

# Anson Resources Ltd

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## Anson Resources to begin Yellow Cat uranium exploration buoyed by strong market fundamentals

Anson Resources Ltd (ASX:ASN) (FRA:9MY) aims to take advantage of strong uranium market fundamentals by beginning an exploration program on uranium and vanadium lode claims at its Yellow Cat Project in Utah, USA.

A 38% increase in the uranium price over the past three months along with recent USA Government policy changes to support domestic uranium production have prompted the company to look at the historically producing Yellow Cat project.

### Near Paradox project

With the project just 40 kilometres from the company's flagship Paradox Brine Project, Anson believes there is opportunity to leverage investment in the lithium project to develop another world-class project in the area.

Anson's executive chairman and CEO Bruce Richardson said: "Since we secured the ground in 2019, we have held the view that Yellow Cat would add considerable value and optionality to Anson's portfolio when uranium markets began to recover.

"Rising uranium prices, supported by strengthened US Government policy to shore up domestic production to create a strategic uranium reserve of 17-19 million pounds over the next 10 years at an estimate cost of US\$1.5 billion, indicates that the timing is now right to start our exploration work and bring this project back into focus."

### Policy change

He said "This policy change represents a paradigm shift in the uranium market and provides an exceptional opportunity for which Anson is well placed.

"Importantly, Yellow Cat is only 40 kilometres from our Paradox Brine Project, so we are easily able to leverage our existing infrastructure and workforce in the area to quickly commence fieldwork."

### White Mesa Mill close by

Yellow Cat is also within trucking distance of White Mesa Mill, which is operated by Energy Fuels Inc (TSE:EFR) and is the only conventional fully licensed and operational uranium-vanadium mill in the US.

This mill is operating at about 10% capacity and has recently resumed production of V2O5 from its tailings dams to complement its existing uranium processing operations.

The 85 Lode claims pegged by Anson form a highly prospective exploration land package for uranium and vanadium-rich mineralisation which covers an area of 708 hectares in the Thompson District of Grand County.

**Price:** 0.024

**Market Cap:** \$18.8 m

### 1 Year Share Price Graph



### Share Information

**Code:** ASN

**Listing:** ASX

**52 week High Low**  
0.051 0.014

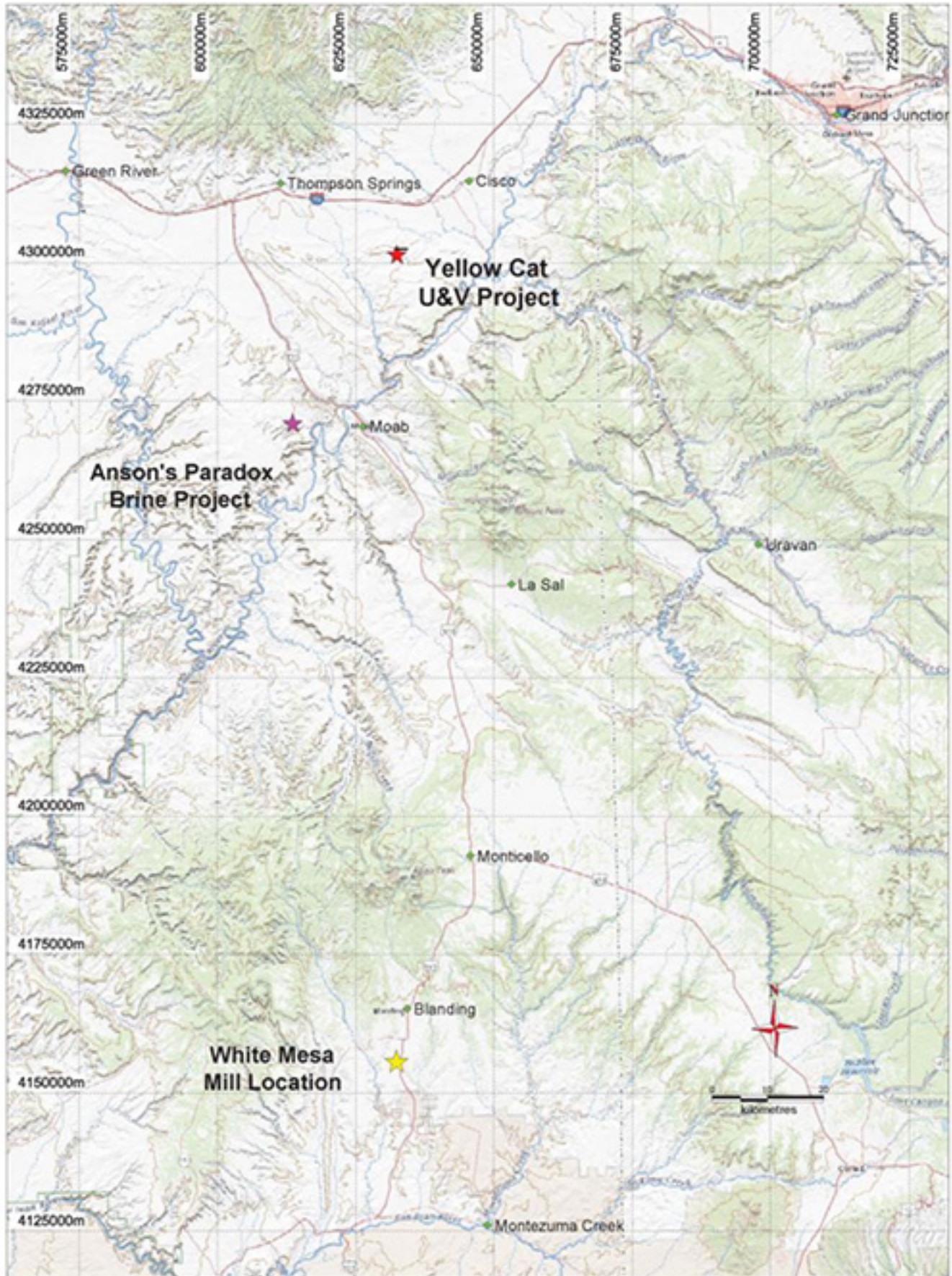
**Sector:** Battery Metals

**Website:** [www.ansonresources.com](http://www.ansonresources.com)

### Company Synopsis:

*Anson Resources Ltd (ASX:ASN) is targeting lithium rich brines in the Paradox Basin in Utah. Lithium values of up to 1,700ppm have historically been recorded in close proximity to Anson's claim area.*

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Location of Anson's projects and the Energy Fuels uranium mill.

### **Past producer**

A recent review of historical drilling programs at Yellow Cat identified high-grade uranium and vanadium mineralisation results including up to 0.3 feet at 37,500ppm U<sub>3</sub>O<sub>8</sub> and 3.34% V<sub>2</sub>O<sub>5</sub>.

Intercepts were recorded during historical drilling from surface to around 475 feet with the majority of the high-grade assays recorded at shallow depths.

Yellow Cat had historical production of 114 million pounds at 2,400ppm U<sub>3</sub>O<sub>8</sub> and 1.47% V<sub>2</sub>O<sub>5</sub>.

Many of the mines and workings within the project area are still open and appear in good condition.

Anson is targeting only claim areas with known historical mineralisation and workings thus avoiding high land holding costs.

### **Exploration program**

Anson intends to leverage the network of contacts it has developed in the Moab mining industry and the experience has gained while conducting exploration at the Paradox project to conduct an exploration program.

Exploration activity is scheduled to begin at Yellow Cat over the coming weeks.

The initial work, which will be executed in-house by Anson with some assistance from consultants, will include:

- Compile and review additional data;
- Initial field mapping, radiological surveys and sampling;
- Detailed mapping of key project areas;
- Compile samples and maps to generate targets for extensional mineralisation; and
- Selection of high-priority drill targets and determine collar locations.

Following this initial work program and permitting approvals, Anson intends to move quickly to undertake drilling within the main target area.

### **Shallow drilling planned**

Drilling would be relatively shallow as there is a limited amount of the Brushy Basin Member overlying the uppermost, mineral-bearing rim of the Salt Wash within the project.

Phase 1 drilling will be designed to test the sampled and mapped mineralisation extensions as well as to test the target fluvial sandstones for proper favourability criteria with the chances of intercepting additional buried mineralised pods.

Richardson added: "I look forward to providing further updates from both Yellow Cat and Paradox as our work programs progress simultaneously."

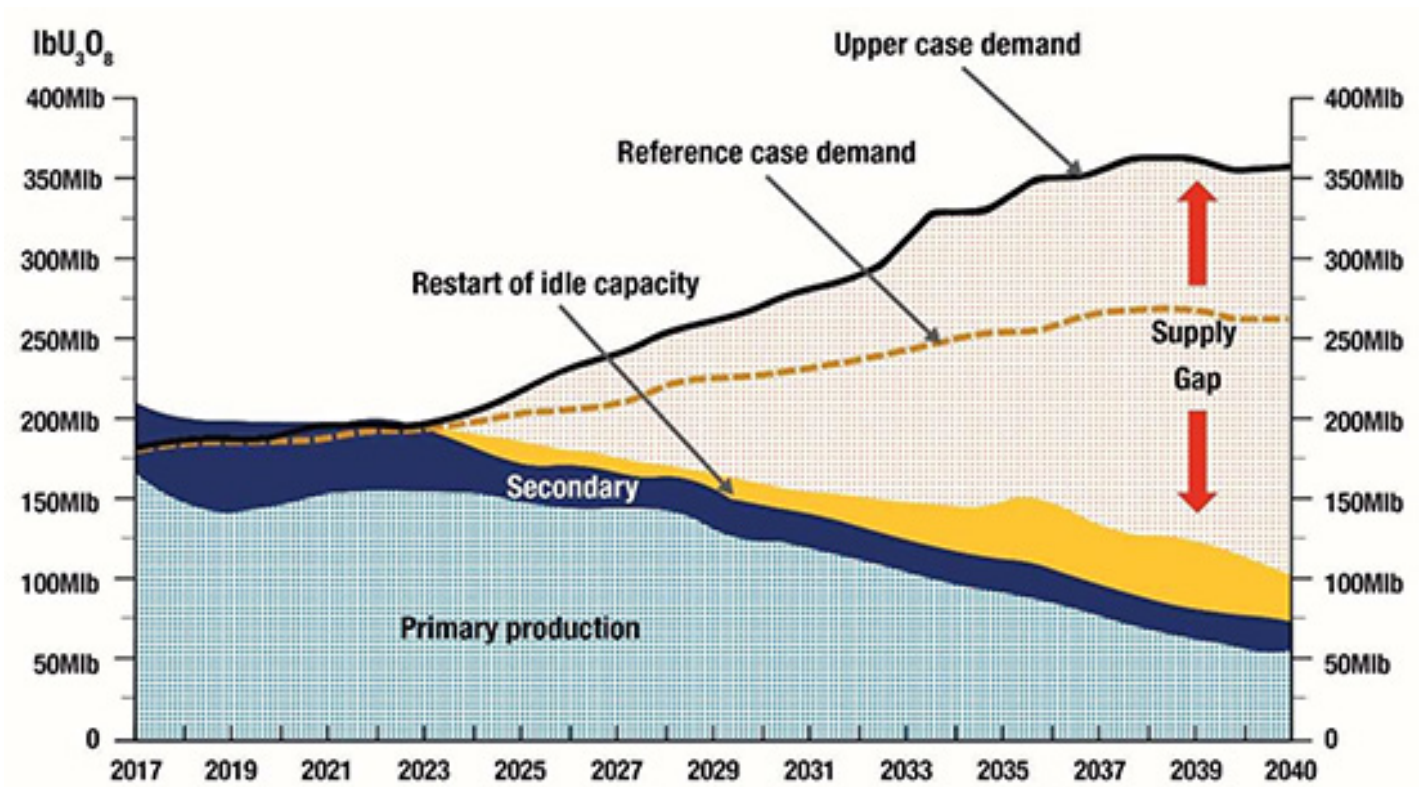
"A recent detailed review of the historical data from Yellow Cat revealed some very encouraging high-grade uranium and vanadium numbers, so we are eager to follow these up with our own modern-day exploration programs."

### **Growing demand**

Nuclear reactors generate approximately 10% of the world's power, with the US generating 21% of its domestic power from nuclear sources.

This source provides a stable baseload power supply to underpin the variability of renewable sources.

To meet the increased requirement of stable baseload power supply, 57 new nuclear reactors are under construction worldwide with an additional 134 ordered and 383 proposed.



Strong demand for uranium in the future (source WNA Sept 2019).

The creation of a strategic uranium reserve by the US Government is also expected to increase demand.

Uranium demand is forecast to increase by 44% in the next 15 years, however, due to the depressed uranium market over the past decade, very few projects have entered the development pipeline leading analysts to predict a major supply shortage in the coming years.

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