Kraken Energy Poised to Revitalize Historic Uranium Mines in Nevada

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Kraken Energy Corp. (CSE: UUSA | OTCQB: UUSAF) ("Kraken") is a US-focused uranium explorer and developer that is poised to revitalize historic uranium mines in the United States. Kraken is advancing its Apex Uranium Property (and famous historic mine) and its Garfield Hills Property (with historic mine), both located in Nevada. Kraken also recently acquired a third uranium property in Nevada named the Huber Hills. Combining the various properties into one project creates the potential for a future Nevada-based uranium hub and spoke model – this means a central mill to be fed by several nearby mining projects.

Apex Uranium Property (100% owned)

The Apex Uranium Property is located 280 km (~174 miles) east of Reno, Nevada, and covers an area of 3,906 hectares (including the new claims). Located on the property is the Apex Uranium Mine, Nevada's largest past-producing uranium mine. Access to the property is via well-developed local roads which are a 15-minute drive from Highway 50. Being a past mine there is good infrastructure with electricity, water, and a logistics base.

Kraken states "*the total strike length of favorable geology for uranium mineralization now exceeds 13 km.*"

The Apex Uranium Mine used to provide 50% of the historic uranium output for the state of Nevada and produced and sold ~106,000 lbs of U_3O_8 in the 1950s. The average historic

production grade was 0.25% U_3O_8.

Source: *Kraken company presentation*

The Apex Uranium Mine was subsequently halted as the U.S. Atomic Energy Commission announced an end to uranium mining incentives and a slowdown in ore purchases. There has been no development since. Fast forward to 2023 and we have a much more favorable environment for the uranium sector with higher uranium prices (US$50.45/lb) and positive U.S. government support. Therein lies the opportunity for Kraken to bring the Apex Uranium Mine and Property back to life.

The Apex Uranium Mine development history

Source: *Kraken company presentation*

Garfield Hills Uranium Property (option to acquire 100%)

The second majority uranium project for the Company is Garfield Hills. The Garfield Hills Uranium Property totals 1,238 hectares following the newly added claims and is located in Mineral County, Nevada. It has good access and infrastructure. The Property has a historical open pit mine. Historical drill result grades ranged from 0.18% U_3O_8 to 0.26% U_3O_8. Kraken stated that its "*historic mining grades compare with leading U.S. projects.*"

Historical uranium grades and drill results at the Garfield Hills Uranium Property

Source: *Kraken company presentation*

Huber Hills Uranium Property

Finally, there is the Company's Huber Hills Project in Nevada, Elko County's largest uranium past producer and no recent exploration. The Huber Hills claims cover an area of 1,044 hectares and include the historic Race Track open pit mine. The minerals claims also cover multiple historic uranium showings and molybdenum prospects, including the Autunite and October uranium showings.

Kraken CEO Matthew Schwab stated:

> *"Huber Hills is a highly prospective land package that fits well with our strategy to acquire and explore high-grade, past-producing US-based uranium projects with the potential to feed a central milling facility as part of a hub and spoke model……..We plan……drone magnetics and radiometrics, geological mapping, and prospecting to confirm existing targets and outline new anomalies, followed by a drilling program targeted for H2 2023."*

Closing remarks

Kraken Energy is making some big moves to rebuild the U.S. uranium supply chain. The Company's strategy of choosing past-producing uranium properties can significantly speed up the development process toward production. Good project access, infrastructure, and existing past mines lessen the costs to bring them back in production when compared to greenfield projects that must start from scratch.

Kraken Energy trades with a market cap of C$19 million. One uranium stock to watch closely in 2023.