



# What you need to know about Arrow?

## ① It's on land.

### Why this matters:

- Exploration and delineation drilling on land is more cost effective than lake-based drilling.
- Permitting an open pit or underground mine that is on land is likely to require less time than permitting one that is located under a lake.
- Any potential mine development scenario should be made easier utilizing typical conventional methods.

## ② Basement-hosted

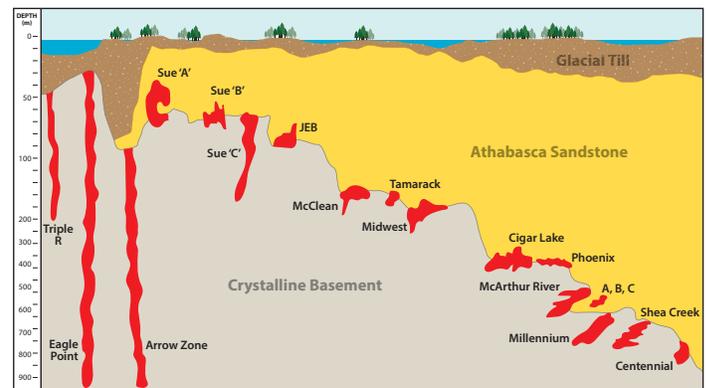
### Why this matters:

- Basement-hosted deposits are some of the most technically simple and economical mines in the uranium sector.
- Many Athabasca Basin mines have encountered technical challenges which are a result of the deposits being directly associated with the Athabasca Group Sandstone and/or the unconformity (the contact between the Athabasca Group sandstone and the basement rock). Mining these types of deposits typically requires freezing the surrounding rock underground in order to stabilize the ore body for extraction. This can add significantly to capex, opex and diminish overall returns. Current operating mines, Cigar Lake and McArthur River (both unconformity-hosted) have mineralization at depths of 480 and 600 metres\*, respectively, that is beneath Athabasca Group sandstone.
- There is only a thin layer of Athabasca Group sandstone at Arrow ranging from 10 to 20 metres within 80 metres of surface, which means that any potential development of Arrow should not encounter costly and technically challenging freezing like unconformity-hosted uranium deposits. (Figure 1)

## ③ High-grade

- Arrow is proving to be a world-class, high-grade mineralized zone.
- Many assays from the 2014 and 2015 drilling seasons have reported grades ranging between 0.13% and 66.80%  $U_3O_8$  with grades between 1.50% and 5.00%  $U_3O_8$  intersected regularly across substantial intervals.
- Global average resource grades are approximately 0.10%  $U_3O_8$  (Source: World Nuclear Association).
- 1.00%  $U_3O_8$  is the equivalent of 23.50g/t gold on a dollar per tonne basis (using US\$45/lb  $U_3O_8$  and US\$1,300/oz Au).

FIGURE 1



\*<http://www.world-nuclear.org/info/Country-Profiles/Countries-A-F/Canada--Uranium/>

