

Uranium

***Red Cloud's Nuclear Summer Conferences***

**Thematic**

**Earlier this week, Red Cloud hosted a pair of conferences in New York and Toronto featuring presentations from seven uranium developers and explorers and other industry experts.** Both conferences were kicked off by a presentation from Philip Johnson, Vice President – Fuel Cycle, of the UxC, which is one of the nuclear industry's leading market research and analysis companies. Philip presented an overview of the uranium market, which included the UxC's outlook on global nuclear demand and uranium supply. Seven presentations followed from Anfield Energy (TSXV:AEC), Appia Energy (CSE:API), Blue Sky Uranium (TSXV:BSK), CanAlaska Uranium (TSXV:CVV), Fission 3.0 (TSXV:FUU), Fission Uranium (TSX:FCU) and Laramide Resources (TSX:LAM). The New York conference ended with a Q&A with Arthur Hyde, Partner & Co-Portfolio Manager at Segra Capital Management, which consisted of a discussion on recent macroeconomic trends and the outlook on the uranium sector.

For more details on our view of the uranium sector and most of the presenting companies presenting, see our sector initiation report [here](#).

**Company Presentation Summaries:**

CEO and Director, Corey Dias presented on behalf of **Anfield Energy (TSXV:AEC)** an overview of the uranium development company's portfolio of quick to production ISR assets and longer-term conventional assets in the US, providing it leverage to both a strengthening uranium price and the potential for a favorable outcome to the ongoing Section 232 investigation. Anfield's current focus for near-term development is the recently acquired Charlie project where BRS Engineering has been engaged and is currently drafting a PEA that is expected later this month. The company has a Resin Processing Agreement with Uranium One to process up to 0.5Mlb U3O8/year at the nearby Irigaray processing plant, which offers a quick path to production for the company. Of note, the company's licensed Shooting Canyon conventional mill in Utah is one of only three in the United States and would likely make the company an attractive takeout target particularly with a positive outcome to the nearly complete Section 232 investigation. **We are maintaining our fair value estimate of C\$0.50/sh which we believe continues to accurately reflect the low execution risk we see at the company's U.S. ISR assets.**

CEO, President and Director, Tom Drivas presented on behalf of **Appia Energy (CSE:API)**, a uranium and rare earths explorer focused on the historic Elliot Lake uranium camp and the Alces Lake high grade REE project in Saskatchewan. Appia is advancing its Elliot Lake project which contains a large uranium resource base of 55.6Mlbs eU3O8 and adds development potential to Appia's portfolio of exploration assets. In addition, having James Sykes in charge of Appia's exploration and development team is a testament to the quality of the projects. James brings over 10 years of Athabasca Basin experience to the team, most notably having worked on Hathor's Roughrider deposits and leading the discovery team for NexGen's Arrow deposit. As mentioned, Appia's asset portfolio in Saskatchewan also includes the Alces Lake high grade REE project, which the company is currently focused on exploring this summer

through surface work and geophysics (June) in addition to drilling (Q3 2019). **We are maintaining our fair value estimate of C\$0.80/sh and continue to believe the company's unique combination of REE and uranium assets provides excellent exposure to improving market fundamentals.**

Director, David Terry presented on behalf of **Blue Sky Uranium (TSXV:BSK)**, a uranium explorer/developer focused on its Amarillo Grande uranium-vanadium project in Argentina. Blue Sky recently released results of a PEA for its Ivana deposit within Amarillo Grande, which points to an economic project with annual production of 1.5Mlb, an NPV8% of US\$135M and IRR of 29.3%. While the PEA currently envisions a small scale mine, the project has massive exploration upside that points to it having the potential to be one of the larger uranium deposits in the world. The project incorporates multiple uranium-vanadium discoveries identified throughout the project's ~250,000 ha land package where exploration work across a 145km trend led to the discovery of the Santa Barbara target (2006) and the Anit target (2008) and finally the Ivana target (2011) which has since been advanced to the PEA stage. The company has identified potential expansion opportunities both near the current resource as well as along trend throughout the wider property, which the company is currently drilling. **We are maintaining our fair value estimate of C\$0.45/sh and continue to believe the project's massive exploration upside points to it having the potential to be one of the larger uranium deposits in the world.**

COO, Corey Belyk presented on behalf of **CanAlaska Uranium (TSXV:CVV)**, a uranium explorer focused on drilling its properties in Canada's Athabasca Basin. Cory is a professional geoscientist with nearly 30 years of experience working for major mining companies in the Athabasca Basin, which includes COGEMA (now Orano), Uranerz Exploration and Mining Ltd, and Cameco. The company along with its 30% JV partner, Cameco, is currently focused on exploring its West McArthur uranium project in close proximity to Cameco's McArthur River project (currently on care and maintenance) in the Athabasca Basin. Previous drilling on the property intersected high-grade uranium with intersections including 4.15% U3O8 over 1.4m and 1.51% U3O8 over 5.5m targeting a geophysical anomaly representing the offset and continuation of the C10 conductor which hosts Cameco's nearby Fox Lake deposit (68.1Mlb grading 7.99% U3O8). The company intends to drill West McArthur this summer, which could commence as early as next week.

COO, Ross McElroy presented on behalf of **Fission 3.0 (TSXV:FUU)**, a uranium explorer with a management team that has created value with the drill bit multiple times in the Athabasca Basin. Over the last eight years, management had the ability (both technical and financial) to build a portfolio of the highest quality uranium prospects in the basin. Fission 3.0 has prospective ground in the backyard of Fission Uranium's PLS Project, creating operating synergies for Fission 3.0 and FCU. The company is looking to close in on targets for drilling with geophysics at the Cree Bay project, which are being tested to host major structural disruptions which we expect could be followed-up with drilling this summer. The past producing Nisto Uranium Deposit (500 tons at 1.6% U3O8) is located 5 km to the northeast of Cree Bay along the same Virgin River Conductive Corridor.

Chairman and CEO, Dev Randhawa presented on behalf of **Fission Uranium (TSX:FCU)**, a uranium developer focused on the Patterson Lake South (PLS) project in Saskatchewan, which we believe has the potential to be a long-life, low-cost asset, whose construction is less dependent on the uranium price rising than most of its development stage peers. PLS could emerge as one of the larger lower-cost uranium projects in the world based on the

information provided in the recent PFS which considers both an underground/open pit scenario and an underground-only alternative scenario (PEA level). We see the underground-only option as the most likely development, route which would lower capital costs with minimal impact on NPV. Additionally, an infill drilling program is being planned, which could add additional Indicated resources (from those currently classified as Inferred) from the main R780E zone and three other nearby high-grade zones (R1515W, R840W and R1620E zones) into the mine plan. **We are maintaining our fair value estimate of C\$1.10/sh and continue to believe that as the company advances the underground-only project while at the same time demonstrating the project's exploration upside, the company has the potential to re-rate higher.**

President, CEO and Director, Marc Henderson presented on behalf of **Laramide Resources (TSX:LAM)**, a uranium developer with quick to production ISR assets in the US, along with conventional assets in the US and Australia. This provides the company leverage to a strengthening uranium price and the potential to benefit from a favourable outcome from the ongoing Section 232 investigation. The company's current approach, is to start small at ~1 Mlbs/year with its low initial capex New Mexico ISR projects, eventually expanding that production from cash flow, while at the same time advancing its US and Australian conventional assets. Since the acquisition of Church Rock and Crownpoint, the company has completed resource estimates and is working towards issuing a PEA, which evaluates both Church Rock and Crownpoint together. **We are maintaining our fair value estimate of C\$1.10/sh and continue to believe that the company provides excellent leverage to both a strengthening uranium price and the potential for a favourable outcome to the ongoing Section 232 investigation.**

**Derek Macpherson** | VP Research, [dmacpherson@redcloudks.com](mailto:dmacpherson@redcloudks.com)  
**Edmond Thorose** | VP Research, [ethorose@redcloudks.com](mailto:ethorose@redcloudks.com)  
**Alex Pitcher** | Senior Research Associate, [apitcher@redcloudks.com](mailto:apitcher@redcloudks.com)  
**Beatrice Cigagna** | Research Associate, [bcigagna@redcloudks.com](mailto:bcigagna@redcloudks.com)

**Red Cloud Klondike Strike Inc.**

105 King Street East, 2<sup>nd</sup> Floor  
Toronto ON, M5C 1G6

[RCKSTalk@RedCloudKS.com](mailto:RCKSTalk@RedCloudKS.com)

[www.redcloudks.com/rcks-talk](http://www.redcloudks.com/rcks-talk)

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Company Specific Disclosure Details

Company Name	Ticker Symbol	Disclosures
Anfield Energy Inc	TSXV:AEC	2,3,4
Appia Energy Corp	CNSX:API	2,3,4
Blue Sky Uranium Corp	TSXV:BSK	2
Fission 3.0 Corp	TSXV:FUU	2,3,4
Fission Uranium Corp	TSXV:FCU	2,4
CanAlaska Uranium	TSXV:CVV	None
Laramide Resources Ltd	TSX:LAM	2,3,4

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