
Uranium Testing Commences on High Grade Potential in Utah

Highlights

- Utah spring exploration program to commence next week (w/c 4th May 2020).
- Down hole logging of historical drill holes at the Jeffrey project to help target new drilling.
- Following up previous high-grade assay results of **1.39% U₃O₈ and 2.46% V₂O₅ and 0.12% U₃O₈ and 3.89% V₂O₅**.
- Trump administration unveils vision for reclaiming US nuclear leadership - 2021 budget proposes creating a US\$1.5B U₃O₈ reserve through 10 years of purchasing US\$150m p.a. (circa 3.75 mlbs p.a.) of domestic U₃O₈ production.
- Further congressional approval will be sought to expand this initiative to acquire 17-19 mlbs of U₃O₈ over 10 years – 2019 US production estimated at only 174,000 lbs.
- US producers are very encouraged by a sustained improvement in the U₃O₈ spot price and recently announced significant US government support.
- High grade potential and proximity to operating infrastructure strengthens the potential for an early stage production outcome.

GTi Resources Ltd (**GTi** or the **Company**) is pleased to advise that due to a combination of factors including positive recent sampling results, improved ground conditions in Utah, recently announced substantial US government support for domestic uranium producers and a sustained improvement in the uranium spot market price, GTi will commence its spring exploration program at the Jeffrey Project w/c 4th May 2020.

The Company has been working towards being able to navigate the COVID-19 impacted environment so that it can safely deploy contractors in the field with the necessary PPE and procedures.

The Company has, over the preceding period, confirmed the presence of high-grade uranium and vanadium potential at the Jeffrey project.

A field program conducted in November 2018 identified high-grade in-situ uranium/vanadium mineralisation from within the workings on the Jeffrey Claim, including a sample that returned **13,932 ppm (1.39%) U₃O₈ and 2.46% V₂O₅** from geochemical analysis (see ASX release 1 July 2019 for full details of sampling & assaying).

A more recent sampling program conducted by SRK Consulting (Denver office), reported to ASX on 25 February

2020, involved underground channel sampling within historic mine workings.

The recent assay results, when combined with previously reported laboratory assay results (ASX Announcement dated 29 October 2019) and XRF assay results (ASX Announcement dated 1 July 2019), further confirm the presence of high-grade uranium and vanadium mineralisation within the claim groups acquired by GTI in 2019.

The highlights of the most recent assay samples include a **U₃O₈ grade of 1,167 ppm (0.12%) and 38,917 ppm (3.89%) V₂O₅** from an assay sample collected from historic mine workings (see Figure 1) within the Jeffrey claim group.

The Company is commencing exploration at the Jeffrey Project due to historical exploration activity and small mining operations within the claim group that has indicated the potential for a high-grade mineralized trend across a distance in excess of 1 kilometre. Within this area, the Company has now identified over 20 open historical drill holes, with the number split between each end of the prospective trend.

Starting next week (w/c 4th May 2020), GTI is conducting a down-hole geophysical logging program in these holes in a high-value effort to refine drill targets prior to commencing with the permitted exploration drill program.

The logging program will generate down-hole eU₃O₈ assay values which will aid in determining the geometry of the mineralization as the trend moves away from outcrop and underground exposure.

Trump Administration Support for US Domestic Uranium Producers

In a move specifically targeted to provide significant strategic support for US domestic uranium producers, President Trump's 2021 budget now includes expenditure of \$150m p.a. for 10 years to create a US\$1.5B strategic uranium reserve. The administration is seeking to provide material support US uranium miners and the nuclear fuel supply chain.¹

This US\$150m p.a. program indicates a purchasing requirement for circa 3.75 mlbs of annual domestic production based on a weighted average price of US\$40 per pound.²

In addition the US Department of Energy recently released a report (24th April 2020) entitled "Restoring America's Competitive Nuclear Energy Advantage: A strategy to assure US national security" (**Report**) revealing that further congressional approval will be sought to expand this initiative to acquire a total of **17-19 mlbs of U₃O₈** over 10 years. The Report states "the U.S. Government will take **bold action** to revive and strengthen the uranium mining industry".³

In February 2020, Energy Fuels Inc. (NYSE American: UUUU; TSX: **EFR** or **Energy Fuels**), owner of the White Mesa uranium and vanadium processing plant in Utah, completed a US\$16.6m capital raising to underpin activities to increase uranium &/or vanadium production at the Company's properties in response to the President of the United States' budget for fiscal year 2021".⁴

Uranium Energy Corp (NYSE American: UEC) also welcomed the news of the Trump administration's first move to support the industry. Former US Secretary of Energy and current UEC Chairman, Spencer Abraham, stated: "The establishment of a Uranium Reserve will allow domestic uranium companies to restart some operations and begin to rebuild domestic uranium mining capability."

UEC President and CEO, Amir Adnani, added: "We are pleased President Trump has taken the first step to act on the recommendations of the US Nuclear Fuels Working Group (**NFWG**) by initiating a program to purchase U.S. mined uranium for America's strategic Uranium Reserve. This is great news for the domestic uranium

¹ <https://uk.reuters.com/article/us-usa-trump-budget-uranium/trump-budget-proposes-150-million-for-creation-of-uranium-reserve-idUKKBN2042JM>

² <https://www.eia.gov/uranium/production/annual/>

³ <https://www.energy.gov/articles/secretary-brouillette-announces-nuclear-fuel-working-groups-strategy-restore-american>

⁴ <https://www.energyfuels.com/2020-02-20-Energy-Fuels-Announces-Closing-of-Previously-Announced-US-16-611-000-Bought-Deal-Offering>

mining industry, and we look forward to working with the NFWG to help fulfil the program's objectives."⁵

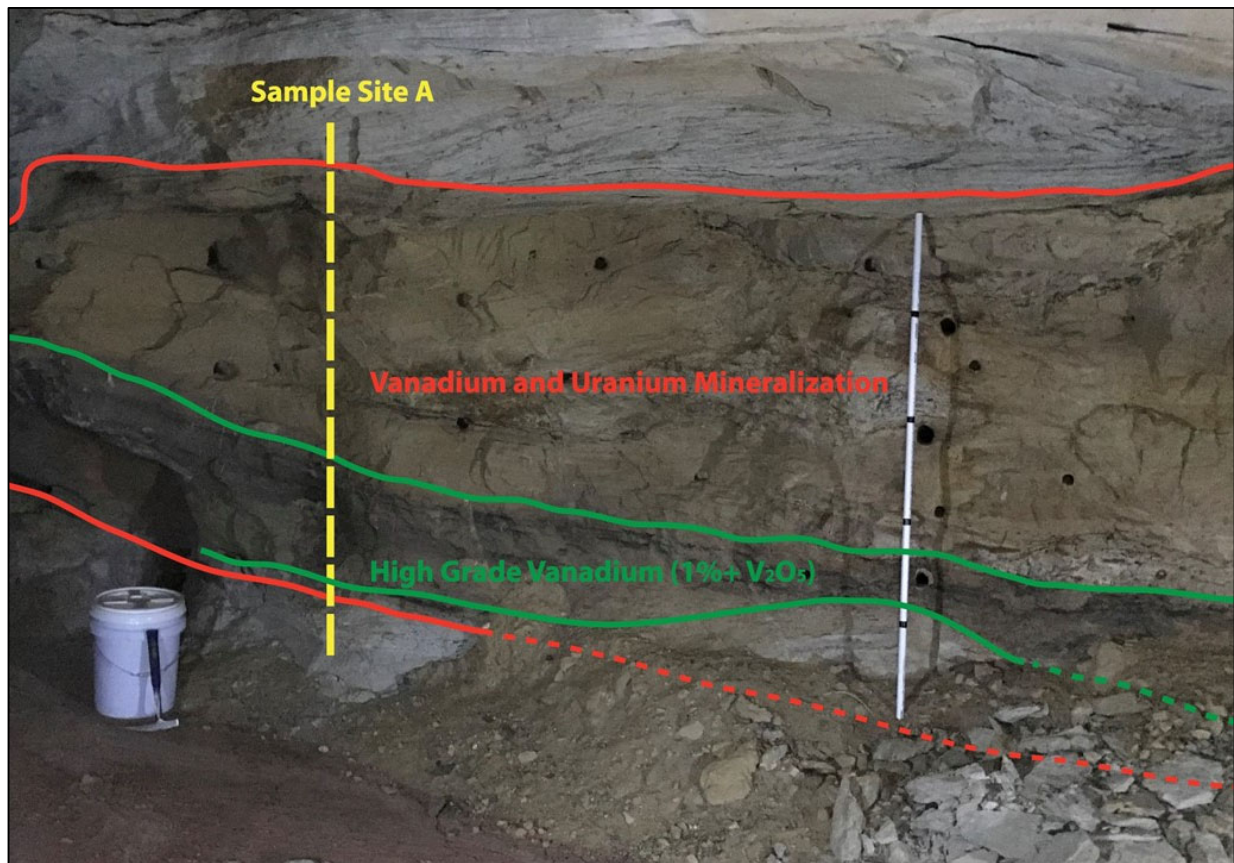
The US is the world's largest consumer of uranium and requires over 40 million pounds (mlbs) of U_3O_8 supply annually. In 1996 US miners produced over 6 mlbs of U_3O_8 however US domestic production fell to a paltry 1.6 mlbs p.a. for 2018 (33% less than in 2017) and 2019 projected production figures are a tiny fraction of that at ~174,000 lbs.

During 2018 the US sourced over 90% of its U_3O_8 requirements from foreign sources.⁴

GTI is very encouraged by this news of significant US government support for US domestic uranium producers and sees it as potentially "game changing" for GTI and the US industry and supportive of the Company's US strategy to develop its uranium and vanadium properties in Utah.

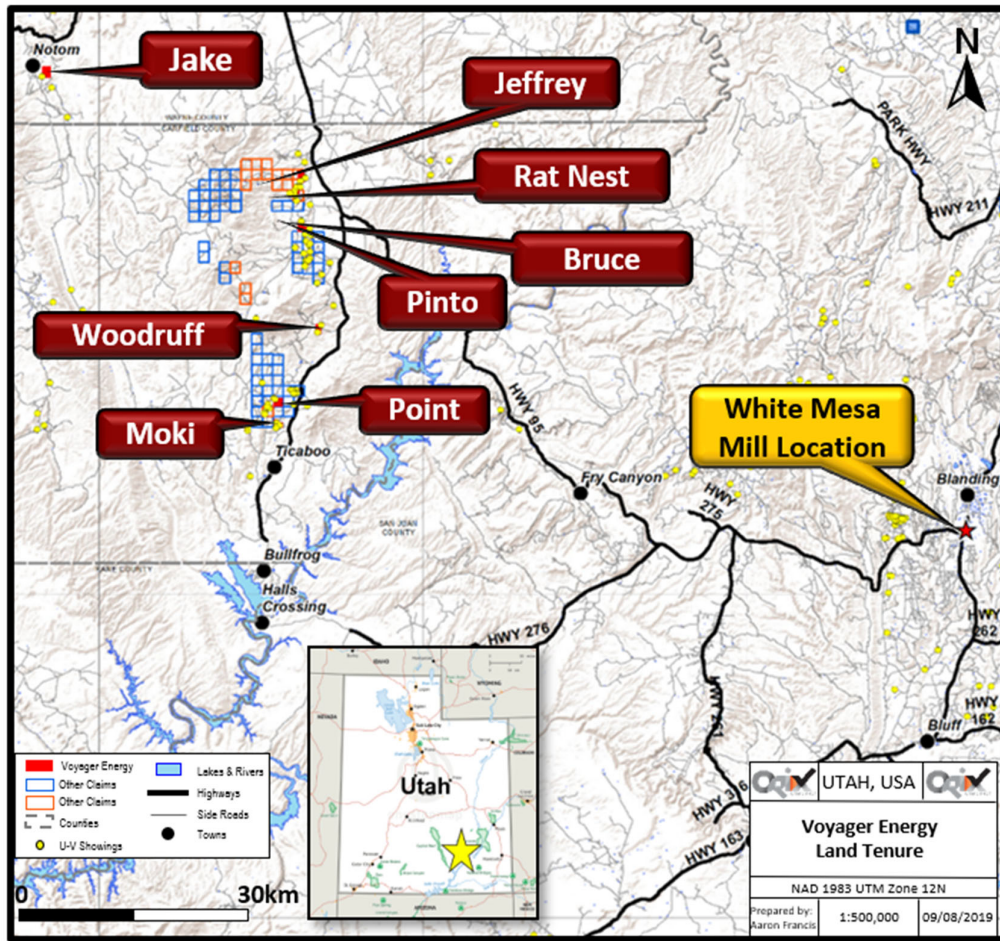
GTI is moving to rapidly advance its projects in Utah given the obvious potential to supply high-grade uranium ore to help fill existing mill processing capacity. GTI is also looking for value accretive opportunities to expand its US project portfolio in this space.

Figure 1. Interpreted mineralization across an historical underground working face within the Jeffrey claim group at the location of the 'Sample Site A' face-cut channel samples.



⁵<https://www.morningstar.com/news/pr-newswire/20200212to17080/uranium-energy-corp-welcomes-president-trumps-2021-budget-for-the-purchase-of-domestic-uranium>

Figure 2: Henry Mountains (Utah) Claim Group Location Map



The **Jeffrey Project** is one of several projects the Company holds in Utah covering ~1,500 hectares of the Henry Mountains region, within Garfield and Wayne Counties near Hanksville, Utah. The region forms part of the prolific Colorado Plateau uranium province which 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 U_3O_8 (92 mlbs U_3O_8) and 12,500 ppm V_2O_5 (482 mlbs V_2O_5)⁶.**

The region benefits from well-established infrastructure and a mature mining industry. 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 2**). The mill is owned and operated by Energy Fuels.

Competent Persons Statement

The information in this announcement that relates to the Exploration Results on the Henry Mountains project is based on information compiled and fairly represented by Matthew Hartmann. Mr. Hartmann is a Principal Consultant with SRK Consulting (U.S) Inc. with over 20 years of experience in mineral exploration and project evaluation. Mr. Hartmann is a Member of the Australasian Institute of Mining and Metallurgy (318271) and a Registered Member of the Society of Mining, Metallurgy and Exploration (4170350RM). Mr Hartmann has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which has been undertaken in 2019 and 2020, 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 Hartmann 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

⁶ see ASX announcements from 1/07/2019 & 20/08/2019