

01 June 2023

## LO HERMA URANIUM PROJECT: JORC RESOURCE ON TRACK FOR END Q2

### Highlights:

- Historical drill log digitisation 95% completed with all high priority holes now digitised
- Resource modelling underway & expected to be completed by end of Q2 as planned
- Preliminary drill targeting completed & permitting underway for verification & exploration drilling at Lo Herma with estimated timing during Q4 2023
- Airborne Geophysics now estimated to commence by mid-late June
- Non-renounceable rights issue successfully concluded with shortfall now placed for a total of \$3.7m raised under the recent placement and rights issue<sup>1</sup>

GTI Energy Ltd (**GTI** or **Company**) is pleased to provide an update on its progress towards reporting an Inferred Mineral Resource Estimate (**MRE**), in accordance with the JORC code 2012, at its 100% owned ~12,000-acre Lo Herma ISR Uranium Project in Wyoming's Powder River Basin uranium district (**Lo Herma** or **Project**) (**Figure 1**).

As reported to ASX on 14<sup>th</sup> March 2023, a comprehensive historical data package, with an estimated replacement value of ~\$15m, was acquired for Lo Herma. The data package includes original drill logs for circa 1,445 drill holes pertaining to the Project area.

Digitisation of the original drill data is now 95% completed and is being used to develop a database suitable for preparation of a mineral resource estimate in accordance with the JORC code 2012.

In addition to the initial Exploration Target that was advised to ASX on 5<sup>th</sup> April 2023, (**Table 1**) the Company continues to make good progress towards its goal of reporting an initial Inferred Mineral Resource Estimate at the Project and planning of a maiden drill program – an updated description of these activities is provided overleaf.

The Exploration Target for Lo Herma is estimated in the range 7.3 to 9.0 million tonnes at a grade range of 500 ppm to 700 ppm U<sub>3</sub>O<sub>8</sub> containing an estimated **8.1 to 13.9 million pounds of U<sub>3</sub>O<sub>8</sub>**.

The potential quantity and grade of the Exploration Target is conceptual in nature and there has been insufficient exploration to estimate a JORC-compliant Mineral Resource Estimate. It is uncertain if further exploration will result in the estimation of a Mineral Resource in the defined exploration target areas.

#### **LO HERMA HISTORICAL DATA - COMPLETED ACTIVITIES:**

The Lo Herma data package was acquired during March 2023. As previously reported, the drill hole maps from the data package have been scanned, georeferenced, and drill hole collar locations have been compiled into a drill hole location database. A representative selection of hole locations were checked against historic location records and found to be less than 20 feet from historic collar coordinates.

Using mapped redox trends, drill hole locations, and grade information, an exploration target range has been estimated, as reported on 5<sup>th</sup> April 2023 (**Table 1**) and described on the previous page, by applying low to high mineralisation parameters over the length of the redox trends.

An inventory of bore hole logs has been prepared along with associated documents including grade sheets, lithology logs, and drift data. Scanning priorities were assigned to 1,677 logs which includes a subset of re-run or duplicate logs. All of the logs have been scanned into images and a subset of these logs representing first and second priority logs have been sent to a commercial digitisation company. The digitisation process involves vectorizing the Natural Gamma Counts per Second (CPS) curves from the scanned logs and producing a digital file of down hole CPS data, which will be used to calculate equivalent percent grade Uranium Oxide (eU<sub>3</sub>O<sub>8</sub>%) content for mineral intercepts.

#### **LO HERMA HISTORICAL DATA - CURRENT ACTIVITIES:**

Geologists are continuing to compile a database of stratigraphic contacts for the various host sand horizons that are being used to correlate mineral intercept data with the digitised files. Mineral intercept interpretations from the data package are currently being used to verify the digital log files received from the digitisation company.

Preliminary steps towards permitting a drilling program at Lo Herma are underway to conduct verification drilling of the historical data, gather information related to the depth of the static ground water table, and strategically target extensions of the mineralisation.

Reviews of the environmental constraints and cultural resource avoidance areas are underway. The drilling program is not necessary to generate an initial inferred resource using the logs from the data package. However, completion of new drilling has the potential to increase the initial resource areas and improve the level of confidence regarding the historic data, potentially leading to estimation of indicated resources.

#### **LO HERMA HISTORICAL DATA - FUTURE ACTIVITIES:**

Field work is now partially completed to verify a subset of collar locations that were taken from the maps. This work is expected to be completed in the coming weeks.

CPS data, for digitised log data received to date, has been converted to equivalent grades (eU<sub>3</sub>O<sub>8</sub>%) using US DOE standard methods and compiled into mineral intercepts. The mineral intercepts are being correlated into distinct host sand horizons.

A database of mineral intercepts by sand horizon has been prepared and GT contour resource modeling is proceeding to produce inferred estimates of resource tonnes and average grade. Manual verification of grades is being conducted on a subset of the original logs to verify the accuracy of the gamma curve digitisation work.

Work will continue over the coming weeks on permitting for the drill program. In addition the interpreted results of the airborne geophysical survey will be integrated into the geological & resource model for the deposit when the results come to hand.

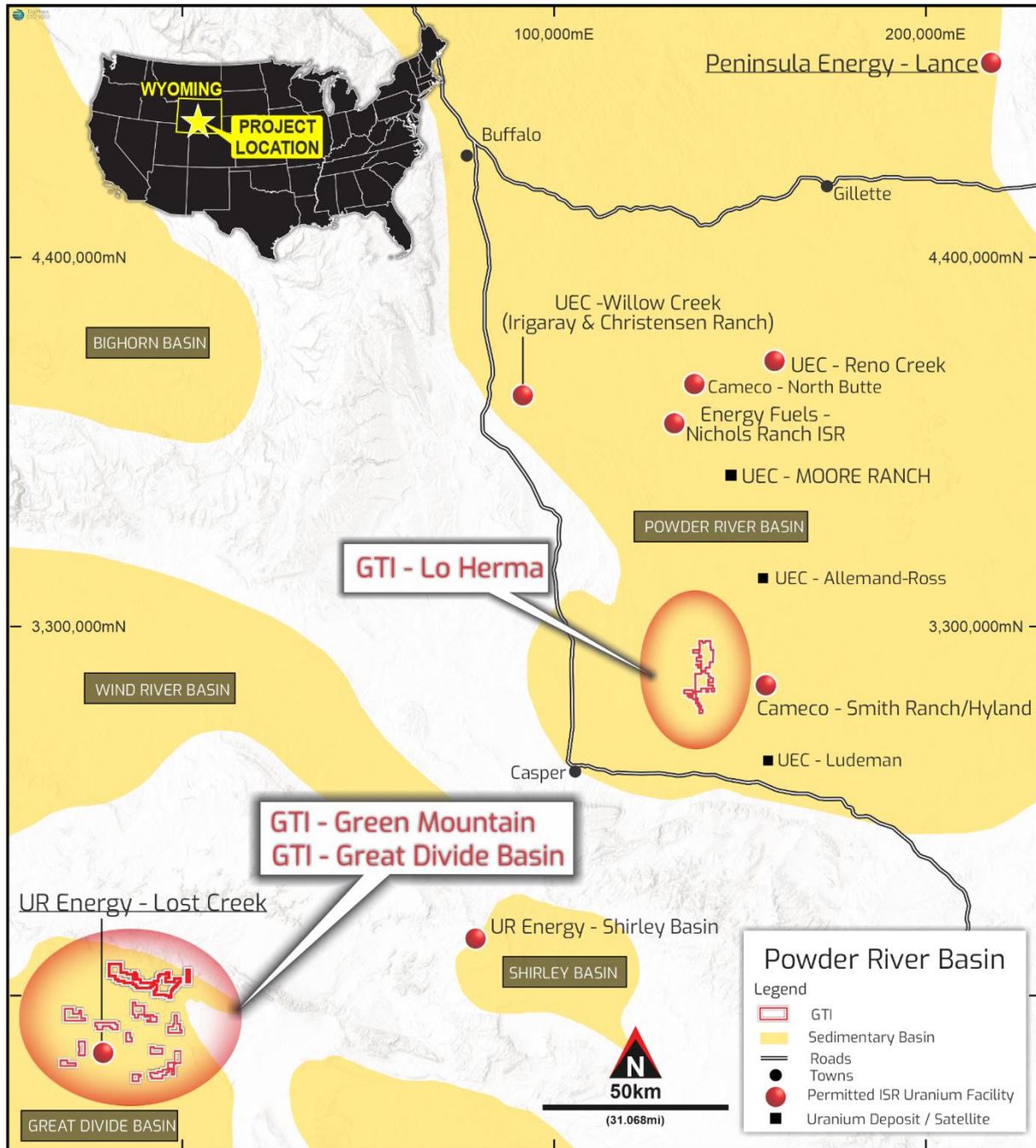
#### **TIMELINE:**

The inferred resource estimate is on track to be prepared by the end of June 2023.

**LO HERMA ISR URANIUM PROJECT – LOCATION & BACKGROUND**

The Lo Herma ISR Uranium Project (Lo Herma) is located in Converse County, Powder River Basin (PRB), Wyoming (WY). The Project lies approximately 15 miles north of the town of Glenrock and within ~50 miles of five (5) permitted ISR uranium production facilities. These facilities include UEC’s Willow Creek (Irigaray & Christensen Ranch) & Reno Creek ISR plants, Cameco’s Smith Ranch-Highland ISR facilities and Energy Fuels Nichols Ranch ISR plant (Figure 1). The Powder River Basin has extensive ISR uranium production history and has been the backbone of Wyoming uranium production since the 1970s.

**FIGURE 1. GTI WYOMING URANIUM PROJECT LOCATIONS**

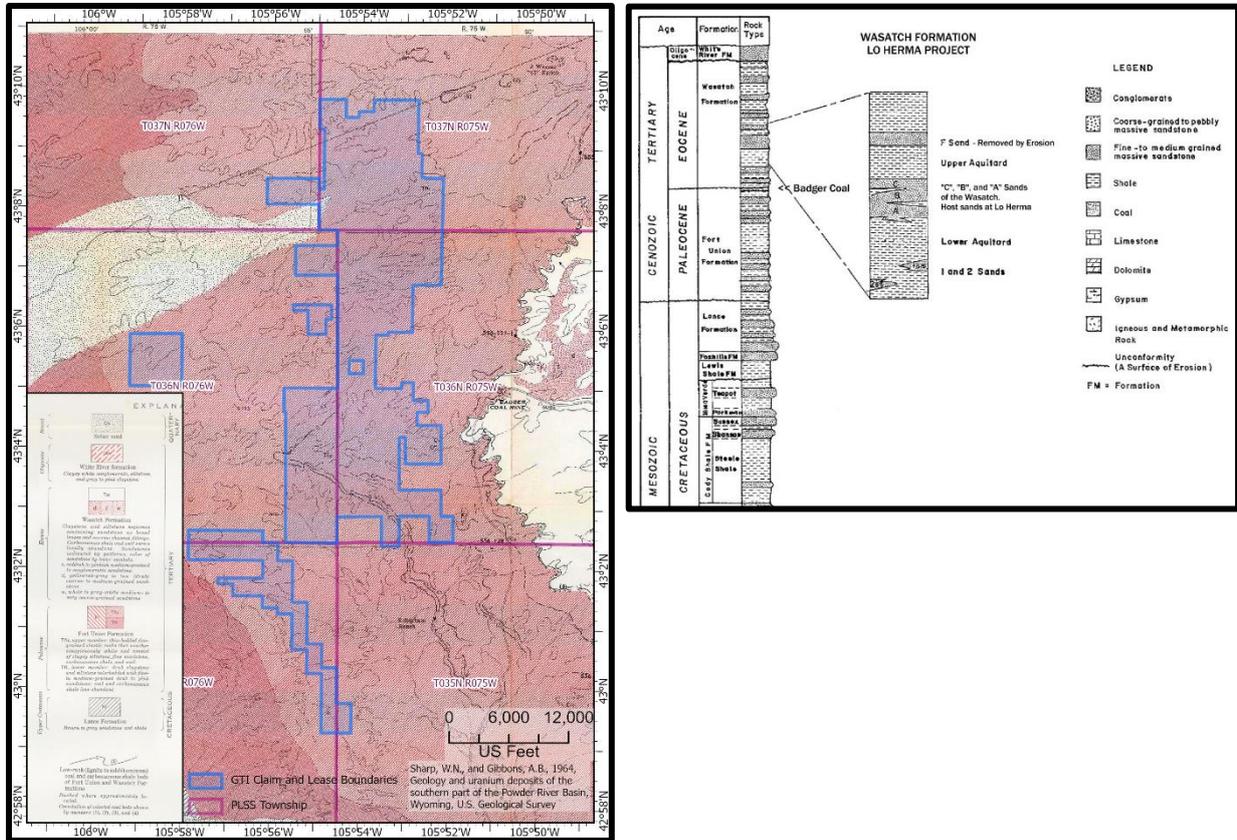


The Exploration Target range for Lo Herma was prepared to assess the initial potential scale of the Project. The mineral tenor at Lo Herma is sandstone hosted uranium roll-front style deposits, associated with redox interfaces in the Wasatch Formation (Figures 2 & 3). A review of the data shows that mineralisation is hosted in at least four distinct sandstone horizons, in order from shallowest to deepest the C3, C2, C1 and A sands.

The average grades and dimensions derived from the drill hole maps are consistent with the characteristics of other sandstone roll-front deposits in Wyoming's Powder River Basin.

Most of the historical drilling was limited to 400 feet or so in depth, which indicates historical exploration was targeting uranium for conventional mining methods rather than in situ recovery (ISR) or solution mining. Therefore, the deeper sands of the Fort Union remain underexplored for potential additional roll front systems across the Project area.

**FIGURES 2 & 3. LO HERMA GEOLOGICAL SETTING – WASATCH & FORT UNION FORMATIONS**



**FIGURE 4. LO HERMA PROJECT AREA LOOKING SOUTH**



**TABLE 1: SUMMARY OF EXPLORATION TARGETS & RESOURCES<sup>2</sup>**

<b>EXPLORATION TARGETS</b>	<b>MIN TONNES (MN TONNES)</b>	<b>MAX TONNES (MN TONNES)</b>	<b>MIN GRADE (ppm U<sub>3</sub>O<sub>8</sub>)</b>	<b>MAX GRADE (ppm U<sub>3</sub>O<sub>8</sub>)</b>	<b>MIN MN LBS U<sub>3</sub>O<sub>8</sub></b>	<b>MAX MN LBS U<sub>3</sub>O<sub>8</sub></b>
Lo Herma Exploration Target	7.31	9.02	500	700	8.05	13.92
GDB Exploration Target	6.55	8.11	420	530	6.10	9.53
<b>TOTAL EXPLORATION TARGET</b>	<b>13.86</b>	<b>17.13</b>			<b>14.15</b>	<b>23.45</b>
	<b>TONNES (MILLIONS)</b>		<b>AVERAGE GRADE (PPM U<sub>3</sub>O<sub>8</sub>)</b>		<b>CONTAINED U<sub>3</sub>O<sub>8</sub> (MILLION POUNDS)</b>	
<b>GDB INFERRED MRE</b>	<b>1.32</b>		<b>570</b>		<b>1.66</b>	

*The potential quantity and grade of the Exploration Targets is conceptual in nature and there has been insufficient exploration to estimate a JORC-compliant Mineral Resource Estimate. It is uncertain if further exploration will result in the estimation of a Mineral Resource in the defined exploration target areas.*

**-Ends-**

This ASX release was authorised by the Directors of GTI Energy Ltd. Bruce Lane, (Director), **GTI Energy Ltd**

### **Competent Persons Statement**

*Information in this announcement relating to Exploration Results, Exploration Targets, and Mineral Resources is based on information compiled and fairly represents the exploration status of the project. Doug Beahm has reviewed the information and has approved the scientific and technical matters of this disclosure. Mr. Beahm is a Principal Engineer with BRS Engineering Inc. with over 45 years of experience in mineral exploration and project evaluation. Mr. Beahm is a Registered Member of the Society of Mining, Metallurgy and Exploration, and is a Professional Engineer (Wyoming, Utah, and Oregon) and a Professional Geologist (Wyoming). Mr Beahm has worked in uranium exploration, mining, and mine land reclamation in the Western US since 1975 and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and has reviewed the activity which has been undertaken, 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 & Ore Reserves. Mr Beahm provides his consent to the information provided.*

### **Caution Regarding Forward Looking Statements**

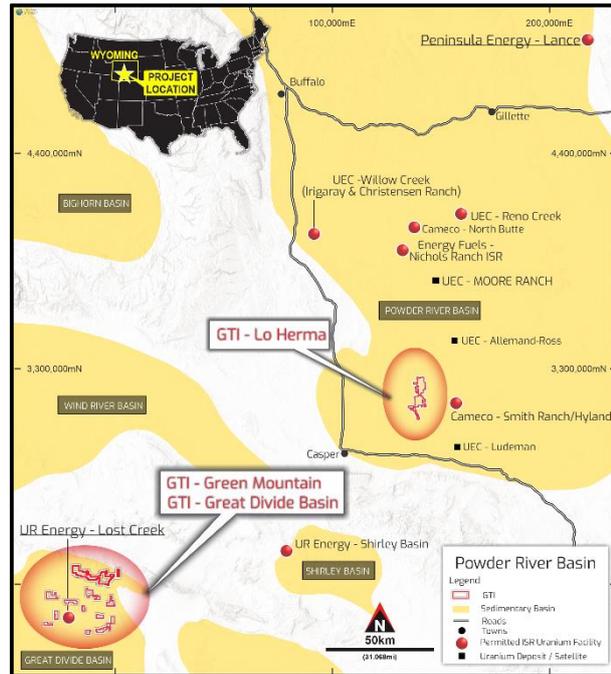
*This announcement may contain forward looking statements which involve a number of risks and uncertainties. Forward-looking statements are expressed in good faith and are believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future 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.*

<sup>2</sup> Refer ASX release from 05/04/23.

# GTI ENERGY LTD – PROJECT PORTFOLIO

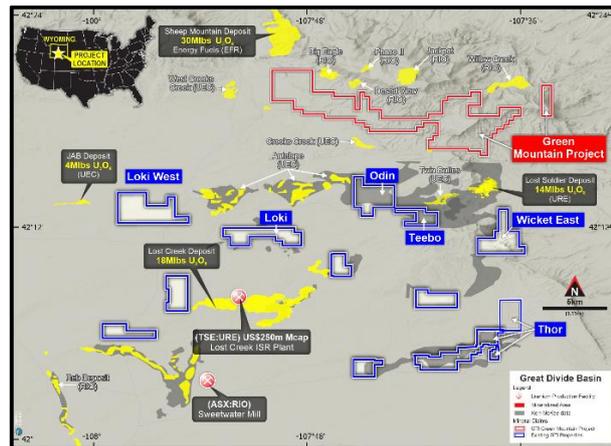
## POWDER RIVER BASIN, ISR URANIUM, WYOMING, USA

GTI holds 100% of ~12,000 acres (~4,850 hectares) over a group of strategically located mineral lode claims (**Claims**) highly prospective for sandstone hosted uranium. The Lo Herma ISR Uranium Project (**Lo Herma**) is located in Converse County, Powder River Basin, Wyoming. The project lies approximately ~15 miles north of Glenrock and within ~50 miles of 5 permitted ISR uranium production facilities & several satellite ISR uranium deposits. These facilities include UEC’s Willow Creek (Irigaray & Reno creek) ISR plant, Cameco’s Smith & Hyland Ranch ISR plants and Nichols Ranch ISR plant owned by Energy Fuels Inc. The Powder River Basin has an extensive ISR uranium production history and has been the backbone of the Wyoming uranium production business since the 1970s.



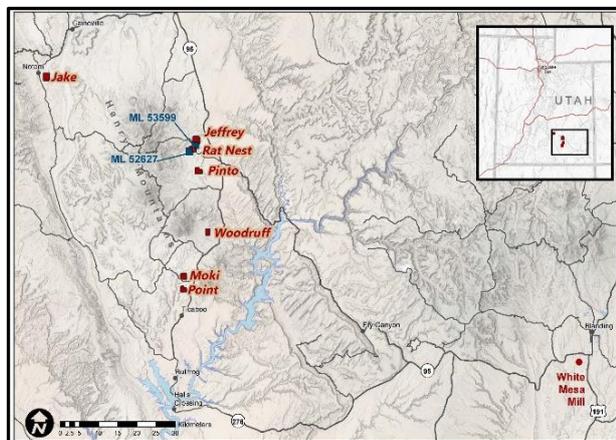
## GREAT DIVIDE BASIN & GREEN MOUNTAIN ISR URANIUM, WYOMING, USA

GTI Energy holds 100% of ~34,000 acres (~13,500 hectares) over several groups of strategically located and underexplored mineral lode claims (**Claims**) & 2 state leases (**Leases**), prospective for sandstone hosted uranium that is amenable to low cost, low environmental impact ISR mining. The properties are located in the Great Divide Basin (**GDB**) and at Green Mountain<sup>3</sup>, Wyoming, USA. The properties are located in proximity to UR-Energy’s (**URE**) operating Lost Creek ISR Facility the GDB roll front REDOX boundary. The Green Mountain Project contains a number of uranium mineralised roll fronts hosted in the Battle Springs formation near several major uranium deposits held by Rio Tinto.



## HENRY MOUNTAINS CONVENTIONAL URANIUM/VANADIUM, UTAH, USA

The Company has ~1,800 hectares of land holdings in the Henry Mountains region of Utah, within Garfield & Wayne Counties. Exploration has focused on approximately 5kms of mineralised trend that extends between the Rat Nest & Jeffrey claim groups & includes the Section 36 state lease block. Uranium & vanadium mineralisation in this location is generally shallow at 20-30m average depth. The region forms part of the Colorado Plateau. Sandstone hosted ores have been mined here since 1904 and the mining region has produced over 17.5Mt @ 2,400ppm U<sub>3</sub>O<sub>8</sub> (92Mlbs U<sub>3</sub>O<sub>8</sub>) & 12,500ppm V<sub>2</sub>O<sub>5</sub> (482Mlbs V<sub>2</sub>O<sub>5</sub>)<sup>4</sup>.



<sup>3</sup> <https://www.asx.com.au/asxpdf/20220406/pdf/457rgrxcdh0v8p.pdf>

<sup>4</sup> Geology and recognition criteria uranium deposits of the salt wash types, Colorado Plateau Province, Union Carbide Corp, 1981, page 33