Kraken Energy Confirms Elevated Radioactivity in Both Initial Drill Holes at Harts Point Property, Utah

written by Raj Shah | March 26, 2024

Drill hole HP24-002 Intersects a continuous 2.4 m (7.9 ft) interval with downhole probe readings ranging up to 2,162 cps

March 26, 2024 (Source) – **Kraken Energy Corp. (CSE: UUSA) (OTCQB: UUSAF) (FSE: F2C)** (the "**Company**" or "**Kraken**") is pleased to report that the Company has completed its maiden drilling program at the Harts Point Uranium Property ("**Harts Point**" or the "**Property**") in San Juan County, Utah.

The Phase I drilling program tested two targets spaced 5 kilometers ("km") (3.12 miles) apart, focused on confirming the presence of uranium mineralization indicated by radiometric anomalies in three historic oil wells on the Property.

"Our team is very pleased with the initial results from our maiden drilling program at Harts Point," stated CEO Matthew Schwab. "With the discovery of Lisbon Valley originating from the initial drilling of 7 holes over a strike length of 1.5 km, where only 3 drill holes intersected radioactivity, it gives us great confidence in the Property after drilling only two holes over a 5 km distance and intersecting elevated radioactivity in both."

"We look forward to continuing our work in Utah as we move forward with advanced exploration across our portfolio of exciting properties and look to capitalize on the project's

exceptional potential to discover a trend of high-grade uranium deposits located within a pro-mining jurisdiction."

Downhole Gamma Probe Results:

- **Drillhole HP24-001** intersected a total of **12.9 meters (m) (42.3 feet ("ft")) of elevated radioactivity** with downhole probe readings from **252 counts per second ("cps") up to 653 cps** from 151.5 to 421.5 m (497.0 to 1,382.8 ft)
- **Including 270 to 653 cps over 1.0 m (3.2 ft)** from 415.1 to 416.1 m (1,361.9 to 1,365.1 ft)
- **Drillhole HP24-002** intersected a total of **16.2 m (53.1 ft) of elevated radioactivity** with downhole probe readings from **252 cps up to 2,162 cps** from 107.8 to 390.4 m (353.6 to 1,280.7 ft)
- **Including 263 to 2,162 cps over 2.4 m (7.9 ft)** from (1,261.2 to 1,269.1 ft)

** Background gamma readings through non-elevated zones typically range from 10-150 cps on the borehole gamma probe*

"We're thrilled that our Joint Venture Partner, Kraken Energy has successfully completed their maiden drilling program at our Harts Point project in Utah. The discovery of uranium on the Harts Point anticline marks a pivotal moment in Colorado Plateau exploration as it validates our theory that uranium is not solely confined to the Lisbon Valley anticline indicating other known salt anticlines are also prospective for uranium. This success of the phase 1 program underscores the commitment of our combined Technical team's ability to find and explore previously overlooked potential uranium deposits on the plateau." – Clive Massey, President & CEO, Atomic Minerals Corp.

Harts Point Property Highlights:

- **World class uranium jurisdiction:** located in the center of the Colorado Plateau, which has produced **over 590 million ("M") pounds ("lbs") U_3O_8 at 0.2 to 0.4% U_3O_8** since the 1950s[1,5-8].
- Property consists of **324 lode mining claims** on Bureau of Land Management ("**BLM**") ground that covers an area of **2,622 hectares ("ha") (6,480 acres)**.
- **Harts Point Anticline is Analogous to the Lisbon Valley Anticline:** where the Lisbon Valley Uranium District hosted **17 large uranium mines which produced approximately 80M lbs U_3O_8 at 0.34% U_3O_8** from 1948 to 1988[2].
    - The dimensions of these tabular sandstone-hosted uranium deposits range from **2 to 13 m (7 to 43 feet) thick, 100 to 3,048 m (328 to 10,000 feet) long, and 31 to 427 m (100 to 1,400 feet) wide**[3].

- **Significant Historic Uranium Production:**
    - Several historic mines located 11 km (7 miles) west of the Harts Point Property produced approximately **280,000 lbs U_3O_8 at 0.3% U_3O_8** from the **favorable Chinle Formation host rock**[4]**.**
    - The Lisbon Valley Anticline is located 31 km (19 miles) to the east of the Harts Point Property produced approximately **80M lbs U_3O_8 0.34% U_3O_8**[2]**.**

- **Excellent Infrastructure:** located approximately **64 km (40 miles) north of the White Mesa uranium processing facility.**
    - There is also excellent access throughout the Property, which is situated 45 km (28 miles) from the town of Monticello, Utah.

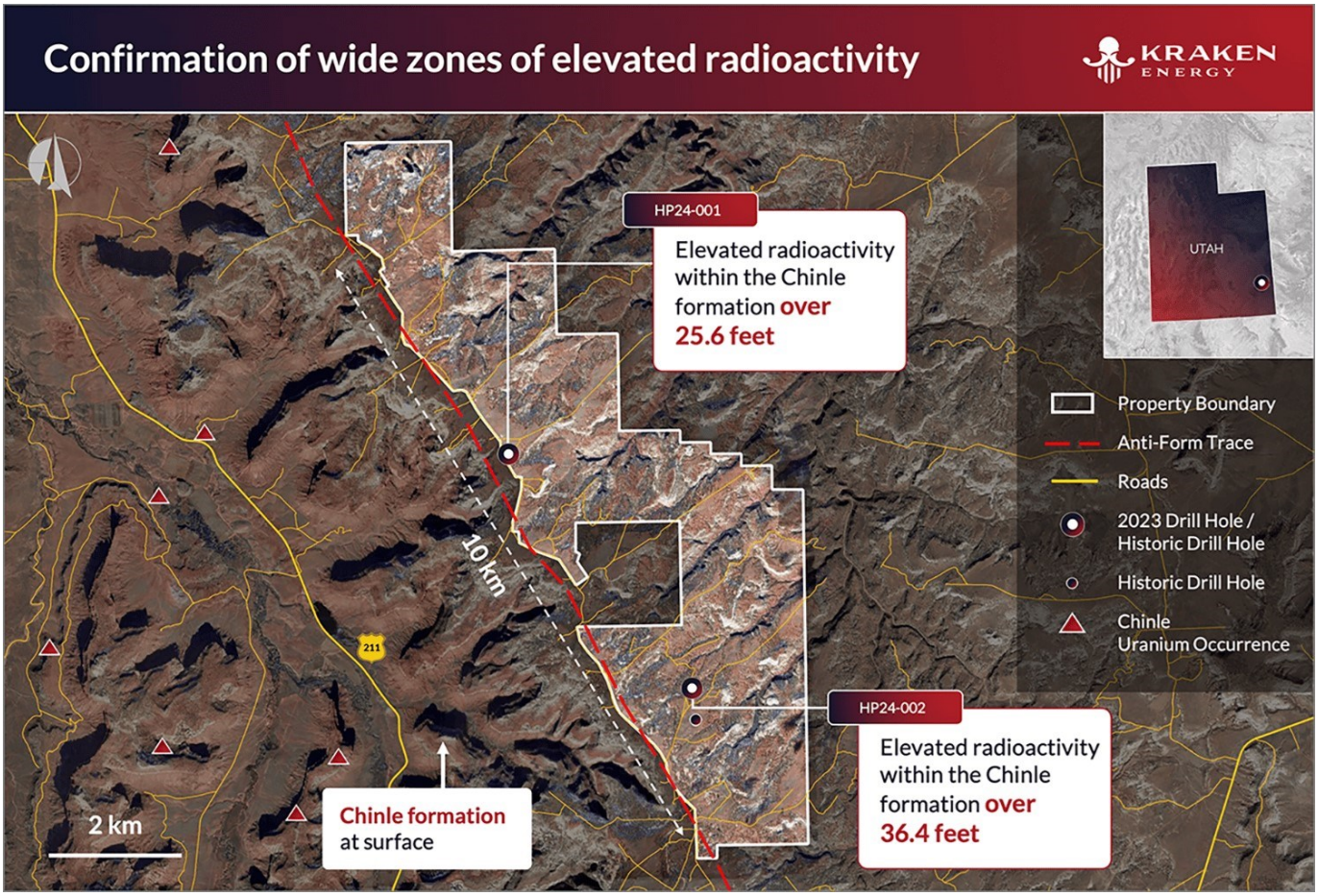

Figure 1: Harts Point Property with Local Uranium Occurrences

To view an enhanced version of this graphic, please visit: https://images.newsfilecorp.com/files/8684/203107_c58e2e96c4f12b2e_001full.jpg

Stock Option Grant:

The Company also announces that it has granted incentive stock options to purchase a total of 700,000 common shares at an exercise price of $0.20 per share for a period of five years, including 200,000 options to newly appointed director Marlis Yassin, 200,000 options to existing director Jesse Hahn, 200,000 options to existing investor relations firm Kin Communications (see the Company's news release dated December 20, 2022) and 100,000 options to Kin Communications' employee, Trenton Kwan as compensation for investor relations services, all in accordance with the provisions of the Company's stock option plan.

References:

[1] Holger Albrethsen, Jr. and Frank E. McGinley (1982). Summary History of Domestic Procurement Under U.S. Atomic Energy Commission Contracts, September 1982.

[2] Chenoweth, W.L. (1990). Lisbon Valley, Utah's Premier Uranium Area, a Summary of Exploration and Ore Production. Utah Geological Survey Open File Report 188, July 1990.

[3] Gordon W. Weir and Willard P. Puffett (1981). Incomplete manuscript on stratigraphy and structural geology and uranium-vanadium and copper deposits of the Lisbon Valley area, Utah-Colorado. Open-File Report 81-39. Pages 153 to 163. United States Department of the Interior Geological Survey.

[4] Chenoweth, W.L. (1993): The geology and Production History of the Uranium deposits in the White Canyon Mining District, San Juan County, Utah, Utah Geological Survey Miscellaneous Publication 93-3.

[5] Mills, Stephanie E. and Bear Jordan (2021). Uranium and Vanadium Resources of Utah: An Update in the Era of Critical Minerals and Carbon Neutrality, Open File Report 735, Utah Geological Survey.

[6] Chenoweth, William L. (1981). The Uranium – Vanadium Deposits of the Uravan Mineral Belt and Adjacent Areas, Colorado and Utah, New Mexico Geological Society Guidebook, 32nd Field Conference, Western Slope Colorado.

[7] McLemore, Virginia T. and Willam L. Chenoweth (1989). Uranium Resources in New Mexico, Resource Map 18, New Mexico Bureau of Mines and Mineral Resources.

[8] Chenoweth, William L. and Virginia T. McLemore (1989). Uranium Resources on the Colorado Plateau in Energy Frontiers in the Rockies, Albuquerque Geological Society.

Technical Information:

All scientific and technical information in this news release has been prepared by or reviewed and approved by Matthew Schwab, P.Geo., President and CEO of the Company, and Garrett Ainsworth, P.Geo., Chairman of the Company. Each of Mr. Schwab and Mr. Ainsworth is a Qualified Person for the purposes of National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

The data disclosed in this news release is related to historical drilling results. Kraken has not undertaken any independent investigation of the sampling, nor has it independently analyzed the results of the historical exploration work in order to verify the results. Kraken considers these historical drill results relevant as the Company is using this data as a guide to plan exploration programs. The Company's current and future exploration work includes verification of the historical data through drilling.

Natural gamma radiation in the drill core that is reported in this news release was measured in counts per second (cps) using a Mount Sopris QL40-SGR-2G downhole spectral gamma tool. The Company considers greater than 250 cps on the downhole probe to be elevated radioactivity from the background radioactivity levels of 10 to 150 cps. The reader is cautioned that scintillometer readings are not directly or uniformly related to uranium grades of the rock sample measured and should be used only as a preliminary indication for the presence of radioactive materials. All depth measurements reported are down-hole and true thicknesses are yet to be determined. Samples from the

drill core are split in half on site in 0.25 to 0.50 m intervals. One half of the split sample will be submitted to American Assay Laboratories (“AAL”) (an ISO-17025 accredited facility) in Reno, Nevada for lithogeochemical analysis using the “26 element 4 acid + Boric Acid digestion ICP-OES+MS” package.

About the Harts Point Property:

Harts Point is located in the center of the Colorado Plateau, referred to by some as “the Athabasca Basin of the US” and is 64 kilometers (“km”) (40 miles) north of the White Mesa Uranium Mill, the only fully licensed and operating conventional uranium mill in the United States. The Property consists of 324 lode mining claims on Bureau of Land Management (“BLM”) ground and drill permits are in place for up to 20 exploration drill holes.

About Kraken Energy Corp.:

Kraken Energy Corp. is a new energy company advancing its portfolio of high-grade uranium properties in the Unites States. The Company is advancing its 100%-owned Apex Uranium Property, located 280 km (174 miles) east from Reno, Nevada which is recognized as Nevada’s largest past-producing uranium mine. The Company has additionally entered into an option agreement to earn 100% of the Garfield Hills Uranium Property. The past-producing Garfield Hills Uranium Property covers 1,238 ha (3,060 acres) and is located 19 km (12 miles) east of Hawthorne in Mineral County, Nevada. Kraken Energy has also recently staked the Huber Hills Uranium Property, located 136 km (85 miles) north of Elko, Nevada which covers 1,044 ha (2,580 acres) and encompasses the historic Race Track open pit mine. The Company has recently entered into an option agreement to earn 75% of the Harts Point Uranium Property. The Harts Point Uranium Property covers 2,622 ha (6,480 acres) and is located 49 km (30 miles)

northwest of Monticello in San Juan County, Utah.

For more information about the Company, please visit; www.krakenenergycorp.com.

On Behalf of the Board of Kraken Energy Corp.:

Matthew Schwab
President & Chief Executive Officer

Corporate Office:
Suite 907 – 1030 West Georgia Street
Vancouver, British Columbia
V6E 2Y3
T: (604) 628-2669

For investor relations inquiries, contact:
Kin Communications Inc.
T: (604) 684-6730
E: uusa@kincommunications.com

This news release contains forward-looking information which is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ from those projected in the forward-looking statements. Forward-looking statements in this press release include our plans for exploration at the properties. These forward-looking statements are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Risks that could change or prevent these statements from coming to fruition include changing costs for mining and processing; increased capital costs; the timing and content of upcoming work programs; geological interpretations based on drilling that may change with more detailed information; potential process methods and mineral recoveries assumption

based on limited test work and by comparison to what are considered analogous deposits that with further test work may not be comparable; the availability of labour, equipment and markets for the products produced; and despite the current expected viability of the project, conditions changing such that the minerals on our property cannot be economically mined, or that the required permits to build and operate the envisaged mine can be obtained. The forward-looking information contained herein is given as of the date hereof and the Company assumes no responsibility to update or revise such information to reflect new events or circumstances, except as required by law.