

Why Invest in Baselode? A Primer on Investing in the Uranium Sector

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TORONTO, June 22, 2020 - [Baselode Energy Corp.](#) ("Baselode" or the "Company") (TSXV: FIND) is a brand new uranium exploration company led by James Sykes and is pleased to publish its investment thesis:

Why Invest in Baselode?

Investor focus is back on the Uranium market and Baselode offers excellent exposure to the upcoming Uranium Bull Market.

6 REASONS TO INVEST IN BASELODE ENERGY:

1. You believe James Sykes, who has helped discover 550,000,000 lbs of uranium, will find more.
2. You want levered exposure to uranium and the tremendous returns a discovery can deliver.
3. You understand nuclear technology is the only real alternative to fossil fuels.
4. You understand the cyclical nature of commodities and disequilibrium of the uranium price.
5. Baselode has a clear objective of discovering an economic & mineable uranium deposit.
6. Uranium price & its juniors have been suppressed for so long, a bull market is overdue.

WHO IS BASELODE?

Baselode (FIND : TSXV) is focused in the Athabasca Basin area with a mission to discover high-grade, near-surface uranium deposits. We are exploring for a specific type of deposit while using a unique methodology to achieve our goals. Everything we do will be geared towards maximizing our ability to make a discovery using our Athabasca 2.0 hypothesis.

We are looking in areas that others have overlooked by capitalizing on the lessons learned from James Sykes multiple discoveries. Baselode is leveraging this knowledge of the Athabasca to quickly find basement-hosted uranium deposits of the type of deposits that are truly economic and easily mineable.

Baselode has an extremely tight share structure with less than 29 Million shares outstanding.

James Sykes: 550,000,000 pounds of uranium – and growing

James is a renowned uranium geologist in the Athabasca Basin, who has helped discover over 550,000,000 pounds of uranium. He is determined to FIND another massive uranium orebody for Baselode using our Athabasca 2.0 hypothesis.

How much is 550M Lbs? In dollar terms, this is equal to \$19.25 billion, at \$35/lb U₃O₈.

How does Baselode stand apart?

Others may have uranium resources, but Baselode is looking for Uranium Deposits – two very different things. If you know where you are going, all roads will get you there. Hence, Baselode has set a clear objective and has charted the path to get there. Our destination? The discovery of a large tonnage, basement-hosted and high-grade uranium deposit within a single jurisdiction.

Athabasca 2.0: Back to the Future - Our new way of looking for uranium

Baselode's Athabasca 2.0 is the concept of exploring for high-grade uranium deposits outside of the traditional unconformity-hosted exploration model. Instead we are focused on the basement rocks that do not pose the challenges that companies face in the traditional Athabasca 1.0 model.

Characteristics related to Athabasca 2.0 are:

- Moving away from the Athabasca Basin to easily access mineralization in the basement rocks;
- Deposits with no sandstone cover, which pose inherent challenges of advancing the project towards production due to high water content.
- Structure is responsible for uranium mineralization, not the sandstone/unconformity. We are looking for large, deep structures that carry fluids
- High grades, near surface & open pitable to minimize engineering risk from the exploration stage.

Athabasca 1.0 – The old model is flawed

Since the discovery of McArthur River and Cigar Lake, the highest-grade deposits in the world, focus has shifted away from basement-hosted deposits that were easily mineable (pre-1970s), towards the very high-grade deposit styles within the Basin beneath thick layers of sandstone. The focus changed from what can be mined to how high of grades can be found. Since +40 uranium discoveries since the 1970s, only 6, or less than 15% have reached the production stage, and only 2 have been mined (albeit with challenges) with over 100 metres thickness of the sandstone layer. The thick sandstone layer is the biggest challenge in developing a mineable uranium deposit due to its high water content.

Why the Athabasca Basin area?

- The safest jurisdiction in the world, and Saskatchewan is very mining friendly
- The Athabasca Basin area hosts the highest grades in the world—3.95% U₃O₈ in the Athabasca vs. 0.15% the rest of the world. 1 wt% U₃O₈ is equivalent to 22.86 gpt gold (\$1,500/oz gold price, \$50/lb uranium price).
- The grades provide for the richest dollar per tonne rock of any metal ore in the world.
- Significant infrastructure is already in place.
- Abundance of freely and easily accessible data given the rich exploration and mining history of uranium in the Athabasca basin.
- Uranium can be processed and easily transported to the US. The US imports 24% of its uranium from Canada.

WHY URANIUM? ITS MACROECONOMIC CASE

The Choice is Nuclear or Fossil Fuels for baseload needs

Uranium is one of the few energy sources which does not need to be shut down for refuelling and is able to supply a constant minimum amount of energy required to consistently power the grid, this is called 'baseload power'. Renewables are not yet able to provide baseload power and fossil fuels come with its own challenges in pollution and emissions. Hence, in a policy era of low to no carbon footprint, if renewable power being simply unable to meet baseload needs, the choice is clear – Uranium/Nuclear or Fossil Fuels.

Nuclear power is Clean, Green & Cost Effective - No carbon emissions

?Nuclear energy is extremely safe, cleanest and one of the cheapest forms of energy production. Nuclear energy is better than fossil fuel alternatives because it:

- Does not generate greenhouse gases;
- Has a higher capacity and density factor than fossil fuels and renewables;
- Is reliable and requires less maintenance over long operating life spans;
- Is cheaper than renewables;
- Is more efficient than fossil fuels: amount of energy released from uranium per gram is 8,000 times more efficient than such as oil or coal. Replacing coal and natural gas with nuclear energy would turn back the climate clock nearly two centuries.

"Nuclear is ideal for dealing with climate change, because it is the only carbon-free, scalable energy source that's available 24 hours a day," – Bill Gates, co-founder of Microsoft Corporation

Uranium pricing – contract vs spot

Utility companies ("Utilities") acquire uranium as the major input for nuclear power generation. Utilities acquire most of their uranium requirements via long-term contracts, while purchasing the rest of their needs in the spot market. Many uranium companies evaluate uranium prices based on the spot market, but long-term contracts entered by the utilities provides a "forward-looking" perspective of the uranium market.

Uranium demand – higher now than ever (pre-Fukushima & pre-uranium boom)

As global electricity generation demand continues to grow and as the world moves towards a cleaner source of energy, nuclear energy is the only practical alternative to fossil fuels.

There are 55 reactors currently under construction, 100 reactors on order or planned, and 300 more reactors proposed worldwide. Capacity increase is led by China. Nuclear demand and use are the highest it has been since the inception of nuclear power.

generation and will continue to grow.

Uranium supply is vulnerable: 55% taken offline overnight due to covid-19

Over 30% of global uranium supply has come offline. These mines include McArthur River, Cigar Lake, Rossing and HEU. Additionally, production cuts by Kazatomprom, the world's largest uranium producer, announced 20% production cuts effective at least 2021. Uranium supply deficit will be increasing over the next few years. The global uranium landscape is dominated by Australia, Kazakhstan, Russia, Canada, South Africa, Niger, Namibia, and China. Of these countries, Canada stands out as the Athabasca Basin hosts the highest-grade uranium deposits in the world.

Energy Nationalization – United States Section 232 -

In April 2020, a plan was put in place to revitalize the US nuclear energy industry while supporting domestic uranium mining. One of the recommendations was to directly purchase 17 – 19 million pounds of U₃O₈ to establish a uranium reserve. This bodes well for Canada, and specifically Saskatchewan given the high-grade nature of uranium in the Athabasca basin, the country's general political stability and continued relationship with the US.

The 2007 Uranium boom

The 2007 Uranium boom saw prices reach \$140/lb. Penny stocks turned into dollar stocks and investors that were out of the market at the low prices prior to 2007 saw exponential gains. It is impossible to know when we are at the top or bottom of the cycle, but timing the market is key. Several key fundamentals that led to the 2007 Uranium boom are being experienced today.

?Future growth of energy production – Small Modular Reactors

Small modular reactors ("SMRs") are smaller than the conventional, capital intensive reactors. SMRs are manufactured and assembled at the site, reducing capital cost for construction and increasing safety. Ultimately, the introduction of SMRs is expected to increase global demand substantially. As the world moves towards a more nuclear future, the less we pollute the environment, the more we will need nuclear power.

?Uranium junior market is small

There are very few junior uranium exploration companies. This means that once Uranium prices increase like in 2007, a lot of capital will once again flood into the junior market, allowing for the implementation of massive exploration and drill programs. Companies with unique exploration strategies, such as BaseLode's Athabasca 2.0, led by management with a successful track record, are poised to see the most attention from investors.

WHY BASELODE'S SHADOW PROJECT?

Because Shadow exhibits very similar structural and geophysical features recognized amongst the "best-of-the-best" class of Athabasca high-grade uranium deposits, such as McArthur River and Arrow deposits. Shadow has:

1. Large, regional structure that goes through the property with uranium, gold and base metals occurrences along the strike–the common denominator for major uranium discoveries;
2. Rock types that are naturally more enriched in Uranium (3x more concentrated) than rocks in the other side of the structure;
3. Many conductors similar to those at NexGen's Arrow, which was also discovered by James Sykes;
4. Geophysical signatures that show the confluence of northwest and northeast trends–a perfect structural set up for uranium mineralization;
5. An area which is underexplored and offers the potential for a uranium deposit.

BaseLode's flagship Shadow Project spans 42,000 hectares and checks all the boxes for a possible Athabasca 2.0 deposit. The property lies outside of the Athabasca Basin and was staked along one of the largest and most prominent structural corridors in northern Saskatchewan–the Virgin River Shear Zone (VRSZ), which presently hosts at least 3 uranium occurrences. Cameco's Centennial deposit, located in the basin, is also structurally controlled by the VRSZ and the deposit has a +7% sandstone cover; again, posing significant development challenges compared to our Athabasca 2.0 model. These deposits indicate that the structure is fertile for uranium.

Evaluating property geophysics, Shadow is situated atop an area where northeast and northwest geophysical trends converge, possibly creating an ideal structural set up for uranium mineralization.

Recent discoveries including Arrow, Triple R and an older discovery Eagle Point–which entered production in the late 1990s–have a combined resource of ~600 million pounds of U₃O₈. This is the type of deposit Shadow potentially has.

Regional Map of BaseLode's Shadow Project

For more information on Baselode:

- [Corporate Presentation](#)
- [Shadow Project Information](#)
- [Baselode Energy Feature Article](#)
- [Baselode Energy Webinar](#)

About Baselode Energy

Baselode is a uranium exploration company with less than 29 million shares outstanding and only 9.8 million shares in the float, focused on discovering a uranium orebody in the Athabasca basin in Saskatchewan, Canada.

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