First American Uranium Reports on New Mexico's Past Uranium Mining and Potential at Red Basin Project

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- New Mexico ranks second in US-based uranium reserves
- The Grants district produced more uranium for 30+ years than any other US district
- First American Uranium's Red Basin Uranium/Vanadium Property is located in the Grants district

Vancouver, British Columbia, Sept. 07, 2023 -- First American Uranium Inc. (CSE: URM) (FSE: IOR) (OTCPK: FAUMF) (the "Company") is pleased to provide information on past exploration and production of uranium in New Mexico, specifically in the region of the Company's Red Basin Uranium/Vanadium Property located in the Grants district, which contains the state's most important uranium deposits. Over 340 million pounds of U3O8 were produced from these deposits in northwestern New Mexico from 1948 to 2002, accounting for 97% of the state's total production and exceeding 30% of America's total production [1].

"The Grants uranium district produced more uranium between 1951 and 1980 than any other district in the US," said Shawn Balaghi, First American Uranium's CEO. "We're fortunate to be situated in such a rich mineral belt and to be focused on building on the region's historical uranium production."

The New Mexico Bureau of Geology and Mineral Resources has reported that New Mexico ranks second in uranium reserves in the US, with 15 million tons of ore at 0.277% U3O8 (84 million lbs U3O8) [2]. New Mexico's annual uranium production increased steadily from 1948 to 1956, from 1957 to 1960, from 1965 to 1968, and from 1973 to 1979. The state attained peak production in 1978, with a record yearly production of 9,371 tons of U3O8 [3].

By 1989, all of New Mexico's conventional underground and open-pit uranium mines had closed due to market factors that no longer apply today:

- The Three Mile Island incident in 1979 fueled a then-growing public perception of nuclear power as being dangerous and costly, which led to nuclear power plants becoming unpopular. In contrast, today the majority of Americans (57%) favor more nuclear power plants to generate electricity in the US, up from 43% in 2020 [4].
- Demand for newly mined uranium dropped at the time due to overproduction of uranium in the 1970s and early 1980s and due to the dismantling of nuclear weapons by the US and Russia, which led to large stockpiles at the time.
- Large coal deposits were discovered throughout the US that appeared attractive at the time for meeting the nation's energy needs. Today, coal's role in US electricity generation continues its steep decline, down from 51% in 2001 [5] to around 19.5% in 2022 [6].

Today, new market factors support the potential for the Grants uranium district in New Mexico to once again become a significant source of domestic uranium, including improved in situ leaching technologies that are lowering production costs and global demand growth that is driving up the price of uranium.

Increased international interest in nuclear power generation is contributing to the growing demand for uranium. For example, in August 2023, Sweden announced its plans to build at least 10 large nuclear reactors to meet that county's expected surge in demand for zero-carbon power. The nation's Minister of the Environment explained that Sweden needed massive volumes of nuclear-generated electricity since, unlike wind or solar, output can be reliably dialled up or down to keep the power supply steady during the peaks and troughs associated with renewable generation. The government also highlighted nuclear power's reduced environmental footprint and limited requirement for resources when compared to most energy

sources [7].

Shawn Balaghi, First American Uranium's CEO, commented: "Between New Mexico's history of significant uranium production and today's pro-uranium market forces, we are more than encouraged as we work toward creating a secure and domestic US-based uranium supply."

About First American Uranium Inc.

First American Uranium Inc. is engaged in the business of mineral exploration and the acquisition of mineral property assets in North America. Its objective is to locate and develop economic precious and base metal properties of merit and to conduct its exploration programs on the Silver Lake and Red Basin properties. The Silver Lake property is situated around Goosly Lake and approximately 30 km southeast of the town of Houston, in the Omineca Mining Division, British Columbia. The Company has acquired a 60% interest in a company that indirectly holds a 100% interest in the Red Basin uranium/vanadium mineral claims located in Catron County, New Mexico.

Sources:
1. SME Annual Meeting Feb. 25-Feb. 28, 2007, Denver, CO
2. EIA, 2006
3. McLemore, 1983; McLemore and Chenoweth, 1989, 2003
4. https://www.pewresearch.org/short-reads/2023/08/18/growing-share-of-americans-favor-more-nuclear-power/
5. https://www.eia.gov/electricity/annual/archive/2011/html/epa_03_01_a.html
6. https://www.eia.gov/electricity/monthly/epm_table_grapher.php?t=table_1_01
7. https://investingnews.com.au/haggan-scoping-study-confirms-the-scale-and-optionality-of-auras-critical-minerals-projec

ON BEHALF OF THE BOARD

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