

Basin Uranium Corp. (CNSX:NCLR)

Corporate Update

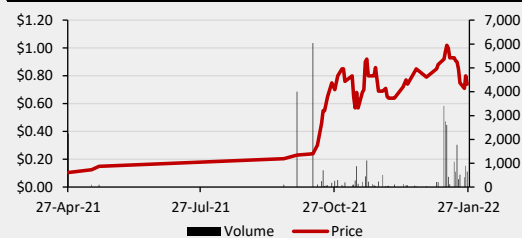
Wray Mesa Acquired; Entering 2nd Tier-One Uranium Jurisdiction

January 28, 2022

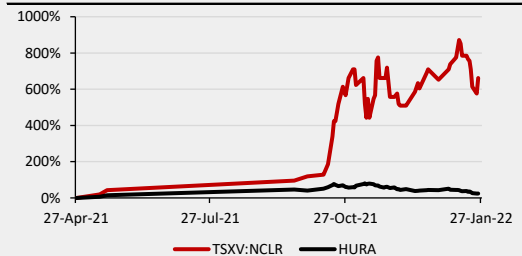
(Currency is C\$ unless noted otherwise)

Closing Price (C\$/sh)	\$0.74
Rating	NA
Target (C\$/sh)	NA
Return to Target	NA
52 Week Low / High (C\$/sh)	\$0.11 / \$1.08
CAPITALIZATION	
	Basic Diluted
Shares Outstanding (M)	23.6 28.4
Market Capitalization (C\$M)	\$17.5
Enterprise Value (C\$M)	\$17.1
Cash and Cash Equivalents (C\$M)	\$0.3
Total Debt (C\$M)	\$0.0

STOCK CHART



RELATIVE PERFORMANCE



Relative Valuation	EV (C\$M)
Basin Uranium Corp.	\$17.1
Peers*	\$79.5

*S&P Capital IQ

MAJOR SHAREHOLDERS

Management (6.1%), MM Asset Management Inc (9.22%)

DISCLOSURE CODE:

(Please refer to the disclosures listed on the back page)

Source: RCS, Company Information, S&P Capital IQ

Company Description

Basin Uranium Corp. is a Canadian junior exploration company focused diversified mineral resources. The Company recently acquired an option to acquire a 75% interest in the Mann Lake uranium project, located in the Athabasca basin in Northern Saskatchewan, Canada, and is also currently undertaking the CHG gold exploration project located approximately 15 kilometers northwest of the town of Clinton in south-central British Columbia. The CHG Project consists of seven contiguous mineral claims covering 3,606 hectares. The company was formerly known as Black Shield Metals Corp. and changed its name to Basin Uranium Corp. in October 2021. Basin Uranium Corp. was incorporated in 2018 and is based in Vancouver, Canada.

Impact: Positive

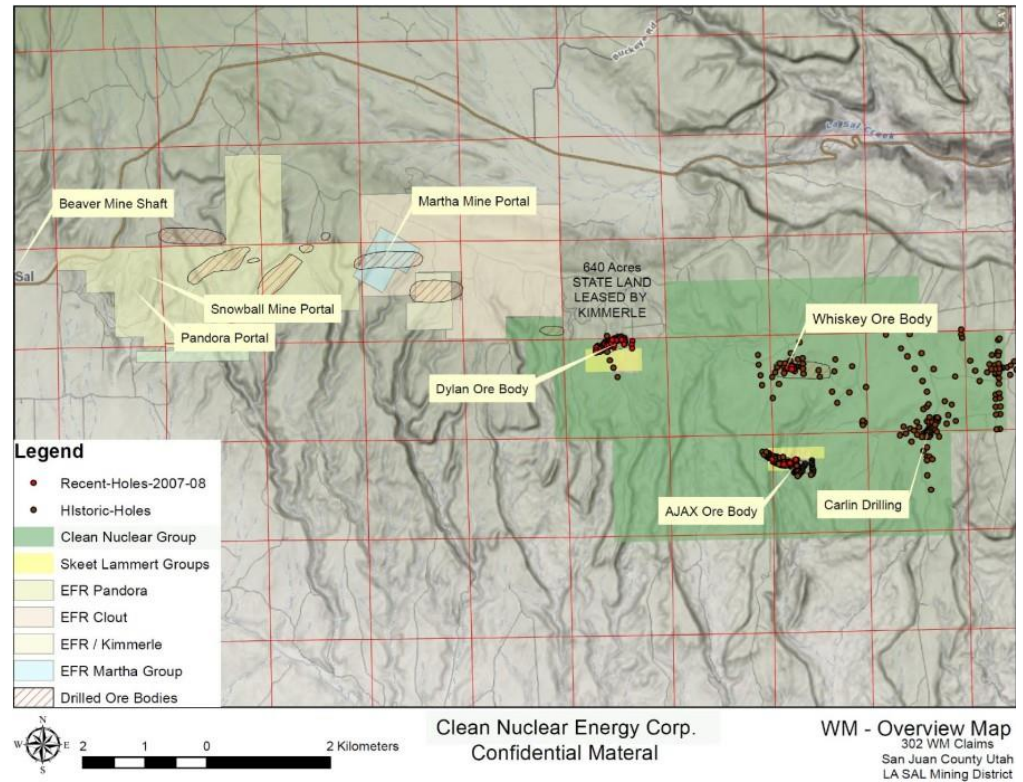
Basin Uranium (NCLR) announced that it has entered into a Letter of Intent (LOI) to acquire a 100%-interest in the Wray Mesa project in San Juan County, Utah (Figure 1). Wray Mesa is an area play that comprises 310 unpatented claims totaling 6,219 acres, is accessible via Utah State Highway 46 and unpaved Forest Service Roads, has access to power, water, and is proximal to the town of La Sal. We note that Wray Mesa is located in a tier-one mining jurisdiction within the USA, which is expected to benefit from US domestic green energy initiatives. Historically, the project has seen an extensive amount of exploration, with over 495 holes drilled dating back to the late 1970's. As a result, extensive past exploration should allow the team to follow-up on several high-grade historic intercepts. **Overall, we believe the project is in a great jurisdiction and a differentiator from other uranium exploration companies. There are very few exploration companies active in the USA, particularly those that also have high-grade uranium potential in the Athabasca Basin.**

- **Terms of the agreement.** Basin Uranium is to issue 4M shares of NCLR for total proceeds of C\$2.96M, to an arms' length third party, Clean Nuclear Energy Corp. The LOI is subject to a definitive arrangement within 45 days, due diligence and regulatory/exchange approval.
- **Wray Mesa located in a top tier mining jurisdiction,** with over 495 holes drilled on the project dating back to the late 1970's. Uranium occurs at 500-750 ft depth, with mineralization ranging from 25m to 75 ft thick, and within typical sandstone-hosted tabular deposits. Past exploration focused on the Dylan, Ajax, Whiskey and Carlin targets. Importantly, all areas to Wray Mesa remain open. The Dylan and Ajax targets were not included in this acquisition.
- **Property also adjoins the La Sal project of Energy Fuels** (TSX:EFR, BUY, \$11.85 target, David A. Talbot), a fully permitted and production-ready, which includes a number of past-producing uranium and vanadium mines (U3O8 production of 550k lb in 2012). La Sal hosts M&I resources of 4.1M lb U3O8 and 21.5M lb V2O5, and Inferred resources of 0.4M lb U3O8 and 1.9M lb V2O5. We note no information on historical resources was provided for Wray Mesa.
- **Basin Uranium also owns Mann Lake in the Athabasca (read more),** located 25km SW of McArthur River mine (392M lb at 6.9% U3O8), 15km NW of the Millenium project (76M lb at 2.3% U3O8), and adjacent to the Mann Lake JV discovery with Cameco (TSX:CCO, Not Rated) (52.5%), Denison Mines (TSX:DML, Not Rated) (30%), and Orano (17.5%). Denison discovered 2.31% U3O8 over 5.1m and 3.67% over 1.3m in 2014.

Valuation:

We do not yet provide a rating or target for Basin Uranium. However, we believe further exploration work at the newly acquired Wray Mesa and Mann Lake projects should help drive the stock in the near-term. **Upcoming catalysts:** 1) 5,000m drill program at Mann Lake (Q1/22), 2) geophysical work (Q1/22), 3) results from drilling and geophysics (H2/22).

Figure 1: Overview map of Wray Mesa project



Source: Company Reports

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Disclosure Statement

Updated January 27, 2022

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			BUY (S)	23%
			HOLD	0%
			SELL / Tender	0%
			NA	3%
			Under Review	1%

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Company Name	Ticker Symbol	Disclosures
Basin Uranium Corp.	CNSX:NCLR	

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