

Consolidated Uranium Inc. (TSXV:CUR)

Notable News

Drilling and Underground Work Commences at Tony M

June 29, 2023

Rating: BUY

Target: C\$5.00/sh (257% lift)

Last Close: C\$1.40/sh

Market Cap: C\$139.2M

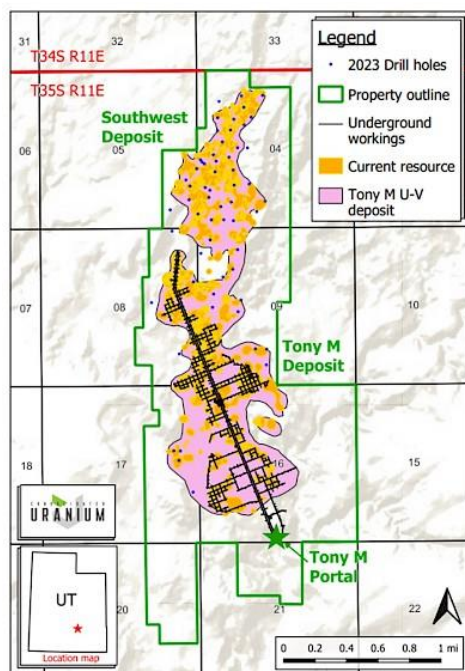
Impact: Slightly Positive

Consolidated Uranium (CUR) has commenced several work programs, including drilling, and reopening of the underground portal at its 100%-owned Tony M mine in SE Utah. Tony M is a past producing mine having produced ~1M lb U3O8 between 1979-84 and 2007-08. Four key work programs are planned which stem from recommendations in the September 2022 report by SLR.

First, a 59-hole (~38,000 ft.) infill drill program and underground sampling are planned to define vanadium potential, which was not evaluated by prior owners. Recent drilling indicated a V:U ratio of 1:1 to over 17:1, suggesting considerable by-product credit potential. Second, additional delineation drilling is planned to upgrade inferred resources to indicated. Current resources at Tony M contain 6.6M lb U3O8 at 0.28% indicated and 2.2M lb U3O8 at 0.27% inferred. Third, the opening of the underground portal will allow for sampling and mine preparation work in addition to assessing ground conditions, mine design, and ventilation plan, for which consultants have been retained. Lastly, a PEA is planned for Tony M which will be based on an updated resource estimate and sampling results to better define project economics.

We view this positively as it is a huge step toward returning to production. Results from the outlined work programs should help improve project economics compared to historical results and prepare the mine for any potential start-up when the uranium market warrants. The mine is already permitted, and production will be tied to the resumption of processing at the nearby White Mesa Mill owned by Energy Fuels (TSX:EFR, BUY, C\$13.50 target, David A. Talbot), which owns a considerable share in CUR. White Mesa, the only active conventional uranium mill in the US, has the capability to process both uranium and vanadium.

Figure 1: Tony M underground workings and planned drill locations



Source: Company Reports

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Disclosure Statement
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2021-08-05	BUY	3.80	BUY (S)	24%
2021-08-20	BUY	3.80	HOLD	1%
2021-09-03	BUY	3.80	TENDER	0%
2021-12-03	BUY	4.50	NA	1%
2021-12-20	BUY	4.50	UNDER REVIEW	2%
2021-12-22	BUY	4.50		
2022-01-14	BUY	4.50		
2022-02-04	BUY	4.50		
2022-02-15	BUY	4.50		
2022-02-18	BUY	4.50		
2022-04-12	BUY	4.15		
2022-04-22	BUY	4.15		
2022-05-27	BUY	4.15		
2022-06-16	BUY	4.15		
2022-09-07	BUY	4.15		
2022-10-04	BUY	4.15		
2022-11-01	BUY	4.15		
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2023-01-25	BUY	5.00		
2023-04-25	BUY	5.00		

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XYZ Corp.	TSXV:XYZ	

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