

## ACQUISITION OF STRATEGIC HIGH-GRADE URANIUM & VANADIUM PROJECT IN UTAH, USA

- TNT secures exclusive right to acquire 100% of the East Canyon Uranium-Vanadium Project
- Located in the Dry Valley/East Canyon District in Utah, which has historically produced uranium and vanadium ore of 0.13-0.15%  $U_3O_8$  and 1.3%  $V_2O_5$ <sup>1</sup>
- Project comprises 200 highly strategic and prospective uranium and vanadium claims (4000 acres/16km<sup>2</sup>) within the extended Uravan Mineral Belt on the Colorado Plateau, and contains the historic None Such Mine<sup>2</sup>
- Uravan Mineral Belt has been a productive zone for uranium and vanadium for 100+ years<sup>3</sup>
- Recent fieldwork confirmed visible mineralisation in old workings with grades up to 0.47%  $U_3O_8$  and 9%  $V_2O_5$ <sup>4</sup>
- Historic drill intercept showed mineralisation of >0.23%  $U_3O_8$  and >1%  $V_2O_5$ <sup>5</sup> over 2m (refer Figure 3)
- Multiple adits remain open and accessible<sup>6</sup>
- Salt Wash Member which hosts uranium-vanadium ore<sup>7</sup> outcrops throughout the Project area<sup>2</sup>
- 85 mlbs (40kt)  $U_3O_8$  and 660 mlbs (330kt)  $V_2O_5$  has been produced throughout the region from Salt Wash ores from the Morrison Formation sandstones<sup>3</sup>
- White Mesa Mill, the only conventional, fully permitted operating mill in the US<sup>8</sup>, located 50km to the south of the East Canyon Project via major highway adjacent to project
- Tier one, mining friendly jurisdiction with excellent infrastructure and easy access
- US Government recently announced multi-year commitment to support domestic uranium production<sup>8</sup>
- Exploration program to commence following completion of acquisition

TNT Mines Ltd (ASX: TIN) (**TNT** or the **Company**) is pleased to advise it has entered into a binding agreement (**Acquisition Agreement**) to acquire Vanacorp Aust Pty Ltd (**Vanacorp**) and its wholly owned US subsidiary Vanacorp USA LLC, which owns a 100% interest in 200 unpatented lode claims prospective for uranium and vanadium (together, the **East Canyon Project**), located in the Dry Valley/East Canyon mining district of south eastern Utah, USA (**Acquisition**).

The East Canyon claims contain known high-grade uranium and vanadium mineralisation and include the historic None Such Mine. The claims are targeted to an area with known historical workings, historic drill intercepts and historic production for both uranium and vanadium. Field work carried out in 2018 and 2019 yielded highly encouraging results (as per Appendix 1) that warrant follow-up exploration.

TNT Executive Director Brett Mitchell said: "We are very pleased to have identified an asset with the quality of East Canyon from our strategy of securing a strategic mineral project in North America, and we look forward to working towards completing the acquisition. The current outlook for the US uranium sector is extremely positive, driven by forecast trends in power generation and strong support from the federal government. Being a part of that will be exciting for the Company."



**Figure 1** Left: Adit located within the East Canyon Claims  
Centre: Geologist at exposed mineralisation face  
Right: Visible mineralisation within workings at Project

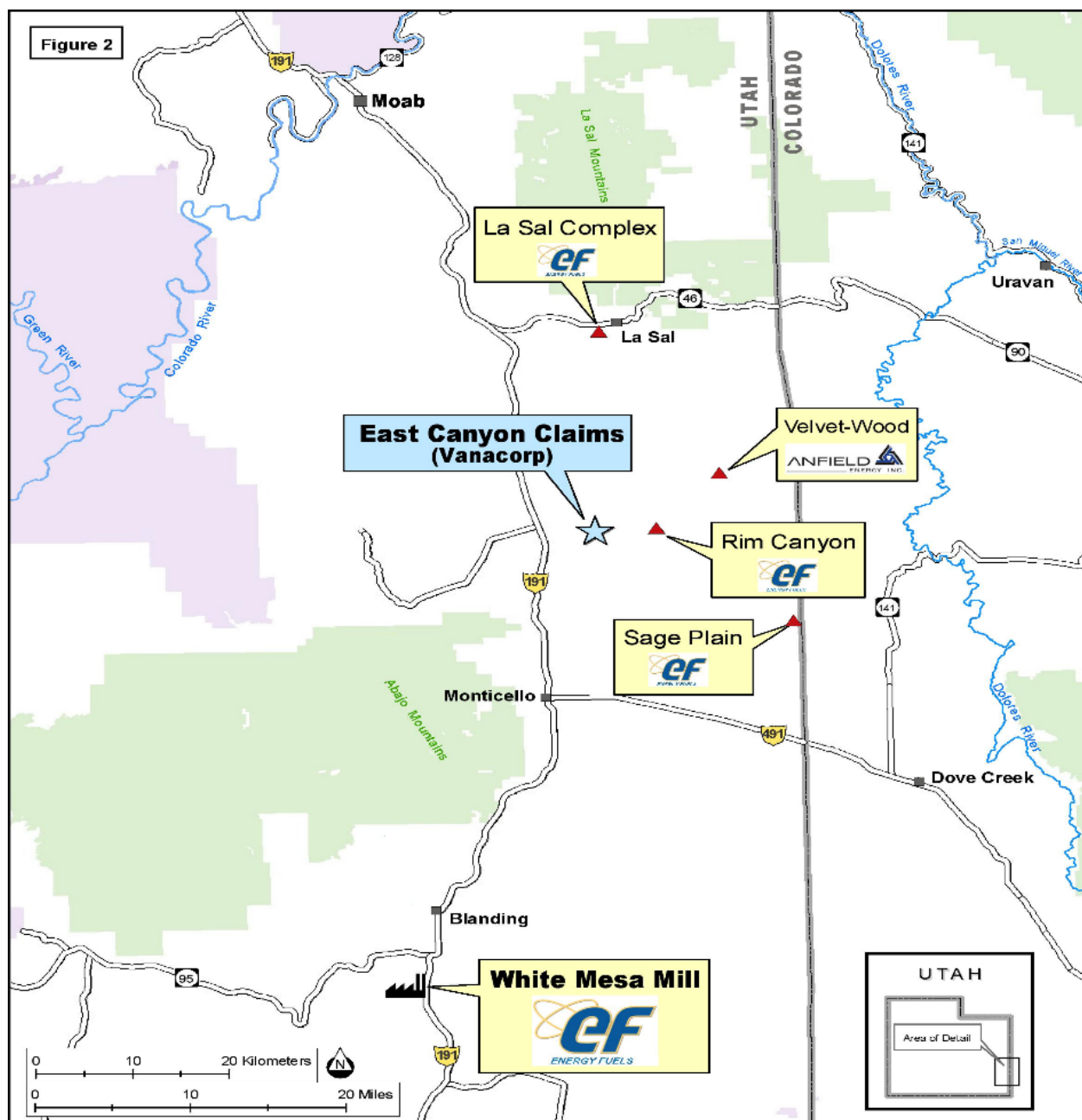
## Project Location and History

The Dry Valley/East Canyon uranium and vanadium mining district is located in San Juan County, Utah, and lies within the Uravan Mineral Belt (Figure 2), an important source of uranium and vanadium ore in the United States for more than 100 years. Historic production from the Uravan Belt is in excess of 85 million pounds of uranium at an average grade of more than 0.13%  $U_3O_8$  and 660 million pounds of vanadium at an average grade of 1.3%  $V_2O_5^*$ .

The East Canyon Project covers 200 contiguous claims (~4,000 acres/16km<sup>2</sup>) in the district and features numerous historic workings including the None Such Mine previously owned and operated by Vanadium Corporation of America (VCA). A 1962 drillhole location map produced by VCA shows mineralised intercepts ranging from two feet at 0.83%  $V_2O_5$  and 0.127%  $U_3O_8$  (DH 44-4) to seven feet at 1.07%  $V_2O_5$  and 0.237%  $U_3O_8$  (DH D-2-8) (VCA map, 1962, refer to Appendix 1).

Many of the mines and workings within the project area are still open and appear in good condition (Figure 1 and Figure 3). Over 2018 and 2019, Vanacorp representatives collected 26 samples from eight sites including underground ribs/faces and ore dump sites that returned assays as high as 0.47%  $U_3O_8$  and 9.21%  $V_2O_5$  (see Table 1 for selected results and Figure 3). In the course of this fieldwork, the Vanacorp representatives also observed a 20-40ft thick reduced, fine-to-medium-grained, permeable sandstone host with an abundant amount of carbonaceous debris and visible uranium-vanadium mineralised seams and zones in the workings.

The district hosts several significant uranium-vanadium operations including TSX-listed Energy Fuels' Rim/Columbus and La Sal Complex mines. Energy Fuels is also in the permitting process for the Sage Plains Project, 13 miles south-east of East Canyon, which contains a measured and indicated resource of 1.6 million pounds of uranium at 0.17%  $U_3O_8$  and 13.3 million pounds of vanadium at 1.4%  $V_2O_5$ . TSX-listed Anfield Resources owns the Velvet-Wood deposit eight miles north-east of East Canyon, which has an historic measured and indicated resource of 4.6 million pounds of uranium at 0.285%  $U_3O_8$ .



**Figure 2** Location of Project Area. Surrounded by other Uranium Vanadium resources (various Technical reports Energy Fuels, Anfield Resources), major Hwy 191 runs adjacent to the East Canyon Project. White Mesa Mill 50km away within trucking distance.

## Geology and Mineralisation

Uranium and vanadium bearing ore deposits in this district are confined to the Salt Wash Member of the Morrison Formation. This unit consists of interbedded fluvial sandstone and floodplain-type mudstone units. The sandstone beds crop out in three distinct rims with the mudstones forming the slopes. The uppermost sandstone of the three rims, contains the majority of the ore deposits, but deposits do occur in the lower sandstones (Chenoweth, 1981).

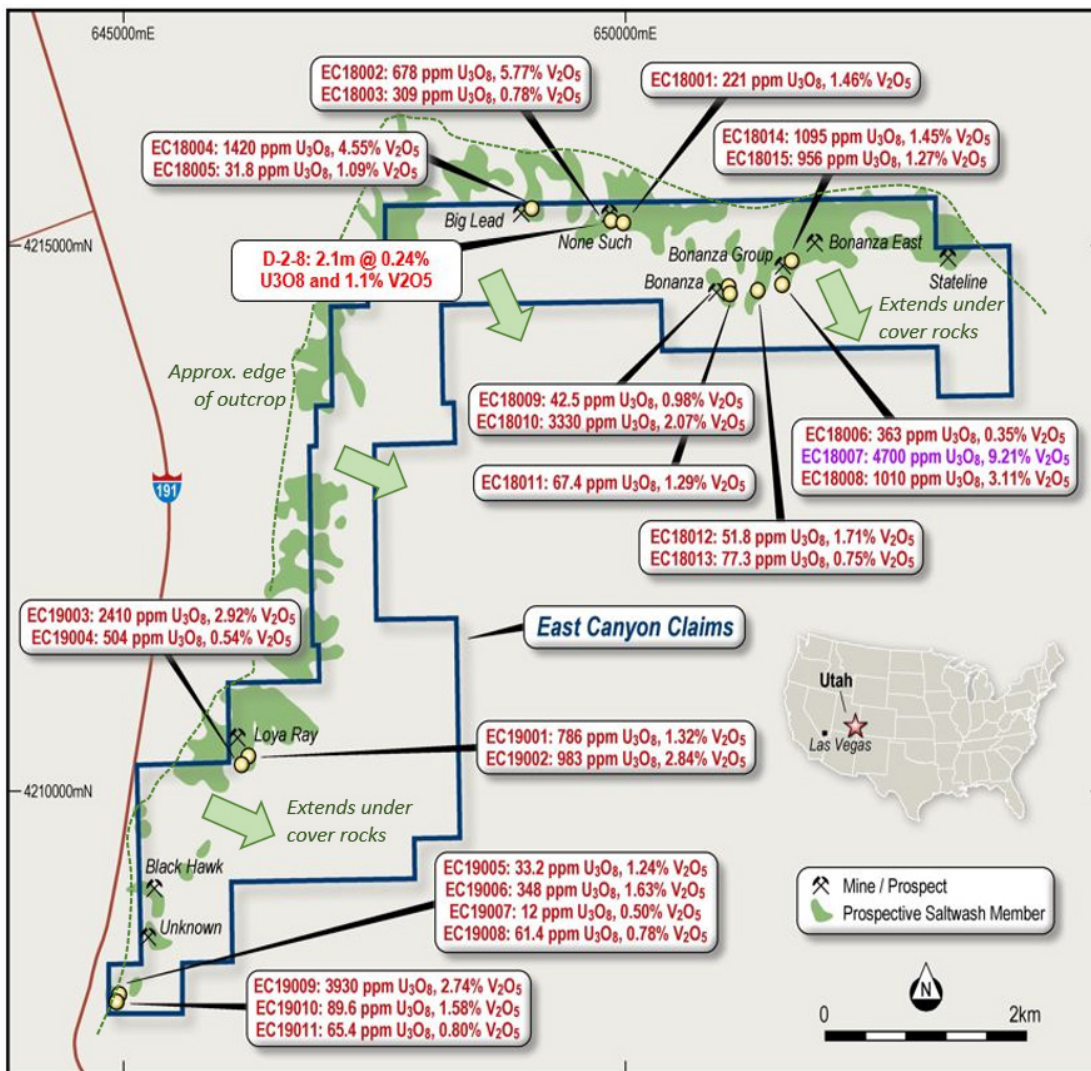


Figure 3 Tenement map showing Salt Wash Member outcrop, location of workings and 2018-2019 rock chip samples

These sediments are classified as orthoquartzites to feldspathic orthoquartzites. Sedimentary structures, such as cross-bedding and channel scouring, are displayed and contain carbonaceous plant debris, clay galls, and interbedded siltstones and mudstones. They are generally interpreted to have been deposited by braided and meandering stream systems (Thamm, et al., 1981). Typically, they are light-coloured, permeable, medium to fine-grained sands with occasional conglomeratic zones. Thickness of these three rims averages between 15-60 feet and may be up to several thousand feet long (Tyler, et al., 1983 and Fischer, 1942). They are separated by a near equal amount of alternating red and gray mudstones. In some localities these rims or lenses may have scoured into the sands below.

The uranium-vanadium ore deposits are hosted in reduced gray sandstones which are characterized as being elongated, parallel to sedimentary trends and are concordant with the bedding. Mineralisation occurs in tabular to pod-like bodies within the sandstone that may range from <1-10+ feet thick. As the nature of these deposits can be spotty and discontinuous so is the variance in grade both vertically and horizontally (Fischer, 1952 and Kovschak, et al., 1981).

The Uravan Mineral Belt and adjacent uranium-vanadium mining districts of the Colorado Plateau have experienced significant up and down cycles of exploration and mining over the last 100 years. Available records and reports indicate that >85,000,000 lbs. of uranium and >660,000,000 lbs. of vanadium have historically been produced from Salt Wash ores from the Colorado Plateau (Thamm, et al., 1981). Average vanadium-uranium ratios for these areas ranges from 5:1 to 8:1.

**Table 1: Selected Rock Chip Samples taken from East Canyon Project workings in 2018/2019**  
(refer Figure 3 and Appendix 1 for all samples)

Sample ID	U <sub>3</sub> O <sub>8</sub>	V <sub>2</sub> O <sub>5</sub>	Easting_X	Northing_Y
EC18007	<b>0.47%</b>	<b>9.21%</b>	651559	4214639
EC19009	<b>0.39%</b>	<b>2.74%</b>	644906	4208056
EC18010	<b>0.33%</b>	<b>2.07%</b>	651021	4214610
EC19003	<b>0.24%</b>	<b>2.92%</b>	646224	4210298
EC18004	<b>0.14%</b>	<b>4.55%</b>	649064	4215363
EC18008	<b>0.10%</b>	<b>3.11%</b>	651559	4214639
EC19002	<b>0.10%</b>	<b>2.84%</b>	646231	4210315
EC18002	<b>0.07%</b>	<b>5.77%</b>	649853	4215227

**Table 2: Historical Drill Results** (note: location is approximate – UTM NAD83 Zone12S) (Refer JORC Tables 1 and 2)

Sample ID	Easting	Northing	Azimuth	Dip	From	length	U <sub>3</sub> O <sub>8</sub> (%)	V <sub>2</sub> O <sub>5</sub> (%)
D-2-8	649930	4215200	0	-90	297m	2.1m	<b>0.24</b>	<b>1.1</b>

## White Mesa Mill

Energy Fuels' White Mesa mill, the only fully licensed and fully operating conventional uranium/vanadium mill in the United States, is located within trucking distance (50km) of the East Canyon Project along major highway 191. It has historically been the largest producer of uranium in the United States and a major producer of high purity vanadium.

Energy Fuels has historically accepted toll milling agreements as well as purchase programs for processing ores from third party mines. This may represent a low-cost opportunity for developers in the region to utilise existing infrastructure, eliminating the significant capital requirement of developing a mill. The mill operates a conventional acid leach process with solvent extraction recovery of uranium (yellow cake) and vanadium (vanadium pentoxide/black flake).

There is currently no relationship or arrangement in place between Energy Fuels and either the Company or Vanacorp.

## Uranium Industry Outlook

Nuclear reactors account for just over 10% of the world's power, with the United States generating about 20% of its domestic power from local reactors in 2019. Nuclear power provides stable, baseload and low-carbon power supply to underpin the variability of renewable sources.

To meet the increased requirement for stable, baseload power supply, a total of 53 new nuclear reactors are under construction worldwide, more than 100 have been ordered and more than 300 others are proposed. As a result, uranium demand is forecast to increase significantly over the next 15 years. However due to the depressed uranium market for the past decade, very few projects have entered the development pipeline, leading analysts to predict a major supply shortage in coming years. In the short-term at least, supply has been curtailed as a result of mine shutdowns by major producers including Cameco in Canada and Kazatomprom in Kazakhstan. These shutdowns have reduced global uranium output by more than half.

## US Government Support

Over the past 12 months, the Trump Administration has demonstrated a strong desire to reinvigorate the domestic uranium industry in the interests of reducing the nation's reliance on imported uranium and challenging the expansion of nuclear power development by Russian and Chinese companies.

In July 2019, the Nuclear Fuel Working Group was established to advise on a strategy for returning the US to nuclear leadership. This was followed in February with an announcement proposing the creation of a US\$1.5 billion uranium reserve through 10 years of purchasing US\$150 million a year of domestic uranium production (approximately 3.75 million pounds a year at current prices).

US producers, developers and explorers have understandably been buoyed by the developments, which include the prospect of streamlined regulatory reform and land access for uranium extraction.

## Proposed Program Following Completion of the Acquisition

Following completion of the Acquisition, the Company proposes to undertake the following activities at East Canyon over the coming months:

- Compile and review available data
- Further geochemical sampling
- Map and sample surface and underground exposed mineralisation
- Trenching
- Surveys
- Mapping of the historic underground workings
- Compile samples and maps to generate targets for extensional mineralisation
- Bulk sample and metallurgical test work
- Identify old drill holes/pads
- Down hole logging of historical drill holes
- Identify drill targets

Following this initial work program, the Company intends to move quickly to undertake drilling within the main target area and commence initial metallurgical testwork. Drilling would be relatively shallow as there is a limited amount of Brushy Basin overlying the uppermost, mineral-bearing rim of the Salt Wash within the Project.

Phase 1 drilling would be designed to test the sampled and mapped mineralisation extensions as well as to test the target fluvial sandstones for proper favourability criteria with the chances of intercepting additional buried mineralised pods. Phase 2 drilling would be designed to delineate extensional mineralisation and any discovered pods found during Phase 1.

The process of securing permits for drilling is expected to take three months. The Company will continue to evaluate other opportunities during this time and beyond.

## Acquisition

A summary of the material terms of the Acquisition Agreement between the Company, Vanacorp and Vanacorp's sole shareholder, Mr Peter Woods (**Vendor**) is as follows:

TIN agrees to conditionally acquire 100% of the issued share capital of Vanacorp, subject to the following material terms and conditions:

- (a) **(Exclusivity and due diligence period):** In consideration for the payment of a \$25,000 exclusivity fee and issue of 500,000 fully paid ordinary shares (**Shares**), Vanacorp grants TNT an exclusive 14 day period (or such other period as agreed between the parties) (**Exclusivity Period**) in which to conduct due diligence on Vanacorp and its assets (including the East Canyon Project) (**Due Diligence**). Completion of the Acquisition and entry into the Formal Agreement (defined below) is conditional on completion of the Due Diligence to the absolute satisfaction of TNT prior to the end of the Exclusivity Period.

- (b) **(Formal Agreement):** Notwithstanding the fact that the Acquisition Agreement is legally binding on the parties, the parties will use their best endeavours to agree a formal share sale agreement during the Exclusivity Period to record the full terms and conditions of the Acquisition, which shall reflect the agreed principal terms in paragraphs (c) to (h) below. The Formal Agreement will otherwise contain customary terms and conditions.
- (c) **(Consideration):** The consideration payable for the Acquisition is:
- (i) 2,500,000 Shares; and
  - (ii) 2,750,000 performance rights (**Performance Rights**) that shall each convert into one Share upon satisfaction of the following performance milestones (subject to ASX approval):
    - (A) 1,375,000 Performance Rights shall convert into 1,375,000 Shares following the inspection and mapping of 5 samples from 3 separate adits within East Canyon Project claim blocks (for a total of 15 samples) each with grades of greater than or equal to 1% V<sub>2</sub>O<sub>5</sub>, or greater than or equal to 0.1% U<sub>3</sub>O<sub>8</sub>; and
    - (B) 1,375,000 Performance Rights shall convert into 1,375,000 Shares upon TIN drilling an ore grade intercept on the East Canyon Project claims of one metre, at a grade of greater than or equal to 0.1% U<sub>3</sub>O<sub>8</sub>.
- The Performance Rights will otherwise be issued on terms and conditions acceptable to ASX.
- The Shares and Performance Rights will be issued at settlement of the Acquisition, under the Company's existing placement capacity pursuant to ASX Listing Rule 7.1.
- (d) **(Conditions Precedent):** Settlement of the Acquisition shall be subject to the parties obtaining all necessary shareholder, regulatory and third-party consents and/or approvals required to complete the Acquisition, including but not limited to, ASX approving the terms and conditions of the Performance Rights, together with other customary conditions. For the avoidance of doubt, the Company will not seek shareholder approval for the Acquisition.
- (e) **(Voluntary Escrow):** Subject to paragraph (f) below, 1,250,000 of the consideration Shares and all Performance Rights (including any Shares issued on conversion) shall be subject to a voluntary escrow period of 6 months from their date of issue.
- (f) **(Board Representation):** It is proposed that the Vendor will be appointed as a Non-Executive Director of TNT, with effect from settlement of the Acquisition. If the Vendor is appointed as a director of TNT, no escrow shall apply to any consideration Shares issued to him or an entity he controls.
- (g) **(Royalty):** On and from settlement, TNT shall grant the Vendor a royalty of 2% of the net smelter return from the East Canyon Project.



- (h) **(Work program):** On and from settlement, TNT shall commit a minimum of US\$100,000 to immediately commence field work on the East Canyon Project, including rock chip samples, trenching, mapping, soil and channel sampling in preparation for a drilling program and evaluation of other potential acquisition targets in the surrounding areas.

Effective at completion, Mr Peter Woods will be appointed to the board as a Non-Executive Director. Mr Woods is the founder of Vanacorp which he established in 2018 to acquire vanadium and uranium projects in the USA.

After exploring South East Utah in 2018 he begun pegging claims in the Dry Valley District and he has been instrumental in progressing the project to date. He is a director at Bluebird Capital, a boutique advisory and investment firm, has extensive capital markets and financial services experience, and has held non-executive directorships with other ASX listed companies.

**--Ends--**

### **Competent Persons Statement**

*The information in this announcement that relates to mineral composition investigations and exploration results is based on and fairly represents information compiled by Mr Bradley C. Peek, a Competent Person whom is a Member of the American Institute of Professional Geologists (CPG #11299), an overseas recognised organisation. Mr Peek has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Peek consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.*

### **For further information, please contact:**

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## Appendix 1

ID	Easting_X	Northing_Y	Sample ID	V ppm	V2O5%	U ppm	U308%
EC18001	649969	4215212	EC18001	8200	1.46	221	0.02
EC18002	649853	4215227	EC18002	32300	5.77	678	0.07
EC18003	649853	4215227	EC18003	4350	0.78	309	0.03
EC18004	649064	4215363	EC18004	25500	4.55	1420	0.14
EC18005	649064	4215363	EC18005	6130	1.09	31.8	0.00
EC18006	651559	4214639	EC18006	1950	0.35	363	0.04
EC18007	651559	4214639	EC18007	51600	9.21	4700	0.47
EC18008	651559	4214639	EC18008	17400	3.11	1010	0.10
EC18009	651021	4214610	EC18009	5470	0.98	42.5	0.00
EC18010	651021	4214610	EC18010	11600	2.07	3330	0.33
EC18011	651027	4214563	EC18011	7210	1.29	67.4	0.01
EC18012	651317	4214583	EC18012	9600	1.71	51.8	0.01
EC18013	651317	4214583	EC18013	4220	0.75	77.3	0.01
EC18014	651659	4214862	EC18014	8120	1.45	1095	0.11
EC18015	651659	4214862	EC18015	7130	1.27	956	0.10
EC19001	646217	4210320	EC19001	7340	1.32	786	0.08
EC19002	646231	4210315	EC19002	15800	2.84	983	0.10
EC19003	646224	4210298	EC19003	16200	2.92	2410	0.24
EC19004	646181	4210247	EC19004	2990	0.54	504	0.05
EC19005	644906	4208061	EC19005	6900	1.24	33.2	0.00
EC19006	644906	4208061	EC19006	9030	1.63	348	0.03
EC19007	644906	4208061	EC19007	2790	0.50	12	0.00
EC19008	644910	4208067	EC19008	4310	0.78	61.4	0.01
EC19009	644906	4208056	EC19009	15200	2.74	3930	0.39
EC19010	644906	4208056	EC19010	8750	1.58	89.6	0.01
EC19011	644906	4208056	EC19011	4460	0.80	65.4	0.01

Summary of sample results from 2018 and 2019 fieldwork. ALS Global, Reno, NV, USA. ALS Vancouver, BC. Certificate's RE18193321, RE18171485, RE19042157

James Cook University Element-to-stoichiometric oxide conversion factors Multiply wt% ELEMENT by numerical value below for equivalent expressed as OXIDE. V<sub>2</sub>O<sub>5</sub> 1.7852 - <https://www.jcu.edu.au/advanced-analytical-centre/services-and-resources/resources-and-extras/element-to-stoichiometric-oxide-conversion-factors>

<sup>1</sup> Geology and recognition criteria of sandstone uranium deposits of the salt wash types, Colorado Plateau Province, Union Carbide Corp, 1981, p. 33. - <https://www.osti.gov/servlets/purl/6512174>

<sup>2</sup> Geological Map of the La Sal 30' x 60' Quadrangle San Juan, Utah. USGS; Nonesuch deposit ID 10015033, MRDS ID DB00031

<sup>3</sup> Thamm, J.K., Kovschak, A.A. and Adams, S.S., 1981, Geology and recognition criteria for sandstone uranium deposits of the Salt Wash type, Colorado Plateau Province: Final report, Bendix Field Engineering Corp. GJBX-6(81), Grand Junction, Colorado, p. 136, or refer page 15 for dates and history of mining - <https://www.osti.gov/servlets/purl/6512174>

<sup>4</sup> ALS Global, Reno, NV, USA. ALS Vancouver, BC. Certificate's RE18193321, RE18171485 – Appendix 1

<sup>5</sup> Vanadium Corporation of America (VCA) Map for the None Such Group, drawn by Culver R.C., September 24, 1962

<sup>6</sup> As per field visit June/July 2018 and March 2019.

<sup>7</sup> Chenoweth, W.L., 1981, The uranium-vanadium deposits of the UraVan Mineral Belt and adjacent areas, Colorado and Utah: New Mexico Geological Society Guidebook, 32<sup>nd</sup> Field Conference, Western Slope Colorado, p. 165-170 - [https://nmgsl.nmt.edu/publications/guidebooks/downloads/32/32\\_p0165\\_p0170.pdf](https://nmgsl.nmt.edu/publications/guidebooks/downloads/32/32_p0165_p0170.pdf)

<sup>8</sup> Energy Fuels Inc. Presentation April 24, 2020 Annual Corporate Presentation, Energy Fuels (TSE:EFR), May 2019, page 7 - <https://www.energyfuels.com/presentation>

## JORC Code, 2012 Edition - Table 1

### Section 1 Sampling Techniques and Data

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Comments
<b>Sampling techniques</b>	Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.	This announcement primarily relates to results of a sampling programme consisting of grab and chip channel samples. Sampling method for historical drilling is unknown, but likely radiometric logging.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Rock grab samples were randomly taken over an area of 1m square. Chip channels were taken from widths varying from 0.7m up to 2m intervals. Intervals were determined by tape measure.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	The samples are considered indicative of the presence of uranium-vanadium mineralisation. Samples ranged between 0.5kg to 1.5kg in weight. The samples were then dispatched to ALS Laboratories in Reno, NV, where all samples were analysed by method ME-MS61 and V-XRF10 for vanadium over limit reruns.
<b>Drilling techniques</b>	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	No drilling has been completed in 2018/2019. Historical drill methods are unknown
<b>Drill sample recovery</b>	Method of recording and assessing core and chip sample recoveries and results assessed.	No drilling has been completed in 2018/2019. Unknown for historical drilling.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	No drilling has been completed in 2018/2019. Unknown for historical drilling.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No drilling has been completed in 2018/2019. Unknown for historical drilling.
<b>Logging</b>	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	No drilling has been completed in 2018/2019. Unknown for historical drilling.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	No drilling has been completed in 2018/2019. Unknown for historical drilling.
	The total length and percentage of the relevant intersections logged.	No drilling has been completed in 2018/2019. Unknown for historical drilling.

<b>Sub-sampling techniques and sample preparation</b>	If core, whether cut or sawn and whether quarter, half or all core taken.	No drilling has been completed in 2018/2019. Unknown for historical drilling.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Rock chips were collected dry and placed in Calico bags and then shipped to ALS Laboratories.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	All samples are representative of mineralisation and surrounding host material.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	No quality control measures were used.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	The rock chip and chip channel samples taken are representative of the material composing the mineralised zone and wall rocks. No duplicate or half samples were collected as they will not form part of the JORC resource.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are appropriate for grain size of material sampled. They will not be used in the calculation of resources.
<b>Quality of assay data and laboratory tests</b>	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	The assay techniques used are standard in the industry using a 30gm charge riffled from a total crush and milling of the original sample.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No geophysical methods or instruments have been used.
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	No quality control measures have been instituted as the results will not be used in the calculation of a JORC compliant resource.
<b>Verification of sampling and assaying</b>	The verification of significant intersections by either independent or alternative company personnel.	No drilling has been completed in 2018/2019. Unknown for historical drilling.
	The use of twinned holes.	No drilling has been completed in 2018/2019. Unknown for historical drilling.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	The data are currently stored in hardcopy and digital format in the Company's office.
	Discuss any adjustment to assay data.	No adjustment was made to assay data.
<b>Location of data points</b>	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	No drilling was completed in 2018/2019. All sample location and mapping points were located with a hand-held GPS accurate to 3m in the X-Y axis. Elevations are far less accurate.
	Specification of the grid system used.	UTM NAD83 Zone 12S.
	Quality and adequacy of topographic control.	No survey has been undertaken. Hand held GPS coordinates have been utilized to locate samples.
<b>Data spacing and distribution</b>	Data spacing for reporting of Exploration Results.	The rock chip sampling described in the report preceding this table are at no specific spacing. Single drillhole reported

	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	The sampling is not of a spacing or distribution to establish a resource.
	Whether sample compositing has been applied.	Some samples were taken as representative composites over a given width or area.
<b><i>Orientation of data in relation to geological structure</i></b>	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	Rock samples were taken across the mineralized zone.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No drilling has been completed in 2018/2019. Unknown for historical drilling.
<b><i>Sample security</i></b>	The measures taken to ensure sample security.	All samples were collected on site and delivered directly to the relative sample preparation/lab facilities.
<b><i>Audits or reviews</i></b>	The results of any audits or reviews of sampling techniques and data.	No reviews have yet been completed.

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i>	The East Canyon claims of approximately 20 acres each, covering 1618 ha physically staked on Bureau of Land Management, Federally administered land. All indigenous title is cleared and there are no other known historical or environmentally sensitive areas. There are no royalties other than those specified in the Acquisition Agreement.
	<i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	The claims have been granted and are subject to an annual payment. Other than the payment there is no requirement for minimum exploration or reporting. There is no expiry date on the claims. There are no known impediments to operating on the Federal claims. Established procedures are in place for U. S. Bureau of Land Management and State of Utah permitting prior to land surface disturbance.
<b>Exploration done by other parties</b>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	No appraisals are known however exploration tunnels, historic mining evidence, historic drilling evidence does exist dating back to the early-mid1900s.
<b>Geology</b>	<i>Deposit type, geological setting and style of mineralisation.</i>	Uranium and Vanadium mineralization are hosted in Jurassic aged sandstones. These deposits are known to be elliptical and tabular in shape.
<b>Drill hole Information</b>	<i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i>	All information as listed is provided in the preceding tables.
	<i>o easting and northing of the drill hole collar</i>	Refer Table 2
	<i>o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i>	Unknown
	<i>o dip and azimuth of the hole</i>	Refer Table 2
	<i>o down hole length and interception depth</i>	Refer Table 2
	<i>o hole length.</i>	Refer Table 2
	<i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	No information has been excluded.
<b>Data aggregation methods</b>	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	No weighted averages were used. Drilling results are reported from summarised drill results, no detailed records are available; historical drill results should be considered as indicative of exploration potential only.

	<p>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p>	<p>No weighted averages have been used.</p>
	<p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	<p>Lab results for vanadium have been reported simply as percentage vanadium (V). This announcement reported value percentage values as V205. A standard conversion factor is as follows, 1% V = 1.7852% V205.</p>
<p><b>Relationship between mineralisation widths and intercept lengths</b></p>	<p>These relationships are particularly important in the reporting of Exploration Results.</p>	<p>Chip samples were confined to separate, potentially mineralized units. Chip sampling was completed across mineralized, tabular bedding planes.</p>
	<p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</p>	<p>Not known</p>
	<p>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</p>	<p>Not known.</p>
<p><b>Diagrams</b></p>	<p>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</p>	<p>Appropriate maps are included</p>
<p><b>Balanced reporting</b></p>	<p>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</p>	<p>This release includes all of the rock chip sampling to date. Historical drill results should be considered as indicative of exploration potential only.</p>
<p><b>Other substantive exploration data</b></p>	<p>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</p>	<p>The geology of this deposit consists of replacement mineralization in sandstones. Historic mine maps exist with limited drill intercept data from Vanadium Corp of America. This data is very limited and historical in nature.</p> <p>No geophysics have been completed. No metallurgical results have been completed. No water table has been identified.</p>
<p><b>Further work</b></p>	<p>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</p> <p>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive</p>	<p>Further geological mapping and sampling, underground mine mapping and sampling. Gamma anomaly surveying, identify potential targets for follow-up drilling and required permit acquisition.</p> <p>The diagrams in the attached release show the basic geology and results of sampling to date. No drilling is currently planned to date.</p>