

**Delecta Limited**

ASX ANNOUNCEMENT

13 September 2021

ASX:DLC

# URANIUM EXPLORATION UNDERWAY AT THE REX PROJECT IN COLORADO

**Delecta Limited** ("Delecta" or "Company") is pleased to announce resumption of exploration programs at its REX Uranium Project, located in Colorado.

## HIGHLIGHTS

- Uranium-focused exploration underway at the Rex Uranium Project, with sampling and mapping programs completed and ongoing.
- Initial sampling programs returned high-grade uranium and vanadium results, 12 samples recorded an average grade of 2,246ppm  $U_3O_8$  (0.22%) with a peak value of 5,280ppm  $U_3O_8$  (0.53%) returned.<sup>1</sup>
- Sampling of surface outcrops and selected underground workings has identified visible uranium mineralisation (fig. 1).
- Exploration is ongoing with mapping and sampling programs planned to explore the sandstone mesa rims, known to host significant uranium mineralisation.
- Assays from the current program are expected to be returned in the coming weeks.

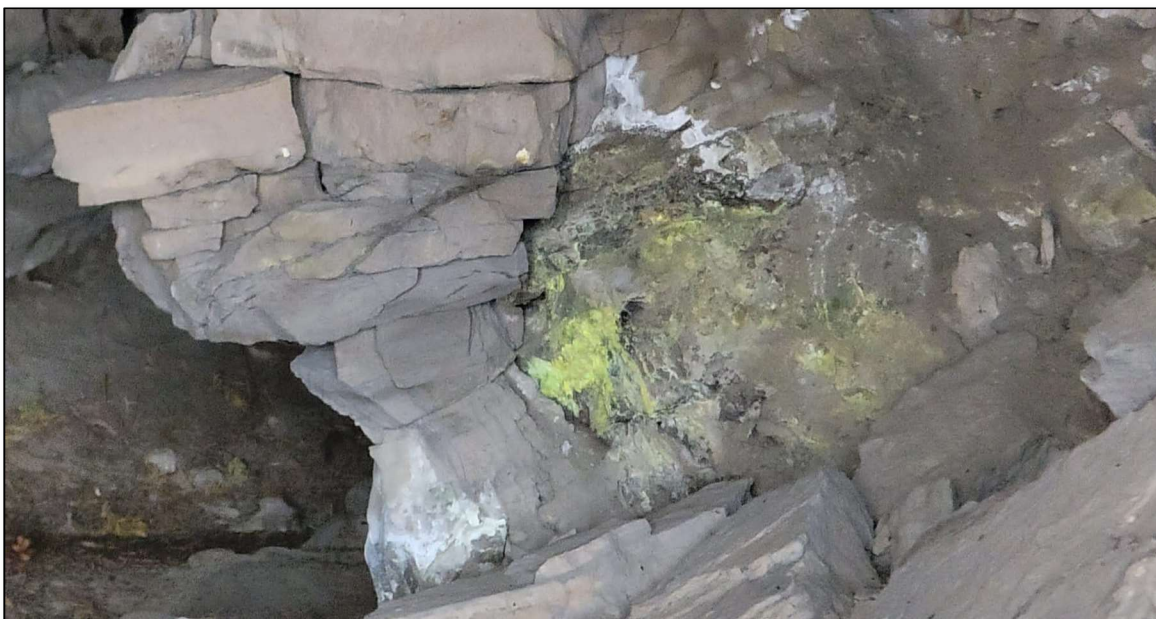


Figure 1 - REX Project, sampling of historic workings

<sup>1</sup> ASX Announcement - Initial results from REX project highlights high-grade uranium-vanadium potential (22 July 2020)

- The REX Project lies within the Uravan Mineral Belt of Colorado, with reported historical production totalling 86m lbs @ 0.24% U<sub>3</sub>O<sub>8</sub> and 441m lbs @ 1.25% V.<sup>2</sup>
- Delecta owns 60% of Sunrise Minerals Inc. which 100%-owns the REX Project consisting of 256 contiguous BLM mining claims (~20km<sup>2</sup>).
- The project is located within trucking distance of the White Mesa Mill, the only operating conventional uranium-vanadium mill in the US that has 90% spare capacity available to toll treat mined ore.
- With the short-term (spot market) price of uranium forecast to reach \$US48/lb in 2024<sup>3</sup>, and the long-term price forecast to reach \$US60/lb by 2028<sup>4</sup>, Delecta continues to evaluate strategic uranium-vanadium projects through its relationship with Sunrise Minerals Inc.
- Sunrise Minerals are US-based project generator with a dedicated team of local geologists and consultants specialising in sourcing and developing resource projects across the south and mid-west of the United States.

*"Due to renewed optimism surrounding future uranium pricing, the Company recently decided to ramp up exploration at its majority owned REX uranium-vanadium project. The project's history of uranium mining, its proximity to operating infrastructure and the prevailing supportive government regime, bodes well for the development of the project. We look forward to continuing exploration at the REX project and evaluating other potential uranium-vanadium projects in the area."* – **DLC Managing Director Malcolm Day**

#### NEXT STEPS

- Continued mapping and sampling along the sandstone mesa rims on the Project, utilising a scintillometer and handheld XRF analyser.
- Geo-referencing of existing underground mines, with mapping and sampling to establish the presence of mineralisation and locate previous surface drill holes, to delineate further targets for drilling.
- Engage with Bureau of Land Management (BLM) in relation to entering historical workings and drilling program.

**-END-**

This release has been authorised for release to ASX by the Board of Directors of the Company.  
For further information visit our website [delecta.com.au](http://delecta.com.au) or contact:

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<sup>2</sup> ASX Announcement - Initial results from REX project highlights high-grade uranium-vanadium potential (22 July 2020)

<sup>3</sup> <https://www.fnarena.com/index.php/2021/04/07/uranium-week-uranium-price-rise-forecast/>

<sup>4</sup> <https://www.fnarena.com/index.php/2021/09/07/uranium-week-record-jump-for-uranium-price/>

## ABOUT THE REX URANIUM-VANADIUM PROJECT

On 24 June 2020, the Company announced it had acquired 60% of the shares in Sunrise Minerals Inc, a Colorado, US based company that holds the REX Uranium-Vanadium Project (Project). The Project consists of 256 contiguous BLM claims covering 2,072ha in Colorado, USA. Uranium mineralisation is confirmed, with four historic uranium mines within the Project area.

The Project is located in Montrose County, Colorado (Figure 2). The claims are readily accessible via surfaced and county-maintained gravel roads from either Moab or Monticello, a distance of approximately 145 kms. The Project has not been subject to any recent exploration.

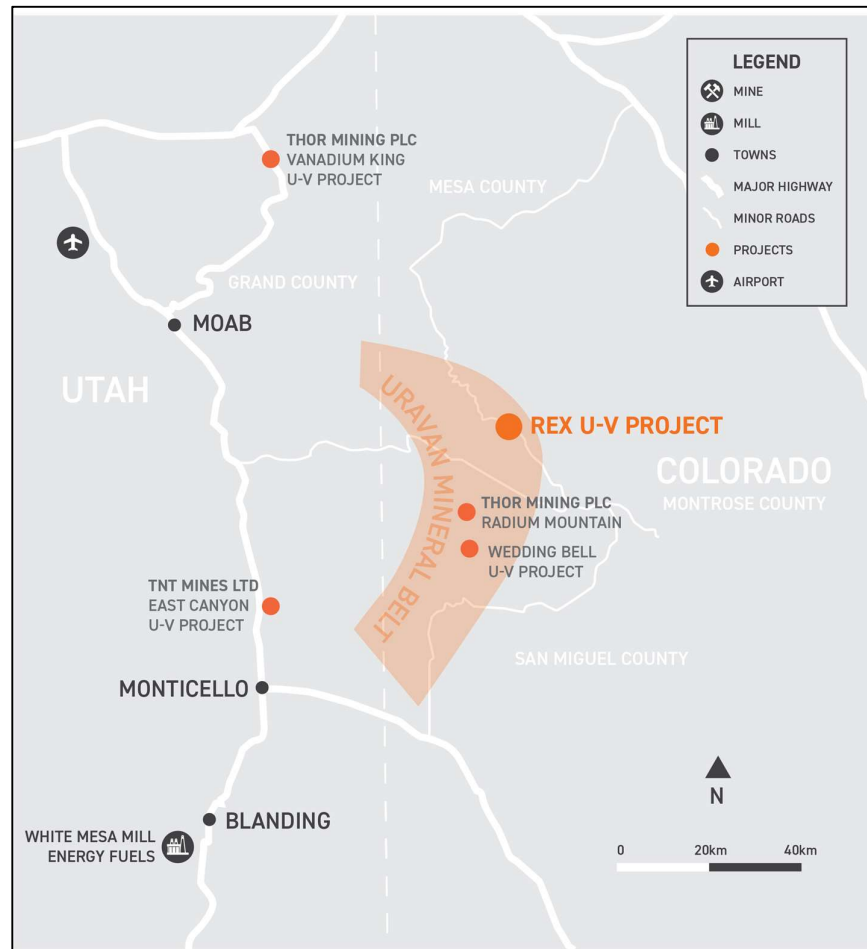


Figure 2 –REX Project, located within the Uravan Mineral Belt

### Competent Person Statement

The information in this report as it relates to exploration results and geology was compiled by Mr Geoff Balfe who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Balfe is a consultant to Delecta Limited. Mr Balfe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Balfe consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.