Blue Sky Uranium Reports Positive Geophysics Survey and Exploration Results at the Amarillo Grande Uranium-Vanadium Project

written by Raj Shah | September 19, 2019

September 19, 2019 (Source) – **Blue Sky Uranium Corp. (TSX-V: BSK, FSE: MAL2; OTC: BKUCF), "Blue Sky" or the "Company")** is pleased to provide an update on the ongoing exploration activities at its wholly-owned Amarillo Grande Uranium-Vanadium Project in Rio Negro, Argentina ("AGP").

Near-surface mineralization as well as geophysical, geological and alteration patterns comparable with those associated with the Company's Ivana uranium-vanadium deposit have been identified at the Ivana Central target, as a result of initial induced polarization ("IP") geophysical surveying and ongoing auger drilling. The Ivana Central target is located 10 kilometres north of the Ivana deposit, within the 145 km prospective trend at the AGP (see Figure 1: https://bit.ly/2kGIyFb).

"These initial results enhance our confidence in the potential for discovery at Ivana Central," stated Nikolaos Cacos, Blue Sky President & CEO. *"These compiled results from multiple techniques have revealed near surface anomalies covering an area measuring 3 by 8 kilometres which is open in all directions.*

These targets will be tested with an initial drilling program focussed on identifying significant near-surface uranium discoveries similar to the Ivana deposit."

Since the release of its Preliminary Economic Assessment ("PEA") on February 27th, 2019 Blue Sky has been continuing its exploration efforts to delineate additional high-potential targets for RC drilling with ongoing auger drilling, pit sampling and IP surveying programs.

The ongoing auger drilling program will be complemented with further IP geophysics surveying at the Ivana Central and Ivana North targets, followed up by a targeted reverse circulation ("RC") drilling program aimed at identifying new uranium-vanadium deposits, which is expected to be completed this fall.

Program Details

Significant results to date include:

IP Geophysical Survey: The Induced Polarization Pole-Dipole initial survey line at Ivana Central was carried out to verify that the technique, which was successfully employed at the Ivana deposit, could be useful for detecting buried potential zones of uranium-vanadium mineralization at Ivana Central. The aim of the program was to identify disseminated pyrite mineralization within areas of reduced carbonaceous alteration, suggesting proximity to an oxidation-reduction ("redox") zone as potential "trap" for uranium mineralization. The originally planned 6-kilometre-long IP survey line was extended to 7.65 kilometres as an open chargeability anomaly was detected in the western part of the surveyed area (see Figure 2: https://bit.ly/2kerdTL).

Two areas of elevated chargeability were identified; the western anomaly extends from Station -1650 to almost Station 850, representing a 2.5-kilometre-long anomaly (open to the west)

with apparent variable thickness ranging from 15 to 35 metres at an average depth of 30 metres below surface. The chargeability intensity for the western anomaly ranges between 3.35 and 5.81 mV/V and is interpreted to represent moderate to low levels of disseminated pyrite. The eastern anomaly is characterized by similar chargeability values from Station 1500 to Station 6000, representing a 4.5-kilometre-long anomaly (also open to the east), with apparent thickness ranging between 10 and 20 metres; it is deeper, mainly below 40 metres, and open to depth; therefore, potential edge effects need to be considered.

Auger Drilling & Pit Sampling: A total of 32 of the planned 74 auger holes at Ivana Central have now been completed for a total of 272.1 metres drilled to date. Holes are located every 400 metres along NE-SW fences, covering the interpreted extent of the ancient drainage basin. Fences of holes are spaced at 800 metre intervals. Analytical results from sampling of the initial 26 holes display anomalous results for uranium, vanadium, molybdenum, selenium and rhenium (sampling protocol described below). The anomalous values detected are significant from the exploration point of view as they collectively represent potential indicators of proximity to a roll-front type uranium system, similar to the Ivana deposit. The anomalies observed in the suite of pathfinder elements are open towards the central and western portions of the Ivana Central target, as well towards the Ivana North target located few kilometres to the north (see Figure 3: https://bit.ly/2kIckJI). Auger holes were drilled with a power auger to approximately 10 metres vertical depth. A homogenized composite sample of material from each hole, and select specific intervals, were collected for analysis and each hole was surveyed with a down-hole radiometric probe where possible.

A total of 26 holes were surveyed using a calibrated Mount Soupris radiometric probe and radiometric anomalies were

detected in a number of holes and at several different depths; some are open to depth.

The program also encountered reduced carbonaceous alteration and carnotite mineralization. Five sample pits were dug where carnotite was observed. Two of these, at IC-CAL-2019_001 & 003 (see yellow stars in Figure 1), exposed carnotite U-V mineralization related to caliche with a non-radiometric response, suggesting the mineralization is in disequilibrium and has recently been remobilized; in one of the sample pits the mineralization remained open to depth.

Assay Results

Samples for analysis were sent to Bureau Veritas Minerals of Mendoza, Argentina for preparation by drying, crushing to 80% passing 10 mesh and then pulverizing a 250g split to 95% passing 150 mesh. Pulps are being sent to Bureau Veritas Commodities Canada Ltd. for analysis of 45 elements by means of Inductively Coupled Plasma Mass Spectrometry (ICP-MS) following a four-acid digestion (MA-200). Samples over 4,000ppm uranium are re-assayed after phosphoric acid leach by Inductively Coupled Plasma Electron Spectrometry (ICP-ES). Approximately every 10th sample a blank, duplicate, or standard sample is inserted into the sample sequence for quality assurance/quality control (QA/QC) purposes. No significant QA/QC issues were detected by the Company during review of the data.

Qualified Persons

The results of the Company’s exploration program were reviewed, verified (including sampling, analytical and test data) and compiled by the Company’s geological staff under the supervision of David Terry, Ph.D., P.Geo. Dr. Terry is a Director of the Company and a Qualified Person as defined in National Instrument 43-101. The contents of this news release have been reviewed and

approved by Dr. Terry.

About the Amarillo Grande Project

The Company's 100% owned Amarillo Grande Uranium-Vanadium Project in Rio Negro Province, Argentina is a new uranium district controlled by Blue Sky. The Ivana deposit is the cornerstone of the Project and the first part of the district for which both a Mineral Resource Estimate and a Preliminary Economic Assessment have been completed. Mineralization at the Ivana deposit has characteristics of sandstone-type and surficial-type uranium-vanadium deposits. The sandstone-type mineralization is related to a braided fluvial system and indicates the potential for a district-size system. In the surficial-type deposits, mineralization coats loosely consolidated pebbles, and is amenable to leaching and simple upgrading.

The Project includes several other target areas over a regional trend, at or near surface. The area is flat-lying, semi-arid and accessible year-round, with nearby rail, power and port access. The Company's strategy includes delineating resources at multiple areas for which a central processing facility could consolidate production.

For additional details on the project and properties, please see the Company's website.

About Blue Sky Uranium Corp.

Blue Sky Uranium Corp. is a leader in uranium discovery in Argentina. The Company's objective is to deliver exceptional returns to shareholders by rapidly advancing a portfolio of surficial uranium deposits into low-cost producers, while respecting the environment, the communities, and the cultures in all the areas in which we work. Blue Sky has the exclusive right to properties in two provinces in Argentina. The Company's

flagship Amarillo Grande Project was an in-house discovery of a new district that has the potential to be both a leading domestic supplier of uranium to the growing Argentine market and a new international market supplier. The Company is a member of the Grosso Group, a resource management group that has pioneered exploration in Argentina since 1993.

ON BEHALF OF THE BOARD

“Nikolaos Cacos”

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Nikolaos Cacos, President, CEO and Director

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