

# Uraniumletter INTERNATIONAL

the international independent information and advice bulletin for uranium resource investments

INVESTMENT ALERT – 12 October 2017

www.laramide.com



## Laramide Resources Ltd. (C\$ 0.25)

TSX and ASX : LAM  
OTCBB : LMRXF

H+L prices (12 months) : C\$ 0.74 – 0.18

Issued shares : 114.8 million  
Fully diluted shares : 147.1 million

Market capitalization : C\$ 28.7 million  
(US\$ 23.0 million)

**6-months share price target: C\$ 0.60**

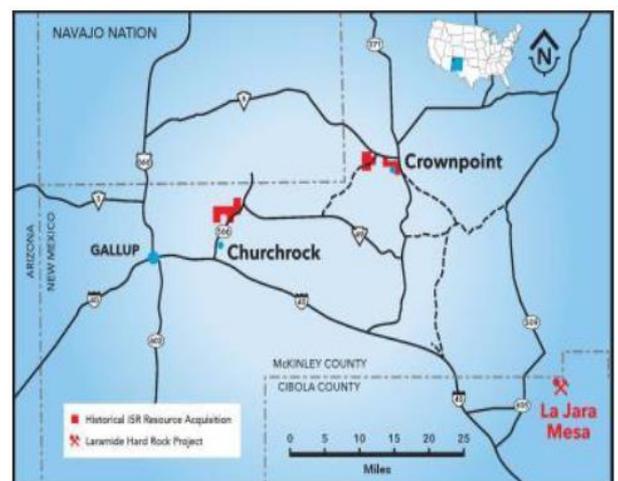
## INVESTMENT ALERT

### Laramide announces 50.8 million pounds U3O8 mineral resource estimate on Church Rock ISR Uranium Project, New Mexico

On October 10, 2017, **Laramide Resources** (“Laramide”) announced the results of its maiden independent Mineral Resource Estimate of 50.8 million pounds U3O8 for its 100%-owned **Church Rock ISR Uranium Project**, located in **New Mexico, United States**. The estimate was prepared to CIM Definition Standards (2014) as incorporated in NI 43-101 and completed by Roscoe Postle Associates (“RPA”) in Denver, USA with the assistance of Laramide’s technical team.

Highlights of the current Resource Estimate includes:

- An Inferred Resource Estimate of **33.9 million tons** at an average grade of **0.075% eU3O8** for a **contained resource of 50.8 million pounds U3O8** using a 0.5% ft-% Grade Thickness (GT) cut-off
- Data from previous operators was consolidated and digitized resulted in a database of 1,667 drill holes totalling approximately 1,841, 545 feet of drilling
- The report highlighted areas for immediate follow up exploration to both improve confidence in the Resource Estimate and potentially discover additional mineral resources



**A Preliminary Assessment (“PEA”)** is planned to be commenced in Q4 2017, including

- Core drilling with ISR process restoration testing of mineralized materials
- Exploration drilling in areas of potential mineralization

To be advanced to a PEA this will be the first economic study on the consolidated project and would include the elimination of certain royalties owned by **Laramide**, including the sliding scale 5%-25% gross revenue royalty on portions of the Project. The PEA will also have the benefit of the Feasibility Study on Section 8 of the Project completed by Uranium Resources.

Staged expansion will offer access to additional resources – Mancos and Church Rock/Strathmore.

The Resource Estimate did not include the Company's 100%-owned **Crownpoint ISR Project**, located 25 miles east of **Church Rock**. **Laramide** plans to begin the process of digitizing the significant data for Crownpoint in the coming months, which will allow for a resource estimate on the Property planned for Q 1-2018.

**Laramide's US Hard Rock Portfolio** consists of the **La Jara Mesa** – Ambrosia Lake District, New Mexico, with a mineral estimate of 10.4 million pounds U<sub>3</sub>O<sub>8</sub> (NI 43-101). Final permit approvals are underway.

For the **La Sal Project** – Lisbon Valley, Utah, **Laramide** has a toll-milling agreement with nearby White Mesa Mill (owned by Energy Fuels) in place.

In **Australia**, **Laramide's** flagship project is **Westmoreland**, located in Queensland, one of the country's 10 largest uranium deposits, with a total resource of 51.9 million pounds U<sub>3</sub>O<sub>8</sub>, of which: 36 million pounds U<sub>3</sub>O<sub>8</sub> of Indicated resources with an average grade of 0.089% (890 ppm) and 15.9 million pounds U<sub>3</sub>O<sub>8</sub> of Inferred resources with an average grade of 0.03% (830 ppm). The resource also has significant near main expansion opportunities.

Westmoreland is intended to be an open cut operation using conventional acid leaching and solvent extraction technology to produce greater than 3 million pounds per annum. 80% of the resource is within 50 metres from surface. Mine life is expected to be 13 years to more than 15 years.

In the **Northern Territory**, **Laramide** has outstanding exploration upside from its JV strategy to control most of the large mineralised system along the Westmoreland trend, including JVs with Rio Tinto, Gulf Manganese and Rum Jungle Resources.

The Company reached new deal terms in the Rio JV for 2016 exploration activities to include verifying targets with surface sampling.

## Church Rock and Crownpoint Projects

### **Laramide's synergistic acquisition created a leading In-Situ Recovery (ISR) company**

- ✓ Enhanced overall project economics and fundability with royalty burden much reduced

### **Near-term development project that compares well with U.S. listed ISR projects**

- ✓ Low capital intensity project and operating costs and attractive grades relative to comparable producers

### **Uranium mineral resource estimates are significant (see Technical Appendix)**

- ✓ Transaction consolidates substantial package of adjacent assets
- ✓ Laramide completed a new independent NI 43-101 Mineral Resource Estimate for Church Rock Uranium Project (see press release Oct. 10, 2017) completed by Roscoe Postle Associates Inc.
- ✓ Church Rock Resource Estimate 2017 Highlights: an Inferred Resource Estimate of 33.9 million tons at an average grade of 0.075% eU<sub>3</sub>O<sub>8</sub> for a contained resource of 50.8 million pounds using a 0.5 ft-% Grade Thickness cutoff. Data from previous operators is consolidated and digitized resulting in a database of 1,667 drill holes totaling approximately 1,841,545 feet of drilling.

### **Feasibility Study completed on Section 8 and major permitting work completed**

- ✓ Located in a mining district with excellent infrastructure
- ✓ Laramide will commence in Q4 2017 a Preliminary Economic Assessment on the consolidated project

### **Attractive acquisition cost of U\$0.21 per pound on a Global basis**

- ✓ Uranium Resources (URI) can elect to become equity shareholder of Laramide

## Investment comments:

**Laramide's** announced maiden independent mineral resource estimate of 50.8 million pounds U<sub>3</sub>O<sub>8</sub> on its 100%-owned **Church Rock Uranium Project**, to be advanced to a Preliminary Economic Assessment (PEA) to be commenced in Q4, 2017, which creates a significant added value to the Company.

In addition, **Laramide** remains engaged in the exploration and development of high-quality uranium assets based in Australia. The Company's flagship asset, the **Westmoreland Uranium Project** in Queensland, hosts an NI 43-101 compliant resource totalling an Indicated resource of 51.9 million pounds U<sub>3</sub>O<sub>8</sub>, of which 36 million pounds U<sub>3</sub>O<sub>8</sub> with an average grade of 0.089% U<sub>3</sub>O<sub>8</sub>.

**The Company's mineral properties in the United States and Australia currently represent a total resource base exceeding 100 million pounds U<sub>3</sub>O<sub>8</sub>, valued at C\$ 86.5 million as at June 30, 2017.** This includes the positive impact of the updated resource estimate for Church Rock, but the outcome of the Resource Estimate for Crownpoint, planned for Q1 2018, not being included.

Having the potential to emerge to an important producer in both Australia and the United States, at a depressed market valuation of US\$ 23 million, this underpins my conclusion in my **Special Report** on the Company issued in September that **Laramide** offers one of the most attractive investment leverage opportunities in today's international uranium industry.

My price objective for the next 6 months is C\$ 0.60.