

# Making the right moves at Azincourt as uranium prices drive higher

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[Uranium prices](#) are running hot, so today I take a look at a uranium junior that has two uranium projects with exploration upside. One project is in the prolific uranium region of the Athabasca Basin in Canada, and the other is in the emerging uranium–lithium district on the Picotani Plateau in Peru. The Peru property also shows early signs of lithium.

The company is [Azincourt Energy Corp.](#) (TSXV: AAZ | OTCQB: AZURF) (“Azincourt”).

**Uranium prices have risen about 50% higher over the past 2.5 months, and are now at US\$46.10**



Source: [Trading Economics](#)

**Azincourt Energy Corp.’s uranium projects:**

**East Preston Project (Saskatchewan, Canada) (Azincourt 70%, Skyharbour Resources 15%, Dixie Gold Inc. 15%)**

Azincourt controls a 70% interest in its flagship, East Preston Project, having spent C\$2.5 million on the project and having paid C\$1 million in cash to the option partners since 2017. The Project covers over 25,000 hectares in **the western Athabasca Basin, Saskatchewan, the world’s premier location for uranium mining.**

The Project has a large inventory of priority drill targets identified within 25km of prospective exploration corridors delineated through multiple geophysics and ground evaluation programs. Multiple long linear conductors are giving positive signals warranting further drilling. To date, 4,178 meters in 17 holes have been drilled at the East Preston Project.

Azincourt [state](#): “Limited drilling has confirmed basement lithologies and graphitic structures intersected at East Preston are very similar and appear to be analogous to the Patterson Lake South–Arrow–Hook Lake/Spitfire uranium deposit host rocks and setting. Drilling has established the right basement unconformity uranium setting rocks, structure and alteration. The recognition of what is believed to be a basement analogue to uranium deposit–related REE mineralization and alteration suggests that mineralizing fluid systems were active on the project at the right time.”

A 2021-22 Winter drilling campaign is planned. Targets include areas of elevated uranium discovered in the 2020–2021 drilling campaign. Preparation work is slated to begin in December 2021, with drilling to commence early January 2022. Permits and funding are in place.

**Azincourt’s East Preston flagship Project is located near multiple highly valued uranium projects in the prolific Athabasca Basin, Saskatchewan, Canada**



Source: [Azincourt company presentation](#)

**Escalera Group Project (Puno, Peru) – 100% (Vendor retains a 1.5% NSR royalty)**

The Escalera Group consists of three concessions (Lituania,

Condorlit, Escalera) covering an area of 7,400 hectares of prospective exploration targets for volcanic hosted supergene/surficial uranium and lithium on the Picotani Plateau, Puno district, Peru. This region is an emerging uranium–lithium district where mines and projects are owned by Minsur and Rio Tinto, as well as growing mid-tiers and juniors like Bear Creek Mining and Plateau Energy Metals (recently acquired by American Lithium).

A 2017 sampling program produced values up to 3,560 ppm uranium and 153 ppm lithium. Historical surface samples from Escalera show assays up to 6,812 ppm uranium. A 2018 groundwork returned samples as high as 8,061 ppm uranium while delineating over 6.5 km of prospective trends at the Escalera concession.

## **Management**

Azincourt's President and CEO is [Alex Klenman](#). He has over 30 years of business development, marketing, finance, media and corporate communications experience. From 2010-2014, he was Vice-President, Communications, and a partner with Falcon Point Capital Partners, a firm that provided finance, communications and marketing initiatives for TSX Venture listed resource companies.

Exploration Manager [Trevor Perkins](#) is a 25-year experienced geologist with a successful track record, notably in the Athabasca Basin, Saskatchewan, Canada. He has worked for UEX Corporation, Rio Tinto, and (spent a decade with) Cameco Corporation.

## **World power sources in 2020**

- Coal – 35%
- Natural gas – 25%
- Hydro – 16%

- Nuclear – 10%
- Renewables (solar, wind, geothermal) – 12%

Source: [Reuters](#) courtesy BP Statistical Review of World Energy

## **Closing remarks**

The world's attention is now on COP26 in Glasgow as investors await announcements of progress. There is increasing pressure to ban the construction of new coal power stations; however to replace this source (coal) of baseload power many countries will need to use smart nuclear with safely located smaller nuclear power stations. This in turn will help drive future demand for uranium.

Uranium juniors such as Azincourt Energy Corp. are well placed to grow in future years to meet an expected strong uranium demand. In particular its East Preston Project is well located, being in a prolific uranium region of the Athabasca Basin, which has the largest, highest grade, uranium deposits in the world with [10 times](#), or higher than, world average grades. Azincourt has recently raised [C\\$8.1 million](#) with which it intends to focus on the upcoming 30 to 35 hole, 7,000 metre, drill program at its East Preston uranium project in the Athabasca Basin.

Investors will need patience and risk tolerance; however given that Azincourt Energy Corp. trades on a market cap of only C\$34 million and that it owns two well-placed uranium projects, there is plenty of upside ahead should it succeed. Stay tuned as this sector is moving fast.