

# **Zebediela Nickel-PGE Project**



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**John Zorbas**  
 Chief Executive Officer  
 URU Metals

John is a resource entrepreneur with a proven track record in the metals exploration and development industry. He has held senior advisory positions in various facets of business including operations, marketing, sales, strategic planning and structured finance. John has been the Company's Chief Executive Officer since 2 June 2014. He served as Executive Chairman and Managing Director of NWT Uranium Corp. from June 2008 to December 2016. He also served as the President of MGM Productions Group Inc., as well as Director of both ZorCorp Capital Holdings and Starline Capital Holdings Infrastructure Fund. He served as the Chief Executive Officer and a Director of Monchhichi PLC (former: Mercom Capital PLC) until 23 December 2016. John also served as a Director of Stratton Capital Corp. He is a founding shareholder of Asian Coast Development Ltd. John holds an Honours Bachelors in Economics from the University of Toronto.

**Richard Montjoie**  
 Director and Project Manager  
 Umbono Natural Resources

Richard holds an M.Sc. in Economic Geology from the University of Witwatersrand. Richard worked on Anglo Platinum's Mogalakwena Mine prior to joining Umbono in 2005. He has been involved in several exploration programs in South Africa and Northern Canada, including various Ni-PGE, diamond, coal, coal-bed methane, zinc and gold exploration projects. Richard provides sound geoscience input in development planning to ensure effective data acquisition and management from exploration through to feasibility. Richard successfully acted as Project Manager for the 50 Moz Lesego Platinum project, advancing the project from an inferred resource to a completed bankable feasibility study with proven and probable reserves, on time and under budget, managing all aspects of the programme, from exploration programme design to various licencing applications.

**Innes Buurman**  
 Project Geologist  
 Umbono Natural Resources

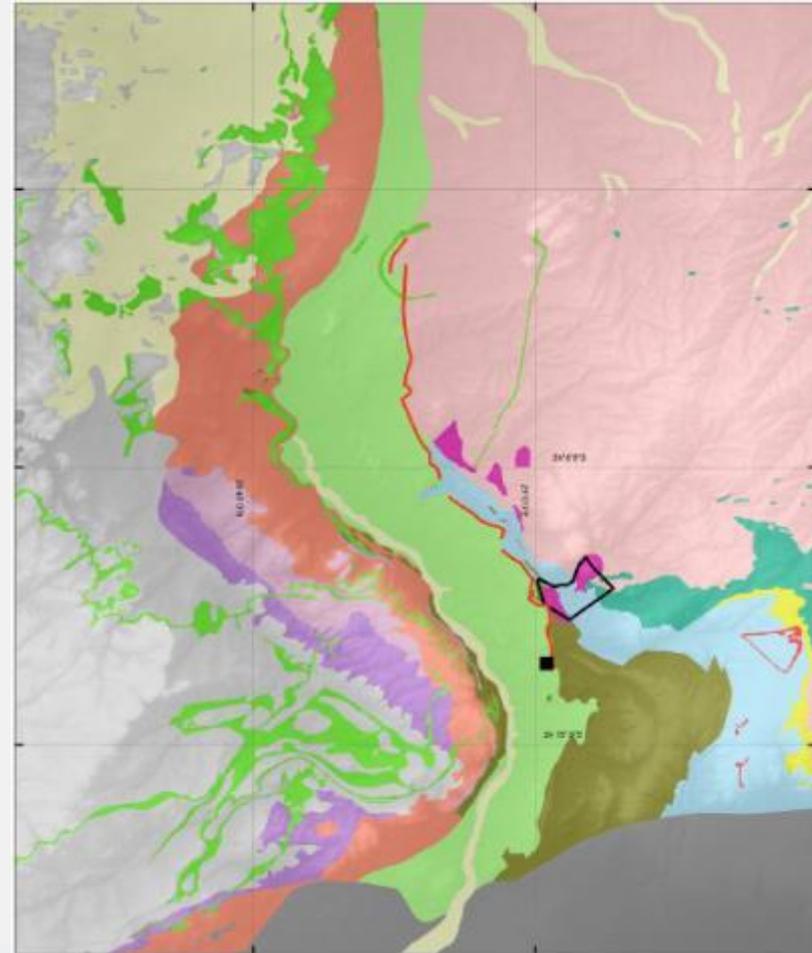
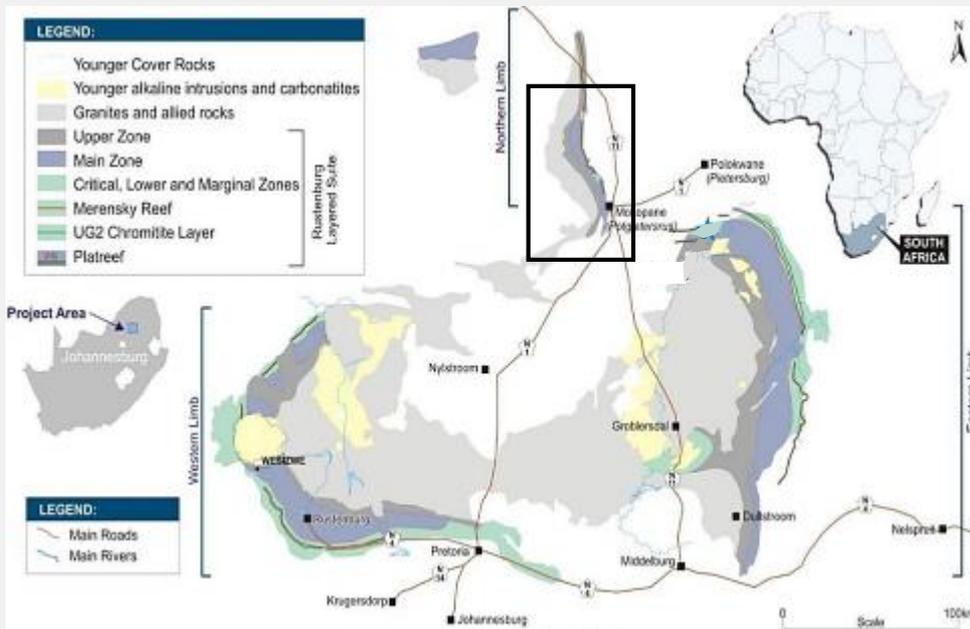
Innes holds an M.Sc. in Economic Geology from the University of the Witwatersrand, South Africa. Mr. Buurman is currently working as a project geologist at Umbono. His passion lies in economics and finding ways to link economics with geology. Mr. Buurman has been involved in several exploration programs in Africa across various commodities including, gold, tin, niobium-tantalum, and Ni-Cu-PGE.

**Matthew McCreesh**  
 Project Geologist  
 Umbono Natural Resources

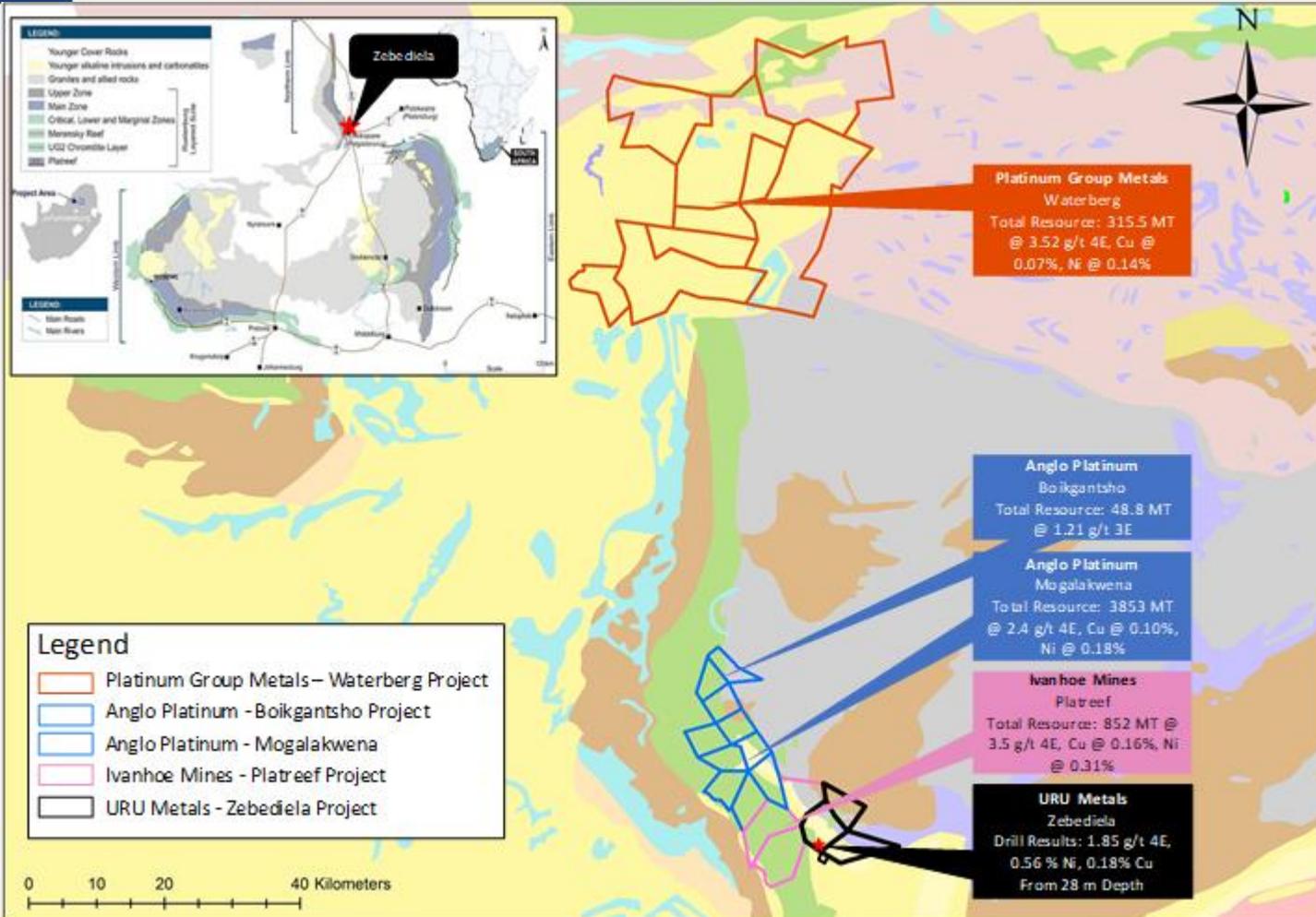
Matthew holds a Ph.D. in Geology from the University of the Witwatersrand, South Africa. Matthew worked for Platinum Group Metals on the Northern Limb of the Bushveld Complex on their Waterberg Cu-Ni-PGE exploration Project, prior to joining Umbono in 2018. Matthew recently completed his Ph.D. on the geology and mineralisation of the Waterberg Project, and his experience in Ni-Cu-PGE mineralisation on the Northern Limb makes him a key member of the exploration team on the Zebediela Project. Matthew has produced a number of publications related to the geology and mineralisation of the Northern Limb.

# Location and Geology

The Bushveld Complex contains over 75% of the world's platinum reserves in the largest known layered ultramafic intrusion, and these are usually associated with magmatic nickel deposits, very few of which have been found on the Bushveld...



# Northern Limb Projects



4E is the sum of Platinum, Palladium, Rhodium and Gold grades, whereas 3E is the sum of Platinum, Palladium and Gold grades

# Bushveld Complex Comparison

## Average grade relative to other PGE-Ni-Cu producers in South Africa

Company	Project/Reef	3PGE + Au*						
		g/t	Pt g/t	Pd g/t	Rh g/t	Au g/t	Ni %	Cu %
Anglo Platinum	Mogalakwena	2.73	1.14	1.35	0.09	0.15	0.18	0.10
PTM Waterberg Project	T-Zone	3.94	1.14	1.93	0.04	0.83	0.08	0.16
	F-Zone	3.69	1.11	2.36	0.04	0.18	0.16	0.07
Ivanplats	Flatreef	4.40	1.95	2.01	0.14	0.30	0.34	0.17
URU**	Zebediela	1.98	0.62	1.20	0.11	0.06	0.47	0.14
Merensky Reef	Mine reserves	4.11	2.52	1.18	0.21	0.21	0.15	0.06
UG2 Reef	Mine reserves	4.80	2.54	1.64	0.46	0.16	0.04	0.02

\* 3PGE+Au equals platinum + palladium + rhodium + gold

\*\*From drill results only. This does not constitute a resource or reserve statement in any manner or format whatsoever.

## Basket price comparison on a US Dollar per metric ton basis with other PGE-Ni-Cu producers in South Africa

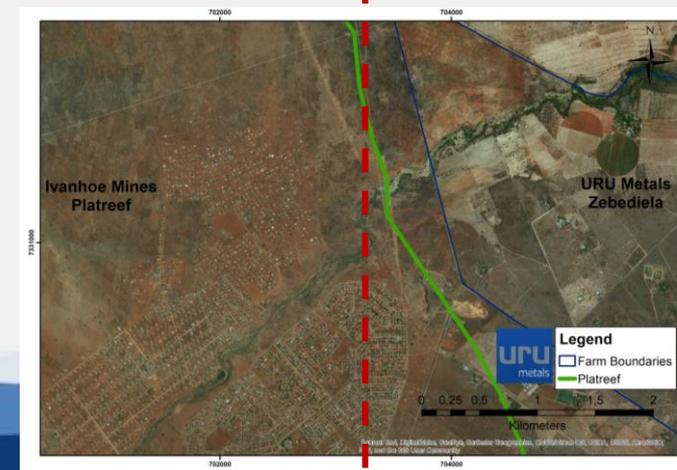
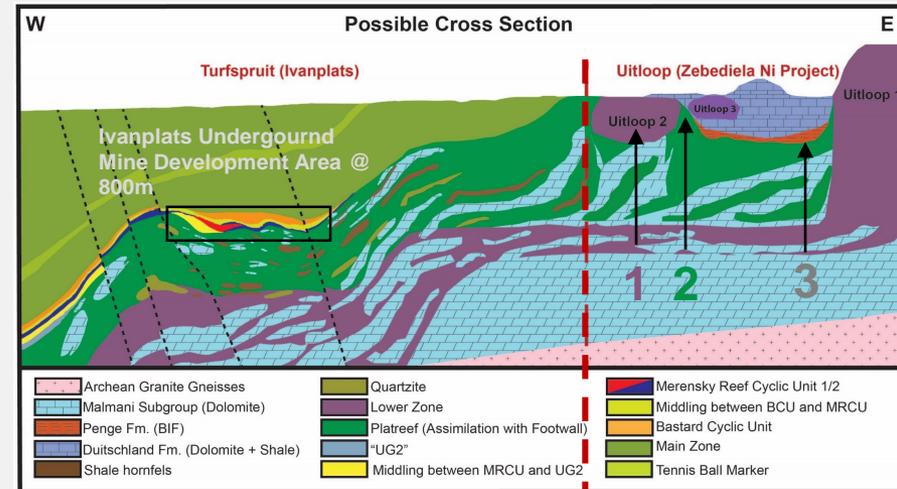
Company	Project/Reef	Pt \$/t	Pd \$/t	Rh \$/t	Au \$/t	Ni \$/t	Cu \$/t	*Basket Price \$/t
Anglo Platinum	Mogalakwena	30.46	63.37	7.35	6.40	23.25	6.42	137.25
PTM Waterberg Project	T-Zone	30.46	90.59	3.27	35.44	10.34	10.26	180.36
	F-Zone	29.66	110.78	3.27	7.69	20.67	4.49	176.55
Ivanplats	Flatreef	52.10	94.35	11.43	12.81	43.92	10.91	225.52
URU	Zebediela	16.03	50.70	8.98	2.99	56.84	11.55	147.09
Merensky Reef	Mine reserves	67.33	55.39	17.15	8.97	19.38	3.85	172.06
UG2 Reef	Mine reserves	67.86	76.98	37.56	6.83	5.17	1.28	195.69

\*Commodity Prices as at 22 February 2019.

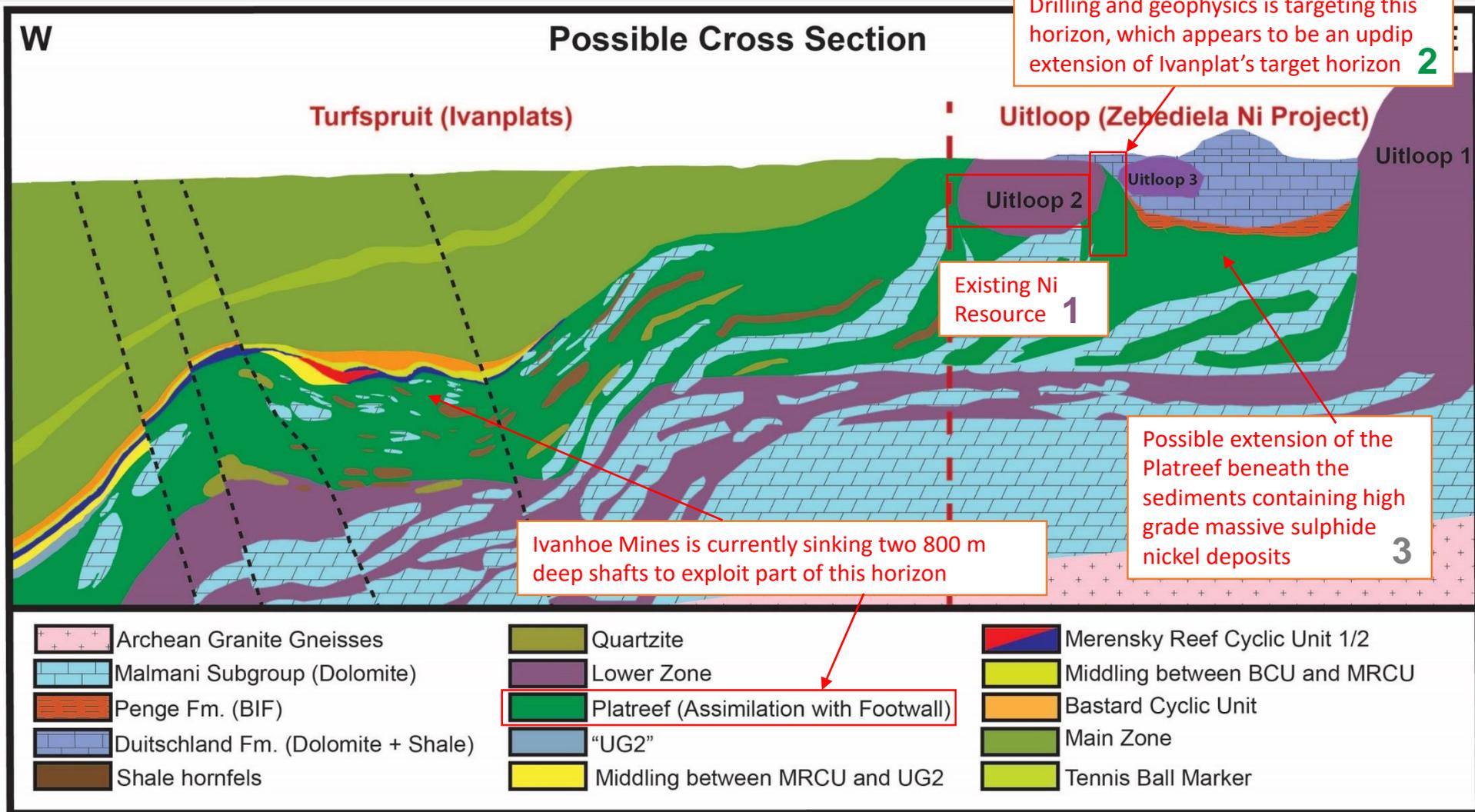
# Nickel Targets

## Three targets exist for nickel mineralisation on the Project:

1. Already well-defined nickel mineralisation:
  - Indicated resource of 485.4 Mt @ 0.245% Ni
  - Inferred resource of 1.115.1 Mt @ 0.248% Ni
  
2. Nickel-PGE mineralisation:
  - Recent drilling in previously untested zones intersected significant Ni-PGE Asmineralisation at nickel equivalent grades of 1.14% Ni with an untested strike extent
  
3. As yet unfound massive sulphide nickel associated with the ultramafic rocks of the Bushveld Complex



# Draft Geological Cross Section



# Historical Exploration

**Before 1998** - Rand Mines explored on Uitloop for massive nickel sulphide deposit; soil sampling, IP surveys and drilling were conducted. Interesting Ni values were encountered.

**1998** - MinEx identified the Platreef potential and undertook magnetic and geochemical surveys.

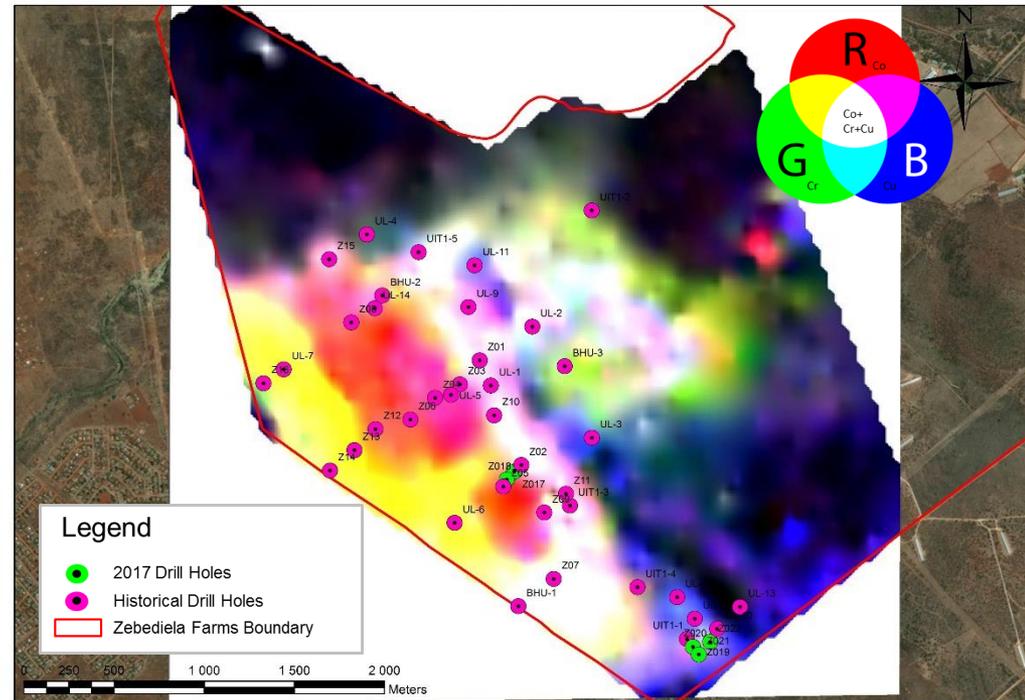
Falconbridge conducted an EM and IP survey and drilled 5 holes.

**2005** - Lesego Platinum Uitloop applied for and was awarded the Prospecting Rights in 2007.

**2007** - Lesego Platinum Uitloop completed a soil geochemical program on Uitloop followed by 3 drill holes.

**2011** - South African Nickel (SAN) completed a preliminary economic assessment on the Ni resource of the Uitloop 2 body.

## Historical Soil Sampling and Drilling



**2017 - present** - URU Metals commences exploration targeting higher grade nickel mineralisation related to the Platreef, the horizon that is being mined at **Anglo American's Mogalakwena Mine**.

# URU Recent Exploration Successes

## **2017 – Exploration drilling program completed (6 boreholes Z017-Z022)**

- 4 of the 6 boreholes (Z019, Z020, Z021 and Z022) intercepted PGE-rich Critical Zone “Platreef”.
- 2 boreholes (Z017 and Z018) targeted and intercepted the Ni only mineralisation, with Z017 being drilled deeper than usual intersecting 1.7% Ni and 0.7 g/t 3PGE+Au in the footwall lithologies.

## **2018 – Geological Mapping and Geophysics (Induced Polarization and Ground Magnetics) to help determine further exploration targets.**

- Successfully mapped the strike extent of lithologies associated with Ni-PGE mineralisation and highlighted a veneer of cover rocks hiding Critical Zone lithologies.

## **2019 – Further drilling to be conducted to increase strike extent of Ni-PGE mineralisation and target an inferred resource of ~60 million tonnes.**

## **2019 – Environmental Authorisation and Mining Right Application to secure right for a further 30 years.**

# URU Drill Results

Drill hole ID	Depth From (m)	Depth To (m)	Sample Interval (m)	Depth Below Surface (m)	Cu (%)	Ni (%)^	Ni(%)^^	3PGE + Au*	Rock Type	Mineralisation Style	Comments
Z017	67.22	391	323.78	42.39	0.01	0.23	0.18	**	Dunite	Pentlandite (serpentinised dunite)	Nickel Resource included in PEA Footwall to Nickel resource, possibly related to the zone containing PGE mineralisation
Z017	412.75	415	2.25	260.31	0.51	1.66	1.10	0.69	Pyroxenite	Platreef-style	Nickel Resource included in PEA
Z018	90.4	251	160.6	58.83	0.004	0.26	0.20	**	Dunite	Pentlandite (serpentinised dunite)	
Z019	133	142	9	78.92	0.15	0.43	0.34	1.97	Pyroxenite	Platreef-style/Contact	PGE
Z019	169	170.8	1.8	100.28	0.10	0.44	0.34	1.60	Pyroxenite	Platreef-style/Contact	PGE
Z020	55	65	10	43.23	0.18	0.51	0.43	2.39	Pyroxenite	Platreef-style/Contact	PGE
Z020	174	176.07	2.07	136.98	0.15	0.59	0.42	2.00	Pyroxenite	Platreef-style/Contact	PGE
Z021****	194	199	5	175.97	0.12	0.48	0.34	2.15	Pyroxenite	Platreef-style/Contact	PGE
Z022	38.08	41.74	3.66	28.87	0.08	0.35	0.33	0.89	Pyroxenite	Platreef-style/Contact	PGE

\* 3PGE+Au equals platinum + palladium + rhodium + gold by fire assay with ICP-MS Finish

^Total Ni assay by complete digestion, representing the silicate and sulphide portion of the Ni

^^Citric acid leach, representing the sulphide Ni portion

- No historical data available

\*\* Intersection not assayed for 3PGE+Au, as previous work has revealed that this portion of the orebody typically does not contain PGE's at economic concentrations

\*\*\*\* Z021 was drilled at the same location as Z019, but with a steeper dip, to get an estimate of the dip of the orebody

Drill hole ID	Depth From (m)	Depth To (m)	Sample Interval (m)	Depth Below Surface (m)	Cu (%)	Ni (%)^	Ni(%)^^	3PGE + Au*	Rock Type
UIT1-1	90	97	7	68.94	0.15	0.42	-	-	-
UIT1-1	158	161	3	121.04	0.51	1.66	-	0.69	-
UIT1-5	131	137	6	100.35	0.12	0.39	-	1.66	-
UL-8***	-	-	6	-	-	2.05	-	-	-
UL-10***	88	91	6	-	0.38	2.95	-	-	-

The brown colour is from historical data

\* 3PGE+Au equals platinum + palladium + rhodium + gold by fire assay with ICP-MS Finish

^Total Ni assay by complete digestion, representing the silicate and sulphide portion of the Ni

^^Citric acid leach, representing the sulphide Ni portion

- No historical data available

\*\*\* Historical data is not complete and will have to be verified with future drilling

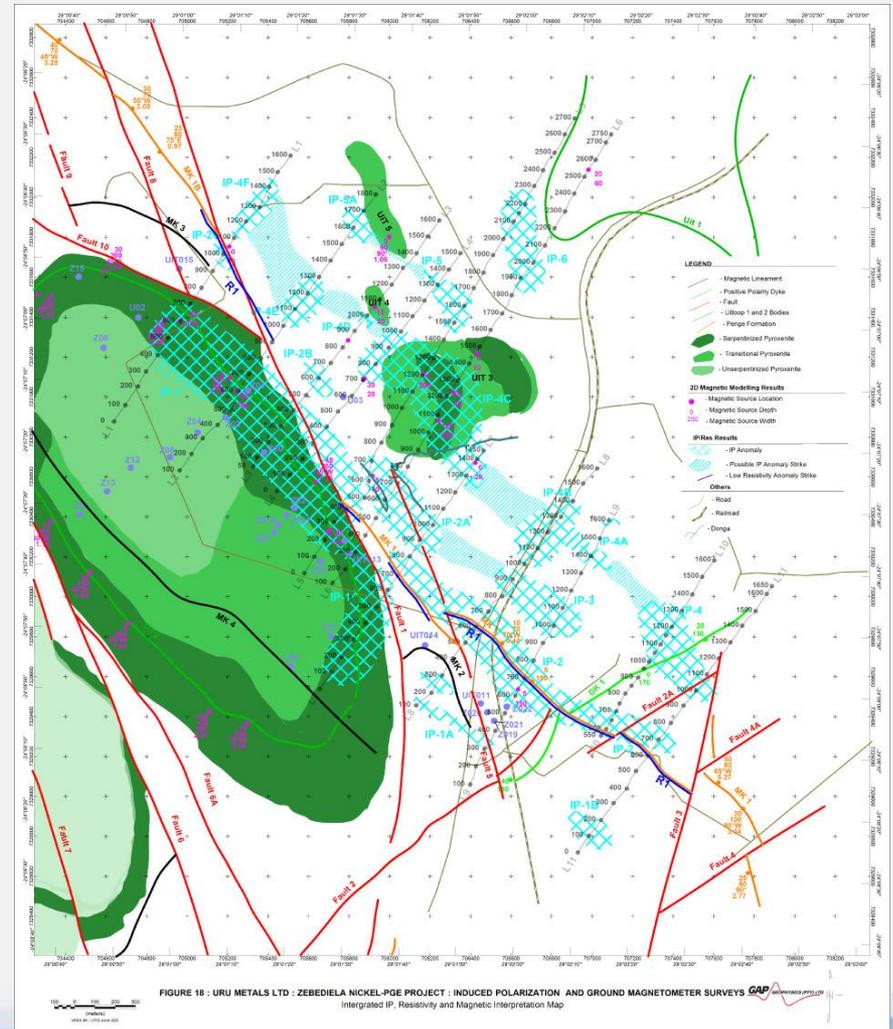


# Geophysics Results

The recently completed geophysics program has identified at least 8 drill targets possibly related to Platreef mineralisation, and correlates with the geological model and existing mineralized intersections from recent drilling by URU.

Depth in metres to

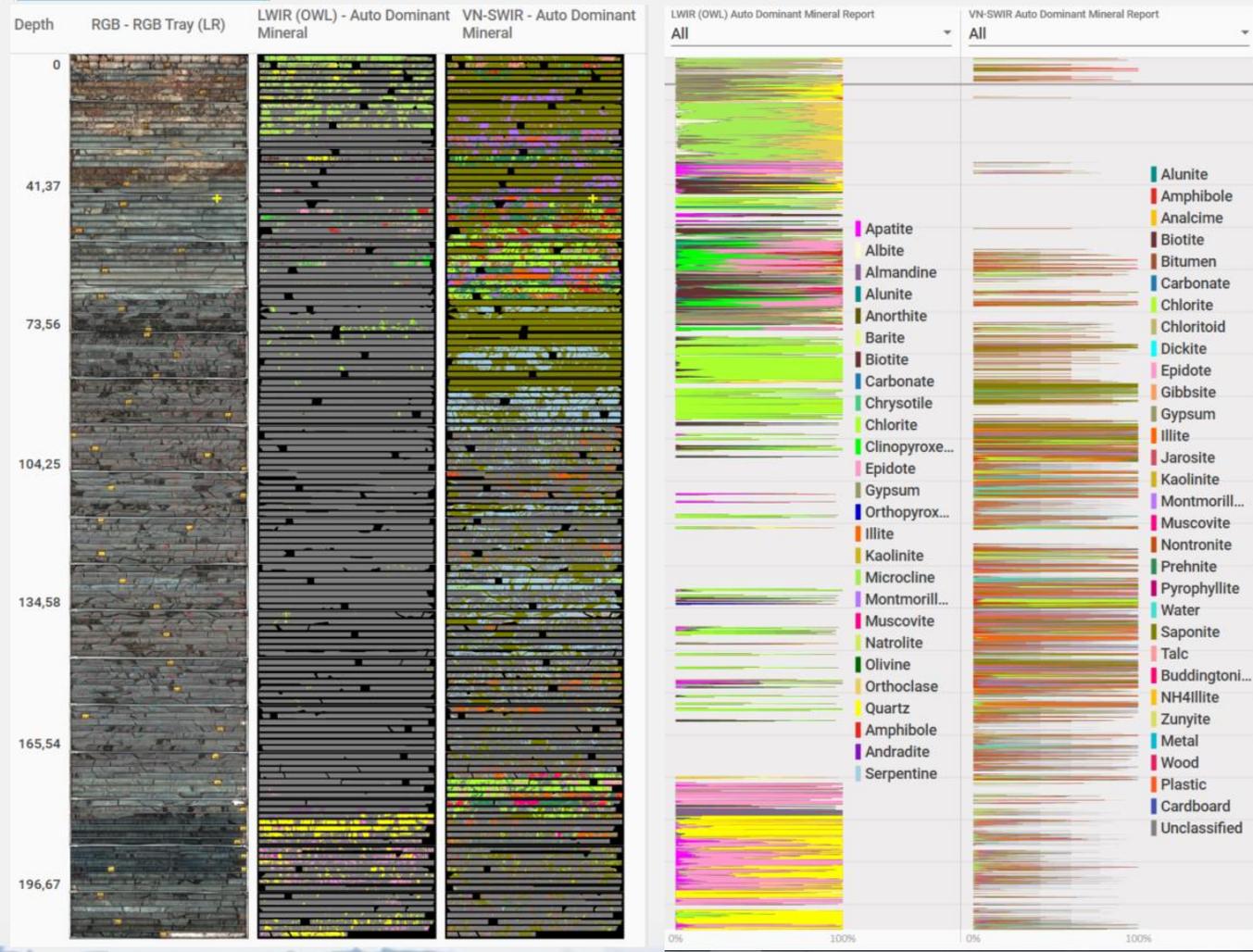
Line	STN	IP Anomaly	Top	Centre	Bottom
L1	1166	IP-4F	70	116	200
L4	858	IP-4C	94	168	275
L6	1189	IP-4C	52	118	259
L8	556	IP-2	36	64	104
L8	863	IP-3	13	58	195
L9	608	IP-2	30	70	131
L10	1175	IP-4	82	164	312
L11	731	IP-2	81	149	267



# Mineralisation

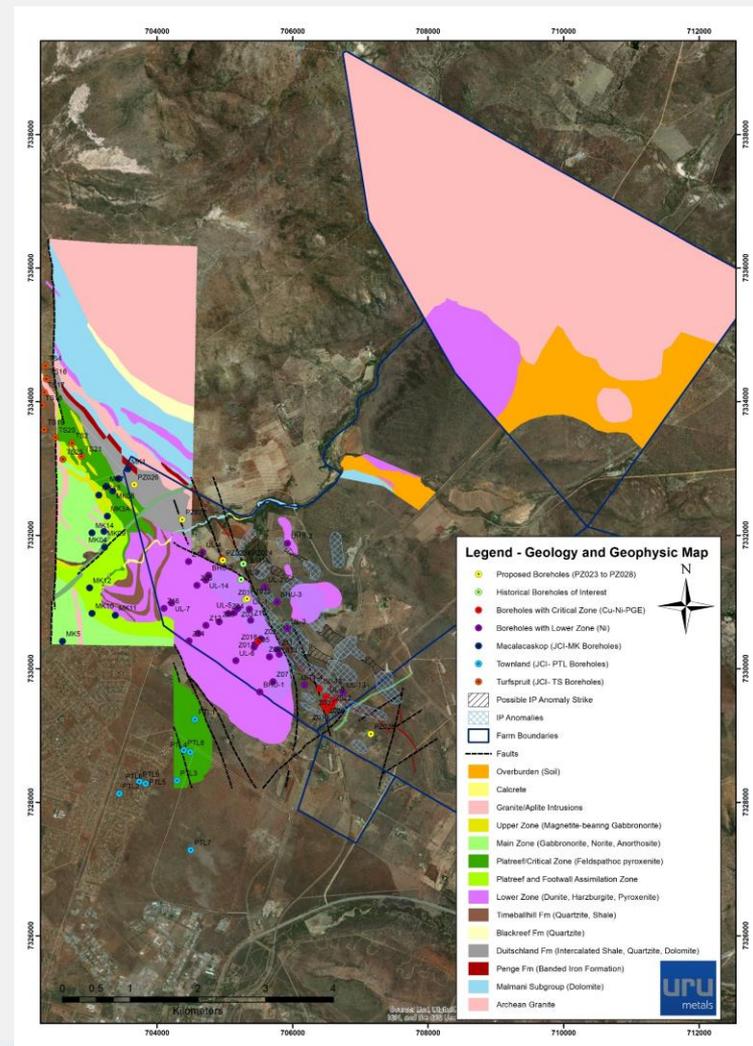
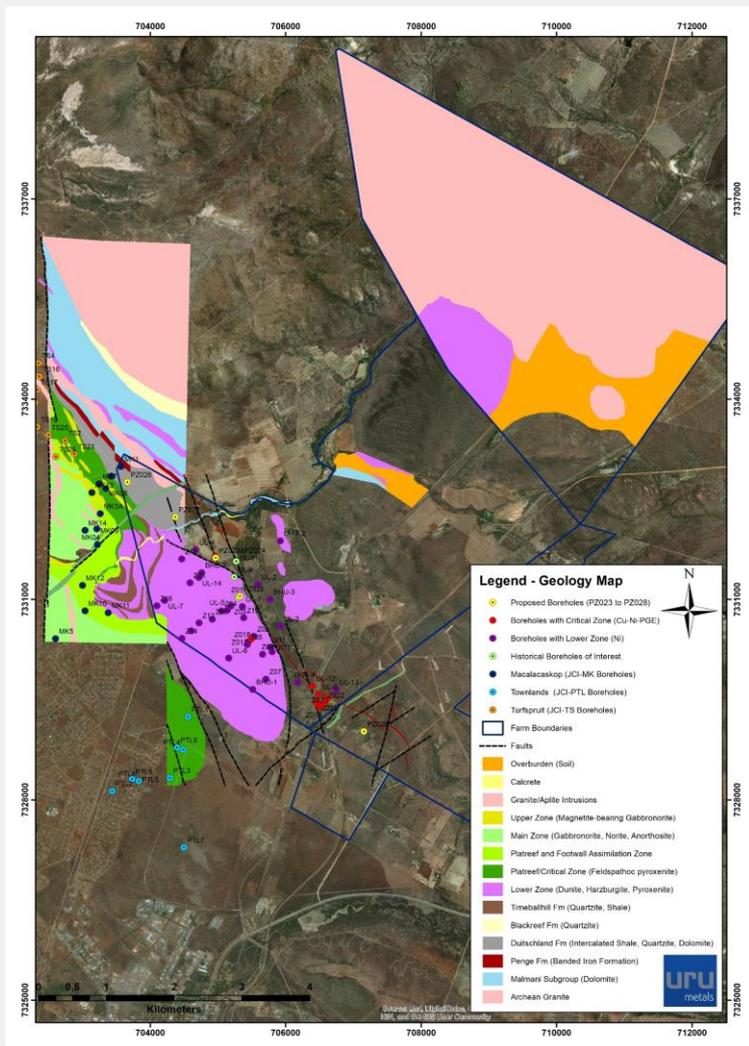


# Hyperspectral Core Scanning Results

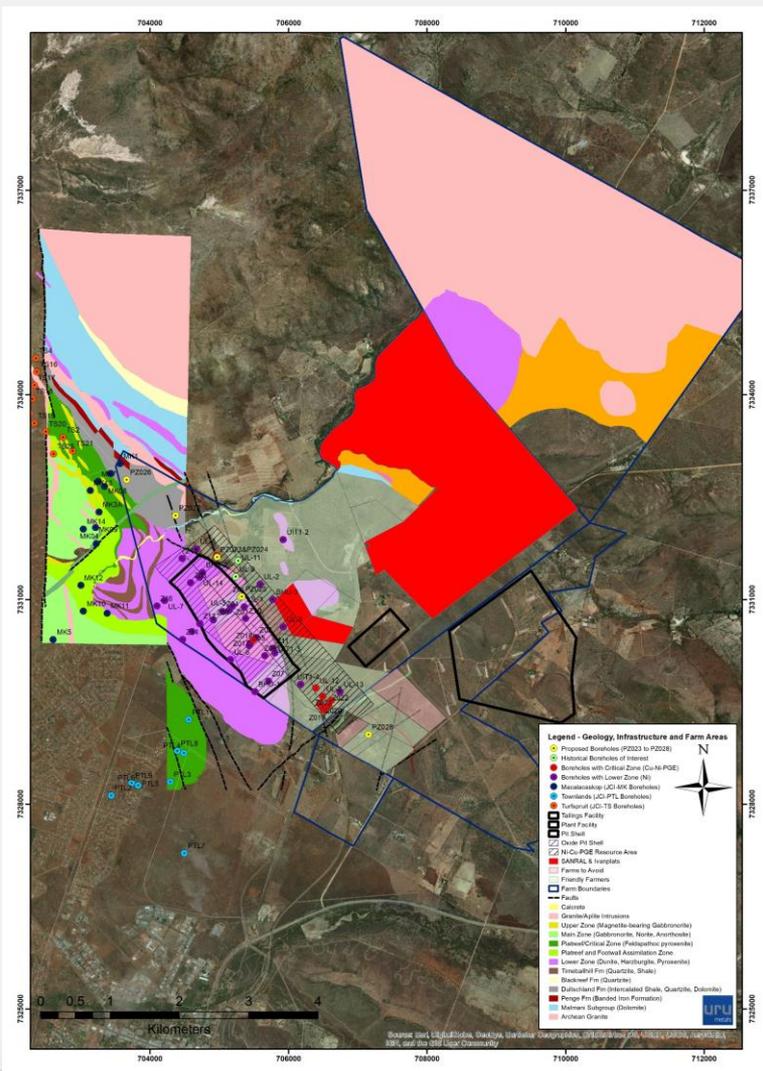


Hyperspectral core scanning has revealed different lithologies on or near to surface than what was previously understood, thereby increasing the exploration potential of the area.

# Understanding the Geology



# Surface Rights and Infrastructure



No major relocations will be required to open either an open pit or underground mine and the land use is amenable to mining infrastructure.

# Project Next Steps

- Further geological mapping to understand potential for nickel mineralisation in footwall rocks.
- Drilling of 6 holes to confirm proof of concept and demonstrate the strike extent of the Ni-PGE mineralisation.
- Submit a Mining Right Application and associated Environmental Authorisation and Waste and Water Use Licence to secure mineral right for a further 30 years.



# Potential Project Valuation

A successful drill campaign that defines a strike extent of 5,000 meters could result in a contained nickel equivalent of 670,000 tonnes. Based on recent transactions on nickel projects, the potential valuation range is between US\$3m and US\$100m, depending on grade, resource depth etc.

Strike	<i>m</i>	5000
Width	<i>m</i>	5
Depth	<i>m</i>	800
SG		3
Tonnes	<i>t</i>	60 000 000

<b>Grade</b>		
PGE	<i>g/t</i>	1.98
Ni	<i>%</i>	0.47
Cu	<i>%</i>	0.14

PGE Grams	<i>g</i>	118 800 000
PGE Ounces	<i>Oz</i>	3 819 503

Project Basket Price per tonne	<i>\$/t</i>	147.09
Equivalent Nickel Grade	<i>%</i>	1.12

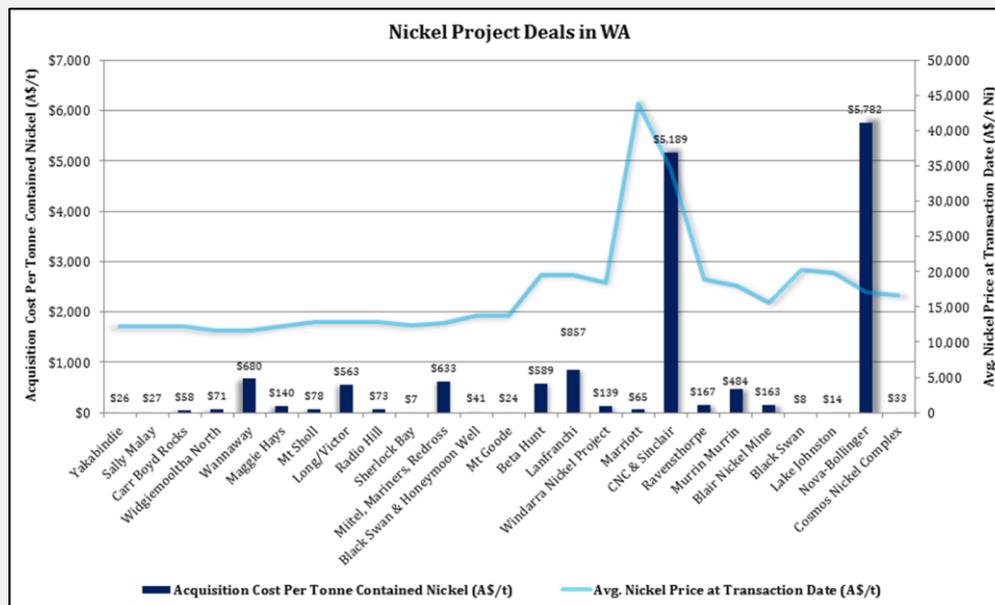
Nickel Price	<i>\$/t</i>	13 100
Copper Price	<i>\$/t</i>	6 420

Equivalent tonnes contained nickel	<i>tonnes</i>	673 695
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### Potential Valuation

Lower Deal range	<i>\$/t contained Ni</i>	5
<b>Potential Lower Project Valuation</b>	<b>\$</b>	<b>3 368 473</b>

Upper Deal range	<i>\$/t contained Ni</i>	150
<b>Potential Upper Project Valuation</b>	<b>\$</b>	<b>101 054 198</b>



# Simplified Budget

Category and Requirements	Description	Total USD
Drilling and Geological Studies	6 x diamond drill boreholes, Downhole survey, Core boxes, sampling and Assays, geological model, resource estimation and geological supervision.	\$412 469.00
Mineral Rights and Licencing	Annual Fees, Mining Right Application, Environmental Impact Assessments and Integrated Water Use Licence.	\$240 345.00
Community Liaison and Site Access	Land Access	\$8 276.00
Office and Administrative	Core Yard, Project Management, Legal, Printing, Telecommunication and Software,	\$201 931.00
Travel and Accommodation	Site visits, meeting and drilling	\$27 724.00
Continenency	Contingency at 10%	\$89 074.00
<b>Total Cost</b>		<b>\$979 819.00</b>

Project Plan

Jan-19 Feb-19 Mar-19 Apr-19 May-19 Jun-19 Jul-19 Aug-19 Sep-19 Oct-19 Nov-19 Dec-19 Jan-20 Feb-20 Mar-20

**Resource Definition**



**Mining Right Application and associated Licencing**



**Environmental**



**Water and Waste Use**



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