

ATHA Energy to Acquire Latitude Uranium and 92 Energy to Create a Leading Canadian Uranium Exploration Company

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TORONTO, Dec. 07, 2023 - [Latitude Uranium Inc.](#) ("Latitude Uranium" or "LUR") (CSE: LUR) (OTCQB: LURAF) (FRA: EI1) is pleased to announce that today it has entered into a definitive arrangement agreement (the "Arrangement Agreement") with [ATHA Energy Corp.](#) (CSE: SASK) (OTCQB: SASKF) (FRA: X5U) ("ATHA") pursuant to which ATHA will acquire all of the issued and outstanding common shares of Latitude (the "Latitude Shares") by way of a court-approved plan of arrangement under the Business Corporations Act (Ontario) (the "Arrangement").

Under the terms of the Latitude Arrangement, Latitude shareholders (the "Latitude Shareholders") will receive 0.2769 of a common share of ATHA (each whole share, an "ATHA Share") for each Latitude Share held (the "Latitude Exchange Ratio"). The Latitude Exchange Ratio was determined giving consideration to recent average trading prices for each of Latitude and ATHA. Based upon ATHA's reference price of C\$1.00, the implied consideration per Latitude Share is C\$0.28, representing a 68% premium to Latitude's closing price on December 6, 2023.

ATHA has also entered into a binding scheme implementation deed (the "92E SID") with [92 Energy Limited](#) (ASX: 92E) ("92E") pursuant to which ATHA will acquire all of the issued and outstanding common shares of 92E (the "92E Shares") by way of a scheme of arrangement pursuant to Part 5.1 of the Australian Corporations Act 2001 (Cth) (the "92E Scheme", together with the Arrangement, the "Transactions"). ATHA has also announced its intention to complete one or more financings to raise up to \$14 million concurrent with the completion of the Transactions (the "Concurrent Financing").

Assuming the completion of both the Arrangement and the 92E Scheme, but before giving effect to the Concurrent Financing (see ATHA's press release dated December 7, 2023), the implied market value of pro forma ATHA (the "Company") is expected to be approximately \$267 million with existing shareholders of ATHA, Latitude Uranium and 92E owning approximately 49.25%, 25.37% and 25.38% of the Company, respectively.¹

The Company's board of directors (the "Company Board") will consist of up to six directors, four of whom will be selected by ATHA from the existing ATHA directors, one of whom will be selected by Latitude Uranium from the existing Latitude Uranium directors, and one of whom will be selected by 92E from the existing 92E directors.

Strategic Rationale for the Transaction:

- Largest Exploration Portfolio in Canada: The Company is expected to provide shareholders with exposure to 7.1 million acres of exploration acreage spread across Canada's top three uranium jurisdictions, including the largest holdings in both the Athabasca Basin (Saskatchewan) and Thelon Basin (Nunavut) – two of the highest-grade uranium districts in the world.
- Historical Resources with Expansion Potential: The Company will hold two projects with significant expansion potential with historical mineral resource estimates of:
 - 2.8 million tons at 0.69% U₃O₈ containing 43.3 million lbs of U₃O₈ Inferred at the Angilik Deposit in Nunavut²
 - 14.7 million tons at 0.03% U₃O₈ containing 5.2 million lbs of U₃O₈ Indicated and 28.3 million tons at 0.03% U₃O₈ containing 4.4 million lbs of U₃O₈ Inferred at Moran Lake³ and 5.1 million tons at 0.04% U₃O₈ containing 4.9 million lbs of U₃O₈ Inferred at Anna Lake⁴, both in the Central Mineral Belt ("CMB") of Labrador
- Provides Exposure to a Recent Discovery Along a Mineralized Trend: The Gemini discovery in the Athabasca Basin is a high grade, basement hosted discovery along a mineralized trend with significant potential for additional discoveries along an underexplored corridor.

- **Robust Pipeline of Exploration Catalysts:** The planned 2024 exploration program is expected to include: Post-discovery corridor expansion geophysics and drilling, greenfield exploration programs and results from NexGen Energy's summer 2023 drilling program on areas including ATHA's 10% carried interest, which constitutes NexGen Energy's largest exploration program since the discovery of the Arrow deposit.
- **Strong Balance Sheet to Execute on Growth Initiatives:** With no debt and a forecast cash balance of over \$55 million⁵ on completion of the Transactions and Concurrent Financing, the Company's exploration activities are expected to be fully funded well into 2025.
- **Exceptional Leadership Team:** The amalgamated board and management team of the Company have decades of experience, with a demonstrated track record in all facets of uranium exploration, development operations, and capital formation needed to drive growth in uranium resources and build shareholder value.
- **Strengthened Capital Markets Profile:** Significantly larger market capitalization of the Company is expected to improve liquidity and attract increased institutional investor interest.

John Jentz, Chief Executive Officer of Latitude Uranium, commented: "We are very excited to be part of such a transformative transaction to create an unparalleled uranium exploration company focused on Canada's three major uranium districts. The benefits for LUR shareholders are clear, an immediate increase in value combined with on-going exposure to one of the most robust portfolios of high-upside uranium assets in the entire sector. The combined company will be fully funded with \$55 million⁴ in cash and boasts a suite of highly complementary uranium assets across the exploration spectrum. The combined company will have increased scale and prospectivity and we believe it will be a go-to name in the uranium exploration industry."

Benefits to LUR Shareholders

- Immediate premium to LUR Shareholders of 56.1% based on the closing price of the ATHA Shares on the CSE on December 6, 2023;
- Combines complimentary exploration assets to become the most complete vehicle for uranium exploration exposure in Canada;
- Entry to the Athabasca Basin with exposure to a significant pipeline of fully funded and ongoing exploration projects including the Gemini Discovery and carried interest upside on active exploration blocks held by NexGen and IsoEnergy;
- Improved access to capital and estimated resulting cash balance of over \$55 million⁵;
- Complimentary management and technical teams with a focus on development, and exploration;
- Increased scale creates a stronger platform for future M&A, greater access to capital and expanded research coverage;
- Potential inclusion to uranium focused ETFs which will bolster liquidity and enhance capital markets profile; and
- Potential re-rating from asset diversification, as well as additional exploration upside.

Board of Directors' Recommendations

After consultation with its financial and legal advisors, the board of directors of Latitude Uranium (the "Latitude Board") unanimously determined that the Arrangement is in the best interests of Latitude Uranium and approved the Arrangement Agreement. Accordingly, the Latitude Board unanimously recommends that Latitude Shareholders vote in favour of the resolution (the "Arrangement Resolution") to approve the Arrangement.

PI Financial Corp. and Red Cloud Securities Inc. have provided a fairness opinion to the Latitude Board, stating that, as of the date of such opinion, and based upon and subject to the assumptions, limitations and qualifications stated in such opinion, the consideration to the Latitude Shareholders under the Arrangement Resolution is fair, from a financial point of view, to Latitude Shareholders (the "Latitude Fairness Opinions").

The full text of the Latitude Fairness Opinions, which describe, among other things, the assumptions made, procedures followed, factors considered and limitations and qualifications on the review undertaken, and the terms and conditions of the Arrangement, will be included in the management information circular of Latitude

Uranium (the “Latitude Circular”), to be delivered to Latitude Shareholders in respect of a special meeting of the Latitude Shareholders to be held to consider the Arrangement (the “Latitude Meeting”), which is expected to take place in Q1 2024.

The Arrangement

The Arrangement will be effected by way of a court-approved plan of arrangement pursuant to the Business Corporations Act (Ontario) requiring: the approval of (i) the Ontario Superior Court of Justice (Commercial List), and (ii) (A) 66 2/3% of the votes cast on the Arrangement Resolution (as defined below) by the Latitude Shareholders; (B) if required, a simple majority of the votes cast on the Arrangement Resolution by Latitude Shareholders, excluding Latitude Shares held or controlled by persons described in terms (a) through (d) of Section 8.1(2) of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions, at the Latitude Meeting; and (iii) a simple majority of the votes cast by ATHA shareholders on the resolution authorizing the issuance of the ATHA Shares in connection with the Transactions (the “ATHA Transactions Resolution”) at a special meeting of ATHA shareholders to be called for the purposes of approving the ATHA Transactions Resolution (the “ATHA Meeting”).

Each of the directors and executive officers of Latitude Uranium together with IsoEnergy Ltd. (“IsoEnergy”), representing an aggregate of approximately 16.2% of the issued and outstanding Latitude Shares, have entered into voting support agreements with ATHA, pursuant to which they have agreed, among other things, to vote their Latitude Shares in favour of the Arrangement Resolution at the Latitude Meeting.

Each of the directors and executive officers of ATHA, together with The New Saskatchewan Syndicate, representing an aggregate of approximately 32.2% of the issued and outstanding ATHA Shares, have entered into voting support agreements, pursuant to which they have agreed, among other things, to vote their ATHA Shares in favour of the ATHA Transactions Resolution at the ATHA Meeting.

The Arrangement Agreement includes customary representations and warranties for a transaction of this nature as well as customary interim period covenants regarding the operation of ATHA and Latitude Uranium’s respective businesses. The Arrangement Agreement also provides for customary deal-protection measures, including a \$1,887,357 termination fee payable by Latitude Uranium or ATHA in certain circumstances. In addition to shareholder and court approvals, closing of the Arrangement is subject to applicable regulatory approvals, including, but not limited to, CSE approval and the satisfaction of certain other closing conditions customary for transactions of this nature. Completion of the Arrangement is not conditional on the completion of the 92E Scheme or the Concurrent Financing. However, completion of the 92E Scheme is conditional upon, among other things, completion of the Arrangement.

Subject to the satisfaction of these conditions, it is expected that the Arrangement will be completed in the first quarter of 2024.

Following completion of the Arrangement, the ATHA Shares will continue to trade on the CSE, subject to approval of the CSE in respect of the ATHA Shares being issued pursuant to the Arrangement. The Latitude Shares will be de-listed from the CSE following closing of the Arrangement.

Details regarding these and other terms of the Arrangement are set out in the Arrangement Agreement, which will be available under the SEDAR+ profile Latitude Uranium at www.sedarplus.ca. Full details of the Arrangement will also be included in the Latitude Circular which will be available under Latitude Uranium’s SEDAR+ profile.

Advisors

PI Financial Corp. is acting as financial advisors to Latitude Uranium and Cassels Brock & Blackwell LLP is acting as legal advisor to Latitude Uranium. Red Cloud Securities Inc. has provided a fairness opinion to the Latitude Board.

Qualified Person Statement

The scientific and technical information in this news release with respect to Latitude Uranium has been reviewed and approved by Nancy Normore, M.Sc., P.Geo, the Vice President of Exploration of Latitude Uranium, who is a “Qualified Person” (as defined in NI 43-101).

1 Ownership percentages calculated based on fully-diluted in-the-money capitalization of each of Atha, 92E

and Latitude. On closing, 6.525M outstanding 92E options will be cancelled and exchanged for 1.95M Atha shares a cashless basis.

2-4 This estimate is considered to be a "historical estimate" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") and is not considered by Latitude Uranium to be current. See below for further details regarding the historical mineral resource estimates.

2. Notes on the Historical Mineral Resource Estimate for the Angilak Deposit:

This estimate is considered to be a "historical estimate" under NI 43-101 and is not considered by Latitude Uranium to be current. See below for further details regarding the historical mineral resource estimate for the Angilak Property.

- a) Mineral resources which are not mineral reserves do not have demonstrated economic viability.
- b) The estimate of mineral resources may be materially affected by geology, environment, permitting, legal, title, taxation, sociopolitical, marketing or other relevant issues.
- c) The quality and grade of the reported inferred resource in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as an indicated or measured mineral resource, and it is uncertain if further exploration will result in upgrading them to an indicated or measured resource category.
- d) Contained value metals may not add due to rounding.
- e) A 0.2% U₃O₈ cut-off was used.
- f) The mineral resource estimate contained in this press release is considered to be "historical estimates" as defined under NI 43-101 and is not considered by LUR to be current.
- g) Reported by ValOre Metals Corp. in a Technical Report entitled "Technical Report and Resource Update For The Angilak Property, Kivalliq Region, Nunavut, Canada", prepared by Michael Dufresne, M.Sc., P.Geol. of APEX Geosciences, Robert Sim, B.Sc., P.Geol. of SIM Geological Inc. and Bruce Davis, Ph.D., FAusIMM of BD Resource Consulting Inc., dated March 1, 2013.
- h) As disclosed in the above noted technical report, the historic estimate was prepared under the direction of Robert Sim, P.Geol, with the assistance of Dr. Bruce Davis, FAusIMM, and consists of three-dimensional block models based on geostatistical applications using commercial mine planning software. The project limits area based in the UTM coordinate system (NAD83 Zone14) using nominal block sizes measuring 5x5x5m at Lac Cinquante and 5x3x3 m (LxWxH) at J4. Grade (assay) and geological information is derived from work conducted by Kivalliq during the 2009, 2010, 2011 and 2012 field seasons. A thorough review of all the 2013 resource information and drill data by a Qualified Person, along with the incorporation of subsequent exploration work and results, which includes some drilling around the edges of the historical resource subsequent to the publication of the 2013 technical report, would be required in order to verify the Angilak Property historical estimate as a current mineral resource.
- i) The historical mineral resource estimate was calculated in accordance with NI 43-101 and CIM standards at the time of publication and predates the current CIM Definition Standards for Mineral Resources and Mineral Reserves (May, 2014) and CIM Estimation of Mineral Resources & Mineral Reserves Best Practices Guidelines (November, 2019).

3. Notes on the Historical Mineral Resource Estimate for the Moran Lake Deposit:

This estimate is considered to be a "historical estimate" under NI 43-101 and is not considered by Latitude Uranium to be current. See below for further details regarding the historical mineral resource estimate for the Moran Lake Deposit.

- a) Reported by Crosshair Exploration & Mining Corp in a Technical Report entitled "Form 43-101F1 Technical Report on the Central Mineral Belt (CMB) Uranium Project, Labrador, Canada", prepared by Jeffrey A. Morgan, P.Geol. and Gary H. Giroux, P.Eng, dated July 31, 2008, with an updated mineral resource estimate for the Moran Lake C-Zone along with initial mineral resources for the Armstrong and Area 1 deposits.
- b) They modelled three packages in the Moran Lake Upper C-Zone (the Upper C Main, Upper C Mylonite, and Upper C West), Moran Lake Lower C-Zone, two packages in Armstrong (Armstrong Z1 and Armstrong Z3), and Trout Pond. These mineral resources are based on 3D block models with ordinary kriging used to interpolate grades into 10 m x 10 m x 4 m blocks. A cut-off grade of 0.015% U₃O₈ was used for all zones other than the Lower C Zone which employed a cut-off grade of 0.035%.
- c) A thorough review of all historical data performed by a Qualified Person, along with additional exploration work to confirm results, would be required to produce a current mineral resource estimate prepared in accordance with NI 43-101 standards.

4. Notes on the Historical Mineral Resource Estimate for the Anna Lake Deposit:

This estimate is considered to be a "historical estimate" under NI 43-101 and is not considered by Latitude Uranium to be current. See below for further details regarding the historical mineral resource estimate for the Anna Lake Deposit.

- a) LUR would need to review and verify the scientific information and conduct an analysis and reconciliation

of historical drill and geological data in order to verify the historical estimate as a current mineral resource.

b) Reported by Bayswater Uranium Corporation in a Technical Report entitled "Form 43-101 Technical Report on the Anna Lake Uranium Project, Central Mineral Belt, Labrador, Canada", prepared by R. Dean Fraser, P.Geo. and Gary H. Giroux, P.Eng., dated August September 30, 2009.

c) A 3-dimensional geologic model of the deposit was created for the purpose of the resource estimate using the Gemcom/Surpac modeling software. A solid model was created using a minimum grade x thickness cutoff of 3 meters grading 0.03% U₃O₈. Intersections not meeting this cutoff were generally not incorporated into the model. The shell of this modeled zone was then used to constrain the mineralization for the purpose of the block model. Assay composites 2.5 meters in length that honoured the mineralized domains were used to interpolate grades into blocks using ordinary kriging. An average specific gravity of 2.93 was used to convert volumes to tonnes. The specific gravity data was acquired in-house and consisted of an average of seventeen samples collected from the mineralised section of the core. The resource was classified into Measured, Indicated or Inferred using semi-variogram ranges applied to search ellipses. All resources estimated at Anna Lake fall under the "Inferred" category due to the wide spaced drill density. Either LUR or Beaconsfield would need to conduct an exploration program, including twinning of historical drill holes in order to verify the Anna Lake Project estimate as a current mineral resource.

5 Cash balance based on best efforts financing of \$14 million.

About Latitude Uranium Inc.

Latitude Uranium is exploring and developing two district-scale uranium projects in Canada. Our primary focus is expanding the resource base at Angilak, which ranks amongst the highest-grade uranium deposits globally, outside of the Athabasca. Additionally, we are advancing the CMB Project, situated in the prolific Central Mineral Belt in central Labrador adjacent to the Michelin Deposit, with numerous occurrences of uranium, copper and potential IOCG style mineralization.

About ATHA Energy Corp.

ATHA is a mineral exploration company focused on the acquisition, exploration, and development of mineral resource properties. ATHA holds the largest cumulative exploration package in each of the Athabasca Basin and Thelon Basin, two of the world's most prominent basins for uranium discoveries, with 4.6 million total acres along with a 10% carried interest portfolio of claims in the Athabasca Basin operated by NexGen Energy Ltd. (TSX: NXE) and Iso Energy Ltd. (TSX:ISO).

For more information visit www.athaenergy.com

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Neither the CSE nor its Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

None of the securities to be issued pursuant to the Transactions have been or will be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and any securities issuable in the Transactions are anticipated to be issued in reliance upon available exemptions from such registration requirements pursuant to Section 3(a)(10) of the U.S. Securities Act and applicable exemptions under state securities laws. This press release does not constitute an offer to sell, or the solicitation of an offer to buy, any securities.

Cautionary Statement Regarding Forward-Looking Information

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "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 state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". These forward-looking statements or information may relate to the Transactions, including statements with respect to the expected benefits of the Arrangement to the Latitude Shareholders, the anticipated composition of the Company Board, the anticipated mailing of the Latitude Circular and the date of the Latitude Meeting, timing for closing of the Arrangement and receiving the required regulatory, shareholders and court approvals, stock exchange (including the CSE) and other approvals, the ability of Latitude Uranium and ATHA to successfully close the Arrangement on the timing and terms described herein, or at all, the filing of materials on SEDAR+, the successful integration of the businesses of Latitude Uranium and ATHA, the prospects of each companies' respective projects, the anticipated size of the Concurrent Financing, the Company's planned exploration program for 2024, and the pro forma ownership of the Company.

Forward-looking statements are necessarily based upon a number of assumptions that, while considered reasonable by management of Latitude Uranium at the time, are inherently subject to business, market and economic risks, uncertainties and contingencies that may cause actual results, performance or achievements to be materially different from those expressed or implied by forward-looking statements. Such assumptions include, but are not limited to, assumptions regarding the Company following completion of the Arrangement, that the anticipated benefits of the Arrangement will be realized, completion of the Arrangement, including receipt of required shareholder, regulatory, court and stock exchange approvals, the ability of Latitude Uranium and ATHA to satisfy, in a timely manner, the other conditions to the closing of the Arrangement, other expectations and assumptions concerning the Arrangement, and that general business and economic conditions will not change in a material adverse manner. Although Latitude Uranium has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information 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 information.

Such statements represent the current views of Latitude Uranium with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by Latitude Uranium, are inherently subject to significant business, economic, competitive, political and social risks, contingencies and uncertainties. Risks and uncertainties include, but are not limited to the following: inability of Latitude Uranium and ATHA to complete the Arrangement, a material adverse change in the timing of any completion and the terms and conditions upon which the Arrangement is completed; inability to satisfy or waive all conditions to closing the Arrangement as set out in the Arrangement Agreement; the Latitude Shareholders or ATHA Shareholders not approving the Arrangement; the CSE not providing approval to the Arrangement and all required matters related thereto; the inability of the Company to realize the benefits anticipated from the Arrangement and the timing to realize such benefits; unanticipated changes in market price for Latitude Shares and/or ATHA Shares; changes to Latitude Uranium's and/or ATHA's current and future business plans and the strategic alternatives available thereto; treatment of the Arrangement under applicable competition laws and the Investment Canada Act; regulatory determinations and delays; any impacts of COVID-19 on the business of the Company and the ability to advance the Company's projects; stock market conditions generally; demand, supply and pricing for uranium; and general economic and political conditions in Canada and other jurisdictions where the applicable party conducts business. Other factors which could materially affect such forward-looking information are described in the risk factors in Latitude Uranium's most recent annual information form and other filings with the Canadian securities regulators which are available under LUR's profile on SEDAR+ at www.sedarplus.ca. Latitude Uranium does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

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