

15 January 2024

## Sale of Lake Johnston Project

### Highlights

- **Global Uranium to sell 80% interest in Lake Johnston Project for a total consideration of up to \$2,125,000 and grant of 1% gross revenue royalty**
- **Initial cash consideration of \$175,000 and 30 million IEC shares upon completion of the sale, plus considerable upside through additional deferred consideration subject to achievement of performance milestones**

**Global Uranium and Enrichment Limited** (ASX:GUE, OTCQB: GUELF) (**Global Uranium**) has entered into a binding agreement (**Sale Agreement**) to dispose 80% of its interest in the Lake Johnston Project (E63/2039) to Intra Energy Corporation Limited (ASX: IEC) (**IEC**).

The total consideration under the Sale Agreement is up to \$2,125,000, which includes a cash consideration of \$175,000 and the issue of 30 million IEC shares at completion of the sale. The remaining deferred consideration will be issued in shares or paid in cash subject to certain milestones being achieved as detailed below. Global Uranium will retain a 20% interest in the Lake Johnston Project and will also be granted a 1.0% gross revenue royalty by IEC, payable on product extracted, mined and sold from the Lake Johnston Project.

Global Uranium intends on using the initial cash consideration of \$175,000 towards ongoing exploration and development of its North American Uranium assets.

### **Global Uranium's Managing Director, Mr Andrew Ferrier said:**

*"This is an excellent transaction for Global Uranium and our shareholders, as we can continue to focus on developing our advanced, high-quality, North American uranium portfolio, while maintaining upside exposure to the Lake Johnston Project.*

*"Lake Johnston is an exciting asset, located in a proven lithium region which has been highlighted by recent discoveries made by TG Metals and Charger Metals. The transaction with IEC will now allow the Project to be taken to the next level and Global Uranium and its shareholders to benefit from any future exploration success.*

*"The critical need and role of nuclear energy as a leading clean energy source is growing every day and as an advanced uranium developer, we are focused on building our portfolio in size and scale and establishing the Company as a key North American uranium producer."*

## **Key Terms and Conditions of Sale Agreement**

The key terms and conditions of the Sale Agreement are as follows:

### **(a) Counterparty**

Global Uranium and Enrichment Limited (**Seller** or **Company**) has entered into the Sale Agreement with Intra Energy Corporation Limited (ACN 124 408 751), an ASX Listed company with ASX code – IEC (**Buyer**).

### **(b) Disposal**

Subject to the conditions precedent noted below, the Company has agreed to sell and the Buyer has agreed to acquire:

- i. an 80% legal and beneficial interest in E63/2039 (**Tenement**); and
- ii. all associated technical and mining information in relation to E63/2039.

### **(c) Consideration**

The consideration payable by the Buyer to the Company is:

- i. a cash payment of \$175,000 at completion of the sale (**Cash Consideration**);
- ii. the issue of 30,000,000 fully paid ordinary IEC shares at a deemed issue price of \$0.005 per IEC share at completion of the sale (**Consideration Shares**) (subject to 3 months voluntary escrow);
- iii. the deferred consideration to be paid in accordance with paragraph (f) below, subject to certain milestones being achieved (**Deferred Consideration**); and
- iv. the grant of a 1.0% gross revenue royalty by IEC, payable on product extracted, mined and sold from the Tenement.

### **(d) Conditions Precedent**

Completion of the sale is conditional upon the satisfaction (or waiver by the relevant party) of the following conditions precedent (**Conditions Precedent**):

- i. **Due Diligence:** completion of due diligence by the Buyer on the Tenement and mining information;
- ii. **Deeds of assignment and assumption:** the Seller, the Buyer and, if necessary, under the relevant third party agreements relating to the Tenement, the relevant third party, executing a deed of assignment and assumption in relation to each third party agreement.
- iii. **Third party approvals:** the parties obtaining all necessary third-party approvals, consents and waivers to allow the parties to lawfully complete the matters set out in the Sale Agreement.

If the Conditions Precedent are not satisfied or waived (by the party entitled to waive) within 90 days from the execution date of the Sale Agreement (or as otherwise extended by the parties by mutual written agreement), any party may terminate the Sale Agreement by notice in writing to the other party.

### **(e) Completion**

Completion of the sale (**Completion**) will occur on that date which is five (5) business days after the satisfaction or waiver of the last of the Conditions Precedent.

### **(f) Deferred Consideration**

Subject to Completion occurring, the following Deferred Consideration is payable to the Seller:

- (i) upon and subject to achieving Milestone 1 within 5 years from the date of Completion, 60,000,000 IEC shares at a deemed issue price of \$0.005 per share (**Milestone 1 Shares**);
- (ii) upon and subject to achieving Milestone 2 within 5 years from the date of Completion, at the election of the Seller:
  - (A) the Buyer will pay \$500,000 in cash (**Milestone 2 Cash Payment**); or
  - (B) the Buyer will issue the number of IEC shares equal to \$500,000 at a deemed issue price equal to the 20-day volume weighted average price of IEC shares over the trading days immediately prior to the date of Milestone 2 being met (**Milestone 2 Shares**); and
- (iii) upon and subject to achieving Milestone 3 within 5 years from the date of Completion, at the election of the Seller:
  - (A) the Buyer will pay \$1,000,000 in cash (**Milestone 3 Cash Payment**); or
  - (B) the Buyer will issue the number of IEC shares equal to \$1,000,000 at a deemed issue price equal to the 20-day volume weighted average price of IEC shares over the trading days immediately prior to the date of Milestone 3 being met (**Milestone 3 Shares**).

For the purposes of the above:

**Milestone 1** means five rock chip samples taken from the Tenement with a grade of at least 1% Li<sub>2</sub>O.

**Milestone 2** means the completion of drilling intercepts at the Tenement of equal to or greater than five (5) metres above with a grade of at least 1% Li<sub>2</sub>O.

**Milestone 3** means definition of an indicated Mineral Resource for the Tenement with a delineation of at least 10 million tonne resources with a grade of at least 1% Li<sub>2</sub>O.

#### **(g) Joint Venture**

With effect on and from the date that the Tenement is granted to the Seller, an unincorporated joint venture in respect of the Tenement shall be automatically formed (**Joint Venture**), with the participating interests of the parties as follows:

- (i) Buyer: 80%; and
- (ii) Seller: 20%.

The Parties acknowledge and agree that they intend to negotiate in good faith and enter into a formal joint venture agreement to reflect the joint venture terms included in the Sale Agreement within 90 days following Completion.

#### **(h) Exploration expenditure commitment**

The Buyer undertakes to expend not less than \$500,000 on exploration expenditure on the Tenement during the 12 months following Completion. In the event the Buyer is unable to meet the minimum exploration expenditure during the 12 months following Completion directly due to delays outside of the control of the Buyer (acting reasonably), the Seller will grant the Buyer an extension of 6 months to meet the exploration expenditure undertaking.

If the Buyer does not meet the undertaking per the above:

- (i) the Buyer must transfer the Tenement back to the Seller within 2 Business Days of the date which is 12 months from Completion (or 18 months from Completion if an extension to meet the minimum exploration expenditure is granted by the Seller) for nil consideration; and

- (ii) upon completion of transfer, the Sale Agreement will be at end and the parties will be released from their obligations under the Sale Agreement (other than in respect of any breaches that occurred prior to termination or obligations which are specifically stated to survive termination).

For the avoidance of doubt, in the event of the above, the Seller will not be required to return the Cash Consideration or the Consideration Shares to the Buyer.

The Company has liaised with ASX in relation to the Sale Agreement and ASX has confirmed, based on the information provided, that Listing Rules 11.1.2, 11.1.3 and 11.4 do not apply to the sale.

This announcement has been authorised for release by the board of Global Uranium and Enrichment Limited.

**Further information:**

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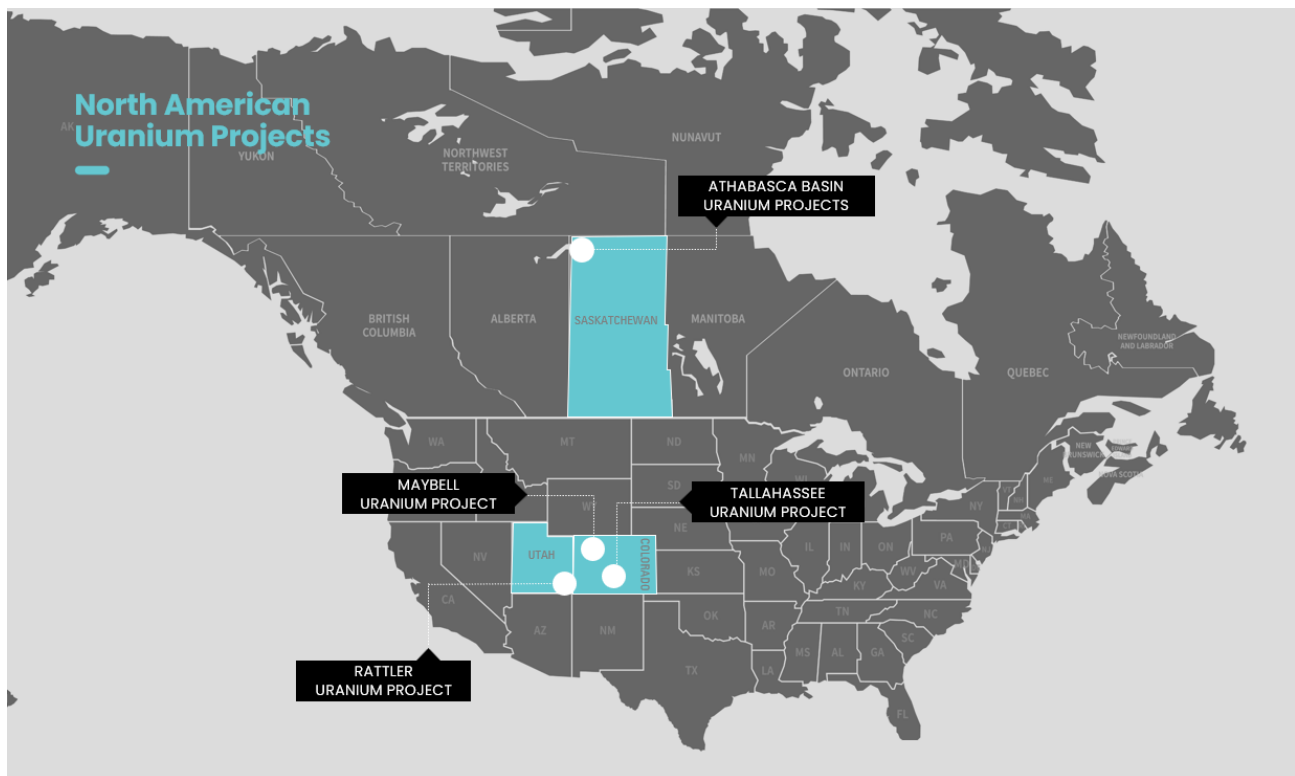
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## An Emerging Uranium Powerhouse

Global Uranium is an Australian public listed company providing unique exposure to not only uranium exploration and development but the uranium enrichment space. Amid a nuclear energy renaissance, Global Uranium is developing a portfolio of advanced, high grade uranium assets in prolific uranium districts in the U.S. and Canada, and has established a cornerstone position in Ubaryon, an Australian uranium enrichment technology.

### Asset Portfolio:

- **Tallahassee Uranium Project (Colorado, USA):** JORC 2012 Mineral Resource estimate of 49.8 Mlbs  $U_3O_8$  at a grade of 540ppm  $U_3O_8$ <sup>1</sup> with significant exploration upside. Located in Colorado's Tallahassee Creek Uranium District, host to more than 100 Mlbs  $U_3O_8$ .
- **Athabasca Basin Projects (Saskatchewan, Canada):** Portfolio of six high-grade exploration assets in the Athabasca Basin, home to the world's largest and highest-grade uranium mines. Portfolio includes the Newnham Lake Project with grades of up to 1,953ppm  $U_3O_8$  in historic drilling and the Middle Lake Project with boulder-trains with grades of up to 16.9%  $U_3O_8$ .<sup>2</sup>
- **Ubaryon Investment (Australia):** Cornerstone position in Ubaryon, an Australian uranium enrichment technology.
- **Maybell Uranium Project (Colorado, USA):** Historical production of 5.3 million pounds of  $U_3O_8$  (average grade 1,300ppm). High grade Exploration Target of 4.3-13.3 Mlbs  $U_3O_8$  at a grade of 587 to 1,137ppm  $U_3O_8$  established at the project.<sup>3</sup>
- **Rattler Uranium Project (Utah, USA):** Located within La Sal Uranium District, Utah, 85km north of White Mesa Uranium/Vanadium mill, the only operating conventional uranium mill in the USA.



<sup>1</sup> Competent Persons Statement - Information on the Mineral Resources presented, together with JORC Table 1 information, is contained in the ASX announcement dated 7 April 2022 and titled "Okapi to acquire Hansen Deposit – Resource increased by 81%". Measured 2.96MLbs of 550 ppm  $U_3O_8$ , Indicated 19.095MLbs of 580 ppm  $U_3O_8$ , Inferred 27.78MLbs of 510 ppm  $U_3O_8$  calculated applying a cut-off grade of 250ppm  $U_3O_8$ . Numbers may not sum due to rounding. Grade rounded to nearest 10ppm. 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.

<sup>2</sup> Refer to the Company's ASX announcement dated 9 November 2021 for the JORC details of the Athabasca Projects and other historical information. 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.

<sup>3</sup> Refer to the Company's ASX announcement dated 14 December 2023 for the Exploration Target and JORC details. 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 14 December 2023. Historical production data has been sourced from an article in Rocky Mountain Association of Geologists (1986) titled "Geology and Production History of the Uranium Deposits in the Maybell, Colorado Area" from W. L. Chenoweth.