

28 April 2022

## Okapi receives approval to drill at its Middle Lake Uranium Project in the Athabasca Basin

### Key Points

- Okapi Resources receives permits to drill at its Middle Lake Uranium Project
- Extensive historically data at Middle Lake, including high grade surface samples, drilling data and geophysics indicate strong potential for economic mineralisation
- Diamond core drilling program is being planned in the North America winter (Q1 2023)
- Permits allows for up to 10,000m of drilling in 24 drill holes

**Okapi Resources Limited** (ASX: OKR) (Okapi or **the Company**) is pleased to announce that its wholly owned subsidiary Okapi Resources Canada Ltd. has received from the Ministry of Environment, Government of Saskatchewan (GoS), a Crown Resource Land Work Authorization, an Aquatic Habitat Protection Permit, a Temporary Work Camp Permit, and Forest Product Permit; together these permits will allow Okapi to drill up to 10,000m in 24 drill holes as well as conduct ground based geophysical surveys of up to 100 line kilometers. The permit is valid through to October 2023.

### Okapi's Managing Director, Mr Andrew Ferrier said:

*"This is an important milestone for Okapi, as the Company continues to progress and advance its uranium projects in North America. Obtaining a permit to drill at our 80% owned Middle Lake Project in the Athabasca Basin, the world's premier uranium district, provides the opportunity for the company to start exploration work on our highly prospective exploration properties located only 4km from the past producing Cluff Lake Mine which produced approximately 64 million pounds of uranium.*

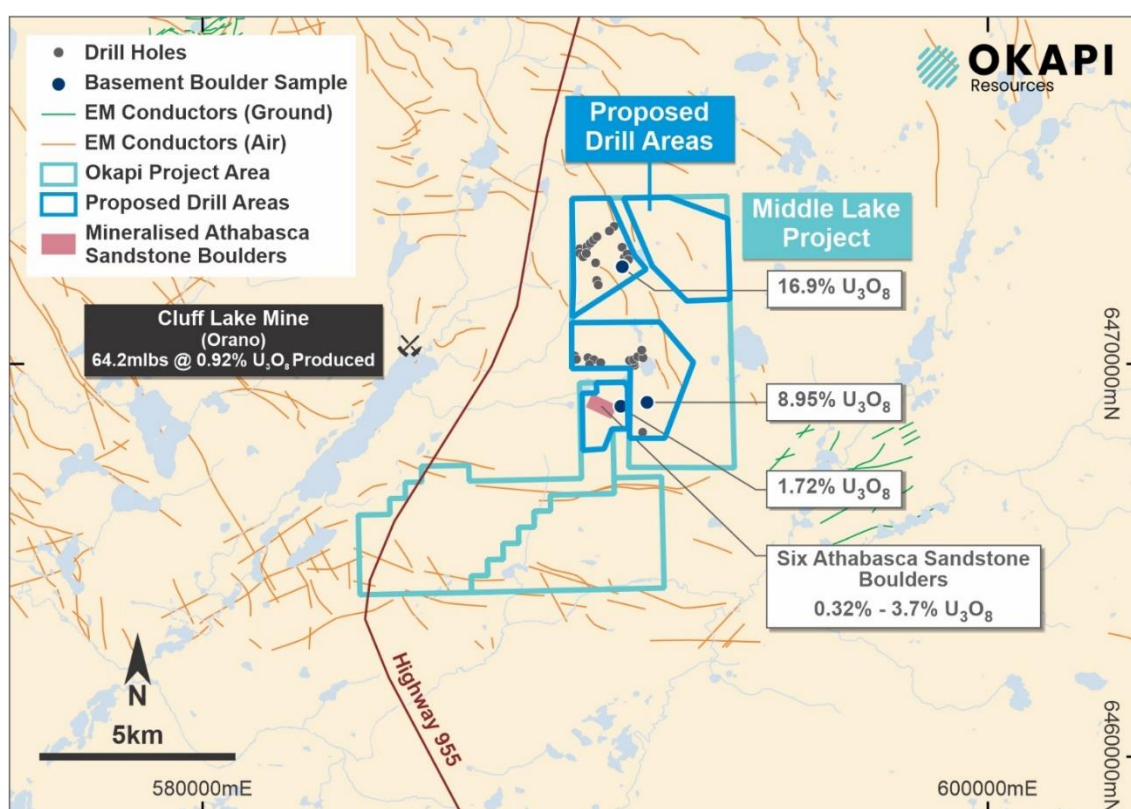
*The proposed exploration program will focus on prioritising drill targets by reinterpreting the historic geochemistry, geophysics and drill data, combined with satellite imaging (currently underway) which will provide a structural framework. The highest priority drill targets will then be followed by a potential diamond core drilling program, that is likely to be conducted in the North America winter of Q1 2023."*

## Proposed Exploration Program

The Middle Lake Uranium Project has had a long history of exploration work completed with the last drill program occurring in the winter of 2015 comprising 17 shallow drill holes for a total of 1,851 meters of drilling. The drilling revealed areas of anomalous radioactivity and uranium concentrations associated with graphitic schist and mylonite; the exploration is consistent of that for unconformity style uranium deposits in areas adjacent to the contact between the underlying Archean Basement and Athabasca Group rocks.

Okapi's immediate aim is to take the historic data and reinterpret and remodel the historic surface and drill data, geochemistry and geophysics to provide targets for drill testing. This will be combined with new remote sensing image interpretation currently underway that, when integrated with the historic, existing geophysical survey results, will provide a structural framework that can be incorporated into the geologic modelling. The application of multi-spectral satellite imaging to exploration at Middle Lake, and the enhanced software capacity now available, can readily detect areas of alteration associated with Uranium mineralisation.

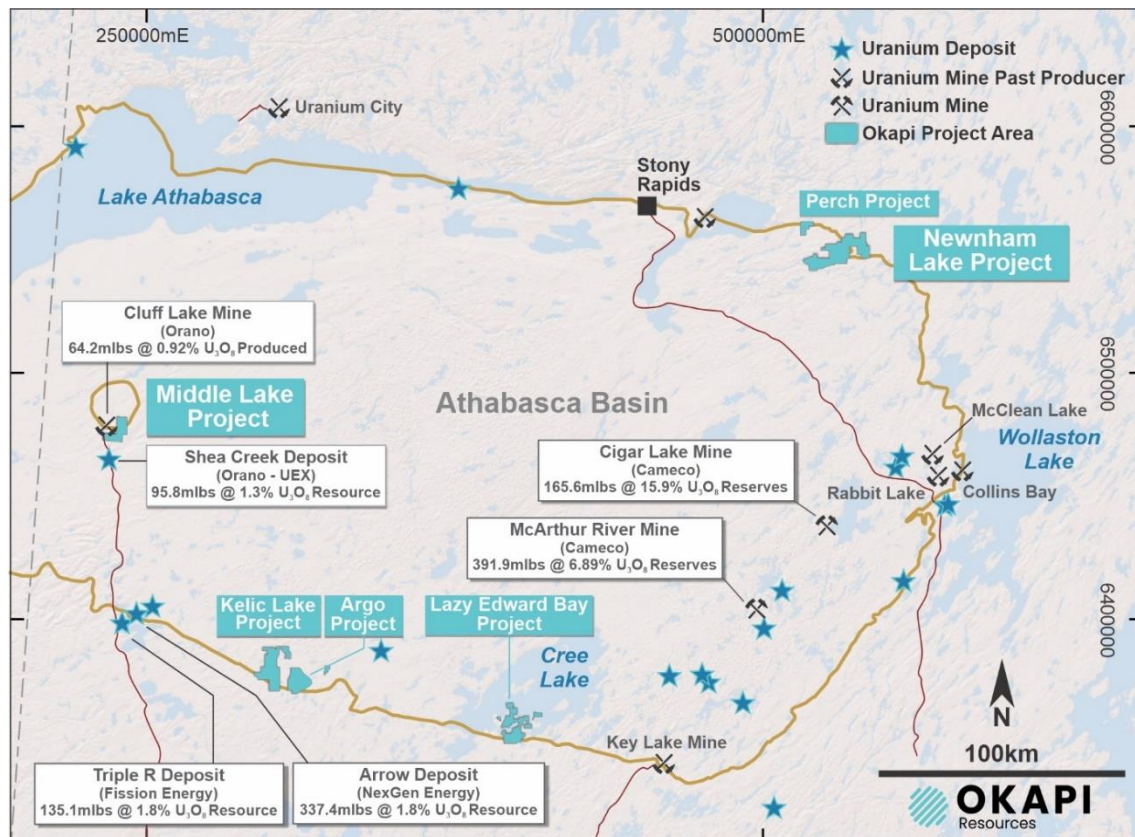
The targets generated from the geologic model will then be followed by a potential diamond core drilling program that is likely to be conducted in the North America winter of Q1 2023. The drill permits will allow Okapi to drill up to 10,000m in 24 drill holes.



**Figure 1: Location of the Proposed Drilling Area, Middle Lake Uranium Project, Saskatchewan, Canada.**

## Middle Lake Uranium Project (80% interest)

The Middle Lake Uranium Project is located in the western portion of the Athabasca Basin immediately southeast (4km) of the past producing Cluff Lake Mine in the south-eastern part of the Carswell Impact Structure. The Cluff Lake mine produced approximately 64.2 million pounds of  $U_3O_8$  @ 0.92%  $U_3O_8$  between 1988 and 2002.<sup>1</sup>



**Figure 2: Location of the Middle Lake Uranium Project in Saskatchewan, Canada.**

The Middle Lake Uranium Project comprises three mineral dispositions covering an area of approximately 4,833 hectares and straddles the southern limits of the Carswell Structure and comprises rocks from the underlying Archean Basement and the Proterozoic Athabasca Group rocks. Prior exploration work on the project has identified sandstone boulder trains that have returned samples containing up to 16.9%  $U_3O_8$ ; in the southern portion of the project sandstone boulders have returned values up to 3.7%  $U_3O_8$ .<sup>2</sup>

In light of the work being carried out at Shea Creek Deposit (approximately 15km south of the Middle Lake Property) in a Joint Venture with Orano and UEX (UEX.TO – Market Cap C\$180), a focus of investigation will also be the northwesterly trend of the uranium mineralised fault zones that trend thru the southwest corner of the Middle Lake Project.

<sup>1</sup> Technical Report on the Shea Creek Property, Northern Saskatchewan, with an Update Mineral Resource Estimate, UEX Corporation May 31, 2013.

<sup>2</sup> Middle Lake Winter 2015 Drilling Program Report, Middle Lake Property, August 2015.

## **First Nations Engagement**

The timing of work to be carried out on the Middle Lake Project will be contingent on the outcome of engagement with Clearwater River Dene Nation (CRDN); the process has begun between Okapi and CRDN with meetings planned in the near future to agree on the working practices moving forward that address CRDN's community issues and concerns with planned activities.

At Okapi, we understand that exploration activities have the potential to directly and indirectly impact CRDN's members ability to exercise their rights, practice their culture, and maintain their way of life. Okapi is committed to working with CRDN to ensure the protection of these rights and form an ongoing working relationship that benefits both Okapi and CRDN.

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

### **Further information:**

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## **Competent Person's Statement**

The information in this announcement that relates to exploration results at the Athabasca Projects is based on information reviewed by Mr Ben Vallerine. Mr Vallerine is a shareholder and Director of Okapi Resources Limited. Mr Vallerine is a member of The Australian Institute of Geoscientists. Mr Vallerine has sufficient experience that is relevant to the style of mineralisation under consideration as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting on Exploration Results, Mineral resources and Ore Reserves". Mr Vallerine consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Refer to ASX announcement dated 9 November 2021 titled "Okapi to acquire High-Grade Uranium Assets – Athabasca Basin" for the JORC details of the Athabasca Projects. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement of 9 November 2021.

## **Caution Regarding Forward Looking Statements**

This announcement contains forward looking statements which involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. The forward-looking statements are made as at the date of this announcement and the Company disclaims any intent or obligation to update publicly such forward looking statements, whether as the result of new information, future events or results or otherwise.



## About Okapi Resources

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

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 a JORC 2012 Mineral Resource estimate of **49.8 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 includes an option to acquire 100% of the high-grade Rattler Uranium Project in Utah, which includes the historical Rattlesnake open pit mine. 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.

In January 2022, Okapi acquired a portfolio of high-grade exploration assets in the world's premier uranium district, the Athabasca Basin. The Athabasca Basin is home to the world's largest and highest-grade uranium mines.

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.

JORC 2012 Mineral Resource Estimate for the Tallahassee Uranium Project												
Property	Measured			Indicated			Inferred			Total		
	Tonnes (000)	Grade U <sub>3</sub> O <sub>8</sub> (ppm)	Lbs U <sub>3</sub> O <sub>8</sub> (000)	Tonnes (000)	Grade U <sub>3</sub> O <sub>8</sub> (ppm)	Lbs U <sub>3</sub> O <sub>8</sub> (000)	Tonnes (000)	Grade U <sub>3</sub> O <sub>8</sub> (ppm)	Lbs U <sub>3</sub> O <sub>8</sub> (000)	Tonnes (000)	Grade U <sub>3</sub> O <sub>8</sub> (ppm)	Lbs U <sub>3</sub> O <sub>8</sub> (000)
Hansen/Picnic Tree**	-	-	-	7,309	640	10,360	9,277	580	11,874	16,586	610	22,234
Taylor and Boyer	-	-	-	7,641	520	8,705	14,869	460	15,172	22,513	480	23,877
High Park	2,451	550	2,960	24	590	30	434	770	734	2,907	580	3,724
<b>Total</b>	<b>2,451</b>	<b>550</b>	<b>2,960</b>	<b>14,976</b>	<b>580</b>	<b>19,095</b>	<b>24,580</b>	<b>510</b>	<b>27,780</b>	<b>42,007</b>	<b>540</b>	<b>49,835</b>

Notes: Calculated applying a cut-off grade of 250ppm U<sub>3</sub>O<sub>8</sub>. Numbers may not sum due to rounding. Grade rounded to nearest 10ppm.

\*\*Numbers reported are 51% of the Hansen/Picnic Tree due to ownership agreements.

## Competent Persons Statement

Information on the Mineral Resources presented, together with JORC Table 1 information, is contained in the ASX announcement titled "Okapi to acquire Hansen Deposit – Resource increased by 81%" which was released as an announcement on 7 April 2022. The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant market announcements, and that the form and context in which the Competent Persons findings are presented have not been materially modified from the original announcements.

Where the Company refers to Mineral Resources in this announcement (referencing previous releases made to the ASX), it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the Mineral Resource estimate with that announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not materially changed from the original announcement.

## Tabulation of Resources Referenced

Deposit	Owner	Status	Category	Tonnes	U3O8 lbs	Grade	Cut-Off	Criteria	Source		
Cluff Lake	Orano	Past-Producer	-	-	64,200,000	0.92	-	Actual Production	Technical Report on the Shea Creek Property, Northern Saskatchewan, with an Update Mineral Resource Estimate, UEX Corporation May 31, 2013		
Shea Creek	Orano (51%)	Deposit	Inferred	1,272,200	28,192,000	1.01	0.30%	NI 43-101 Compliant	Technical Report on the Shea Creek Property, Northern Saskatchewan, with an Update Mineral Resource Estimate, UEX Corporation May 31, 2013		
	UEX Corp. (49%)		Indicated Measured	2,067,900	67,663,000	1.48					
			TOTAL	3,340,100	95,855,000	1.30					
Arrow	NexGen Energy Ltd.	Deposit	Inferred	4,399,000	80,700,000	0.83	0.25%	NI 43-101 Compliant	Arrow Deposit, Rook I Project, Saskatchewan, NI 43-101 Technical Report on Feasibility Study, February 22, 2021		
			Indicated Measured	1,572,000	47,100,000	1.36					
			TOTAL	8,154,000	337,400,000	1.87					
Triple R	Fission	Deposit	Inferred	1,221,000	32,810,000	1.22	0.25%	NI 43-101 Compliant	Fission Uranium Website: <a href="https://fissionuranium.com/projects/triple-r-deposit/project-overview/">https://fissionuranium.com/projects/triple-r-deposit/project-overview/</a>		
			Indicated Measured	2,216,000	102,360,000	2.10					
			TOTAL	3,437,000	135,170,000	1.79					
Deposit	Owner	Status	Category	Tonnes	U3O8 lbs	Grade	Cut-Off	Criteria	Source		
Cigar Lake	Cameco	Production	Proven Reserves	268,700	103,800,000	17.53	N/A	Posted Proven and Probable Reserves as at 31 Dec 2020	Cameco Website: <a href="https://www.cameco.com/businesses/uranium-operations/Canada/cigar-lake/reserves-resources">https://www.cameco.com/businesses/uranium-operations/Canada/cigar-lake/reserves-resources</a>		
			Probable Reserves	203,200	61,700,000	13.78					
			TOTAL	471,900	165,600,000	15.92					
McArthur River	Cameco	Production on Hold	Proven Reserves	2,041,000	320,200,000	7.12	N/A	Posted Proven and Probable Reserves as at 31 Dec 2020	Cameco Website: <a href="https://www.cameco.com/businesses/uranium-operations/Canada/cigar-lake/reserves-resources">https://www.cameco.com/businesses/uranium-operations/Canada/cigar-lake/reserves-resources</a>		
			Probable Reserves	540,000	71,700,000	6.02					
			TOTAL	2,581,000	391,900,000	6.89					
Deposit	Owner	Status	Category	Tonnes	U3O8 lbs	Grade	Cut-Off	V2O5 lbs	V2O5 Grade	Criteria	Source
La Sal Project	Energy Fuels	Production on Hold	Inferred Indicated Measured	167,829	3,732,000	0.10	0.10%	1,901,000	0.51	NI 43-101 Compliant	Technical Report on La Sal District Project (Including the Pandora, Beaver and Energy Queen Projects), San Juan County, Utah, USA March 25, 2014.
				119,476	367,000	0.14		1,930,000	0.73		
				915,350	3,732,000	0.19		19,596,000	0.97		
				TOTAL	1,202,655	4,460,000		0.17	23,427,000		