

# CAT Strategic Metals Announces Plan to Spin off South Preston Uranium Project Into Newly Formed Publicly Traded Company

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VANCOUVER, June 6, 2023 - [CAT Strategic Metals Corp.](#) (CSE:CAT)(OTC PINK:CATTFF)(FRA:8CH) ("CAT" or the "Company") announces that the Board of Directors has approved a plan to pursue a tax-free spin-off of its South Preston Uranium Project, located in Canada's prolific Athabasca Basin, into a separate publicly traded entity. This move is aimed at strengthening the Company's strategic and operational focus, capitalizing on growth opportunities, and unlocking shareholder value. Both companies expect to maintain a strong strategic relationship, preserving a key value proposition for shareholders of both companies. It is anticipated that the spin-off will be completed by the end of the third quarter of the current fiscal year. The date to determine the Shareholders of Record who will be eligible to participate in the issuance of shares by the newly formed company has not been determined as yet but will be announced in the near future.

## Spin-Off Overview

CAT's board and management team determined, as part of the Company's ongoing strategic review of its portfolio, that a spin-off of its South Preston Uranium Project - tentatively to be named Uranium Investments Corp. ("UIC") - provides the best path to enhance shareholder value; including by:

- Distributing 100% of all UIC shares to CAT's shareholders. On the record date, every shareholder who owns CAT stock will receive free shares of UIC on an anticipated 1-for-1 basis. This means that for every CAT share owned on the record date, the shareholder will receive one new UIC share without further payment;
- Enhancing strategic and operational focus to capitalize on growth within each company's mineral exploration and development vertical;
- Aligning capital allocation and capital structures with long term growth targets and market demands, including enhanced opportunities for mergers and acquisitions;

Robert Rosner, CAT's Chairman and CEO, stated; "Our management and board have determined that the spin-off of South Preston into UIC will generate value for shareholders by improving performance and simplifying operational management for both companies. We have great confidence that now is the opportune time for this given the current conditions in the marketplace. The uranium industry, particularly in Canada, is experiencing rapid growth, demanding increased attention for development and a different capital allocation strategy for each company. This promising spin-off will create two publicly traded companies, each with its own potential."

## Transaction Details

Through this transaction, CAT shareholders are expected to receive a pro rata distribution of shares of UIC stock, which is intended, subject to confirmation by CAT's legal and tax advisors, to be tax-free for both CAT and its shareholders with respect to Canadian income tax purposes. The exact number of shares to be distributed to CAT Shareholders of Record will be determined prior to closing, along with the specific transaction structure. Current plans aim for a 1-for-1 share distribution, whereby each CAT shareholder will receive one new UIC share for each CAT share owned on the record date, which is expected to be announced in the coming weeks, with the completed transaction anticipated to occur by the end of the third quarter, or early in the fourth quarter.

CAT is dedicated to optimizing strong capital allocation strategies for each of its projects, in line with their respective long-term goals. Further details pertaining to the transaction, such as each companies' respective capital structures and capital requirements, governance, and other elements, will be announced at the appropriate time.

Although CAT expects to complete the spin-off within the aforementioned time frame, this transaction is subject to all customary conditions including the final approval of the CAT Board of Directors, receipt of a tax opinion, the filing and effectiveness of disclosure statements, and obtaining all necessary regulatory approvals.

### South Preston Uranium Project

Subsequent to the spin-off, exploration activities on the property are expected to significantly increase, as historical and recent exploration in the surrounding area have outlined very promising features. So far, all geophysical survey results are very encouraging. The exploration activities to date have confirmed the location of a major conductive zone beneath a drainage system that follows a very strong NE-trending structural lineament. Similar lineaments are closely associated with uranium deposits in much of the Athabasca Basin, and management's view of the uranium potential of the CAT project is very high.

For example, airborne geophysical surveying identified areas of high background radioactivity in western areas of the property and NE-striking conductors were located to the north and trending towards the CAT property. On-going exploration by Azincourt Energy Corp. ("Azincourt") has identified conductive corridors which have recently been drilled and have been shown to contain sheared, graphitic basement rocks that are commonly the host for significant uranium deposits elsewhere in the Athabasca Basin. CAT's airborne EM and mag survey in the 'Western Block' identified a series of NE-trending conductors, some of which appear to be continuous with the graphitic conductors currently being drilled by Azincourt on its adjacent property to the north. Another zone of interest surveyed as the 'Eastern Block' is located in the general vicinity of surface uranium mineralization reported by Denison Mines in 1970. Results from the biogeochemical sampling in all analyzed CAT areas were extremely encouraging with uranium values reported to be 187 ppm with a mean value of 7.9 ppm and a median of 3.27 ppm.

Taken together, CAT believes that the results of the airborne EM survey and biogeochemical data provide strong evidence of significant uranium-bearing fluids moving along NE-trending conductive corridors and being concentrated in spruce and jackpine twigs via their root systems. The magnitude of the uranium anomalies significantly exceeds background levels as reported by Dunn (2007), and approaches the levels detected over major uranium deposits in the Athabasca Basin such as Key Lake. While the source of the uranium on the CAT property may not be directly below the anomalies, the Company believes the anomalies are well defined and should indicate a local source. If the source was from glacially transported till, one would expect broader and lower amplitude anomalies. The geochemical uranium anomalies are sufficiently high and spatially constrained to justify additional exploration. CAT's South Preston Uranium Project shares ~50km of contiguous claim border with Azincourt which reported uranium enrichment within previously identified alteration zones. Azincourt has reported very positive results from various exploration activities, including drilling, and CAT is particularly encouraged by the results of the recent drilling that occurred in Azincourt's G-Zone, which is quite close to the border of CAT's claim block.

### Conclusion

CAT's management and board express great confidence that this announcement will advance CAT's objective of maximizing performance and returns, while also enhancing the satisfaction of our shareholders. "By creating two focused, agile companies that can pursue tailored strategies aligned with specific long-term growth opportunities, we believe that both companies will experience rapid growth in their own right. As separate public companies with a commercial relationship, we are confident that we can deliver a superior outcome. Specifically, the spin-off of South Preston will enable UIC to develop a strong investment-grade uranium property, while CAT can invest more aggressively for growth, particularly when it comes to the Gold Jackpot property in Nevada. We believe that this approach will position us best to drive further drill programs and large exploration initiatives, ultimately delivering the most promising results and best possible outcomes, benefiting our stakeholders and shareholders," stated Robert Rosner, CAT's Chairman and CEO.

While CAT intends to complete the spin-off on its desired timetable, there can be no guarantee that it will occur within the anticipated timeframe, due to regulatory, or other, necessary outside requirements attendant to completion of the transaction.

### Investor Conference Call

CAT intends to sponsor a live conference call with the investment community to discuss the proposed spin-off, and will provide details to access and join this call once certain preliminary requirements have been met. This will be announced in a news release at the appropriate time.

Mr. Albert (Al) Workman, P.Ge., Senior Associate of Watts, Griffis and McOuat Ltd. is the Qualified Person, as defined under NI 43-101, who has reviewed and approved the technical contents of this news release. He is also a Member of the Association of Professional Engineers and Geoscientists of Saskatchewan ("APEGS") as well as being a Member of the Professional Geoscientists of Ontario, a Fellow of the Society of Economic Geologists and a Fellow of the AusIMM.

#### About CAT Strategic Metals Corporation (CAT)

CAT Strategic Metals' corporate strategy, as reflected in its overall Mission Statement, is to source, identify, acquire and advance property interests located in mineral districts proven to have world-class potential, primarily for gold and copper. In addition to the priority South Preston Uranium Project, CAT is focused on advancing the Burntland Project located northeast of St. Quentin in the Restigouche County, New Brunswick, Canada, directed at the exploration and development of several Skarn-hosted copper-silver, gold targets and the Gold Jackpot strategic metals property located NE of Elko, Nevada, in the Pequop gold-copper-lithium trend with multiple targets for gold-silver, copper, tellurium, and potential lithium. CAT's shares trade on the Canadian Securities Exchange (CSE) under the trading symbol "CAT", and on the Frankfurt Stock Exchange under the symbol "8CH".

#### ON BEHALF OF THE BOARD

Robert Rosner

Chairman, President & CEO

Further information regarding the Company can be found on SEDAR at [www.SEDAR.com](http://www.SEDAR.com), by visiting the Company's website [www.catstrategic.com](http://www.catstrategic.com) or by contacting the Company directly at (604) 674-3145. Neither Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

We seek safe harbour.

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