

CSE: URM



Building Value With Each Discovery

Corporate Discovery | March 2023



# Forward Looking Statement

This Prospectus contains "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information may include, but is not limited to, statements with respect to the future price of metals, historical estimates of mineralization, capital expenditures, success of exploration activities, permitting time lines, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage, the completion of regulatory approvals. In certain cases, forward-looking information can be identified by the use of words 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 statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information in this Prospectus includes, among other things, proposed expenditures for exploration work on the Silver Lake Property (as defined herein), general and administrative expenses, expectations generally regarding completion of this Offering, the ability of the Issuer to raise further capital for corporate purposes, the utilization of the net proceeds of the Offering, the Common Shares offered pursuant to this Offering being "qualified investments" under the Tax Act and the Regulations, the Issuer's proposed application to list the Common Shares on the Canadian Securities Exchange as of the day before the Closing of the Offering and anticipated timing thereof and treatment under applicable governmental regimes for permitting and approvals.

Such forward-looking information is based on a number of material factors and assumptions, including, but not limited in any manner, to the ultimate determination of mineral reserves, if any, the availability and final receipt of required approvals, licenses and permits, sufficient working capital to develop and operate any proposed mine, access to adequate services and supplies, that financial markets will not in the long term be adversely impacted by the COVID-19 pandemic, economic conditions, commodity prices, foreign currency exchange rates, interest rates, access to capital and debt markets and associated costs of funds, availability of a qualified work force and the ultimate ability to mine, process and sell mineral products on economically favourable terms. While the Issuer considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to, risks and uncertainties disclosed in this Prospectus. The Issuer has no specific policies or procedures for updating forward-looking information. Forward-looking information is based upon management's beliefs, estimates and opinions on the date the statements are made and, other than as required by law, the Issuer does not intend, and undertakes no obligation, to update any forward-looking information to reflect, among other things, new information or future events.

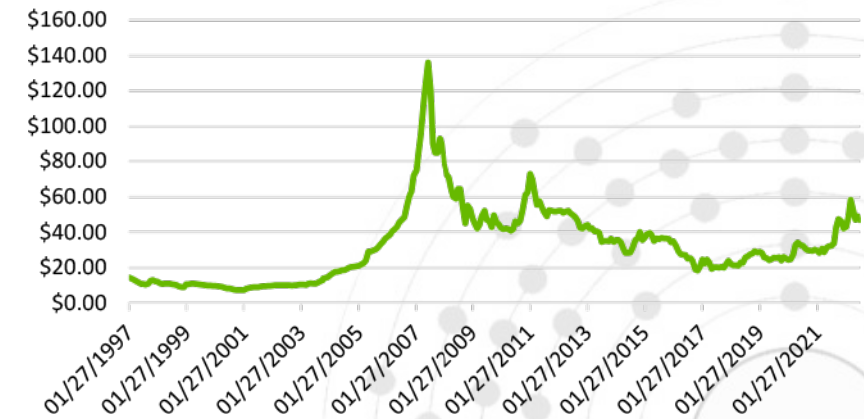
Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions made by management in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, as of the date of this Prospectus. These include, without limitation, assumptions about: favourable equity and debt capital markets; the ability to raise any necessary additional capital on reasonable terms to advance the exploration and development of the Silver Lake Property and/or to acquire and explore and develop any additional properties and assets; future prices of metals, commodities and productions costs; the timing and results of exploration and development programs; the geology of the Silver Lake Property being as described in the Technical Report; the accuracy of budgeted exploration and development costs and expenditures; future currency exchange rates and interest rates; operating conditions being favourable such that the Issuer is able to operate in a safe, efficient and effective manner; political and regulatory stability; the receipt of governmental, regulatory and third party approvals, licenses and permits on favourable terms; obtaining required renewals for existing approvals; requirements under applicable laws; sustained labour stability; stability in financial and capital



# Why Uranium? The Recovery has begun

- Japan developing a nuclear energy plan to tackle energy prices and decarbonization, including extending current reactor life, and constructing new reactors.
- Over 60% of Japanese now support nuclear – a huge positive change in sentiment.
- Japanese nuclear expansion has potential to significantly impact uranium demand, adding further pressure to prices.
- US govt. has approved \$700M funding package for nuclear.
- Multiple new reactor programs including UK, France & South Korea. India plans to triple reactor fleet over next decade.
- New uranium ETF and buy & hold funds such as SPUT have tightened the spot market further.
- Spot price hitting highest levels in over ten years. Long-term prices rising at a steady rate with little volatility.
- M&A activity has increased with Cameco and Orano acquisition of Idemitsu's stake in Cigar Lake; UEC acquisition of UEX.
- SMR development moving fast. First SMR factory build announced (in the US) which will allow rapid roll out. Countries including Canada plan to install multiple SMRs before end of 2020s.
- China has committed \$440 billion to develop 150 nuclear reactors over the next fifteen years in efforts to become carbon neutral

**Historical Uranium Spot Price  
(US\$/lb U<sub>3</sub>O<sub>8</sub>)**



# Uranium Miners May Be Poised to Take Market Share

Nuclear energy generates 10% of the world's electricity<sup>1</sup> and more than 50% of zero-carbon emissions electricity<sup>2</sup>

Uranium miners are miniscule in market capitalization compared to the largest energy companies, namely oil & gas conglomerates

US. Department of Energy has requested \$4.3B to assist with transition away from Russian sources of uranium

Aug. 7 climate and energy provisions of Democrats' Inflation Reduction Act commit US\$370 Billion toward clean energy

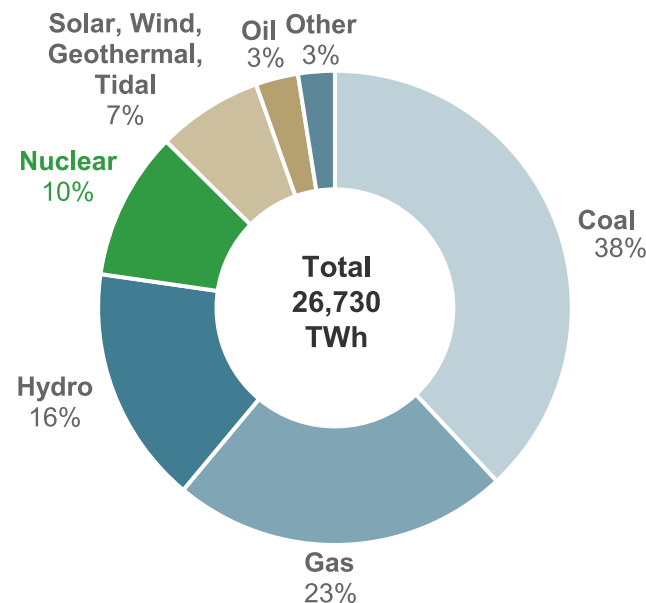
New U.S. climate & energy bill to provide \$15/MWh tax credit for existing reactors

Biden's infrastructure bill supports nuclear:

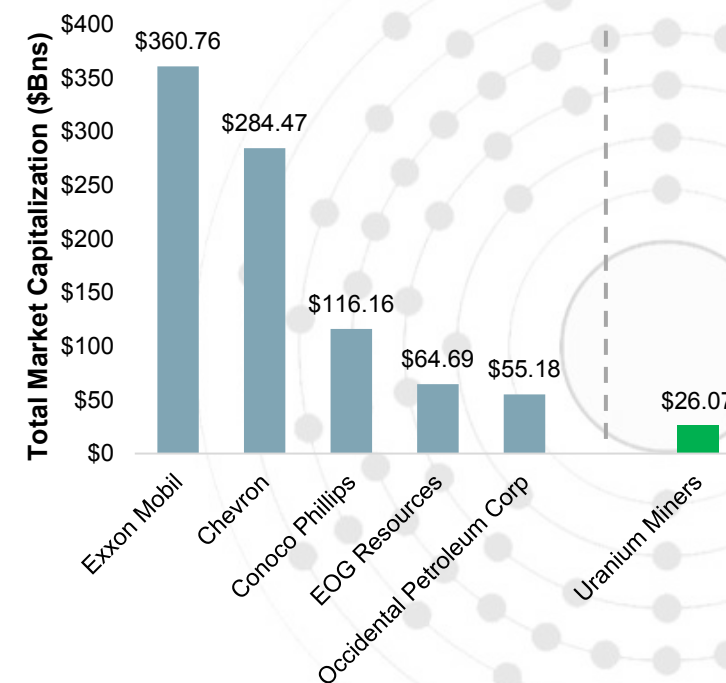
- \$6 billion to support at-risk nuclear power plants
- Funding secured for \$3.5B of advanced nuclear power

*"With around two thirds of the world's electricity still coming from burning fossil fuels, reaching these climate goals by 2050 will require at least 80% of electricity to be shifted to low carbon sources, according to the International Energy Agency (IEA)."*

## Global Electricity Production by Source



## Largest Energy Companies<sup>3</sup> vs. Uranium Miners<sup>4</sup>



<sup>1</sup>Source: International Atomic Energy Agency (IAEA) as of 12/31/2019. <sup>2</sup>Source: NEI.org as of 4/30/2020.

<sup>3</sup>Reflects the top five largest holdings of the SPDR Select Sector Energy ETF (NYSE: XLE) as of 3/31/2022.

<sup>4</sup>Reflects the sum of the market cap of selected holdings from the following:

<sup>1</sup> North Shore Sprott Uranium Miners Index; <sup>2</sup> the eligibility list of the Solactive Global Nuclear & Components Index;

<sup>3</sup> Uranium companies screened through Bloomberg and Factset. Selected companies are those identified to have a substantial portion of their business model related to the mining of uranium. Source: Factset as of 6/30/2022.

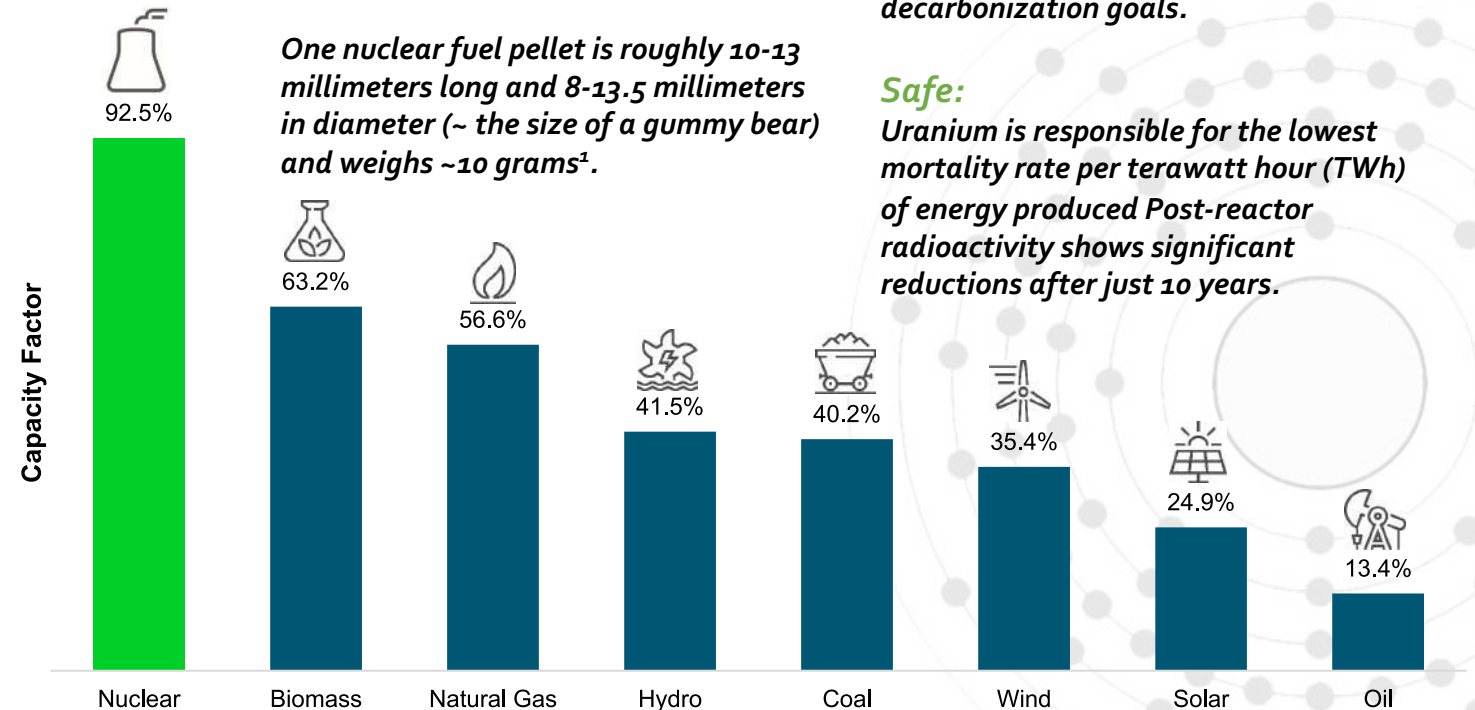




# Nuclear Energy is Reliable...

*Nuclear energy has the highest capacity factor<sup>1</sup> versus both traditional and alternative energy sources, prompting renewed attention to help solve global energy needs.*

*Most nuclear power utilities are required to hold at least three years' worth of uranium supply<sup>2</sup>.*



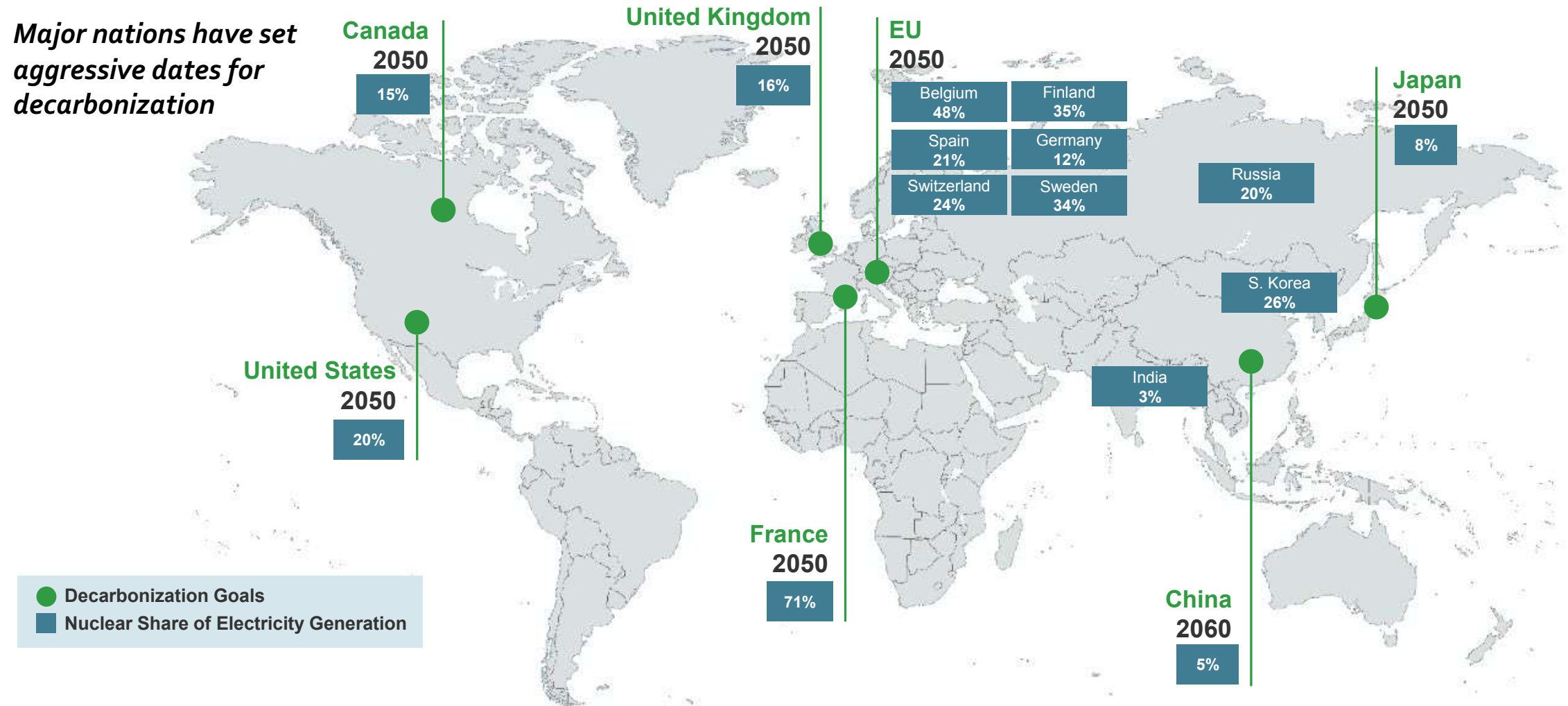
<sup>1</sup>Measures the total amount of energy produced during a period of time divided by the amount of energy the plant would have produced at full capacity.

<sup>2</sup>According to research completed by Nigel Littlewood & Jackson Lee, May 2018 Research Note (Uranium).

Source: U.S. Energy Information Administration and Energy.gov. Data as of 12/31/2020.



# Decarbonization Goals Align with Nuclear Growth



Source: Carbon Neutrality by 2050: the World's Most Urgent Mission. Technical assessment of nuclear energy with respect to the 'do no significant harm' criteria of Regulation (EU) 2020/852 ('Taxonomy Regulation'). World Nuclear as of 12/31/2020.



# Why Invest in Uranium Miners Now

## 1 Strong Industry Fundamentals are Helping to Recapitalize the Sector

### Producers:

Rising uranium price is incentivizing miners to restart idle mines

### Developers:

Renewed investor interest in the sector is helping to advance development

**Explorers:** Are incentivized to resume drilling and exploration to identify new uranium deposits

***Uranium miners are under-represented across the energy equity sector, posing strong upside potential***

## 2 Uranium and Nuclear Energy May Be Critical to the Clean Energy Transition & Achieving Energy Security

Nuclear energy is relatively more reliable, efficient, clean, safe and secure<sup>1</sup>

Government policies are shifting in favor of nuclear energy, an ideal complement to renewable energy sources

Invasion of Ukraine and resulting energy crisis in Europe has highlighted the need to balance energy transition with energy security

Sentiment surrounding nuclear energy is improving

## 3 New Uranium Bull Market is Underway, Incentivizing Miners and Investors

Existing uranium supply may not meet future demands, encouraging non-utility uranium buyers to enter the market

Utilities are expected to accelerate purchases of uranium to ensure security of supply and price over the long-term

Availability of secondary supplies of uranium have been drawn down over the past few years

Uranium spot prices have surged over the past 12 months, helping drive strong and sustainable economics for uranium miners





# The Competitive Landscape

Company	Ticker	Jurisdiction	Main Property	Market Cap*
<b>Fission Uranium</b>	TSXV: FCU	Australia	Queensland	\$436M
<b>Mega Uranium</b>	TSXV:MGA	Canada	Saskatchewan	\$69M
<b>GoviEx Uranium</b>	CSE:GXU	Niger	Madaouela	\$132M
<b>Purepoint Uranium</b>	CSE:PTU	Canada	Saskatchewan	\$26M
<b>First American Uranium</b>	CSE: URM	Canada United States	British Columbia, Canada New Mexico, USA	\$3M





# Right Project, Right Time for Development

## GREATLY STRENGTHENED URANIUM SECTOR

Higher uranium prices and continually increasing focus and spending on green energy is shining the spotlight on Tier One uranium projects.





# Silver Lake Project

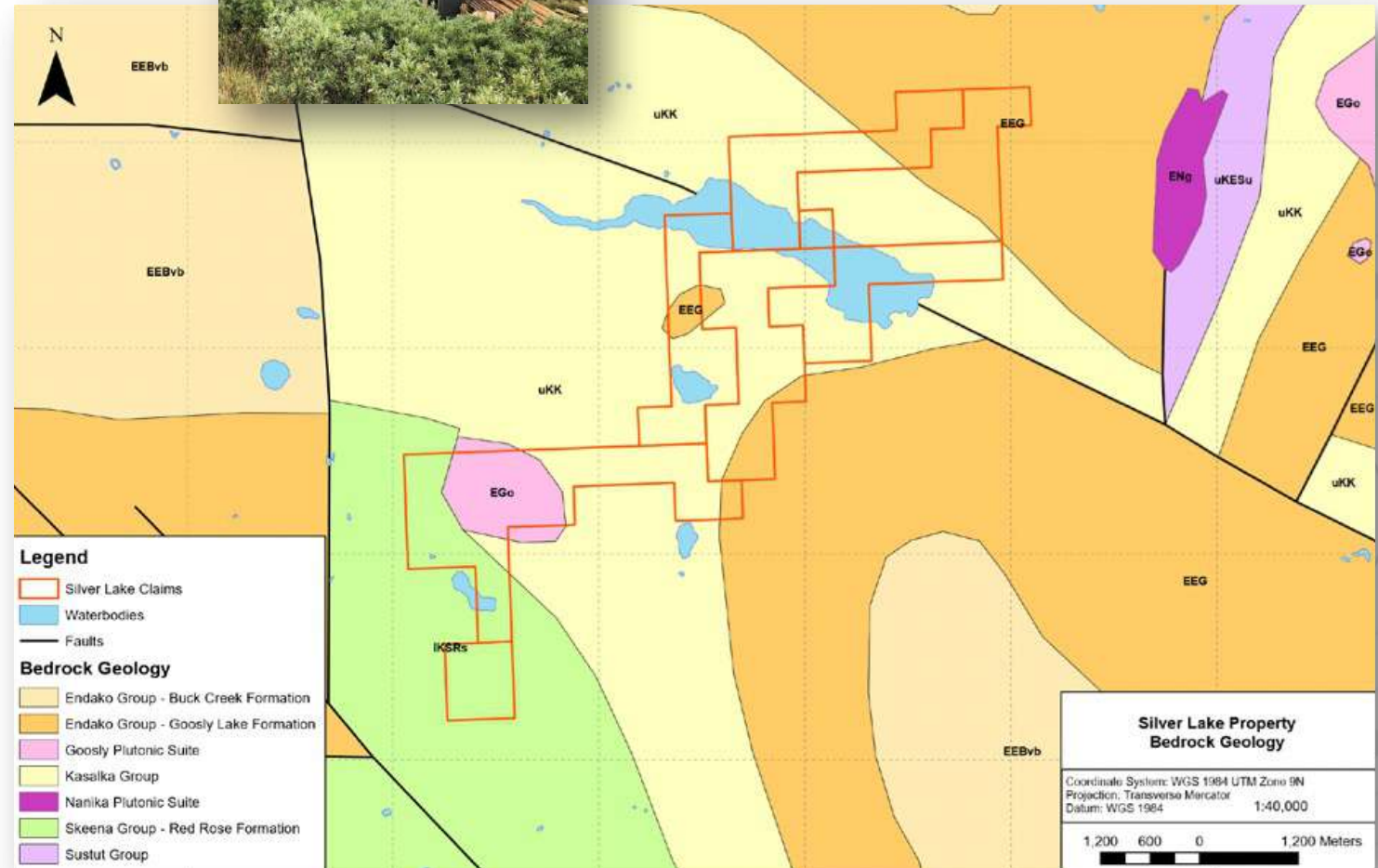
## Property Description and Location

The Silver Lake Property is situated around Goosly Lake, approximately 30 km southeast of the town of Houston, BC in north-central British Columbia. The Property consists of 8 contiguous mineral claims totaling 1647.24 ha within the Omineca Mining Division (see Table 4.2.1 below). The mineral claims are located on Crown Land.

Previous to FAU's acquisition, extensive geochemical sampling, geophysical surveys, physical work, percussion and diamond drilling have been conducted on various cells within the Silver Lake Property.

## Property Geology

The Silver Lake property and surrounding area is underlain by sedimentary rocks of the Skeena Group (Red Rose Formation), andesitic volcanics of the Kasalka Group, and volcanics of the Endako Group (Buck Creek, Goosly Lake formations). A stock belonging to the Goosly Lake plutonic suite is mapped intruding Kasalka Group sediments in the western portion of the Gillian Link claim.



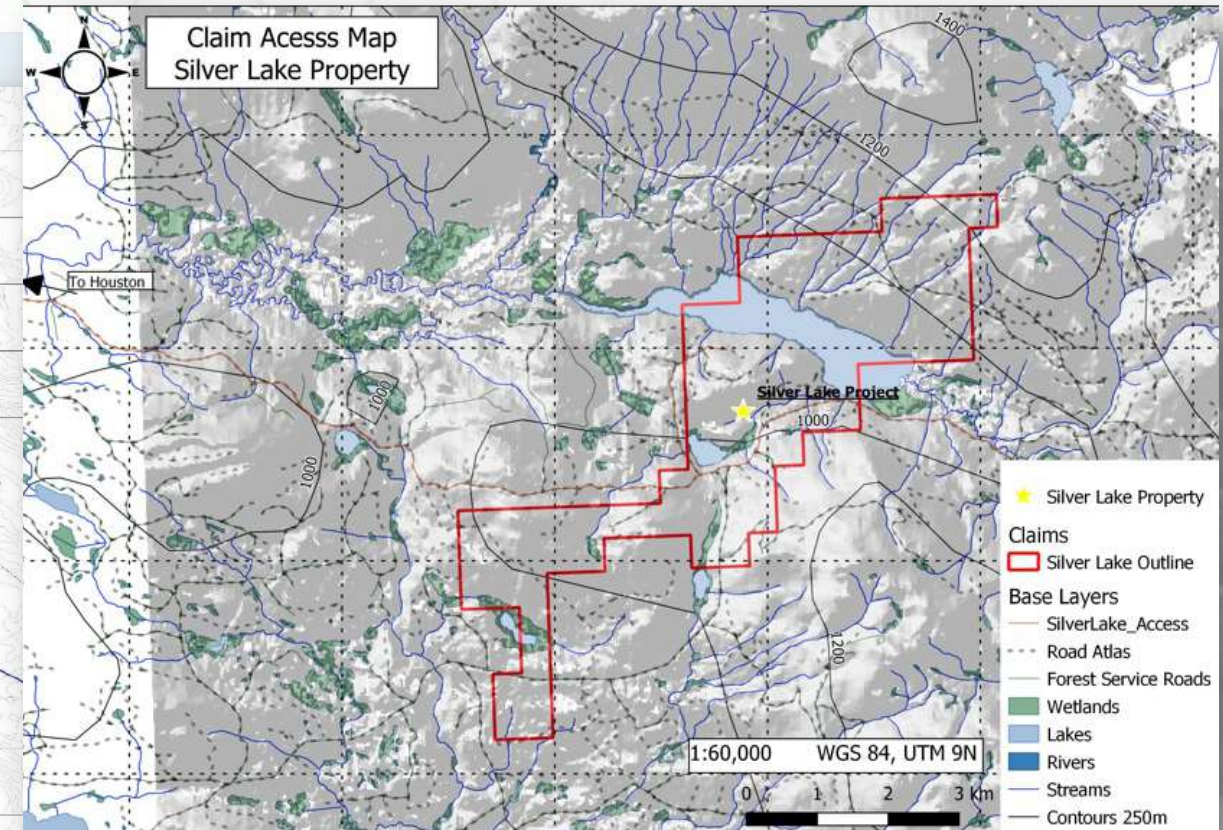
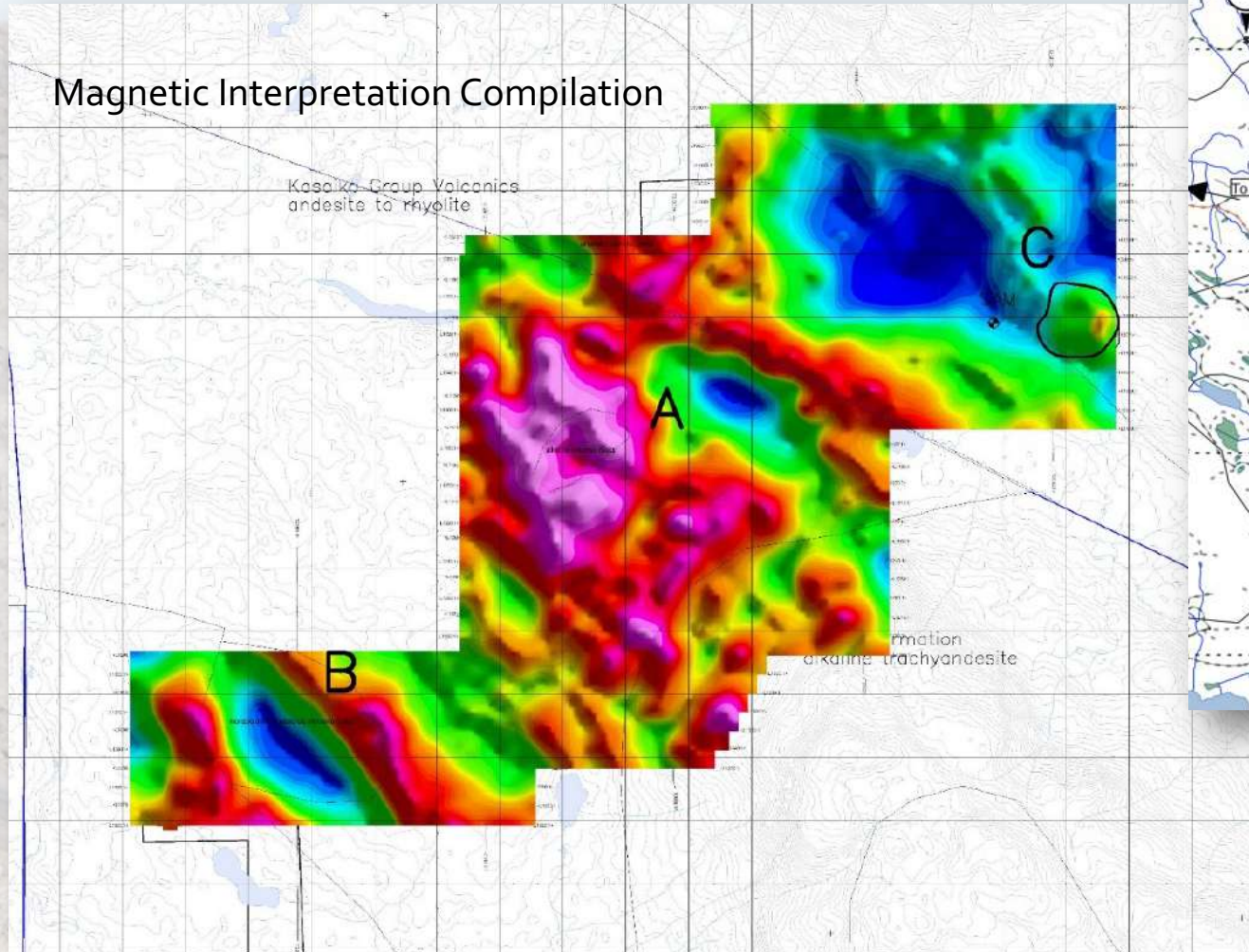
Source for the above: PROSPERITY EXPLORATION CORP. Canadian Securities Exchange Form 2A Listing Statement January 26, 2022





# Silver Lake Project

## Magnetic Interpretation Compilation



## Notable properties near Silver Lake

Notable properties near the Silver Lake Property includes; Equity Silver Mine (Newmont Corp), Silver Hope Property (Finley Minerals Ltd.) and Silver Queen Property (Equity Metals Corp.)





# Red Basin Uranium/Vanadium Project

## Property Description and Location

The Red Basin property is located in Catron County, New Mexico, United States of America. The property is located approximately 15 miles northeast of Pie Town, New Mexico, approximately 80 miles east-northeast of Springerville, Arizona and approximately 85 miles southwest of Albuquerque, New Mexico

A region of significant historical uranium exploration. Previous studies have estimated a resource at the property between 1.6 and 6.5 million pounds  $U_3O_8$  (DOE, 1980; RGR, 2012). Recommendations for exploration work are made in this report and are designed to provide additional geologic information and assay data needed for resource calculation.





# Red Basin Uranium/Vanadium Project

## Property Description and Location

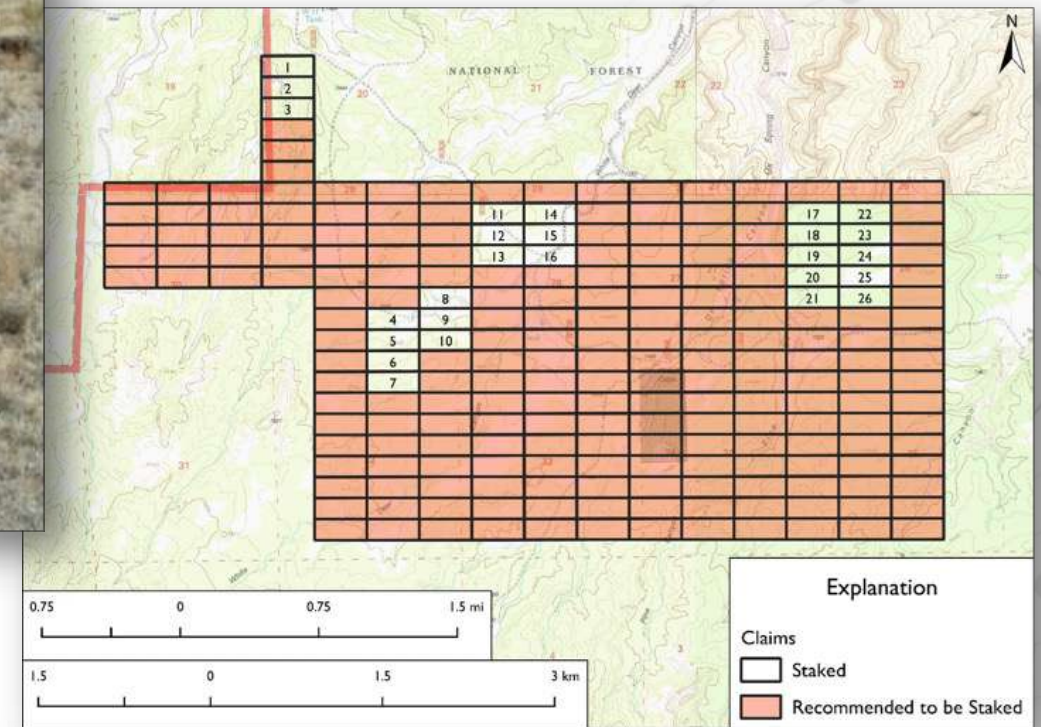
The Red Basin Uranium/Vanadium Project area has significant previous exploration history. Exploration and minor production at the project area began in the 1950s with an unknown entity producing 1,194 pounds of  $U_3O_8$  from ore with an average grade of 0.17%  $U_3O_8$  (McLemore & Chenoweth, 2017). Figure 5 shows a 1950s era headframe with a late 1960s to early 1980s era Gulf Oil Corporation drill hole in the foreground.

Gulf Oil drilled over 1,000 drill holes on the property in the 1970s.

Prosperity is attempting to acquire the relevant drill hole logs



## Red Basin Uranium/Vanadium Project Gulf Lode Claims Map with Recommended Claims



**Exploration plans include a regional  
airborne radiometric survey  
to aid in pinpointing drill targets**





# Management

## **Shawn Balaghi (CEO)**

Mr. Balaghi brings over 20 years of experience in the capital markets industry globally, holding key roles in finance, corporate development, and strategic planning. Previously, he has served as the CEO and CFO for several publicly listed companies and has worked closely with some of the largest independent auditing firms in Canada and the US. Shawn has raised over \$300 million in funding for several start-ups and has led them to public listings in Canada, the US, and Germany.

## **Kelvin Lee (CFO & Director)**

Mr. Kelvin Lee offers over 15 years of extensive financial management experience with publicly traded companies. Most recently, he worked in progressively senior roles from Corporate Controller, VP Finance, and Administration to Chief Financial Officer for Monument Mining Limited, a TSX-V listed gold producer with \$400 million in revenue. His responsibilities included development and execution of financial strategy and operations, including regulatory reporting, financial planning and analysis, treasury, tax and audit.

Previously, he held Controller positions in the mining industry with various publicly traded companies including Prodigy Gold Inc. between 2011 - 2013 that was acquired in 2012 for \$340 million.

Kelvin has his CPA, CGA and holds a Diploma in Accounting(Hons) and a Bachelor in Business Administration (Hons) from the British Columbia Institute of Technology.







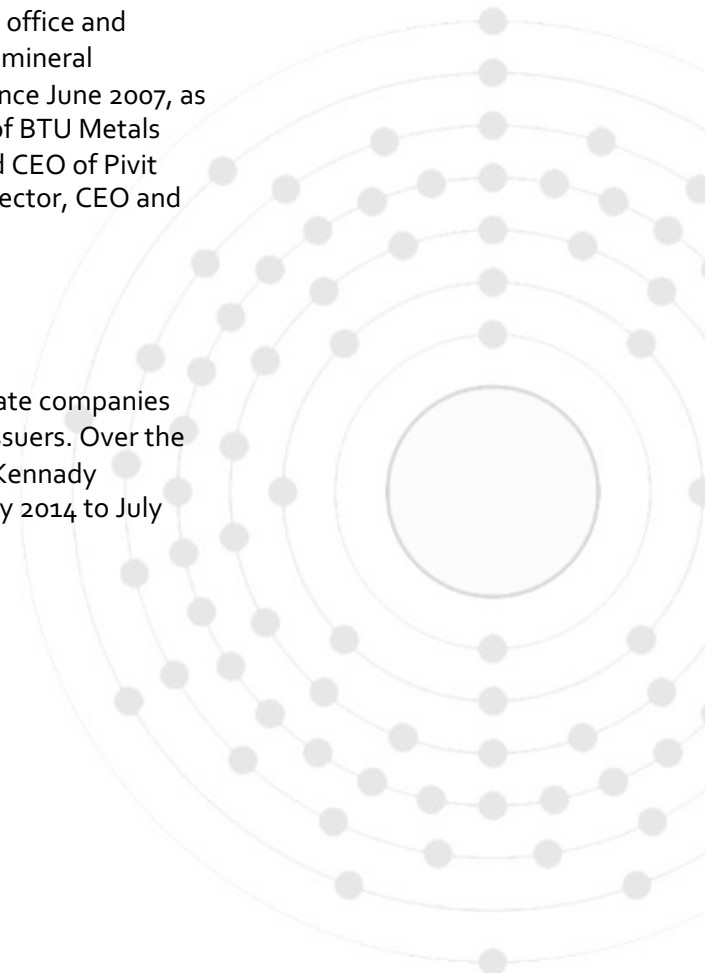
# Directors

## Michael England (Director)

Mr. England is a businessman and is the President and principal shareholder of England Communications Ltd., a company that provides office and management services to both private and public companies. He has many years of experience with reporting issuers, particularly in the mineral exploration industry. Over the past five years, Mr. England has served as director and President of Infinite Ore Corp. since June 2007, as director of Ashburton Ventures Inc. until October 2018, as CEO of Ashburton Ventures Inc. until March 2018, as director and President of BTU Metals Corp. since April 2009, as director of Sky Gold Corp. since August 2016, as CEO of Sky Gold Corp. since September 2016, as director and CEO of Pivit Exploration Inc. from August 2017 to May 2019, as director, CEO and President of Rockland Resources Ltd. since March 2021, and as director, CEO and President of Golden Lake Exploration Inc. since June 2019.

## Tom McCandless (Director)

Dr. McCandless is a registered Professional Geoscientist. He provides both technical and business consulting services to public and private companies involved in mineral exploration and development and operating mining companies. He has over 20 years of experience with reporting issuers. Over the past five years, Dr. McCandless has served as VP Exploration of Mountain Province Diamonds Inc. since November 2018, as director of Kennady Diamonds Inc. from March 2016 to April 2018, as director of CBLT Inc. since January 2014 and as COO of Group Ten Metals Inc. from July 2014 to July 2016.





## Share Structure

Shares I/O	29,545,068
Warrants	4,658,840
Options/RSUs	1,350,000
Fully Diluted	35,553,908





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FIRST AMERICAN  
uranium