

# Uraniumletter INTERNATIONAL

the international independent information and advice bulletin for uranium resource investments

**INVESTMENT ALERT – March 12, 2018**

[www.blueskyuranium.com](http://www.blueskyuranium.com)



## Blue Sky Uranium Corp. (C\$ 0.205)

TSX.V : BSK  
OTC : BKUCF  
FSE : MAL2

H+L prices (12 months) : C\$ 0.43 – 0.10  
Issued shares : 84.8 million  
Fully diluted : 92.2 million

Market capitalization : C\$ 17.4 million  
(US\$ 13.6 million)

**2018 price target: C\$ 0.60**

## INVESTMENT ALERT

### Initial Mineral Resource Estimate for Ivana Deposit, Amarillo Grande Uranium-Vanadium Project, Argentina shows estimates of 19.1 million pounds of U3O8

**Blue Sky Uranium (“Blue Sky”)** announced on March 5, 2018 the initial independent resource estimate for the **Ivana Deposit** at the Company’s 100%-owned **Amarillo Grande Uranium-Vanadium Project** in Rio Grande Province, Argentina.

The resource estimation was based on 427 RC drill holes, representing 6.55 metres drilling with one metre sample. The drilling was completed in 2 phases starting January 2017 and finishing January 2018.

#### Highlights are:

- Inferred mineral resource estimate of 23.9 million tonnes, averaging 363 parts per million (“ppm”) U3O8 containing 19.1 million pounds of U3O8 at a 100 ppm uranium cut-off.
- Mineralization at **Ivana Deposit** is hosted by formerly consolidated sediments from surface in 24 metres depth; it is expected that resources would be extracted via open-pit methods.
- Metallurgical and beneficiation test work in progress to provide additional data for a maiden Preliminary Economic Assessment (“PEA”), which is expected to be completed before the end of the year
- The **Ivana Deposit** remains open for expansion.
- Additional resource potential exists in the Ivana area and throughout the 140-kilometre long trend of the Amarillo Grande Project.

Results from ongoing metallurgical studies and preliminary beneficiation studies are expected by the end of Q1, 2018.

## Aggressive Exploration in A New Uranium District in central Rio Negro

- Exclusive Rights to 100% of **~250,000 hectares**
- **Uranium** mineralization occurs along a **140 km long trend**
  - Near-surface
  - Hosted by unconsolidated sands and gravels
  - Leachable
  - Potentially upgradeable at low cost
- **Excellent candidate to define a near-surface +15Mlb U<sub>3</sub>O<sub>8</sub> resource, that could be the a low-cost, short-lead-time, domestic uranium supplier in Argentina, with expansion and export potential.**



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### ► Significant Vanadium Zone at **Anit Target**

On **November 8, 2017**, **Blue Sky** reported that the integration of the 2017 Phase I drill results at the **Anit Target** with data from previous sampling programs carried out by the Company has led to the delineation of a significant area of vanadium mineralization, covering a much larger area than the previously defined uranium mineralization zone.

Strong vanadium mineralization includes: 3,411 ppm V<sub>2</sub>O<sub>5</sub> over 1 metre, within 560 ppm V<sub>2</sub>O<sub>5</sub> over 10 metres; 2,510 ppm V<sub>2</sub>O<sub>5</sub> over 1 metre, within 810 ppm V<sub>2</sub>O<sub>5</sub> over 16 metres; 2,508 ppm V<sub>2</sub>O<sub>5</sub> over 1 metre, within 930 ppm V<sub>2</sub>O<sub>5</sub> over 0.8 metre; and 2,367 ppm over 1 metre, within 876 V<sub>2</sub>O<sub>5</sub> over 13 metres.

Considering the current market interest in vanadium as a component of storage batteries for renewable energy, the exploration results confirm the regional potential of the **Amarillo Grande Project** where two significant uranium-vanadium discoveries have been made by **Blue Sky**.

## Investment recommendation:

The first resource estimate represents the biggest uranium discovery in Argentina in the last 40 years and it represents for **Blue Sky** a major step towards its goal of delivering a low-cost regional size uranium producing district.

Moving forward with a PEA this year, and particularly the **Amarillo Grande Project** remaining open for expansion, **Blue Sky**, as Argentina's premier uranium exploration company and in addition the delineation of a significant area of vanadium mineralization, at a current market valuation of just C\$ 14.7 million (US\$ 13.6 million), in my view, the Company offers a high investment leverage potential.

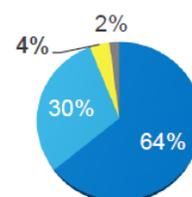
My 2018 price target remains C\$ 0.60.



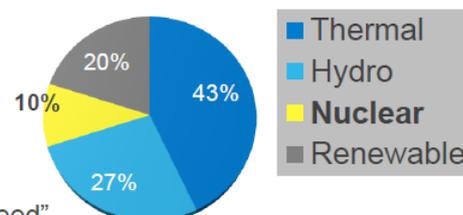
## Argentina Energy Industry Today & Uranium Future Opportunities

- Argentina is home to an advanced nuclear industry
  - 3 nuclear power plants in operation, 6 research reactors, 4 particle accelerators, 3 atomic centres, 1 heavy water plant and 1 uranium purification plant
- The Argentina energy industry is currently highly dependent on fossil fuel and hydroelectric power.
- The government of Argentina has committed to "The Paris Accord" with a minimum target of reducing CO<sub>2</sub> emissions by 15% by 2030.
  - = A nuclear energy requirement that more than doubles by 2025 (~1.25 Million pounds of U<sub>3</sub>O<sub>8</sub> annually)
- This has resulted in:
  - 1 nuclear power plant now under construction
  - 2 additional in planning & 2 under proposal
- There is no domestic uranium production – all material is imported.
  - Argentina's desire for security of supply could provide a "guaranteed" first customer for a domestic supplier
  - Uranium & vanadium could be also exported to international customers

Argentina Energy Matrix 2015



Proposed Argentina Energy Matrix 2025



Sources: <http://www4.unfccc.int/submissions/indc/Submission%20Pages/submissions.aspx> accessed 03/11/16  
[https://www.iamericas.org/documents/energy/reports/Argentinas\\_Energy\\_Transition\\_2016.pdf](https://www.iamericas.org/documents/energy/reports/Argentinas_Energy_Transition_2016.pdf) accessed 03/11/16