

14 September 2021

# Okapi increases landholding by 90% in Utah via the acquisition of the historical Sunnyside Uranium Mine

## Highlights

- Okapi has acquired 100% of the past-producing Sunnyside Uranium Mine in Utah, USA
- <sup>1</sup>High grade asset with historical uranium production at grades of 1,500 ppm U<sub>3</sub>O<sub>8</sub> and 1.5% V<sub>2</sub>O<sub>5</sub>
- No known modern exploration with significant opportunity for new discoveries
- Acquisition complements Okapi's adjacent Rattler Uranium Project, with the geological setting in both areas being identical to that at Energy Fuels' La Sal Project
- <sup>2</sup>La Sal hosts a total of 4.5Mlbs of U<sub>3</sub>O<sub>8</sub> @ 1,700ppm U<sub>3</sub>O<sub>8</sub> and 23.4Mlbs of V<sub>2</sub>O<sub>5</sub> @ 8,880ppm V<sub>2</sub>O<sub>5</sub>
- La Sal is fully permitted for mining and was in operation between 2006 to 2012 with ore processed at the nearby White Mesa Uranium Mill
- Planning of maiden high-impact exploration program well advanced
- Okapi continues to assess additional value accretive uranium acquisition opportunities throughout North America

**Okapi Resources Limited (ASX: OKR) (Okapi or the Company)** is pleased to report it has acquired a 100% interest in the historical Sunnyside Uranium Mine by staking mining claims that cover 960 acres adjacent to Okapi's existing Rattler Uranium Project in Utah, USA. The Sunnyside Uranium Mine comprises several small past-producing pits and adits where uranium was mined in the early 1900s at grades reported to have been 1,500 ppm U<sub>3</sub>O<sub>8</sub> and 1.5% V<sub>2</sub>O<sub>5</sub>. The acquisition of the Sunnyside Uranium Mine complements the Company's existing Rattler Uranium Project which is contiguous with Energy Fuels' La Sal Project. The La Sal Project is fully permitted for mining and operated from 2006 to 2012. In 2014, Energy Fuels reported remaining resources at La Sal totalling 1.3Mt at 1,700ppm U<sub>3</sub>O<sub>8</sub> and 8,880ppm V<sub>2</sub>O<sub>5</sub>, for 4.5 million pounds U<sub>3</sub>O<sub>8</sub> and 23.4 million pounds of V<sub>2</sub>O<sub>5</sub>.

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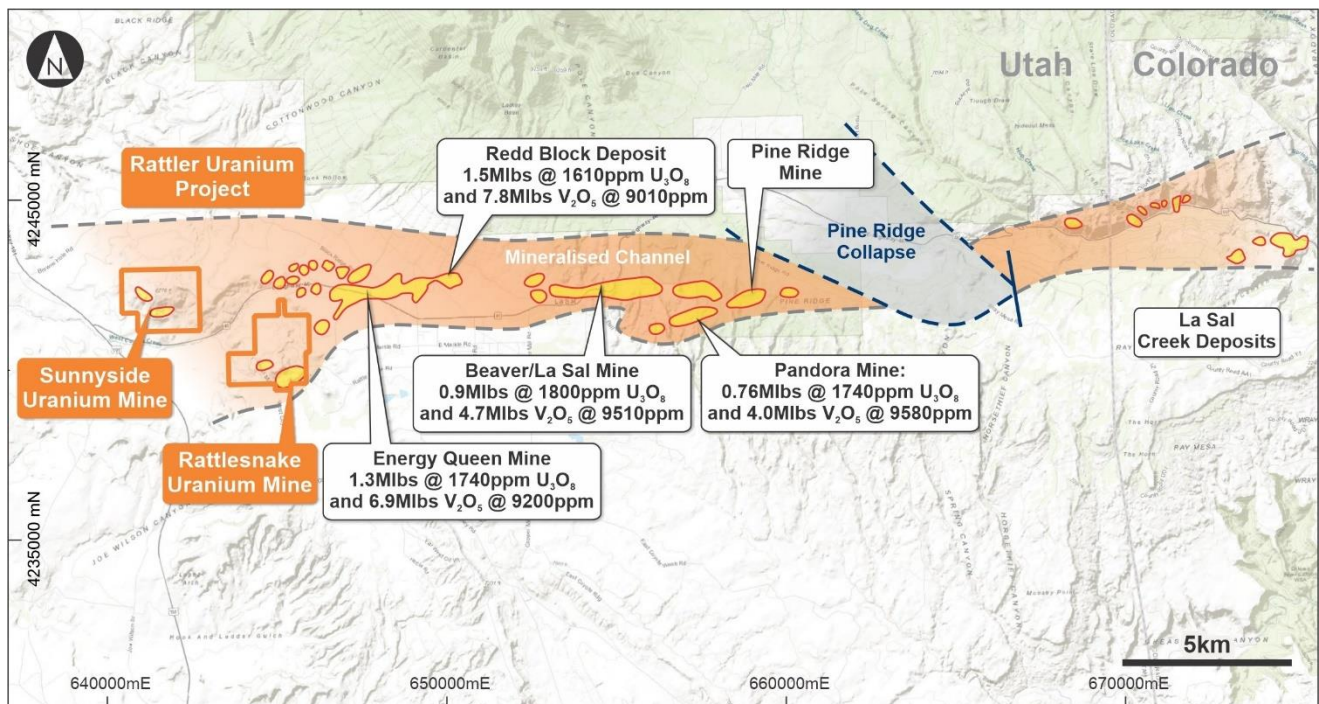
<sup>1</sup> Uranium-Vanadium Occurrences of Utah, Utah Geological and Mineral Survey Report for the US Bureau of Mines, 1974

<sup>2</sup> Technical Report on La Sal District Project (Including the Pandora, Beaver and Energy Queen Projects), San Juan County, Utah, USA. Prepared for Energy Fuels Inc. by Douglas C. Peters, Peters Geosciences. March 25, 2014.

Okapi’s planning for its maiden, high-impact exploration programs at Rattler and Sunnyside is well advanced.

Okapi Resources Executive Director David Nour commented:

*“The acquisition of a 100% interest in the past-producing, high-grade Sunnyside Uranium Mine demonstrates the deep in-country knowledge and expertise of Okapi’s team. This acquisition represents yet another highly value-accretive acquisition for Okapi shareholders. The team remains focussed on executing its strategy as it becomes a new leader in North American carbon-free nuclear energy.”*



**Figure 1 – La Sal Uranium District, including the Rattler Uranium Project.**

### Sunnyside Uranium Mine

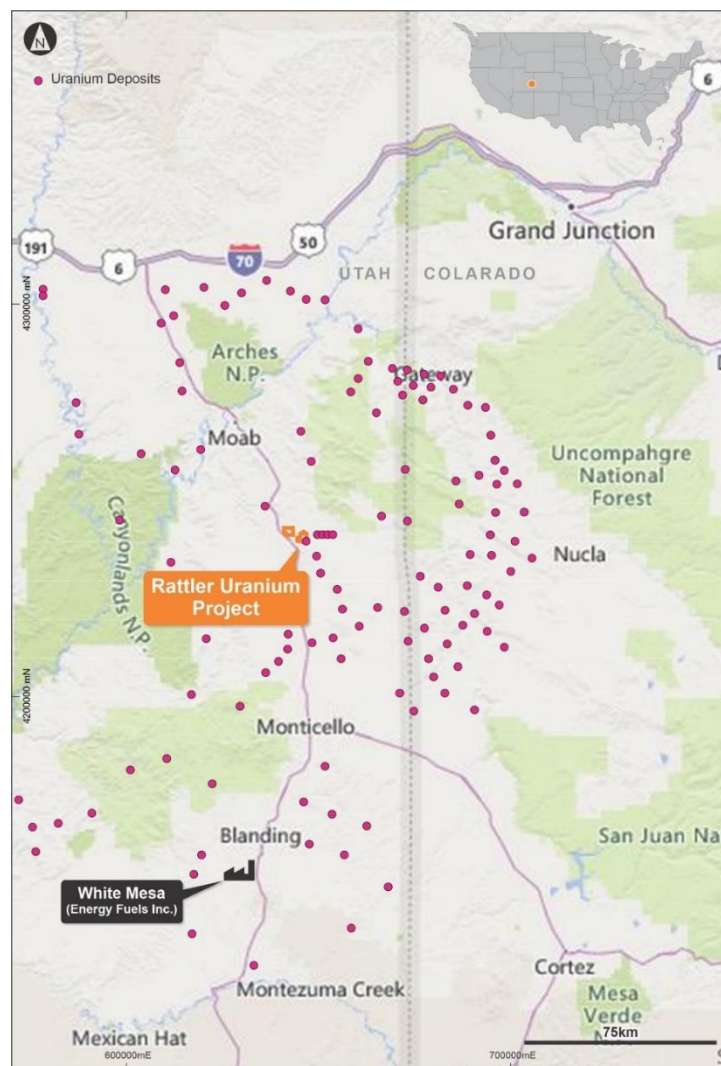
The acquisition of the Sunnyside Uranium Mine increases Okapi’s total landholding in Utah by 90%, from approximately 1,020 acres to a total of approximately 1,960 acres. The Company’s expanded project area in the La Sal Uranium District now comprises ninety-eight (98) Bureau of Land Management (BLM) unpatented Federal mining claims located approximately 85km north of Energy Fuels Inc’s White Mesa Uranium/Vanadium mill in Utah – the only operating conventional uranium mill in the USA (see Figure 2).

The new claims are located immediately along strike from Okapi’s Rattler Uranium Project which includes the historical Rattlesnake open pit mine, which was discovered around 1948 and was in production until about 1954. Historic production from the Rattlesnake Open Pit Mine reportedly

totalled <sup>3</sup>285,000 tonnes of ore @ 2,800ppm U<sub>3</sub>O<sub>8</sub> and 1.0% V<sub>2</sub>O<sub>5</sub> for 1.6 million pounds of U<sub>3</sub>O<sub>8</sub> and 4.5 million pounds of V<sub>2</sub>O<sub>5</sub>.

Okapi’s claims at Sunnyside and Rattler are contiguous with Energy Fuels’ La Sal Project. The La Sal Project is fully permitted for mining and operated from 2006 to 2012. In 2014, Energy Fuels reported remaining resources at La Sal totalling 1.3Mt at 1,700ppm U<sub>3</sub>O<sub>8</sub> and 8,880ppm V<sub>2</sub>O<sub>5</sub>, for 4.5 million pounds U<sub>3</sub>O<sub>8</sub> and 23.4 million pounds of V<sub>2</sub>O<sub>5</sub>.

<sup>2</sup>Up until 1991, historic production from the La Sal district is estimated to comprise around 6.4 million pounds of U<sub>3</sub>O<sub>8</sub> at 3,200ppm U<sub>3</sub>O<sub>8</sub> and 29 million pounds of V<sub>2</sub>O<sub>5</sub> at 1.4% V<sub>2</sub>O<sub>5</sub>.



**Figure 2 – Location map showing the proximity of the Rattler Uranium Project to the White Mesa Uranium/Vanadium Processing Facility.**

<sup>3</sup> “Rattler Vanadium-Uranium Project” prepared by North American Mine Services, February 2021, 12 pages, unpublished.

This announcement has been authorised for release by the Board of Okapi Resources Limited.

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**About Okapi Resources**

Okapi Resources Limited recently acquired a portfolio of advanced, high grade uranium assets located in the United States of America.

Assets include a strategic position in one of the most prolific uranium districts in the USA – the Tallahassee Creek Uranium District in Colorado. The Tallahassee Uranium Project contains an inferred JORC 2004 Mineral Resource estimate of **\*26 million pounds of U<sub>3</sub>O<sub>8</sub> at a grade of 540ppm U<sub>3</sub>O<sub>8</sub>** with significant exploration upside. The greater Tallahassee Creek Uranium District hosts more than 100 million pounds of U<sub>3</sub>O<sub>8</sub> with considerable opportunity to expand the existing resource base by acquiring additional complementary assets in the District.

The portfolio of assets also include an option to acquire 100% of the high-grade Rattler Uranium Project in Utah, which includes the historical Rattlesnake open pit mine from which 285,000 tonnes of ore was mined between 1948 and 1954 at grades of 2,800ppm U<sub>3</sub>O<sub>8</sub> and 10,000ppm V<sub>2</sub>O<sub>5</sub> for 1.6 million pounds of U<sub>3</sub>O<sub>8</sub> and 4.5 million pounds of V<sub>2</sub>O<sub>5</sub>. The Rattler Uranium Project is located 85km from the White Mesa Uranium Mill, the only operating conventional uranium mill in the USA hence provides a near-term, low-capital development opportunity.

Okapi's clear strategy is to become a new leader in North American carbon-free nuclear energy by assembling a portfolio of high-quality uranium assets through accretive acquisitions and exploration.

*\*Cautionary Statement – JORC 2004 Mineral Resource estimate: Readers are cautioned that the JORC 2004 mineral resource estimate for the Tallahassee Uranium Project (specifically the Taylor and Boyer properties), referred to in this announcement are not reported in accordance with the JORC 2012 Code. A Competent Person has not undertaken sufficient work to classify the JORC 2004 estimates as mineral resources in accordance with the JORC 2012 Code. Nothing has come to the attention of Okapi that causes it to question the accuracy or reliability of the former owner's estimates. However, Okapi has not independently validated the former owner's estimates and therefore is not to be regarded as reporting, adopting or endorsing those estimates. Following evaluation and/or further exploration work, it is uncertain whether it will be possible to report this JORC 2004 estimate as a mineral resource in accordance with the JORC 2012 Code.*

*For further details on the JORC 2004 resource estimate and other information including the historical information on the Rattler Uranium Project, please refer to the ASX announcement of 12 July 2021.*

### **Competent Person's Statement**

*The information in this report that relates to geology, exploration results and historic JORC 2004 Mineral Resource estimates is based on information compiled by Mr Ben Vallerine, a Competent Person who is a Member of the Australasian Institute of Geoscientists. Mr Vallerine is a director and shareholder of Okapi Resources. Mr Vallerine 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 Vallerine consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.*