tax year of taxpayer for the period from	Year	Month	Day	to	Year	Month	Day	Tax services office			

Name of co-owner(s), if any (if more than one, attach schedule giving similar details) (print) IDENTIFICATION - IF APPLICABLE						Social insurance number					
Address						Postal code					
						Tax services office					

Name of corporation (transferee) (print) DENISON MINES CORP.						Business Number TO BE INPUT BY DENISON					
Address #402 - 595 BAY STREET, TORONTO, ON						Postal code M5G 2C2					
Tax year of corporation for the period from	Year	Month	Day	to	Year	Month	Day	Tax services office SUDBURY TAX CENTRE			
Name of person to contact for additional information DENISON TAX ELECTION HOTLINE						Area code 416		Telephone number 979-1991 EXT.288			

Penalty for late-filed and amended elections

An election that is filed after its due date is subject to a late-filing penalty. Form T2057 can be filed within 3 years after its due date if an estimate of the penalty is paid at the time of filing. Form T2057 can also be amended or filed after the 3-year period, but in these situations, a written explanation of the reason the election is amended or late-filed must be attached for consideration by the Minister and an estimate of the applicable penalty must be paid when this election is filed.

Calculation of late-filing penalty:

Fair market value of property transferred
 Less: agreed amount
 Difference **A**

Amount A x 1/4 x 1% x N* = **B**
 \$100 x N* = **C**

* N represents the sum of each month or each part of a month in the period from the due date to the actual filing date. Amount C cannot exceed \$8,000.

Late-filing penalty is the lesser of B and C above

Make a cheque or money order payable to the Receiver General. **Specify "T2057"** on the remittance and, to ensure proper credit, indicate the name and social insurance number of the taxpayer, or Business Number if a corporation.

Amount enclosed

Unpaid amounts including late-filing penalties are subject to daily compound interest, at a prescribed rate.

Do not use this area

Information required

On the following page, list, describe, and state the fair market value of transferred properties. The description and fair market value of the consideration received has to be shown opposite the related property transferred. Where the transferred property is a partnership interest, attach a schedule of the calculation of the adjusted cost base. If space on the form is insufficient, attach schedules giving similar details. You have to designate the order of disposition of each depreciable property. With this election you do not have to file the following materials: schedules supporting this designation, documentation relating to the responses to the questions below, and a brief summary of the method of evaluating the fair market value of each property transferred. However you have to keep them as the Canada Revenue Agency may ask to see them at a later date.

- 1 - Is there a written agreement relating to this transfer? ☐ Yes ☒ No
- 2 - Does a price adjustment clause apply to any of the properties? (See the Interpretation Bulletin IT-169 for details.) ☐ Yes ☒ No
- 3 - Do any persons other than the taxpayer own or control directly or indirectly any shares of any class of the transferee? ☒ Yes ☐ No
- 4 - Does a non-arm's length rollover exist between 2 or more corporations? ☐ Yes ☒ No
- a) Have all or substantially all (90% or more) of all the properties of the corporation(s) been transferred to the transferee corporation? ☐ Yes ☒ No
- 5 - Is the taxpayer a non-resident of Canada? ☐ Yes ☐ No INSTRUCTION 1 ->
- 6 - Are any of the properties transferred capital properties? ☐ Yes ☐ No INSTRUCTION 2 ->

If yes, INSTRUCTION 3

- a) have they been owned continuously since Valuation-Day (V-Day)? ☐ Yes ☒ No
- b) have they been acquired after V-Day in a transaction considered not to be at arm's length? INSTRUCTION 4 ☐ Yes ☒ No
- c) since V-Day, has the taxpayer or any person from whom shares were acquired in a non-arm's length transaction received any subsection 83(1) dividends for transferred shares? (If yes, provide details of amounts and dates received and attach a schedule.) ☐ Yes ☒ No
- 7 - Is the agreed amount of any of the transferred properties based on an estimate of fair market value on V-Day? ☐ Yes ☒ No
- a) If yes, does a formal documented V-Day value report exist? ☐ Yes ☒ No
- 8 - Has an election under subsection 26(7) of the *Income Tax Application Rules* (Form T2076) been filed by or on behalf of the taxpayer? ☐ Yes ☒ No

Where shares of the capital stock of a private corporation are included in the property disposed of, provide the following:

Name of corporation (print)	Business Number	Paid-up capital of shares transferred
N/A	N/A	N/A

Description of shares received

Number of shares transferor received	Class of shares	Redemption value per share	Paid-up capital	Voting or non-voting	Are shares retractable? *
INSTRUCTION 5 OR [AMOUNT K]	COMMON SHARES	N/A	PER 85 (2.1)	VOTING	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No

* Retractable means redeemable at the option of the holder.

Informative notes

- The rules for section 85 elections are complex. Essential information is contained in Information Circular, IC76-19 and Interpretation Bulletins, IT-169, IT-291, and IT-378.
- Complete all the information areas and answer all questions. If this form is incomplete, the Canada Revenue Agency may consider the election invalid, and subsequent submissions may be subject to a late-filing penalty.
- If the agreed amount exceeds the adjusted cost base of the property in the election, you must report the difference as a capital gain, as income or a combination of both, whichever applies.

Particulars of Eligible Property Disposed of and Consideration Received

Date of sale or transfer of all properties listed below:		Year	Month	Day	Note: For properties sold or transferred on different dates, use separate T2057s.			
		2013	APRIL	26				
	Property Disposed of			Agreed Amount (cannot be zero)	Amount to be reported B - A (If greater than 0 see Note 4)	Consideration Received		
	Description	Elected Amount Limits*				Non-share	Share	Fair Market Value of Total Consideration
		Fair Market Value	A			B	Description	
Capital Property Excluding Depreciable Property	(Brief legal) [AMOUNT A]	\$ [C]	(See Note 1) \$ [G]	\$ [H]	\$ [I]	CASH PAYMENT OF \$ [J]	[K]	\$ [N]
	CLASS A SHARES OF FISSION ENERGY CORP.						SHARES OF DML*	
	*DML SHARES ARE COMMON SHARES OF DENISON MINES CORP.							
Depreciable Property	(Description and prescribed Class) N/A		(See Note 2)					
Eligible Capital Property	(Kind) N/A		(See Note 3)					
Inventory Excluding Real Property	(Kind) N/A		(Cost Amount)					
Resource Property	(Brief legal) N/A		NIL					
			NIL					
Security or Debt Obligation Property	(Description) N/A		(Cost Amount)					
Specified Debt Obligation (For financial institutions only)	N/A		(Cost Amount)					
Capital Property That is Real Property Owned by a Non- Resident Person	N/A							
NISA Fund No. 2 (see note 5)	N/A		(Cost Amount)					

Note 1: Adjusted cost base (which is subject to adjustment per section 53).

Note 2: The lesser of undepreciated capital cost of all property of the class and the cost of the property.

Note 3: The lesser of 4/3 x cumulative eligible capital and the cost of the property. (Under proposed changes, new rules will apply on subsequent dispositions of eligible capital property occurring after December 20, 2002).

Note 4: This amount is to be reported either as a capital gain or as income, whichever applies. Also, in the case of depreciable property and eligible capital property, a portion of the amount may have to be reported as a capital gain while another portion of the amount may have to be reported as income.

Note 5: Contributions made in a tax year ending after 2007, and amounts earned on those contributions, are only eligible if that property is owned by an individual.

* Refer to current Interpretation Bulletin IT-291 for more information on eligible property and an explanation of the limits.

Election and Certification

The taxpayer and corporation hereby jointly elect under subsection 85(1) in respect of the property specified, and certify that the information given in this election, and in any documents attached, is to the best of their knowledge, correct and complete.

INSTRUCTION 6

and INSTRUCTION 7

INSTRUCTION 8

Signature of Transferor, of Authorized Officer or Authorized Person*

Signature of Authorized Officer of Transferee

Date

* Attach a copy of authorizing agreement

**Transfer of Property by a Taxpayer
to a Taxable Canadian Corporation**

SAMPLE

DO NOT SUBMIT

This form is to be used by any taxpayer and by any taxable Canadian corporation to which the taxpayer has transferred property for consideration that includes a share of the capital stock of the corporation, where an election respecting the transfer has been filed with the Canada Revenue Agency (CRA) pursuant to subsection 85(1) of the *Income Tax Act* (ITA).

Note that, effective December 20, 2006, corporations and taxpayers can no longer agree on an amount that differs from the amount shown on form T2057, *Election on Disposition of Property by a Taxpayer to a Taxable Canadian Corporation*, of the CRA nor may they file an application to the Minister unless the conditions referred to in Part 2 of this form are met.

This form must also be completed in order to submit

- a **rollover application**, if, pursuant to subsection 13(21.2) of the ITA, no election may be made where the taxpayer sustains a terminal loss on the transfer of property; or
- an **application to the Minister** to amend a TP-518-V form previously filed with respect to a transfer, in order to agree on an amount (if this has not already been done), to be deemed to have never agreed on an amount, or to agree on a new amount.

Definitions

In this form, "transferor" refers to the taxpayer, "corporation" refers to the taxable Canadian corporation, and the term "parties" refers to both the transferor and the corporation. "Transfer year" refers to the taxation year of the transferor or the taxation year of the corporation in which the transfer took place.

Documents to submit

Enclose the following documents with this form:

- a **copy of form T2057 and any other document filed with the CRA** (unless you are submitting a rollover application or an application to the Minister and form T2057 has already been filed and has never been amended);

- where one of the properties transferred is an interest in a partnership, a document listing the names and addresses of all the members of the partnership, as well as their Québec enterprise numbers (NEQ), and their social insurance numbers or identification numbers, depending on whether the partners are individuals, corporations, trusts or partnerships. Provide the same information for all the members of a partnership that is a member of the transferor partnership.

Where two or more transferors transfer property held in co-ownership, or where two or more members of the same partnership transfer their interests in the partnership, only one of the transferors, is required to file this form.

Filing date

You must submit to us the duly completed form and the attached documents separately from any income tax return by the later of the following dates:

- The earliest date by which any of the parties must file an income tax return for the taxation year in which the transfer took place;
- the date of the last day of the two-month period following the end of the taxation year that, of the taxation years of the parties, ends the latest.

Applications to the Minister, however, must be submitted to us within three years following the date on which the late-filing penalty is applied, or later, if we authorize it.

Penalty

The parties must pay a penalty if this form or any required documents are sent to us after the prescribed deadline.

1 Identification**1.1 Transferor**

Social insurance number		Identification number		File	Québec enterprise number (NEQ)	
01a		01b		0001	01c	
Name or business name of transferor						
02	IDENTIFICATION - SAMPLE TAXPAYER					
Number		Street or P.O. Box			Suite	
03						
City, town or municipality					Province	Postal code
					03a	
Start date of transfer year			End date of transfer year			
04	Y	M	D	05	Y	M D



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1.2 Corporation

10a	Identification number TO BE INPUT BY DENISON I C 0001	10b	Québec enterprise number (NEQ) TO BE INPUT BY DENISON
11	Name of corporation DENISON MINES CORP.		
12	Number 5 9 5	Street or P.O. Box BAY STREET	Suite 4 0 2
	City, town or municipality TORONTO	Province ON	Postal code M 5 G 2 C 2
13	Start date of transfer year 2 0 Y 1 3 0 M 1 0 D 1	End date of transfer date 2 0 Y 1 3 1 M 2 3 D 1	

1.3 Contact person

20	Name of contact person DENISON TAX ELECTION HOTLINE	20a	Area code Telephone 4 1 6 9 7 9 1 9 9 1
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2 Conditions

The following conditions must be met if the parties wish to submit an application to the Minister, or agree on an amount different from the amount indicated in the federal form T2057:

- The parties carried on at least 90% of their business in Québec during the transfer year.
- If one of the parties is an individual, he or she was a resident in Québec on the last day of the transfer year.
- If the amount agreed to in Part 4 of this form is different from the amount indicated in the federal form T2057, answer the following question:

Is the difference between the amounts **entirely (or almost entirely)** attributable to the difference between the cost amount of the property used to calculate Provincial income tax and the cost amount used to calculate federal income tax?

30 ☒ Yes ☐ No

If you answered **no**, explain the difference: 30a

The condition is considered to be met where we deem the reason acceptable in the circumstances.

3 Rollover application

In the case of a rollover application, provide the following information:

- Are the parties dealing at non-arm's-length? 40 ☒ Yes ☐ No
 - Has all or substantially all (90% or more) of the transferor's property been transferred to the transferee corporation? 41 ☐ Yes ☒ No
 - Is there a written agreement related to the transfer? 42 ☐ Yes ☒ No
- If you answered **yes**, enclose a copy of the agreement with this form.
- Does a price adjustment claim apply to any of the transferred property? 43 ☐ Yes ☒ No
 - Enter the undepreciated capital cost (UCC) of the property. 44 N/A

Where shares of the capital stock of a private corporation are included in the transfer, provide the following information:

50	Name of the private corporation N/A	51b	Québec enterprise number (NEQ) N/A	52	Paid-up capital of shares transferred N/A
51a	Identification number N/A	0001			

If the transferred property is a partnership interest, attach a schedule of the calculation of the adjusted cost base.



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4 Particulars of the property transferred and the consideration received

4.1 Transferred property and consideration received

Where several transfers of depreciable property or incorporeal capital property were carried out at the same time, each transfer must be entered in the order of transfer elected by the transferor. However, you must keep such documents so we may access them during an audit.

Unless otherwise indicated, it is not necessary to provide documents to support the elected order of transfer, the information provided in this section or the method used to evaluate each property transferred. List and describe each property transferred and the consideration received. Enter the fair market value (FMV) of the property and the FMV of the consideration received as calculated on the date of transfer. If space is insufficient, attach a separate sheet showing the same information.

55 Date of transfer of the property indicated below: 2013-01-01 Use a separate copy of this part for any property that was transferred on a different date.

	A Property	Limits respecting the agreed amount		D Agreed amount (see note 4)	E Consideration received		F FMV of the consideration received	G Col. D – col. C (see note 5) if the result is negative enter 0.
		B FMV of the property	C Other limits		Other than shares (brief description)	Name and class of shares		
Capital property other than depreciable property (brief description)								
1	[AMOUNT A]	[C]	[G]	[H]	CASH PAYMENT OF	DML*	[N]	[I]
2	CLASS A SHARES OF				\$ _____			
3	FISSION ENERGY CORP.							
4	* DML SHARES ARE COMMON SHARES OF DENISON MINES CORP.							
Depreciable property (description and prescribed class)								
5	N/A							
6								
7								
Incorporeal capital property (type)								
8	N/A							
9								
10								
11								
Inventory (type)								
12	N/A							
13								
14								
Resource property (brief description)								
15	N/A					n/a		
16						n/a		
Securities or debt obligations (brief description)								
17	N/A							
18								
Other (see note 6) (brief description)								
19	N/A							
20								



4.2 Shares received

	A Number of shares received by transferor	B Class of shares	C Cash surrender value per share (\$)	D Tax value of paid-up capital per share (\$)	E Are the shares voting shares?		F Are the shares retractable?	
					Yes	No	Yes	No
1	INSTRUCTION 5	COMMON SHARES	N/A	PER 85 (2.1)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2	OR [AMOUNT K]				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5 Penalty (for late filing of the form or for an application to the Minister)

If a number of penalties result from this transfer, only the highest penalty must be paid.

FMV of the property transferred

Agreed amount for the property

Subtract line 61 from line 60.

Multiply line 62 by 0.25%.

Number of months⁷

Multiply line 64 by the number entered on line 65.

Number of months entered on line 65 multiplied by \$100

Enter the amount on line 66, the amount on line 67 or \$5,000, whichever is the least.

Penalty

60		
- 61		
= 62		
x 63	0.25%	
= 64		
x 65		
= 66		
► 67		
68		

6 Certification

70 We, the transferor and the corporation shown in Part 1, are filing this form for one of the following reasons:

- ☒ We have made an election under subsection 85(1) of the *Income Tax Act* with respect to the property described in Part 4.
- ☐ We are filing an application to the Minister under the third paragraph of section 522 of the *Taxation Act* with respect to the property described in Part 4.
- ☐ We are submitting a rollover application because no election may be made under subsection 85(1) of the *Income Tax Act* by reason of subsection 13(21.2) of that Act.

We certify that the information given in this form and in any enclosed documents is accurate and complete.

<p>_____ Name of transferor or authorized signee⁸ (please print)</p> <p>[INSTRUCTION 6] Signature of transferor or authorized signee</p>	<p>DAVID CATES _____ Name of authorized signee for the corporation⁸ (please print)</p> <p>[INSTRUCTION 7] Signature of authorized signee for the corporation</p>	<p>_____ [INSTRUCTION 8] Date</p>
---	---	---

- Enter the adjusted cost base (ACB), which is subject to adjustments under sections 255 and 257 of the *Taxation Act*.
- Enter the capital cost of the property or the UCC of all property in the class immediately before the transfer, whichever is less.
- Enter the cost of the property in respect of a business or 4/3 of the eligible incorporeal capital amount in respect of the same business immediately before the transfer, whichever is less.
- As a rule, the agreed amount must be the amount entered on form T2057. However, if the parties meet the conditions in Part 2, the agreed amount must be calculated as follows:
 - It must be equal to or greater than the lesser of the amounts in columns B and C (this limit does not apply to resource property). It must also be equal to or greater than the amount in column F, unless the consideration received consists of a share of the corporation, or a right to receive such a share.
 - It must not exceed the amount in column B.
- The transferor must report any amount in this column as a capital gain or as income, depending on the type of property. For example, if the UCC of the class of a depreciable property results in a negative amount, this amount must be reported as income. With respect to incorporeal capital property held in the course of carrying on a business, the negative balance of the eligible incorporeal capital amount of this business must also be reported as income.
- The property may be capital property that is an immovable held by a non-resident, or a NISA fund No. 2.
- Number of months or parts of a month between the filing deadline prescribed by law and the date on which all of the required documents are filed with us (or, in the case of an application to the Minister, the date on which this form is filed).
- Attach a copy of the document authorizing the person to sign.



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ELECTION ON DISPOSITION OF PROPERTY BY A TAXPAYER TO A TAXABLE CANADIAN CORPORATION

- For use by a taxpayer and a taxable Canadian corporation to jointly elect under subsection 85(1) where the taxpayer has disposed of eligible property within the meaning of subsection 85(1.1) to the corporation and has received as consideration shares of any class in that corporation.
- File one completed copy of the election and related schedules (if any) as follows:
 - 1 – a) one copy by the transferor, or
b) two or more copies if two or more transferors elect regarding the transfer of the same property (co-ownership), or two or more members of the same partnership elect for the transfer of their partnership interests. In these situations, one transferor designated for the purpose should file simultaneously one copy for each transferor, together with a list of all transferors electing. This list should contain the address and Social insurance number or Business Number of each transferor;
 - 2 – on or before the **earliest date** on which any one of the parties to the election is required to file an income tax return for the tax year in which the transaction occurred, taking into consideration any election under subsection 99(2) (due date);
 - 3 – at the tax centre serving the area where the transferor is located. Where two or more co-owners or members of a partnership referred to above elect, the elections will be processed in bulk and should be filed at the tax centre of the transferee; and
 - 4 – separate from any tax returns. You may put it in the same envelope with a return, but do not insert it in or attach it to the return.
- Sections and subsections referred to on this form are from the *Income Tax Act*.

Do not use this area

Name of taxpayer (transferor) (print)				Social insurance number or Business Number				
Address				Postal code				
Tax year of taxpayer for the period from	Year	Month	Day	to	Year	Month	Day	Tax services office

Name of co-owner(s), if any (if more than one, attach schedule giving similar details) (print)				Social insurance number			
Address				Postal code			
				Tax services office			

Name of corporation (transferee) (print)				Business Number				
DENISON MINES CORP.								
Address				Postal code				
#402 - 595 BAY STREET, TORONTO, ON				M5G 2C2				
Tax year of corporation for the period from	Year	Month	Day	to	Year	Month	Day	Tax services office
	2	0	1	3	0	1	0	1
					2	0	1	3
					1	2	3	1
Name of person to contact for additional information				Area code		Telephone number		
DENISON TAX ELECTION HOTLINE				416		979-1991 EXT.288		

Penalty for late-filed and amended elections

An election that is filed after its due date is subject to a late-filing penalty. Form T2057 can be filed within 3 years after its due date if an estimate of the penalty is paid at the time of filing. Form T2057 can also be amended or filed after the 3-year period, but in these situations, a written explanation of the reason the election is amended or late-filed must be attached for consideration by the Minister and an estimate of the applicable penalty must be paid when this election is filed.

Calculation of late-filing penalty:

Fair market value of property transferred
Less: agreed amount
Difference A

Amount A x 1/4 x 1% x N* = B
\$100 x N* = C

* N represents the sum of each month or each part of a month in the period from the due date to the actual filing date. Amount C cannot exceed \$8,000.

Late-filing penalty is the lesser of B and C above

Make a cheque or money order payable to the Receiver General. **Specify "T2057"** on the remittance and, to ensure proper credit, indicate the name and social insurance number of the taxpayer, or Business Number if a corporation.

Amount enclosed

Unpaid amounts including late-filing penalties are subject to daily compound interest, at a prescribed rate.

Do not use this area

Information required

On the following page, list, describe, and state the fair market value of transferred properties. The description and fair market value of the consideration received has to be shown opposite the related property transferred. Where the transferred property is a partnership interest, attach a schedule of the calculation of the adjusted cost base. If space on the form is insufficient, attach schedules giving similar details. You have to designate the order of disposition of each depreciable property. With this election you do not have to file the following materials: schedules supporting this designation, documentation relating to the responses to the questions below, and a brief summary of the method of evaluating the fair market value of each property transferred. However you have to keep them as the Canada Revenue Agency may ask to see them at a later date.

- 1 - Is there a written agreement relating to this transfer? ☐ Yes ☒ No
- 2 - Does a price adjustment clause apply to any of the properties? (See the Interpretation Bulletin IT-169 for details.) ☐ Yes ☒ No
- 3 - Do any persons other than the taxpayer own or control directly or indirectly any shares of any class of the transferee? ☒ Yes ☐ No
- 4 - Does a non-arm's length rollover exist between 2 or more corporations? ☐ Yes ☒ No
- a) Have all or substantially all (90% or more) of all the properties of the corporation(s) been transferred to the transferee corporation? ☐ Yes ☒ No
- 5 - Is the taxpayer a non-resident of Canada? ☐ Yes ☐ No
- 6 - Are any of the properties transferred capital properties? ☐ Yes ☐ No
- If yes,
- a) have they been owned continuously since Valuation-Day (V-Day)? ☐ Yes ☒ No
- b) have they been acquired after V-Day in a transaction considered not to be at arm's length? ☐ Yes ☒ No
- c) since V-Day, has the taxpayer or any person from whom shares were acquired in a non-arm's length transaction received any subsection 83(1) dividends for transferred shares? (If yes, provide details of amounts and dates received and attach a schedule.) ☐ Yes ☒ No
- 7 - Is the agreed amount of any of the transferred properties based on an estimate of fair market value on V-Day? ☐ Yes ☒ No
- a) If yes, does a formal documented V-Day value report exist? ☐ Yes ☒ No
- 8 - Has an election under subsection 26(7) of the *Income Tax Application Rules* (Form T2076) been filed by or on behalf of the taxpayer? ☐ Yes ☒ No

Where shares of the capital stock of a private corporation are included in the property disposed of, provide the following:

Name of corporation (print)	Business Number	Paid-up capital of shares transferred
N/A	N/A	N/A

Description of shares received

Number of shares transferor received	Class of shares	Redemption value per share	Paid-up capital	Voting or non-voting	Are shares retractable? *
	COMMON SHARES	N/A	PER 85 (2.1)	VOTING	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No

* Retractable means redeemable at the option of the holder.

Informative notes

- The rules for section 85 elections are complex. Essential information is contained in Information Circular, IC76-19 and Interpretation Bulletins, IT-169, IT-291, and IT-378.
- Complete all the information areas and answer all questions. If this form is incomplete, the Canada Revenue Agency may consider the election invalid, and subsequent submissions may be subject to a late-filing penalty.
- If the agreed amount exceeds the adjusted cost base of the property in the election, you must report the difference as a capital gain, as income or a combination of both, whichever applies.

Particulars of Eligible Property Disposed of and Consideration Received

Date of sale or transfer of all properties listed below:		Year	Month	Day	Note: For properties sold or transferred on different dates, use separate T2057s.		
		2013	APRIL	26			

	Property Disposed of				Agreed Amount (cannot be zero)	Amount to be reported B – A (If greater than 0 see Note 4)	Consideration Received		
	Description	Elected Amount Limits*		Non-share			Share	Fair Market Value of Total Consideration	
		Fair Market Value	A						Description
Capital Property Excluding Depreciable Property	(Brief legal)	\$	(See Note 1)	\$	\$	CASH PAYMENT OF \$		\$	
	CLASS A SHARES OF FISSION ENERGY CORP.						SHARES OF DML*		
	*DML SHARES ARE COMMON SHARES OF DENISON MINES CORP.								
Depreciable Property	(Description and prescribed Class) N/A		(See Note 2)						
Eligible Capital Property	(Kind) N/A		(See Note 3)						
Inventory Excluding Real Property	(Kind) N/A		(Cost Amount)						
Resource Property	(Brief legal) N/A		NIL						
			NIL						
Security or Debt Obligation Property	(Description) N/A		(Cost Amount)						
Specified Debt Obligation (For financial institutions only)	N/A		(Cost Amount)						
Capital Property That is Real Property Owned by a Non- Resident Person	N/A								
NISA Fund No. 2 (see note 5)	N/A		(Cost Amount)						

Note 1: Adjusted cost base (which is subject to adjustment per section 53).

Note 2: The lesser of undepreciated capital cost of all property of the class and the cost of the property.

Note 3: The lesser of 4/3 x cumulative eligible capital and the cost of the property. (Under proposed changes, new rules will apply on subsequent dispositions of eligible capital property occurring after December 20, 2002).

Note 4: This amount is to be reported either as a capital gain or as income, whichever applies. Also, in the case of depreciable property and eligible capital property, a portion of the amount may have to be reported as a capital gain while another portion of the amount may have to be reported as income.

Note 5: Contributions made in a tax year ending after 2007, and amounts earned on those contributions, are only eligible if that property is owned by an individual.

* Refer to current Interpretation Bulletin IT-291 for more information on eligible property and an explanation of the limits.

Election and Certification

The taxpayer and corporation hereby jointly elect under subsection 85(1) in respect of the property specified, and certify that the information given in this election, and in any documents attached, is to the best of their knowledge, correct and complete.

Signature of Transferor, of Authorized Officer or Authorized Person*

Signature of Authorized Officer of Transferee

Date

* Attach a copy of authorizing agreement

Transfer of Property by a Taxpayer to a Taxable Canadian Corporation

This form is to be used by any taxpayer and by any taxable Canadian corporation to which the taxpayer has transferred property for consideration that includes a share of the capital stock of the corporation, where an election respecting the transfer has been filed with the Canada Revenue Agency (CRA) pursuant to subsection 85(1) of the *Income Tax Act* (ITA).

Note that, effective December 20, 2006, corporations and taxpayers can no longer agree on an amount that differs from the amount shown on form T2057, *Election on Disposition of Property by a Taxpayer to a Taxable Canadian Corporation*, of the CRA nor may they file an application to the Minister unless the conditions referred to in Part 2 of this form are met.

This form must also be completed in order to submit

- a **rollover application**, if, pursuant to subsection 13(21.2) of the ITA, no election may be made where the taxpayer sustains a terminal loss on the transfer of property; or
- an **application to the Minister** to amend a TP-518-V form previously filed with respect to a transfer, in order to agree on an amount (if this has not already been done), to be deemed to have never agreed on an amount, or to agree on a new amount.

Definitions

In this form, "transferor" refers to the taxpayer, "corporation" refers to the taxable Canadian corporation, and the term "parties" refers to both the transferor and the corporation. "Transfer year" refers to the taxation year of the transferor or the taxation year of the corporation in which the transfer took place.

Documents to submit

Enclose the following documents with this form:

- a **copy of form T2057 and any other document filed with the CRA** (unless you are submitting a rollover application or an application to the Minister and form T2057 has already been filed and has never been amended);

- where one of the properties transferred is an interest in a partnership, a document listing the names and addresses of all the members of the partnership, as well as their Québec enterprise numbers (NEQ), and their social insurance numbers or identification numbers, depending on whether the partners are individuals, corporations, trusts or partnerships. Provide the same information for all the members of a partnership that is a member of the transferor partnership.

Where two or more transferors transfer property held in co-ownership, or where two or more members of the same partnership transfer their interests in the partnership, only one of the transferors, is required to file this form.

Filing date

You must submit to us the duly completed form and the attached documents separately from any income tax return by the later of the following dates:

- The earliest date by which any of the parties must file an income tax return for the taxation year in which the transfer took place;
- the date of the last day of the two-month period following the end of the taxation year that, of the taxation years of the parties, ends the latest.

Applications to the Minister, however, must be submitted to us within three years following the date on which the late-filing penalty is applied, or later, if we authorize it.

Penalty

The parties must pay a penalty if this form or any required documents are sent to us after the prescribed deadline.

1 Identification

1.1 Transferor

Social insurance number		Identification number		File	Québec enterprise number (NEQ)	
01a		01b		0001	01c	
Name or business name of transferor						
02						
Number		Street or P.O. Box		Suite		
03						
City, town or municipality				Province	Postal code	
				03a		
Start date of transfer year		End date of transfer year				
04		05				
Y M D		Y M D				



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1.2 Corporation

10a	Identification number	File	10b	Québec enterprise number (NEQ)
	I C 0001			
11	Name of corporation			
	D E N I S O N M I N E S C O R P .			
12	Number	Street or P.O. Box	Suite	
	5 9 5	B A Y S T R E E T	4 0 2	
	City, town or municipality	Province	Postal code	
	T O R O N T O	O N	12a M 5 G 2 C 2	
13	Start date of transfer year	End date of transfer date		
	2 0 Y 1 3 0 M 1 0 D 1	14 2 0 Y 1 3 1 M 2 3 D 1		

1.3 Contact person

20	Name of contact person	Area code	Telephone
	D E N I S O N T A X E L E C T I O N H O T L I N E	20a	4 1 6 9 7 9 1 9 9 1

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2 Conditions

The following conditions must be met if the parties wish to submit an application to the Minister, or agree on an amount different from the amount indicated in the federal form T2057:

- The parties carried on at least 90% of their business in Québec during the transfer year.
- If one of the parties is an individual, he or she was a resident in Québec on the last day of the transfer year.
- If the amount agreed to in Part 4 of this form is different from the amount indicated in the federal form T2057, answer the following question:

Is the difference between the amounts **entirely (or almost entirely)** attributable to the difference between the cost amount of the property used to calculate Provincial income tax and the cost amount used to calculate federal income tax?

30 ☒ Yes ☐ No

If you answered **no**, explain the difference: 30a

The condition is considered to be met where we deem the reason acceptable in the circumstances.

3 Rollover application

In the case of a rollover application, provide the following information:

- Are the parties dealing at non-arm's-length? 40 ☒ Yes ☐ No
 - Has all or substantially all (90% or more) of the transferor's property been transferred to the transferee corporation? 41 ☐ Yes ☒ No
 - Is there a written agreement related to the transfer? 42 ☐ Yes ☒ No
- If you answered **yes**, enclose a copy of the agreement with this form.
- Does a price adjustment claim apply to any of the transferred property? 43 ☐ Yes ☒ No
 - Enter the undepreciated capital cost (UCC) of the property. 44 N/A

Where shares of the capital stock of a private corporation are included in the transfer, provide the following information:

50	Name of the private corporation	File	Québec enterprise number (NEQ)	Paid-up capital of shares transferred
	N/A			
51a	Identification number	51b	Québec enterprise number (NEQ)	52
	N/A		N/A	N/A

If the transferred property is a partnership interest, attach a schedule of the calculation of the adjusted cost base.



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4 Particulars of the property transferred and the consideration received

4.1 Transferred property and consideration received

Where several transfers of depreciable property or incorporeal capital property were carried out at the same time, each transfer must be entered in the order of transfer elected by the transferor. However, you must keep such documents so we may access them during an audit.

Unless otherwise indicated, it is not necessary to provide documents to support the elected order of transfer, the information provided in this section or the method used to evaluate each property transferred. List and describe each property transferred and the consideration received. Enter the fair market value (FMV) of the property and the FMV of the consideration received as calculated on the date of transfer. If space is insufficient, attach a separate sheet showing the same information.

55 Date of transfer of the property indicated below: 2013 01 31 dM4 2D6 Use a separate copy of this part for any property that was transferred on a different date.

A Property	Limits respecting the agreed amount (see note 1)		D Agreed amount (see note 4)	E Consideration received		F FMV of the consideration received	G Col. D – col. C (see note 5) if the result is negative enter 0.
	B FMV of the property	C Other limits		Other than shares (brief description)	Name and class of shares		
Capital property other than depreciable property (brief description)							
1				CASH PAYMENT OF		DML *	
2	CLASS A SHARES OF			\$ _____			
3	FISSION ENERGY CORP.						
4	* DML SHARES ARE COMMON SHARES OF DENISON MINES CORP.						
Depreciable property (description and prescribed class) (see note 2)							
5	N/A						
6							
7							
Incorporeal capital property (type) (see note 3)							
8	N/A						
9							
10							
11							
Inventory (type) (cost amount)							
12	N/A						
13							
14							
Resource property (brief description)							
15	N/A			n/a			
16				n/a			
Securities or debt obligations (brief description) (cost amount)							
17	N/A						
18							
Other (see note 6) (brief description)							
19	N/A						
20							

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4.2 Shares received

	A Number of shares received by transferor	B Class of shares	C Cash surrender value per share (\$)	D Tax value of paid-up capital per share (\$)	E Are the shares voting shares?		F Are the shares retractable?	
					Yes	No	Yes	No
1		COMMON SHARES	N/A	PER 85 (2.1)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5 Penalty (for late filing of the form or for an application to the Minister)

If a number of penalties result from this transfer, only the highest penalty must be paid.

FMV of the property transferred

Agreed amount for the property

Subtract line 61 from line 60.

Multiply line 62 by 0.25%.

Number of months⁷

Multiply line 64 by the number entered on line 65.

Number of months entered on line 65 multiplied by \$100

Enter the amount on line 66, the amount on line 67 or \$5,000, whichever is the least.

Penalty

60		
61		
62		
63	0.25%	
64		
65		
66		
67		
68		

6 Certification

☐ 70 We, the transferor and the corporation shown in Part 1, are filing this form for one of the following reasons:

- ☒ We have made an election under subsection 85(1) of the *Income Tax Act* with respect to the property described in Part 4.
- ☐ We are filing an application to the Minister under the third paragraph of section 522 of the *Taxation Act* with respect to the property described in Part 4.
- ☐ We are submitting a rollover application because no election may be made under subsection 85(1) of the *Income Tax Act* by reason of subsection 13(21.2) of that Act.

We certify that the information given in this form and in any enclosed documents is accurate and complete.

Name of transferor or authorized signee⁸ (please print)

DAVID CATES

Name of authorized signee for the corporation⁸ (please print)

Signature of transferor or authorized signee

Signature of authorized signee for the corporation

Date

- Enter the adjusted cost base (ACB), which is subject to adjustments under sections 255 and 257 of the *Taxation Act*.
- Enter the capital cost of the property or the UCC of all property in the class immediately before the transfer, whichever is less.
- Enter the cost of the property in respect of a business or 4/3 of the eligible incorporeal capital amount in respect of the same business immediately before the transfer, whichever is less.
- As a rule, the agreed amount must be the amount entered on form T2057. However, if the parties meet the conditions in Part 2, the agreed amount must be calculated as follows:
 - It must be equal to or greater than the lesser of the amounts in columns B and C (this limit does not apply to resource property). It must also be equal to or greater than the amount in column F, unless the consideration received consists of a share of the corporation, or a right to receive such a share.
 - It must not exceed the amount in column B.
- The transferor must report any amount in this column as a capital gain or as income, depending on the type of property. For example, if the UCC of the class of a depreciable property results in a negative amount, this amount must be reported as income. With respect to incorporeal capital property held in the course of carrying on a business, the negative balance of the eligible incorporeal capital amount of this business must also be reported as income.
- The property may be capital property that is an immovable held by a non-resident, or a NISA fund No. 2.
- Number of months or parts of a month between the filing deadline prescribed by law and the date on which all of the required documents are filed with us (or, in the case of an application to the Minister, the date on which this form is filed).
- Attach a copy of the document authorizing the person to sign.



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**ELECTION ON DISPOSITION OF PROPERTY BY A
PARTNERSHIP TO A TAXABLE CANADIAN CORPORATION**

- For use by a taxable Canadian corporation and all the members of a partnership, to jointly elect under subsection 85(2) where the partnership has disposed of property to the corporation and has received as consideration shares of any class of the capital stock of the corporation.
- File one completed copy of the election and related schedules (if any) as follows:
 - by a partner designated for the purpose by the partnership;
 - on or before the earlier date on which any party to the election has to file an income tax return for the tax year in which the transaction occurred (due date);
 - at the tax centre serving the area where the transferee is located; and
 - separately from any tax returns. You may put it in the same envelope with a return, but do not insert it in or attach it to the return.
- Sections and subsections referred to on this form are from the *Income Tax Act*.

Do not use this area

Name of partnership (transferor) (print)										Partnership identification number																	
Address										Postal code																	
Tax year of partnership		from		Year		Month		Day		to		Year		Month		Day		Tax services office									

Name of corporation (transferee) (print)										Business Number																											
DENISON MINES CORP.																																					
Address										Postal code																											
#402 - 595 BAY STREET, TORONTO, ON										M5G 2C2																											
Tax year of corporation		from		Year		Month		Day		to		Year		Month		Day		Tax services office																			
				2		0		1		3		2		0		1		3		1		2		3		1		SUDBURY TAX CENTRE									
Name of person to contact for more information										Area code					Telephone number																						
DENISON TAX ELECTION HOTLINE										416					979-1991 EXT.288																						

Penalty for late-filed and amended elections

An election that is filed after its due date is subject to a late-filing penalty. Form T2058 can be filed within 3 years after its due date if an estimate of the penalty is paid at the time of filing. Form T2058 can also be amended or filed after the 3-year period, but in these situations, a written explanation of the reason the election is amended or late-filed must be attached for consideration by the Minister and an estimate of the applicable penalty must be paid at the time of filing.

Calculation of late-filing penalty:

Fair market value of property transferred

Less: agreed amount

Difference A

Amount A x 1/4 x 1% x N* B

\$100 x N* = C

* N represents the sum of each month or each part of a month in the period from the due date to the actual filing date. Amount C cannot exceed \$8,000.

Late-filing penalty is the lesser of B and C above

Make cheque or money order payable to the Receiver General. Specify "T2058" on the remittance and, to ensure proper credit, indicate the name and social insurance number of the taxpayer, or Business Number if a corporation.

Amount enclosed

Unpaid amounts, including late-filing penalties, are subject to daily compound interest at a prescribed rate.

Do not use this area

Information required

On the following page, list, describe, and state the fair market value of properties transferred. The description and fair market value of the consideration received has to be shown opposite the related property transferred. Where the transferred property is a partnership interest, attach a schedule of the calculation of the adjusted cost base. If space on the form is insufficient, attach schedules giving similar details. You have to designate the order of disposition of each depreciable property. With this election, you do not have to file the following materials: schedules supporting this designation; documentation relating to the responses to the questions below; and a brief summary of the method of evaluating the fair market value of each property transferred. However, you have to keep them as Canada Revenue Agency may ask to see them at a later date.

1. Is there a written agreement relating to this transfer? ☐ Yes ☒ No
2. Does a price adjustment clause apply to any of the properties? (See Interpretation Bulletin IT-169 for details.) ☐ Yes ☒ No
3. Do any persons other than the members of the partnership own or control, directly or indirectly, any shares of any class of the transferee? ☒ Yes ☐ No
4. Does a non-arm's length rollover exist between the partnership(s) and the transferee corporation? ☐ Yes ☒ No
 - a) Have all or substantially all (90% or more) of all properties of the partnership been transferred to the corporation? ☐ Yes ☒ No
5. Are any partners non-residents of Canada? ☐ Yes ☐ No
6. Are any of the properties transferred capital properties? ☐ Yes ☐ No

If yes,

 - a) have they been owned continuously since Valuation Day (V-Day)? ☐ Yes ☒ No
 - b) have they been acquired after V-Day in a transaction considered not to be at arm's length? ☐ Yes ☒ No
 - c) since V-Day, has the partnership or any person from whom shares were acquired in a non-arm's length transaction received any subsection 83(1) dividends for transferred shares? (If yes, provide details of amounts and dates received, and attach a schedule.) ☐ Yes ☒ No
7. Is the agreed amount of any of the transferred properties based on an estimate of fair market value on V-Day? ☐ Yes ☒ No
 - a) If yes, does a formal documented V-Day value report exist? ☐ Yes ☒ No
8. Has an election under subsection 26(7) of the *Income Tax Application Rules* (Form T2076) been filed by or on behalf of the transferor? ☐ Yes ☒ No

Where shares of the capital stock of a private corporation are included in the property disposed of, provide the following:

Name of corporation	Business Number	Paid-up capital of shares transferred
N/A	N/A	N/A

Description of shares received

Number of shares transferor received	Class of shares	Redemption value per share	Paid-up capital	Voting or non-voting	Are shares retractable?*
	COMMON SHARES	N/A	PER 85 (2.1)	VOTING	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No

* Retractable means redeemable at the option of the holder.

Informative notes

- The rules for section 85 elections are complex. Essential information is contained in Information Circular 76-19 and Interpretation Bulletins IT-169, IT-291, and IT-378.
- Complete all the information areas and answer all questions. If this form is incomplete, the Canada Revenue Agency may consider the election invalid, and subsequent submissions may be subject to a late-filing penalty.
- If the agreed amount exceeds the adjusted cost base of the property in the election, you must report the difference as a capital gain, as income or a combination of both, whichever applies.

Particulars of property disposed of and consideration received

Date of sale or transfer of all properties listed below:		Year		Month	Day	Note: For properties sold or transferred on different dates, use separate Form T2058.		
		2	0	1	3	0	4	
				2	6			
Property disposed of				Agreed amount (cannot be zero)	Amount to be reported B-A (If greater than 0, see note 4)	Consideration received		
	Description	Elected amount limits*		B		Non-share	Share	Fair market value
		Fair market value	A			Description	Number and class	
Capital property excluding depreciable property	(Brief legal)		(see note 1)			CASH PAYMENT		
						OF \$	SHARES OF DML*	
	CLASS A SHARES OF							
	FISSION ENERGY CORP.			*DML SHARES ARE COMMON		SHARES OF DENISON MINES CORP.		
Depreciable property	(Description and prescribed class)		(see note 2)					
Eligible capital property	(Kind)		(see note 3)					
Inventory excluding real property	(Kind)		(cost amount)					
Resource property	(Brief legal)		nil					
			nil					
			nil					
Security or debt obligation property	(Description)		(cost amount)					
Specified Debt Obligation (For financial institutions only)			(cost amount)					

Notes

- Adjusted cost base (subject to adjustment per section 53.)
- The lesser of undepreciated capital cost of all property of the class and the cost of the property.
- The lesser of $\frac{4}{3}$ x cumulative eligible capital and the cost of the property. (Under proposed changes, new rules will apply on subsequent dispositions of eligible capital property occurring after December 20, 2002).
- This amount is to be reported either as a capital gain or as income, whichever applies. Also, in the case of depreciable property and eligible capital property, a portion of the amount may have to be reported as a capital gain while another portion of the amount may have to be reported as income.

* See Interpretation Bulletin IT-291 for an explanation of the limits.

Election and certification

The corporation and all members of the partnership hereby jointly elect under subsection 85(2) in respect of the property specified, and certify that the information given in this election, and in any documents attached, is true, correct and complete to the best of their knowledge.

		VP FINANCE & TAX, C.F.O.	
Date	Signature of authorized officer of corporation		Position or office
1	Social insurance number or Business Number	Name of partner, authorized person or authorized officer	Partner's tax services office
	Signature of partner, authorized person or authorized officer	Position of office of authorized person or authorized officer	Date
2	Social insurance number or Business Number	Name of partner (print)	Partner's tax services office
	Signature of partner or authorized officer		Date
3	Social insurance number or Business Number	Name of partner (print)	Partner's tax services office
	Signature of partner or authorized officer		Date

The election form must be signed by all partners, or by a person authorized in writing by all partners to sign for them, and by an authorized officer of the transferee. A person who is authorized to sign for all the partners should complete area 1 above, and attach a copy of the authorizing agreement. If space is insufficient, attach "Election and Certification" giving similar details. Attach a list containing the name, Social insurance number, or Business Number of each partner. If a member of the partnership is in itself a partnership, attach a list showing the name, Social insurance number, or Business Number of each member of that partnership. Also, indicate the fiscal period of the partnership.



Transfer of Property by a Partnership to a Taxable Canadian Corporation

This form is to be used by any partnership and by any taxable Canadian corporation to which the partnership has transferred property for consideration that includes a share of the capital stock of the corporation, where an election respecting the transfer has been filed with the Canada Revenue Agency (CRA) pursuant to subsection 85(2) of the *Income Tax Act* (ITA).

Note that effective December 20, 2006, the members of a partnership and a corporation may no longer agree on an amount that differs from the amount shown on form T2058, *Election on Disposition of Property by a Partnership to a Taxable Canadian Corporation*, of the CRA nor may they file an application to the Minister unless the conditions referred to in Part 2 of this form are met.

This form must also be completed in order to submit,

- a **rollover application**, if, pursuant to subsection 13(21.2) of the ITA, no election may be made where the partnership sustains a capital loss on the transfer of property; or
- an **application to the Minister** to amend a TP-529-V form previously filed with respect to a transfer, in order to agree on an amount (if this has not already been done), to be deemed to have never agreed on an amount, or to agree on a new amount.

Definitions

In this form, "transferor" refers to the partnership, "corporation" refers to a taxable Canadian corporation, and the term "parties" refers to both the transferor and the corporation. "Transfer year" refers to the fiscal period of the partnership or the taxation year of the corporation in which the transfer took place.

Documents to submit

Enclose the following documents with this form:

- a **copy of form T2058 and any other document filed with the CRA** (unless you are submitting a rollover application or an application to the Minister and form T2058 has already been filed and has never been amended);

- a document listing the names and addresses of all the members of the transferor partnership, as well as their Québec enterprise numbers (NEQ), and their social insurance numbers or identification numbers, depending on whether the partners are individuals, corporations, trusts or partnerships. Provide the same information for all the members of a partnership that is a member of the transferor partnership.

The authorized signee for the transferor partnership is the only person who can file this form on behalf of the members of the partnership, including the members of any partnership that is a member of the transferor partnership.

Filing date

You must submit to us the duly completed form and the attached documents separately from any income tax return by the later of the following dates:

- the earliest date by which the corporation or the members of the transferor partnership or the corporation must file an income tax return for the fiscal period or the taxation year in which the transfer took place;
- the date of the last day of the two-month period following the end of the taxation year of the corporation or the end of the fiscal period of the partnership in which the transfer took place, whichever is later.

Applications to the Minister, however, must be submitted to us within three years following the date on which the late-filing penalty is applied, or later, if we authorize it.

Penalty

The parties must pay a penalty if this form or any required documents are sent to us after the prescribed deadline.

1 Identification

1.1 Transferor

Identification number		File	Québec enterprise number (NEQ)	
01a	S P 0001		01b	
Name or business name of transferor				
02				
Number		Street or P.O. Box	Suite	
03				
City, town or municipality		Province	Postal code	
			03a	
Start date of transfer year		End date of transfer year		
04	Y M D	05	Y M D	



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1.2 Corporation

10a	Identification number	File	10b	Québec enterprise number (NEQ)
		I.C. 0001		
11	Name of corporation			
	D E N I S O N M I N E S C O R P			
12	Number	Street or P.O. Box	Suite	
	5,95	B A Y S T R E E T		
	City, town or municipality		Province	Postal code
	T O R O N T O		O N	12a M 5 G 2 C 2
13	Start date of transfer year		End date of transfer year	
	2 0 Y 1 3 0 M 1 0 D 1		2 0 Y 1 3 1 M 2 3 D 1	

1.3 Contact person

20	Name of contact person	Area code	Telephone
	D E N I S O N T A X E L E C T I O N H O T L I N E	20a 4 1 6	9 7 9 1 9 9 1

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2 Conditions

The following conditions must be met if the parties wish to submit an application to the Minister, or agree on an amount different from the amount indicated in federal form T2058:

- The parties carried on at least 90% of their business in Québec during the transfer year.¹
- At least one of the members of the transferor partnership is subject to provincial income tax in the transfer year.
- If the amount agreed to in Part 4 of this form is different from the amount indicated in the federal form T2058, answer the following question:

Is the difference between the amounts **entirely (or almost entirely)** attributable to the difference between the cost amount of the property used to calculate provincial income tax and the cost amount used to calculate federal income tax? 30 ☒ Yes ☐ No

If you answered **no**, explain the difference: 30a

The condition is considered to be met where we deem the reason acceptable in the circumstances.

3 Rollover application

In the case of a rollover application, provide the following information:

- Are the parties dealing at non-arm's-length? 40 ☒ Yes ☐ No
 - Has all or substantially all (90% or more) of the transferor's property been transferred to the corporation? 41 ☐ Yes ☒ No
 - Is there a written agreement related to the transfer? 42 ☐ Yes ☒ No
- If you answered **yes**, enclose a copy of the agreement with this form.
- Does a price adjustment claim apply to any of the transferred property? 43 ☐ Yes ☒ No
 - Enter the undepreciated capital cost (UCC) of the property. 44 ☐ N/A

Where shares of the capital stock of a private corporation are included in the transfer, complete the lines below.

50	Name of the private corporation			
	N/A			
51a	Identification number	File	51b	Québec enterprise number (NEQ)
	N/A	0001		N/A
52	Paid-up capital of shares transferred			
	N/A			

If the transferred property is a partnership interest, attach a schedule of the calculation of the adjusted cost base.



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4 Particulars of the property transferred and the consideration received

4.1 Transferred property and consideration received

Where several transfers of depreciable property or incorporeal capital property were carried out at the same time, each transfer must be entered in the order of transfer elected by the transferor.

Unless otherwise indicated, it is not necessary to provide documents to support the elected order of transfer, the information provided in this section or the method used to evaluate each property transferred.

However, you must keep such documents so we may access them during an audit.

List and describe each property transferred and the consideration received. Enter the fair market value (FMV) of the property and the FMV of the consideration received as calculated on the date of transfer. If space is insufficient, attach a separate sheet showing the same information.

Date of transfer of the property indicated below: 2, 0 Y 1, 3 0 M 4, 2 D 6 Use a separate copy of this part for any property that was transferred on a different date.

55	A Property (brief description)	Limits respecting the agreed amount (see note 2)		D Agreed amount (see note 5)	E Consideration received		F FMV of the consideration received	G Col. D - col. C (see note 6) if the result is negative enter 0.
		B FMV of the property	C Other limits		Other than shares (brief description)	Name and class of shares		
1	Capital property other than depreciable property (brief description)				CASH PAYMENT OF	DML *		
2	CLASS A SHARES OF				\$			
3	FISSION ENERGY CORP.							
4	*DML SHARES ARE COMMON SHARES OF DENISON MINES CORP.							
5	Depreciable property (description and prescribed class)							
6	N/A							
7								
8	Incorporeal capital property (type)							
9	N/A							
10								
11								
12	Inventory (type)							
13	N/A							
14								
15	Resource property (brief description)							
16	N/A		n/a					
17	Securities or debt obligations (brief description)		n/a					
18	N/A							
19	Other (see note 7) (brief description)							
20	N/A							

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4.2 Shares received

	A Number of shares received by transferor	B Class of shares	C Cash surrender value per share (\$)	D Tax value of paid-up capital per share (\$)	E Are the shares voting shares?		F Are the shares retractable?	
					Yes	No	Yes	No
1		COMMON SHARES	N/A	PER 85 (2.1)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5 Penalty (for late filing of the form or for an application to the Minister)

If a number of penalties result from this transfer, only the highest penalty must be paid.

FMV of the property transferred

Agreed amount for the property

Subtract line 61 from line 60.

Multiply line 62 by 0.25%.

Number of months^a

Multiply line 64 by the number entered on line 65.

Number of months entered on line 65 multiplied by \$100

Enter the amount on line 66, the amount on line 67 or \$5,000, whichever is least.

Penalty

60		
61		
62		
63	0.25%	
64		
65		
66		
67		
68		

6 Certification

70 We, the transferor and the corporation shown in Part 1, are filing this form for one of the following reasons:

- ☒ We have made an election under subsection 85(2) of the *Income Tax Act* with respect to the property described in Part 4.
- ☐ We are filing an application to the Minister under the third paragraph of section 522 of the *Taxation Act* with respect to the property described in Part 4.
- ☐ We are submitting a rollover application because no election may be made under subsection 85(2) of the *Income Tax Act* by reason of subsection 13(21.2) of that Act.

We certify that the information given in this form and in any enclosed documents is accurate and complete.

Name of the authorized signee for the transferor^a (please print)

DAVID CATES

Name of authorized signee for the corporation^a (please print)

Signature of authorized signee for the transferor

Signature of authorized signee for the corporation

Date

- The proportion of business carried on in Québec by the transferor is calculated in accordance with the regulations made pursuant to section 771 of the *Taxation Act* for the taxation year in which the transfer took place as if the partnership were a corporation and as if its fiscal period were a taxation year.
- Enter the adjusted cost base (ACB), which is subject to adjustments under sections 255 and 257 of the *Taxation Act*.
- Enter the capital cost of the property or the UCC of all property in the class immediately before the transfer, whichever is less.
- Enter the cost of the property in respect of a business or 4/3 of the eligible incorporeal capital amount in respect of the same business immediately before the transfer, whichever is less.
- As a rule, the agreed amount must be the amount entered on form T2058. However, if the parties meet the conditions in Part 2, the agreed amount must be calculated as follows:
 - It must be equal to or greater than the lesser of the amounts in columns B and C (this limit does not apply to resource property). It must also be equal to or greater than the amount in column F, unless the consideration received consists of a share of the corporation, or a right to receive such a share.
 - It must not exceed the amount in column B.
- The transferor must report any amount in this column as a capital gain or as income, depending on the type of property. For example, if the UCC of the class of a depreciable property results in a negative amount, this amount must be reported as income. With respect to incorporeal capital property held in the course of carrying on a business, the negative balance of the eligible incorporeal capital amount of this business must also be reported as income.
- The property may be capital property that is an immovable held by a non-resident, or a NISA fund No. 2.
- Number of months or parts of a month between the filing deadline prescribed by law and the date on which all of the required documents are filed with us (or, in the case of an application to the Minister, the date on which this form is filed).
- Attach a copy of the document authorizing the person to sign.



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