

ACTIVITIES REPORT JUNE QUARTER 2019

ACQUISITION OF URANIUM AND VANADIUM PROPERTIES IN UTAH, USA
CAPITAL RAISING OF APPROXIMATELY \$2,000,000
TRANCHE 1 PLACEMENT (\$244,227) COMPLETED
TRANCHE 2 PLACEMENT (\$755,773) SUBJECT TO SHAREHOLDER APPROVAL (21 AUGUST 2019)
NON-RENOUNCEABLE RIGHTS ISSUE (\$1,014,091) FULLY UNDERWRITTEN BY CPS CAPITAL
NEW LICENCE APPLIED FOR AT NIAGARA GOLD PROJECT, WESTERN AUSTRALIA

UTAH URANIUM AND VANADIUM PROJECT ACQUISITION

During the quarter GTI Resources Ltd (**GTI** or the **Company**) entered into a binding agreement to acquire 100% of Voyager Energy Pty Ltd (**Voyager**), which has the exclusive right to acquire eight highly prospective uranium/vanadium exploration projects located in the Henry Mountains mining district of south eastern Utah, USA (**Agreement**). (see ASX announcement 1 July 2019 for full details of the acquisition and capital raising)

The eight strategically located projects: Jake, Jeffrey, Moki, Point, Pinto, Woodruff, Rats Nest and Susannas present a portfolio of highly prospective assets containing known high-grade uranium and vanadium mineralisation (together the **Properties**). The property acquisition has targeted only claim areas with known historical mineralisation thus avoiding high land holding costs.

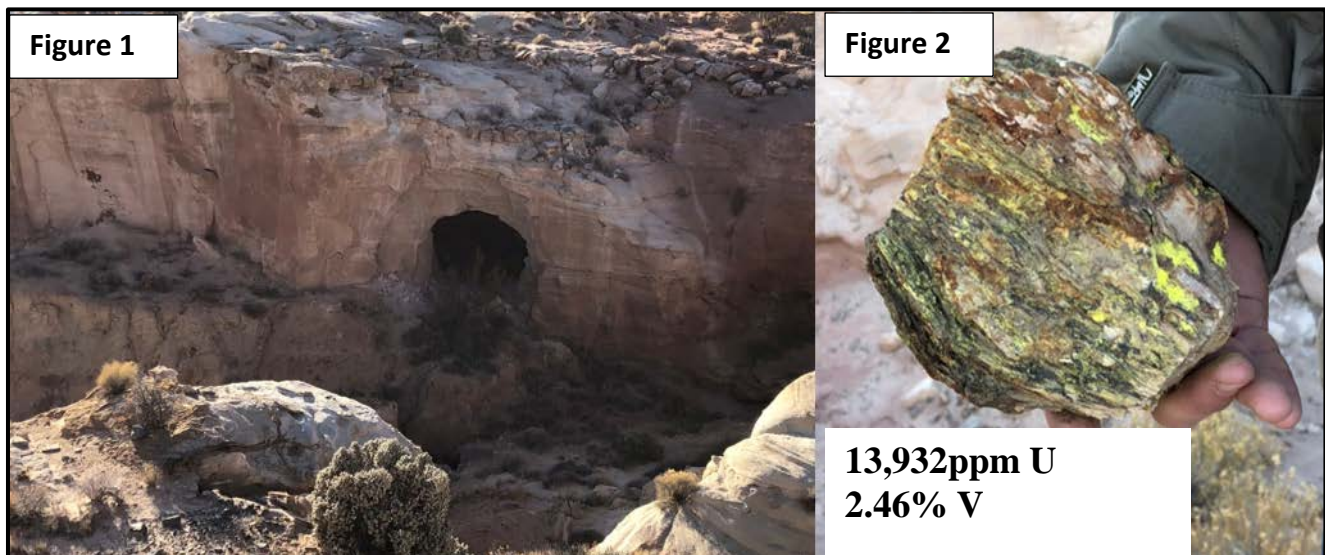


Figure 1 Left: Adit located on the Jeffrey claim. Figure 2 Right: High-grade mineralised sample from adit, grab sample, pictured, assayed at ALS Global Perth

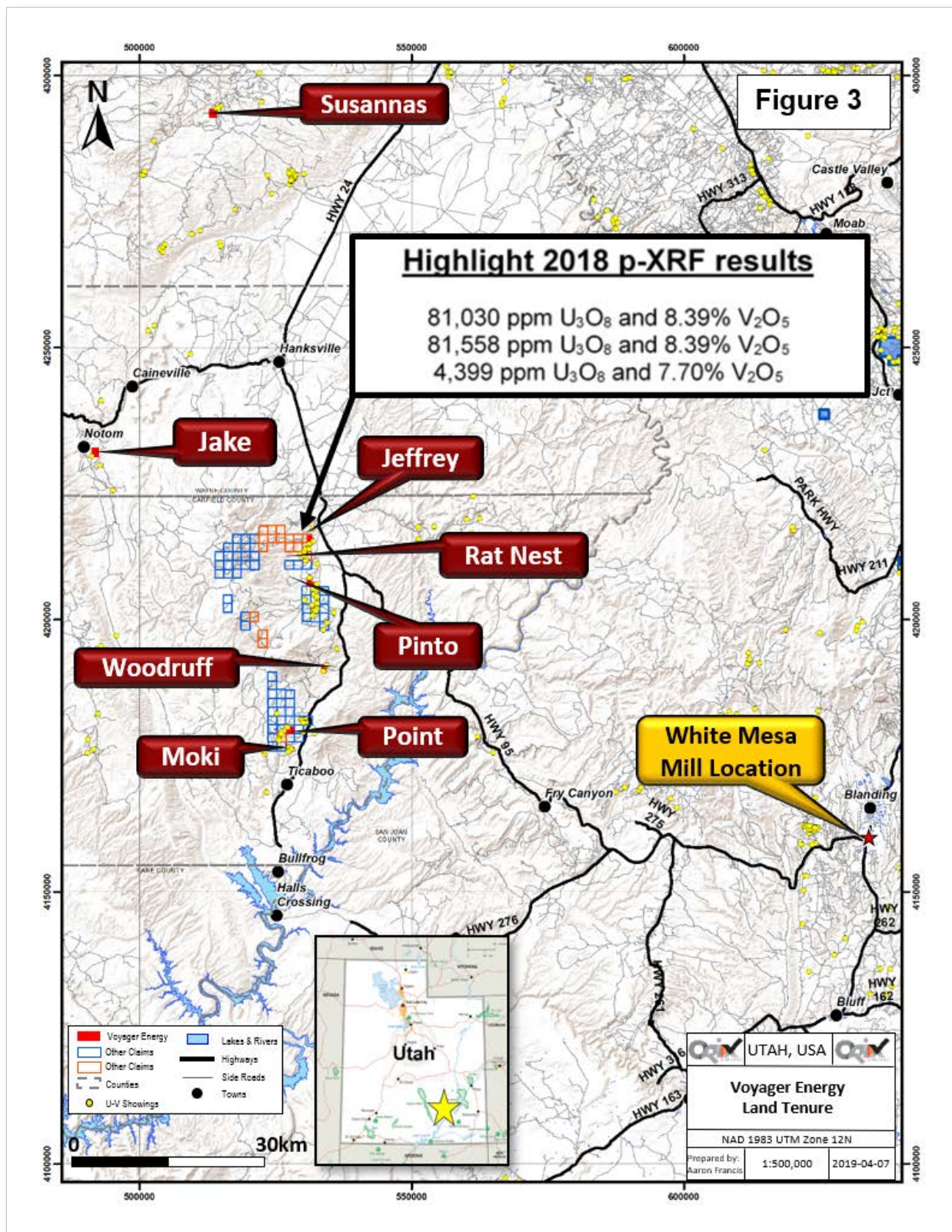


Figure 3 Location of Project Areas. The Morrison Formation shaded in green is host to the majority of the uranium and vanadium mineralisation within the Colorado Plateau

Numerous historical workings are located on the Properties (Figure 1). A November 2018 field program conducted by Voyager identified high-grade in-situ uranium/vanadium mineralisation from within the workings on the Jeffrey Claim, including a sample that returned **13,932 ppm Uranium** and **2.46% Vanadium** from geochemical analysis. (see ASX announcement 1 July 2019 for full details of sampling and assaying)

The Properties cover 179 claims (~3,700 acres) of the Henry Mountains region, within Garfield County approximately 30km southwest of Hanksville, Utah. The region forms part of the prolific Colorado Plateau uranium province which has historically provided the most important uranium resources in the USA. Ores have been mined in the region since 1904 and the mining region has historically produced in excess of **17.5Mt @ 2,400ppm U₃O₈ (92 mlbs U₃O₈) and 12,500 ppm V₂O₅ (482 mlbs V₂O₅)**.

The region benefits from well-established infrastructure and a mature mining industry providing low cost experienced personnel and equipment. The White Mesa mill, the only conventional fully licensed and operational uranium/vanadium mill in the United States, is located within trucking distance of the Properties (Figure 3). The mill is owned and operated by Energy Fuels Inc (TSE: EFR) (**Energy Fuels**) and is currently operating at approximately 10% capacity. The operation has recently resumed production of V₂O₅ from its tailings dams to complement its existing uranium processing operations

Energy Fuels has historically accepted toll milling agreements as well as purchase programs for processing ores from third party mines. This may represent a low-cost opportunity for producers in the region to utilise existing infrastructure, eliminating the significant capital requirement of developing a mill. The mill operates a conventional acid leach process followed by solvent extraction to produce yellow cake and vanadium pentoxide.

There is currently no relationship or arrangement in place between Energy Fuels and either the Company or Voyager.

The Company has entered into a binding sale and purchase agreement to acquire 100% of the issued capital of Voyager, a private company which in turn holds the right to acquire 100% of the Properties (**Acquisition**). In consideration for the Acquisition, the Company will issue to the vendors of Voyager (Vendors) a total of 90,000,000 fully paid ordinary shares (Shares) at a deemed issue price of \$0.012 per Share (that is, having a deemed value of \$1,080,000).

Completion of the Acquisition is subject to the satisfaction of a number of conditions that must be satisfied within 3 months of the date of the Agreement including, the Company obtaining any required shareholder approval for the Acquisition, the Company completing technical, legal and financial due diligence on Voyager, its assets and the Properties. The Vendors have given various warranties and representations in favour of the Company customary for a transaction of this nature.

In consideration for facilitating the Acquisition, the Company proposes to issue to various advisors and facilitators to the Company a total of 9,000,000 Shares, subject to shareholder approval.

CAPITAL RAISING

In connection with the Acquisition, the Company proposes the following:

- (a) The placement of 24,422,721 Ordinary Shares at an issue price of \$0.01 to raise \$244,227.00 (before costs) (**T1 Placement**) has been completed using the Company's existing Listing Rule 7.1 placement capacity;
- (b) The second Tranche placement (T2) will comprise a total of 75,577,279 Ordinary Shares at 1.0 cent per share for gross proceeds of \$755,773 and is subject to the approval of shareholders at a General Meeting of the Company to be held on 21 August 2019.
- (c) A non-renounceable entitlements issue to offer a total of 101,409,070 Shares to shareholders on a 1:2 basis at an issue price of \$0.01 per Share to raise \$1,014,091 (before costs) (**Entitlement Issue**) will be posted to shareholders shortly.

Both the T1 Placement and the T2 Placement are collectively referred to in this announcement as the "**Placement.**"

Completion of the T1 Placement occurred prior to the Entitlement Issue record date in order to allow investors under the T1 Placement the opportunity to participate in the Entitlement Issue.

CPS will fully underwrite the Entitlement Issue and act as lead manager to the Placement. In support, CPS has elected to receive, subject to shareholder approval, its 6% capital raising fee for both the Entitlement Issue and the Placement in shares in the Company (equating to a total of 12,084,544 GTI shares).

A notice of meeting seeking, among other things, approval for the shares to be issued to the Vendors, shares to advisors and securities issued in lieu of fees to CPS has been dispatched to shareholders.

The Company will announce details of the offer period for the Entitlement Issue to shareholders shortly.

The funds raised from the Capital Raising will be used towards exploration and development of the Properties and continue ongoing assessment of the Company's West Australian projects.

NIAGARA GOLD PROJECT

The Niagara project is located ~6km southwest of Kookynie, in the central goldfields of WA. During the Quarter the project area was increased in size by the application for Prospecting Licence P40/1506 (Figure 4.)

The project is located within the central part of the Norseman-Wiluna greenstone belt. The geology of the Kookynie-Niagara area is characterised by large rafts of semi-continuous greenstone stratigraphy within the Mendleyarri monzogranite batholith. Numerous historical workings occur within and to the north of the project area, with a number of major historical mines located in the immediate vicinity of Kookynie, including the Cosmopolitan Mine which produced approximately 360,000 ounces of gold at an average grade of 15 g/t gold from underground mining between 1895 and 1922.

P40/1506 contains a number of historical shafts and shallow workings which were mined during the early 1900's and 1930's. A number of small-scale workings and historical shafts also occur within E40/342, mainly around the old Niagara town site and through the central and north eastern parts of the licence.

Exploration completed by historical workers within E40/342, has been limited to broadly spaced soil sampling and limited reconnaissance drilling programs, with the majority of the work undertaken in areas outside the current E40/342 licence area. As a result, the licence remains essentially untested. Exploration within P40/1506, during the late 1980's and 1990's, comprised trenching, sampling and first pass drilling, primarily focused on the historical workings.

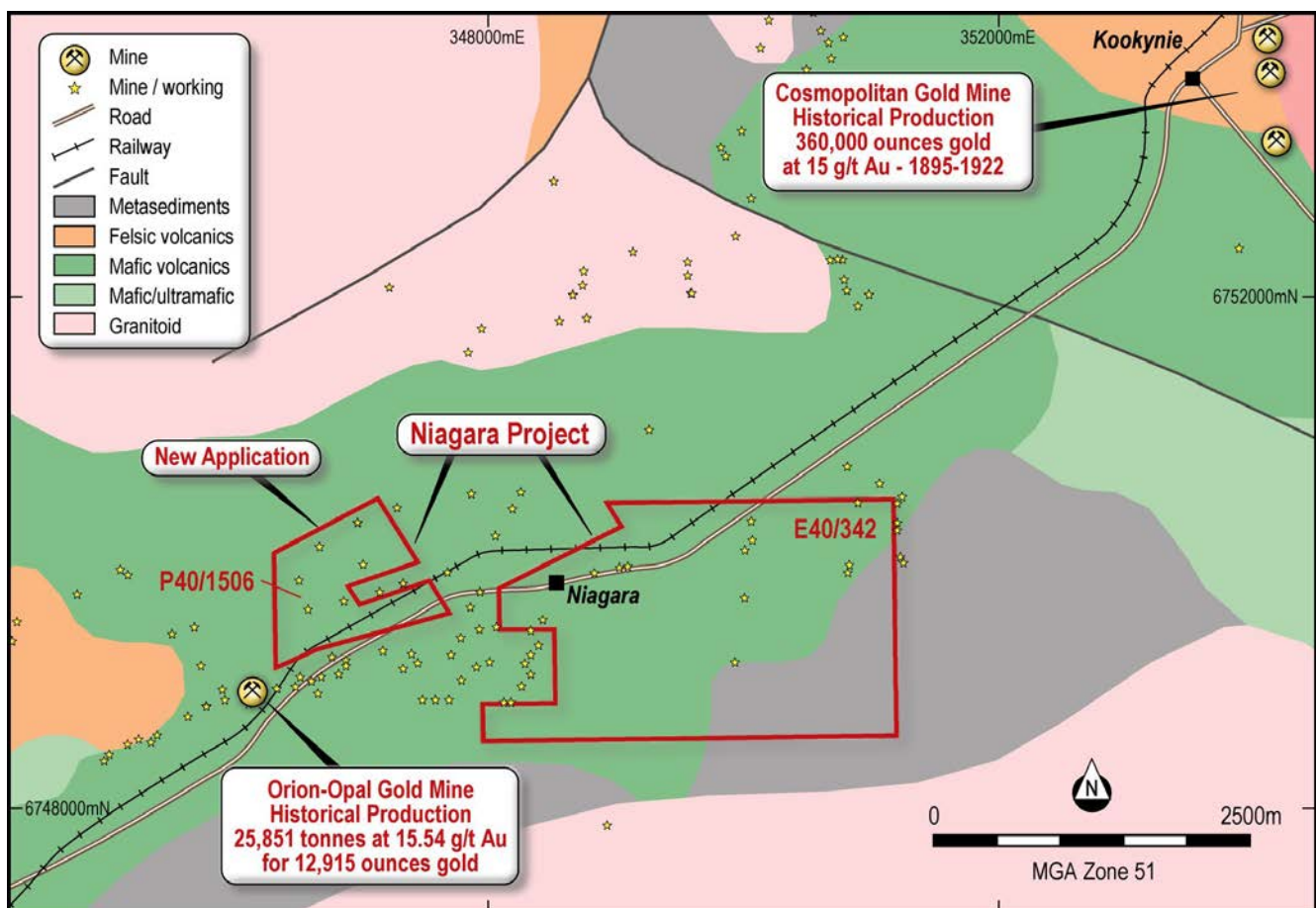


Figure 4. Niagara Project and Mineral Occurrences on 1:250,000 Outcrop & Regolith Geology

MEEKATHARRA VMS PROJECT

The Meekatharra Project, E51/1556, is located ~55km south of Meekatharra in the Eastern Goldfields of Western Australia. The Project is underlain by a sequence of mafic and felsic volcanics, which host a number of VMS base metal prospects and deposits, within and adjacent to E51/1556, including the Austin VMS deposit, located within an excised licence in the southern-central part of the project area and the Murchison Wonder, Tasman and Flinders prospects to the northeast (Figure 5.)

The Austin VMS deposit contains a reported mineral resource, comprising Measured, Indicated and Inferred categories of 1.48 Mt at 1.02% copper, 1.39% zinc, 3.51 g/t silver and 0.25 g/t gold, prepared in accordance with the JORC (2004) Code (see Silver Swan Group Ltd ASX announcement dated 6 April 2010).

Reprocessing and interpretation of recently acquired airborne VTEM electromagnetic data has identified two new potential electromagnetic anomalies. One conductor located ~4km northeast of the Austin VMS deposit and the other, a shallow, weakly conductive feature overlying a deeper magnetic unit ~5km north of the Austin VMS deposit (Figure 5).

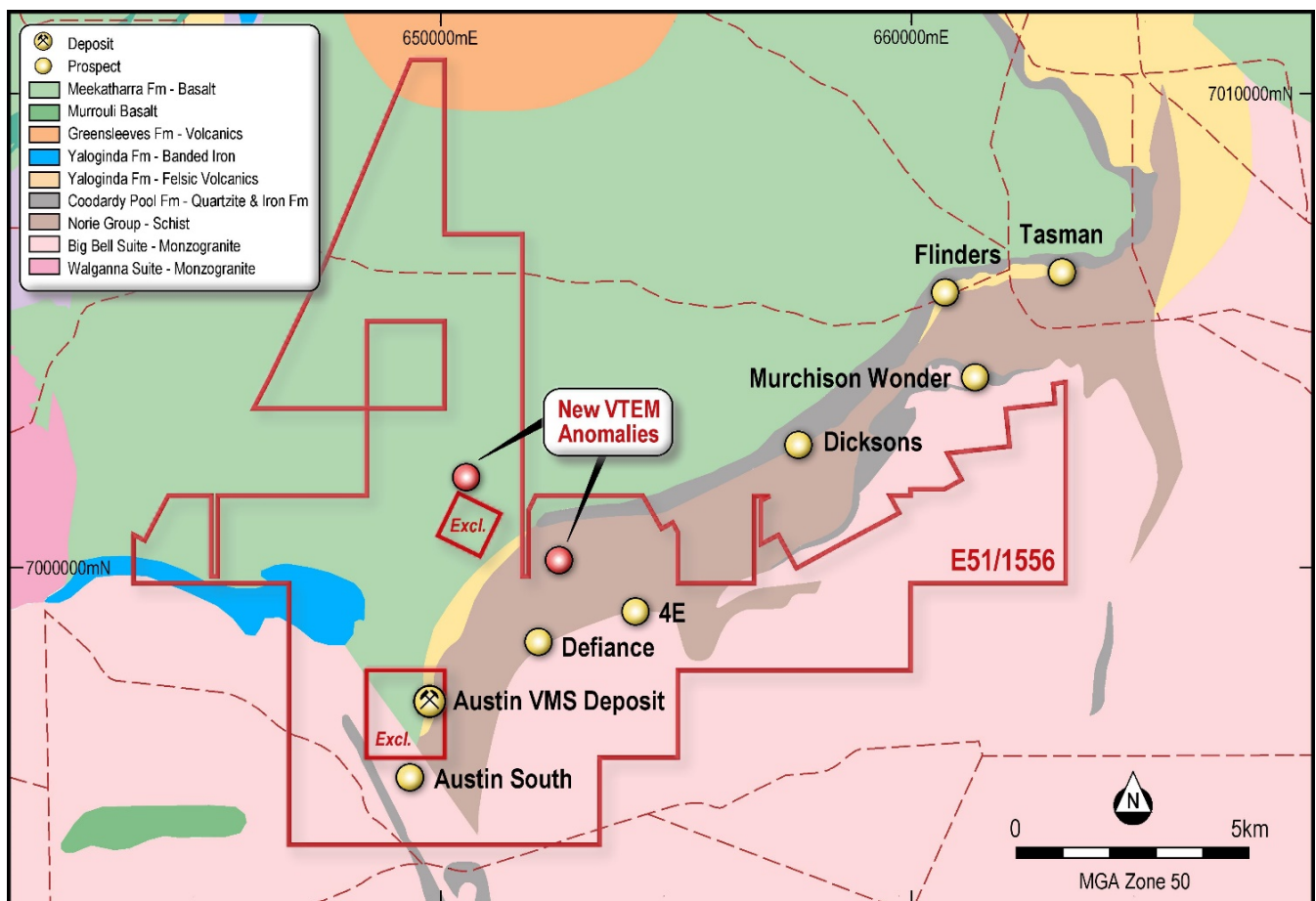


Figure 5. Meekatharra Project – VMS deposits, prospects and VTEM anomalies on GSWA 1:500,000 Geology

Exploration by previous owners identified two VMS prospects within the Meekatharra Project, the Defiance and 4E prospects, which have returned anomalous copper and zinc results, including 4m at 0.18% copper, 8m at 0.34% zinc and 10m at 0.23% copper, from first pass drilling completed during 2010 (see Emu Nickel NL ASX announcement dated 13 October 2010). Exploration of these two prospects is at an early stage, with only three RC drill holes, to a maximum depth of 252m, having been completed.

These two prospects and the new anomalies identified from the reprocessed VTEM data are the focus for the Company's on-ground exploration programs, targeting Volcanic Massive Sulphide ("VMS") style base metal mineralisation.



Murray McDonald
Executive Chairman

Competent Person Statements:

The information in this announcement that relates to the historical Exploration Results on the Utah Uranium and Vanadium Properties is based on information compiled and fairly represented by Mr Craig Fitchett who is a member of the Association of Professional Geoscientists of Ontario. Mr Fitchett is a senior project geologist for Orix Geoscience Inc. with over 10 years' experience. Mr Fitchett has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which has been undertaken in 2018, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of exploration results, Mineral Resources and Ore Reserves. Mr Fitchett provides his consent to the inclusion in this report of the matter based on this information in the form and context in which it appears.

Information in this release that relates to Exploration Results on the Western Australian projects is based on information compiled by Mr Andrew Rust, who is a Member of the Australian Institute of Mining and Metallurgy (AusIMM). Mr Rust is a full-time employee of Shearwater Australia Proprietary Limited. Mr Rust is engaged by GTI Resources Limited as an independent consultant. Mr Rust has sufficient experience which 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 Rust consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

Tenement Schedule

Tenements held as at 30 June 2019

PROJECT	TENEMENT	HOLDER/APPLICANT	SHARES HELD
MEEKA	E51/1556	GTI Resources Ltd	100%
NIAGARA	E40/342	GTI Resources Ltd	100%
NIAGARA	PLA40/1506	GTI Resources Ltd	100%

One mining tenement, PLA40/1506 was applied for during the quarter.

Key to Tenement Schedule

E	-	Exploration Licence
ELA	-	Exploration Licence Application
P	-	Prospecting Licence
PLA	-	Prospecting Licence Application