

Blue Sky Uranium Step-Out Drilling Program Confirms Expansion at Ivana Deposit, Amarillo Grande Project, Argentina

written by Raj Shah | October 9, 2018

✘ October 9, 2018 ([Source](#)) – Blue Sky Uranium Corp. (TSX-V: BSK, FSE: MAL2; OTC: BKUCF), “Blue Sky” or the “Company”) is pleased to announce that results from the recently completed reverse circulation (RC) drilling program have confirmed the southern expansion of the Ivana Uranium-Vanadium deposit on its wholly-owned Amarillo Grande Uranium-Vanadium project in Rio Negro, Argentina.

Analytical results have been received to date from all 61 holes drilled (totaling 1,043 metres) in the recently completed RC drilling program. They demonstrate that the Ivana Uranium-Vanadium deposit extends more than 1,000 metres to the south of the current mineral resource (Thorson et al., April 18th 2018 filed on SEDAR). Highlight analytical results are compiled in Table 1 below. Table 2 ([here](#)) contains all significant intervals (>1m averaging >30ppm U₃O₈) as well as drill hole location information. A map of drill holes is shown in Figure 1 ([here](#)).

“We are pleased that drilling in the Ivana uranium-vanadium deposit area has demonstrated it is open to expansion outside of the current mineral resource,” stated Nikolaos Cacos, Blue Sky President & CEO. *“Blue Sky continues to advance high-priority*

targets in the Ivana area while progressing the processing design and metallurgical test work to support a PEA.”

The Company continues to advance with its ongoing mineralogical, metallurgical, and process engineering studies at the Saskatchewan Research Council (SRC) under the guidance of the Company’s Technical Advisor, Chuck Edwards P.Eng. The objectives of the work at SRC include confirming the balance of uranium and vanadium in the ore preparation, and optimizing the leach extraction rate and recovery, in support of a Preliminary Economic Assessment (PEA). The work will include QEMSCAN® quantitative mineralogy testing and customized leach experiments. Preliminary QEMSCAN® mineralogy was conducted in June and has aided in the design of the current metallurgical and process testing.

Table 1. Amarillo Grande Highlight Drill Hole Intervals

Hole #	From (m)	To (m)	Interval (m)*	U₃O₈ (ppm)	V₂O₅ (ppm)
AGI-0433	12	14	2	224	165
AGI-0434	10	13	3	131	103
<i>including</i>	10	11	1	258	143
AGI-0437	17	18	1	172	100
AGI-0444	18	21	3	103	60
AGI-0455	18	19	1	107	43
AGI-0459	18	21	3	104	123
<i>including</i>	19	20	1	183	137
AGI-0460	21	23	2	116	86
AGI-0464	14	15	1	380	98

*All holes were vertical and the intervals are believed to represent true thickness.

Methodology and QA/QC

The drilling program is being carried out using an FlexiROC D65 drill rig from Atlas Copco, an ore-control track-mounted rig adapted to reverse circulation with triple cyclone to reduce the dust loss during sampling and automatic sampling. Samples are being 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.

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 Project includes several major target areas over a regional trend, with uranium and vanadium mineralization in loosely consolidated sandstones and conglomerates, 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. The Ivana deposit is the cornerstone of the Project and the first area to have a NI 43-101 Inferred Resource estimate, which includes 23.9 million tonnes averaging 0.036% U_3O_8 and 0.019% V_2O_5 , containing 19.1 million pounds of

U₃O₈ and 10.2 million pounds of V₂O₅, at a 100 ppm uranium cut-off.

Mineralization at Amarillo Grande 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, carnotite mineralization coats loosely consolidated pebbles, and is amenable to leaching and simple upgrading.

The near-surface mineralization, ability to locally upgrade, amenability to leaching and central processing possibility suggest a potentially low-cost development scenario for a future deposit.

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

Qualified Person

The results of the Company's drilling program have been 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.Geol. 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 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. Blue Sky has the exclusive right to over 434,000 hectares (equiv. to 1,072,437 acres) of property 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"

Nikolaos Cacos, President, CEO and Director

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This news release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. Readers are encouraged to refer to the Company's public disclosure documents for a more detailed discussion of factors that may impact expected future results. The Company undertakes no obligation to publicly update or revise any forward-looking statements. We advise U.S. investors that the SEC's mining guidelines strictly prohibit information of this type in documents filed with the SEC. U.S. investors are cautioned that mineral deposits on adjacent properties are not indicative of mineral deposits on our properties.