Global Atomic Announces Positive Economics for Dasa

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TORONTO, April 15, 2020 - Global Atomic Corp. (“Global Atomic” or the “Company”), (TSX: GLO, OTCQX: GLATF; FRANKFURT: G12) the multi-asset development company with cash flow from the BST zinc recycling facility in Turkey and one of the world’s premier uranium development assets, at the Dasa Project, in the Republic of Niger, West Africa, is pleased to announce the results of an optimized mine plan as the basis for a new Preliminary Economic Assessment (“Study” or “PEA”), outlined in this press release.

Global Atomic’s new PEA comprises an optimized Phase 1 of a larger mine development at the Dasa Project. The Phase 1 plan is a low Capex development targeting profitable production over a twelve year mine life. During Phase 1 implementation, Global Atomic will aim to upgrade the substantial mineral resources outside of the Phase 1 mine plan to feed the larger Dasa Project future mine plan (see Figure 1 below).

The results of the Study will be summarized in a technical report prepared pursuant to Canadian Securities Administrators’ National Instrument 43-101, which will be available on the Company’s website (www.globalatomiccorp.com) and filed on SEDAR within 45 days of today’s date.

HIGHLIGHTS: Optimized Phase 1 Project *(All figures are in US dollars)*

- After-tax NPV_8 of $211 million and after-tax IRR of 26.6%
- Cash cost of $16.72 per pound[1]
- All-in sustaining cost (“AISC”) of $18.39 per pound[2]
- Average annual steady-state uranium production of 4.4 million pounds U_3O_8
- Initial capital costs of $203 million, including 20% contingency
- Phase 1 Project mine life of 12 years, mining 48 million pounds U_3O_8 @ 5,396ppm

GLOBAL ATOMIC CHAIRMAN, PRESIDENT & CEO, STEPHEN G. ROMAN COMMENTED:
“The Study demonstrates that the Dasa Project can be a significant new supplier of uranium in the form of yellowcake even in this low uranium price environment. Over the optimized Phase 1 mine plan, using a base case uranium price of $35 per pound, the operation generates an after tax NPV_8 of $211 million and an IRR of 26.6%, at an all-in sustaining cost of $18.39 per pound. This ranks our project in the lowest quartile of the global cost curve. If we apply a long-term uranium price of $50 per pound, the Project IRR increases to 46.3% and the NPV_8 to $485 million.

Our development plan is a low capex route into production that uses conventional underground mining and a processing technology similar to that used by the two existing uranium mines in Niger. This mine plan also provides future access to the contained uranium inventory of over 200 million pounds in the mine’s deeper horizons. The optimized Phase 1 mine plan initially targets high grade mineralization that starts from a depth of 70 meters below surface that, together with a mining friendly jurisdiction, positions the Company as being the next entrant to the worldwide uranium supply chain.

Despite current low spot prices, future uranium market fundamentals are encouraging, driven by robust demand for nuclear power generation and the pressing need for scalable low-carbon energy sources. Primary mine-supply of uranium continues to dwindle and secondary sources of uranium are tightening. A lack of new projects scheduled to come online below a $50 per pound incentive price, means this is an opportune time to advance the development of the Dasa Project.

The next milestone for the Dasa Project is producing a Final Technical Report (“FTR”) to incorporate additional work currently underway, including hydrogeological and environmental impact

assessment studies. The FTR is the key mining permit application document that will be submitted to the Government of Niger later this year. Once the mine permit is issued, Global Atomic will be in a position to finalise the engineering needed to construct the project.”

PEA Overview
The updated 2019 Mineral Resource Estimate (“MRE”), is used as the basis for the Study.[3] This Study investigates underground mining of an area of high grade mineralization, known as the Flank Zone. Additional high-grade mineralisation in stratabound lenses is also considered in the mine plan. Based on this investigation, a stand-alone, underground mining scenario was assessed as the best option. The PEA indicates the Phase 1 mine could operate for twelve years, including the ramp up, and at steady state mining , is planned to produce over four million pounds of U_3O_8 annually.

The objective of the Study was to assess the potential economic and technical viability of uranium production at the Dasa Project as an integrated operating facility to mine and produce yellowcake on the property. Summary project metrics are shown in Table 1 below:

Table 1. Summary Project Metrics @ US$35/lb U_3O_8

Project Economics		
Average Royalty rate (based on Mining Code sliding scale)	%	9.1%
Average annual mine EBITDA(1)	$M	$93.8
After-tax NPV (8% discount rate)	$M	$211
After-tax IRR	%	26.6%
Undiscounted after-tax cash flow (net of capex)	$M	$437
After-tax payback period	Years	4.00
Unit Operating Costs		
LOM average cash cost	$/lb U_3O_8	$16.72
AISC	$/lb U_3O_8	$18.39
Production Profile		
Mine Life	Years	12
Total tonnes of mineralized material processed	M Tonnes	4.0
Peak tonnes per day mineralized material	Tonnes/day	1,124
Mill Head Grade	ppm/t	5,396
Overall Mill Recovery	%	92%
Total Lbs U_3O_8 processed	Mlbs	47.9
Total Lbs U_3O_8 recovered	Mlbs	44.1
Average annual Lbs U_3O_8 production	Mlbs	4.4
Peak annual Lbs U_3O_8 production	Mlbs	5.2

(1) Mine EBITDA is a non-IFRS measure, does not have a standardized meaning prescribed by IFRS and may not be comparable to similar terms and measures presented by other issuers. Mine EBITDA comprises earnings before income taxes, interest expense (income) and financing expense (income), amortization expense, and other expenses including corporate costs.

Economics
The economic analysis for the PEA was done via a discounted cash flow (“DCF”) model based on the mining inventory from the PEA optimized Phase 1 mine plan and a price of US$35 per pound of eU_3O_8. Sensitivity analysis was carried out at $5 per pound price intervals from $25 per pound to $50 per pound, as shown in Table 2. The DCF includes an assessment of the current tax regime and royalty requirements in Niger. Net present value (“NPV”) figures are calculated using a range of discount rates as shown in Table 3. The discount rate used for the base-case analysis is 8% (“NPV_8”). Cash flows are discounted to the start of first construction.

Table 2. Economic sensitivity with varying uranium prices(1)

Uranium price (per pound)	$25/lb	$30/lb	$35/lb	$40/lb	$45/lb	$50/lb
Before-tax NPV @ 8%	$41 M	$139 M	$260 M	$365 M	$485 M	$601 M

After-tax NPV @ 8%	$34 M	$113 M	$211 M	$294 M	$391 M	$485 M
After-tax IRR	11.5%	18.5%	26.6%	32.6%	39.7%	46.3%

(1) Mine Stope Optimisation (“MSO”) and schedule for all uranium price sensitivities used the MSO base case model at $35 per pound uranium

Table 3. Economic sensitivity with varying discount rates using base-case uranium price $35/lb

Discount rate (%)	5%	8%	10%	12%
Before-tax NPV	$341 M	$260 M	$215 M	$177 M
After-tax NPV	$279 M	$211 M	$173 M	$141 M

Mining and Resources
The Study proposes the development of an underground mine using a sublevel blast-hole retreat with cemented paste backfill as a mining method on a 20 meter sublevel spacing.

The Phase 1 mine plan considered only the stope shapes above cut-off grade (“COG”). To generate the stope shape the MSO mine design tool has been used applying 2,300 parts per million (“ppm”) U_3O_8 COG. Within the optimized Phase 1 mine plan considered in the Study, only high grade mineralized material down to a maximum depth of 594 meters below surface has been included. All stopes with grades below the average COG have been eliminated from the actual evaluation, although within individual stopes there does exist some lower grade material as shown in Table 4 below.

Table 4. Mining Parameters	LOM Total	Grade U3O8	Contained U3O8
Units	*M tonnes*	*ppm*	*M lbs*
High Grade Mineralized Material	1.25	11,305	31.1
Medium Grade Mineralized Material	0.98	3,777	8.2
Low Grade Mineralized Material	1.29	2,538	7.2
Lowest Grade Mineralized Material	0.61	1,114	1.5
Total Mined Material	*4.13*	*5,274*	*48.0*
Closing Stockpile	-0.10	475	-0.1
Total Processed Mineralized Material	*4.03*	*5,396*	*47.9*
Waste material	*0.99*		-

Highlights from the July 18, 2019 MRE included a grade-tonnage report at varying cut-off grades across all of the resource are summarized in the following table.

Table 5. Grade-Tonnage report, highlights from July 18, 2019 MRE

Cut-Off eU_3O_8, ppm	Category	Tonnes Mt	eU_3O_8 ppm	Contained metal Mlb
100	Indicated	81.6	718	129.1
	Inferred	96.1	606	128.4
300	Indicated	34.4	1,446	109.6
	Inferred	37.6	1,260	104.6
1,000	Indicated	9.6	3,885	82.1
	Inferred	10.2	3,308	74.2
2,000	Indicated	4.6	6,624	66.8
	Inferred	4.5	5,713	56.8
2,500	Indicated	3.6	7,849	61.9
	Inferred	3.4	6,838	51.4
5,000	Indicated	1.6	13,186	46.8
	Inferred	1.6	10,805	37.2

10,000	Indicated	0.6	24,401	31.1
	Inferred	0.8	14,598	25.3
15,000	Indicated	0.3	34,236	24.3
	Inferred	0.1	21,493	4.0

Processing
The Project will use conventional uranium processing techniques, comprised of dry SAG grinding and classification; pug-leaching and curing; uranium extraction circuit (re-pulping and solid liquid separation); uranium purification and precipitation circuit; drying and packaging; and a paste plant for mine backfill. Based on considerable metallurgical testwork, a recovery of 92% is estimated over the life of the Project, which is planned to produce 44.1 million pounds of U_3O_8 as yellowcake during optimized Phase 1 operations.

The plant is designed with a capacity of 1,000 tonnes per day (t/d) or 365,000 tonnes per annum (t/a) using a modularised design. Layout has been optimised to enable the addition of more processing lines in the future.

Operating Costs

Table 6. Operating Cost(1)	LOM ($million)	$/lb U3O8 Recovered	$/tonne of Feed
Mining Cost	181	4.12	45
Processing Cost	219	4.97	54
G&A Cost	195	4.43	48
Cash Cost	596	13.52	148
Royalty (sliding scale based on EBIT formula)	141	3.20	35
Total Cash Cost	737	16.72	183
Sustaining Capital	73	1.67	18
AISC(2)	811	18.39	201

(1) Due to rounding, some columns may not total exactly as shown

(2) All-in sustaining cost per pound of U_3O_8 represents mining, processing and site G&A costs, royalty, off site costs and sustaining expenditures, divided by payable 44.1 million pounds of U_3O_8

Capital Costs

Table 7. Capital Costs(1)	Initial ($million)	Sustaining Capital ($million)	LOM ($million)
Mining	45	52	97
Processing	64	7	71
Infrastructure	30	9	39
Total Direct Capital Costs	141	66	207
Indirect & Owner's Cost	12	4	16
Total Direct and Indirect Capital Costs	153	70	223
Contingency	30	13	43
Reclamation	0	10	10
Total Capital Costs	183	93	276

(1) Due to rounding, some columns may not total exactly as shown

Value Opportunities
In July 2017, Global Atomic signed a Memorandum of Understanding (“MOU”) with Orano Mining, to supply a minimum 100,000 tonnes of uranium-bearing rock per annum to Orano’s operations in Arlit, approximately 100 kilometers north of the Dasa Project, for a minimum of 5 years. Discussions between the two companies regarding this development opportunity are on-going. A successful conclusion would result in Global Atomic having reduced up-front capital requirements for commencing the project.

The PEA presents an optimized Phase 1 mine plan for the Dasa deposit based on the extraction 4.13 million

tonnes of mineralised material from a sub-vertical section of the deposit on the flank of the graben, from depths of approximately 70 meters to 600 meters below surface. Value opportunities exist in extending the mine-life beyond an initial 12 years, as can be seen from the longitudinal projection shown below. A large volume of mineralised material in the Inferred Resource category is present in the flat-lying portions of the graben between 400 meters and 800 meters below surface that could be mined in future decades. In addition the deposit remains open along strike and at depth.

Next Steps
Global Atomic is currently conducting hydrogeological and environmental studies for inclusion into the FTR to be submitted to the Government of Niger later this year. Limited infill drilling is also being planned with the aim to upgrade Inferred Resources to Indicated Resources.

Once the Mine Permit is issued, Global Atomic will be in a position to finalise the engineering, geotechnical and any final infill drilling needed to construct the project.

Technical Information
The current PEA was prepared by CSA Global Consultants Canada Ltd (“CSA Global”). The PEA optimized Phase 1 is preliminary in nature and includes 12% Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. A plan to upgrade the Inferred resources to Indicated resources is being evaluated at present. Unlike mineral reserves, mineral resources do not have demonstrated economic viability. There is no certainty that the PEA results will be realized.

The current PEA and other scientific and technical information contained in this news release were prepared by CSA Global Pty. Ltd., in accordance with the Canadian regulatory requirements set out in National Instrument 43-101, Standards of Disclosure for Mineral Projects (“NI 43-101”), and has been reviewed and approved by, as it relates to mineral resources: Dmitry Pertel, M.Sc., MAIG, Principal Resource Geologist (CSA Global); as it relates to metallurgy and processing: Russell Bradford BSc, MAusIMM (CP) Associate Principal Metallurgist (CSA Global); as it relates to sampling, drilling, exploration and QAQC: George Flach, P.Geo (Global Atomic); as it relates to mining, infrastructure, mining costs, environment and permitting: Michael Seymour, P.Eng., Associate Principal Mining Engineer (CSA Global); and as it relates to financial modelling and economic analysis: Alex Veresezan, P.Eng., Manager, Mining Americas (CSA Global). Dmitry Pertel, Russell Bradford, and Alex Veresezan are all independent Qualified Persons (“QP”), as defined under NI 43-101. George Flach is a non-independent Qualified Person (“QP”), as defined under NI 43-101.

The mineral resource and mineral reserve estimates contained herein may be subject to legal, political, environmental or other risks that could materially affect the potential development of such mineral resources.

The results of the PEA optimized Phase 1 will be summarized in a technical report prepared pursuant to NI 43-101. Which will be available on the Company’s website (www.globalatomiccorp.com) and will be filed on SEDAR within 45 days. The technical report will include more information with respect to the key assumptions, parameters, methods and risks of determination associated with the foregoing.

About Global Atomic
Global Atomic Corp. is a TSX listed company that provides a unique combination of high-grade uranium development and cash flowing zinc concentrate production.

The Company’s Uranium Division includes six exploration permits in the Republic of Niger covering an area of approximately 750 km^2. Uranium mineralization has been identified on each of the permits, with the most significant discovery being the Dasa deposit situated on the Adrar Emoles III concession, discovered in 2010 by Global Atomic geologists through grassroots field exploration. The Dasa deposit is currently undergoing feasibility studies and an EIS prior to applying for a Mining Permit in H2 2020.

Global Atomic’s Base Metals Division holds a 49% interest in the Befesa Silvermet Turkey, S.L. (“BST”) Joint Venture, which operates a new, state-of-the art processing facility, located in Iskenderun, Turkey, that converts Electric Arc Furnace Dust (“EAFD”) into a high-grade zinc oxide concentrate which is sold to zinc smelters around the world. The Company’s joint venture partner, Befesa Zinc S.A.U. (“Befesa”) listed on the Frankfurt exchange under

‘BFSA’, holds a 51% interest in and is the operator of the BST Joint Venture. Befesa is a market leader in EAFD recycling, capturing approximately 50% of the European EAFD market, with facilities located throughout Europe and Asia.

The new BST Joint Venture plant is expected to double annual production of zinc from 30 million lbs to 60 million lbs supported by EAFD supply currently available for processing in Turkey.

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The information in this release may contain forward-looking information under applicable securities laws. Forward-looking information includes, but is not limited to, statements with respect to completion of any financings; Global Atomic’s development potential and timetable of its operating, development and exploration assets; Global Atomic’s ability to raise additional funds necessary; the future price of uranium; the estimation of mineral reserves and mineral resources; conclusions of economic evaluation; the realization of mineral reserve estimates; the timing and amount of estimated future production, development and exploration; costs of future activities; capital and operating expenditures; success of exploration activities; mining or processing issues; currency exchange rates; government regulation of mining operations; and environmental and permitting risks. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", “targets”, "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". All information contained in this news release, other than statements of current and historical fact, is forward looking information. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Global Atomic to be materially different from those expressed or implied by such forward-looking statements, including but not limited to those risks described in the annual information form of Global Atomic and in its public documents filed on SEDAR from time to time.

Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Although management of Global Atomic has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Global Atomic does not undertake to update any forward-looking statements, except in accordance with applicable securities laws. Readers should also review the risks and uncertainties sections of Global Atomic’s annual and interim MD&As.

These estimates have been prepared in accordance with the requirements of Canadian securities laws, which differ from the requirements of U.S. securities laws. The terms “mineral resource”, “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” are defined in NI 43-101 and recognized by Canadian securities laws but are not defined terms under the U.S. Securities and Exchange Commission (“SEC”) Guide 7 (“SEC Guide 7”) or recognized under U.S. securities laws. U.S. investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be upgraded to mineral reserves. “Inferred mineral resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an “inferred mineral resource” will ever be upgraded to a higher category. Under Canadian securities laws, estimates of “inferred mineral resources” may not form the basis of feasibility or pre-feasibility studies. U.S. investors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Accordingly, these mineral resource estimates and related information may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the U.S. federal securities laws and the rules and regulations thereunder, including SEC Guide 7.

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or

accuracy of this release.

[1]*Cash cost per pound represents mining, processing and site general and administrative costs, royalty and offsite costs, divided by payable uranium of 44.1 million pounds U_3O_8.*

[2]*All-in sustaining cost per pound of uranium represents mining, processing and site general and administrative costs, royalty, offsite costs and sustaining capital expenditures, divided by payable uranium of 44.1 million pounds U_3O_8.*

[3]*See news release dated July 18, 2019 and titled “*GLOBAL ATOMIC ANNOUNCES SIGNIFICANT RESOURCE UPGRADE AT DASA PROJEC*T” filed on SEDAR at www.sedar.com and available on the Company website at* www.globalatomiccorp.com

A photo accompanying this announcement is available at https://www.globenewswire.com/NewsRoom/AttachmentNg/d5fb3ad8-8397-49e6-b0ef-8444d4fd90f1