

Alex Holmes
CEO



TSXV:PLU | OTC:PLUUF

► **SmithWeekly:** Welcome to SmithWeekly Discussions an occasional program for our readers and listeners of SmithWeekly Research, please note this program is a private discussion and everything contained herein is for entertainment and educational purposes only. With that, we hope you're in a comfortable position along with your favorite beverage to enjoy the discussion. Before we get into our discussion today we want to say thanks for the questions coming from our audience at SmithWeekly including a Dale H., Cindi W., Miska K., and Todd A. So today we are talking with Alex Holmes, CEO of Plateau Energy Metals, a uranium and lithium focused developer with projects in Peru. The company is listed on the Toronto Venture Exchange under the symbol PLU and also on the U.S. OTC Markets under the symbol PLUUF. Alex, thanks for joining us.

► **Alex:** Thank you, Andrew.

► **SmithWeekly:** So Alex, give us your background going back with your time with True Gold and your work at Oxygen Capital.

► **Alex:** Sure. Thank you. So to even step back a little bit further than that I spent about 10 years in Investment Banking and through that process gravitated towards the mining side. So I've been involved in a number of transactions from financing, M&A and ultimately take out transactions. Along the way of course a very strong relationship with a good group of mine professionals. One of them was Mark O'Dea's group they had great success with Frontier Gold, one of the successes in late 2011.

I actually left the investment banking side to join Mark and two other founders including myself. We formed Oxygen Capital as a an incubator really bringing together some really strong professionals from the technical and financial world and what we did was build companies over a five-year period one of those which was a very recent success was True Gold Mining that was actually a merger between effectively a management team with some capital and a company looking for capital to bolster and strengthen. That was a PEA preliminary economic stage gold project in West Africa that we took to production actually in a very challenging gold market with about three and a half year period so right through feasibility we grew the resource by 50%, project financed and built a construction team. We had over a thousand employees at one point and we went to production in April 2016 then we were acquired by Endeavor Mining. My role there was on the business development side working very closely with Mark as executive chairman and the management team and along

the way. We also had these successes like Pure Gold which is in Red Lake, Ontario, gold asset, but that was really a big part of kind of honing my skill set in and getting me ready for being able to bring my skill set to the table to take companies like Plateau with our uranium project development and advanced exploration lithium project through those various milestones of value creation, sourcing capital and the team moving through those various de-risking events.

▶ **SmithWeekly:** Ok so Alex why did you come to Plateau and tell us what value proposition you see with the company?

▶ **Alex:** Yeah, I came to Plateau. I was approached by a couple of directors earlier in 2018 and when I looked at the opportunity, I peeled back the layers of the onion for my Oxygen days. We look at literally hundreds of projects. So I had a good background being able to assess the value of projects and what I saw was actually two projects the new lithium discovery was having been advancing very rapidly. It was very interesting. Clearly we had work cut out for it to move it forward into to an economic study and a uranium project which at the time were earlier 2018 there really wasn't a lot of buzz around uranium but it created this show for me and I did a painting of value to support the company and so for me it's all very clear and at least three year time horizon where we can move both assets forward and the lithium project had the potential to be of a scale that would put it in the top five or ten projects globally and today it's actually already in the top 10 size wise. We have our work cut out for us to move through that economic study. Our uranium project, you know, interesting enough the sentiment around uranium started to move around the middle of last year and is actually only gotten stronger for a variety of reasons and actually that combined with our lithium project, you know, really showed me that it was a big opportunity here to try to unlock the value that you know wasn't getting recognized at the time.

▶ **SmithWeekly:** So you've been around the world in various mining projects from Africa to Canada? Why has Peru become your focus?

▶ **Alex:** Well sometimes it's the project narrative as much as anything, you know, the technical aspects of the project proved itself. Peru is a mining jurisdiction so there's a lot of foreign investment, part of culture mining has really been part of the culture for hundreds of years, but there's some very large companies there and it's a top copper producer globally, a lot of gold production. What it means to Peru is that it's a big part of its GDP and foreign investment is key for that and it also means lots of skilled labor there. So when I look at a project, I don't only want to look at the technical merits of it but also looking at the merits of can you actually build this and are there access to skilled labor and is the infrastructure good. Is there a government support for the mining generally and in particular projects? And then I walked away with the Pew and having had experience in financing companies improve that there's a long-standing, you know support for mining in that country.

▶ **SmithWeekly:** So give us a snapshot of the company in terms of management team, the compensation of management, share structure and who are the major shareholders?

▶ **Alex:** Yeah, so we'll start with the project. So we're in Southeastern Peru. We fly about an hour and a half from the capital city of Lima, multiple flights a day, and then a three and a half hour drive up a two-lane highway right to a project site. We have a hydroelectric power source about 40 kilometers away as the crow flies. There's excess capacity there. There's a high voltage transmission line. There's water available in the area and there's ports so it really checks the boxes when it comes down to infrastructure when you look at it from a the

ability to actually build a mine. The projects are actually on the same land package. Plateau's actually been working in the area for about 10 years and the reason I mentioned that is a big part of maintaining those community relations, key part of a mining company is we really will be hosted by the local communities. Being there ten years and continually working through that has been able to build up some great trust and strengths.

The uranium project, Macusani, is actually the genesis of the company and that came together over the period of a few years and was expanded by the by the geological team and that's about a hundred and twenty four million pounds of uranium across all 43-101 resource categories, which is quite significant globally. Then within that there's been an economic project scope down at about 70 million pounds, ten year mine life, roughly 6 million pounds a year. Capital initial ~300 million and cash cost puts it competitively on the on the world stage of development projects. Then we go about 25 kilometers to the Southwest and we've got our Falchani lithium project. There seems to be a bit of a misunderstanding out there that the lithium project and uranium project are one of the same but geographically about 25 kilometers apart. Completely different and like I said within the same land package. It's approximately 2.4 million tons of lithium carbonate equivalent. I joined in August 2018 and as we said let's continue exploring, you know expands up to the west we stepped out to the west which we hit. We've announced these results and we continue to drill right through the end of the year expanding what we already knew was happening east of there. The reason we want to do that is want to give us some flexibility but it's going to put us into a place where there's not a lot of projects of this size and scale and that's a good place to be. So that's our projects. We look at our board and management team. one of our co-founders is Laurence Stefan, he's a big company guy from South Africa that spent time at Gold Fields and JCI and he's been in Peru for about 20 years and he's helped assemble our team, which is largely Peruvian. Our general manager there is a lawyer by background and speaks local dialect in the communities we work in which is really goes a long way again. Like I say we go back to the importance of community relations for any project. You have a strong board that has cross-section of people with uranium experience and people with operations experience.

You know, I think it's always important to not only have people that have done things from the desk or been only involved in the public market space, but actually had boots on the ground and projects they operated. So we had a great cross section of the board. In terms of compensation it's actually a fairly skinny team so myself and our COO, we have a part-time CFO and our team on the ground. We are on a fairly low G&A budget, about 80 percent of our budget is all project-specific and 20% is between the corporate overhead and the costs of being public. So I think it's quite competitive that way. Because you asked a question about compensation, I come from a camp where you know culturally we're not looking for employees, were looking for owners, which means we really try to align equity incentives rather than cash incentive with not only our management group, but up and down the organization so we can focus on an options and people being shareholders. It's actually quite positive. I came in May of 2018. I'm working on, since I joined because company didn't have, a whole lot of institutional ownership prior to that and you know, really a big part of that was it wasn't that long ago that that nobody really cared about uranium so there wasn't a large institutional shareholder base for that reason and lithium the discovery is new and it's happening at the time when the sentiment was shifting in late 2017. So really this never got the attention it deserves from the broader capital markets and institutions. So since joining we've been able to add some institutional shareholders, we've been able to have two published research reports on us about \$3 target price and a \$2.70 target price. They are looking at asset base and they say it's roughly 50/50. So we have our work cut out for us about getting out there continuing to meet with you know, long-term sticky shareholders institutions looking for some more research coverage from institutional groups and understand the value proposition.

▶ **SmithWeekly:** Well, I appreciate the overview on everything there. How many shares are out right now?

▶ **Alex:** About seventy seven million shares.

▶ **SmithWeekly:** Okay great. So are there any near-term plans to get on the TSX big board or maybe upgrade the OTC listing to a QX status?

▶ **Alex:** Well, I haven't considered the QX status as I'm sure you can imagine the first few months in the hot seat has been there's been a lot of things to focus on. I'd like to get up to the TSX big board at some point and part of that is it's as much as a documentation of the application process is anything so certainly we're doing things to bring ourselves in line with being TSX eligible. The timing of that I can't comment on and going back to the QX really to be honest I haven't given it much thought and I'd be interested to hear whether that's actually something that investors place a lot of value on in the US.

▶ **SmithWeekly:** Yeah, I think the QX is pretty simple to get. It's not too hard to get up a little higher there and then the TSX obviously makes sense when sentiment is improved and maybe in a rising uranium price environment so perhaps a little more confirmation before you get too excited about TSX. But yeah, I think that's a good idea. So the Peru government, when do you expect they'll have uranium export regulations in place and what do you see as a logistics route for the project, what port is designated for uranium export, and is there a vessel route for Class 7 cargo coming through there?

▶ **Alex:** So maybe I'll start answering that question with, just to make sure that we clear up what I think is a bit of a misunderstanding out there, because I think it probably hasn't been messaged accurately. So you properly quoted it but it's transport and export regulations not in place. General mining in Peru we can produce uranium but that's not going to do us much good if we can't transport and export to a conversion facility. So in August of last year the president who came out that said that the ministry of energy and mines is working on a legal framework for this and we will have it in place within six months that would take us to February 2019 and I'm optimistic. What I can say is we've been working closely with the ministry of energy and mines and obviously lobbying efforts throughout time to show that we've got a project of merit here. This is actually significant as it plays a role for Peru in being part of clean energy. It's a 24/7 stable energy supply source being nuclear power and the government's a founding member of the International Atomic Energy Agency, which is something you have to be a member of that agency in order to be able to produce, transport, and export uranium. What we are aware of is the government is effectively looking at all the frameworks that Canada, the U.S., Australia etc. have in place already as uranium producing and exporting nations and effectively pulling together the best of the best so they're not having to start from scratch. So I think it's very positive with presidential level support as well as ministerial and independent nuclear agency level support. In terms of where we would transport the material, I mean that's yet to be finally determined but we have three ports that are within about 400 kilometers of our project. One of the ports, Ilo, is actually quite an active port they have a lot of exports to go through that port and then we would look at various off take partners and we identify the conversion facility to determine routing. So the key thing to bear in mind is the transport and export legal framework is all related to the secure supply chain in essence because the International Atomic Energy Agency monitors projects globally

and you need to be able to monitor that supply chain from a project site to the port and from the port to the conversion facility so it knows that which end buyer it is going to effectively. I hope that answers your question.

► **SmithWeekly:** Yeah. Absolutely. I appreciate the info on that and for clarifying it. I think it makes sense if you can cut and paste an existing framework that is robust and works. There's no point in reinventing the wheel. So on the on the subject of government, as you know, there's a new regional governor that's been elected in Puna region where the project is, a Mr. Aduviri, he's had a history of being a little bit tough on mining projects, reference Bear Creek's Santa Ana project. How does Plateau plan to meet the demands from local communities and established a sound relation with the new governor to advance the project. So what is the plan for kind of getting the hearts and minds on board?

► **Alex:** No, it's a great question. So Walter Aduviri is his name. So he was elected regional governor last year and came into office on January 1st. As you mentioned Walter was involved with some protests I believe not only against the project at Bear Creek but ultimately the Bear Creek project was part of that. That project is a region of Peru, it's quite a ways from where our project is but it was much closer to the Bolivian border. So there's lots of lots of things I'm sure you can imagine trade that happens near the borders, legal and illegal, and you know it depends on who you talk to, that I'm sure there's some element of the location of the project came into play. When we look at his political platform he became elected on, he was elected lieutenant governor platform of economic development for the area. Walter was elected on this economic prosperity platform. The way the structure of tax flows and money flows in country, how it works, all the tax revenues flow into the central government, into Lima and then get redistributed back out to the departments based on contribution. So if you happen to be a department that doesn't have a lot of large industry supporting economic development you're not going to get much money back. So right within his platform a couple of key things is looking for improved sanitation and water for sanitation, clean water access for agricultural use, education nutrition, and things like literacy. He'd like to formalize artisanal mining which actually isn't anything new. Artisanal mining is something that they've been formalizing over a period of time. He said we have to support large industrial projects and large agriculture projects because as a good politician recognizes you need revenue generation to be able to create jobs. You need to support industry, create jobs, and need revenue generation to have money flow back to be able to do things like work on healthcare, education, sanitation, etc. So, you know, he's never been a politician before so I think he's kind of, you know, getting his feet wet. He came out and actually he invited us to meet with him in Lima. He came to me with the federal government, asked to meet with us and to my knowledge we're one of the only companies he came to. I think that's a really good sign of a start of a productive relationship. Obviously the good news doesn't always get out into the western world. I think he's got a lot to focus on and he's surrounded himself with his advisors recently and some of them are very familiar with mining and how it works and I think any regional governor, any politician at the end of the day the key do good for the people, creating jobs, creating economic stimulus and who is going to help me achieve what I said? He's only been in office for 10 days more or less.

► **SmithWeekly:** I'm sure that meeting is forthcoming again as you guys continue to do your work. So it fair to say that maybe some of the community outreach programs could be geared towards water treatment, sanitation, some education programs, coming from Plateau as you advance towards development?

► **Alex:** Absolutely. There's nothing I'd like more than to be able to do that. I am a big believer that with responsible mining you can help build communities. When I look at our two projects in particular the lithium one, we're looking at a scale that could be a multi-generational asset. You can really build strong communities and sustainable economic development. When you have things that last beyond kind of 10-15 years and you're talking 20, 30, 40, 50 years plus. Some of the programs were already doing because I would love to be able to look at the educational pieces and traditional pieces. There's very little point in us coming out and saying hey, this is what we think will be helpful. It's better for us to listen and then see how we can be part of that. Where can we be helpful. Some of the programs we've been doing in the past is we support milk programs at the school for the kids to be able to get calcium and have some proper milk. We sponsor bringing in milk. We've recently started something new I think it was about Q3 last year. We were able to find some sewing machines and we refurbish them and then we work with the women in the village and children on how to maintain them and they're using those now for taking wool and to be able to create sweaters, scarves, hats and things and then have it go to market in Lima to be sold. I mean those are the kinds of things that you can see last generations that are that are sustainable. We're doing things that I think it's the right amount of work it for the stage of company we're at and obviously we'll look to expand that as we grow.

► **SmithWeekly:** Appreciate the information on that. So moving on what's the status of uranium supply agreements. What do you have in place with Curzon Resources and are you nearing a deal with anyone else? I wanted to follow up with the announcement that happened, I believe it was in 2017 that you guys had some kind of an agreement in place potentially when you go to production. What's the status on that because we haven't heard anything about that since.

► **Alex:** Yeah, I suppose part of my due diligence, I'm sure you can imagine, I came across that so I can say that that agreement lapsed. I think there wasn't a lot of meat on the bone. Probably not the best way to put it but it did show those are interested in a product at the end of the day. So part of 2019 will be engaging with those conversations with off takers what we're seeing in the uranium space as a whole because I think it's important to bear this in mind the forward supply and demand dynamics going into 2020. On our lithium it's very clean and high purity and so we'll be using 2019 to go out and engage with some of these bigger players. I'm not very familiar with Curzon, but certainly meeting with the Japanese trade groups in the U.S. and having conversations with them about potential off takes. Often it's an evolving relationship basis as certainty of delivery is important. Ted O'Connor, our director, was with Cameco and has a lot of relationships across the spectrum of off takers. So Ted and I have an effort in kind of Q2-Q3 leading into engaging with some of those conversations and certainly the right time to do that now because you know until months ago there really wasn't much life in uranium.

► **SmithWeekly:** Yeah and with 232 going on in the U.S. and some other things that are starting to play out production cuts, of course, I think this is a good time to be looking at that and off take would be a nice piece of the puzzle to get the financing to put this thing into construction and so forth. So we're excited to see what will happen on that front and you certainly, with Ted there, you have a good lead into that kind of opaque group of utilities around the world that are a little bit odd to get to and deal with their procurement. On to another question so Ian Stalker, your Chairman, he ended up selling during the last cycle Uramin discoveries in Namibia and Niger to Areva. I don't know but it was north of two billion in 2007. So on that are you guys looking at offers, if that comes, or are you guys focused on going after a development then production scenario?

▶ **Alex:** Well, I think it's important when you're building any business is you make these decisions early on. It's very evolved the business and you make decisions to build the project. If you're solely focused on scoping on a project to sell it then you're going to run yourself into some problems and usually because the decision matrix is different. So certainly we're building a team that can ultimately build the project having said that I do believe that this is a next cycle uranium producer. It certainly has merits of that. It's financeable, it's got all the right metrics to be able to suggest that, and it's got the scale and size, to be attractive to some of the bigger players out there, the more developed companies. So, you know, hopefully that answers from a perspective of need to build the team to be able to make it happen. Otherwise you get left behind you make different decisions. Because of the scale of size of this project and the economic profile of it, I think it's going to be attractive to a number of parties at the right time and so we will consider those as we evolve.

▶ **SmithWeekly:** Yes, and I just would note that with True Gold you guys were months away from pouring first gold, you guys had basically already were what 95% complete on the project before the takeout. So I think it's important to you know plan for the worst, development, and a suitor might just come along like True Gold. We get this question a lot about production, when do you believe, realistically, Plateau will actually see production? Do you see it as maybe, at this point with all the stages left to go, as a 2024 production scenario or what do you think on that?

▶ **Alex:** We've been doing some internal planning and running a parallel path with environmental impact assessment which we think will take us if we can do the environmental impact of the project going through feasibility study. This will be about 2 years. Then from there you have a build cycle of about a year so you know sort of three and a half years maybe 4 years. We could potentially be in production before if that's lining up everything perfectly.

▶ **SmithWeekly:** Okay, so everybody kind of talks a lot of cash costs, an inaccurate figure. All in costs is closer to real. What is realistically, give us, and I know you guys haven't done the feasibility so it's a ballpark, but give us a rough figure for the all in sustaining cost per pound uranium.

▶ **Alex:** Well with cash cost at about \$17 and if we take cash cost plus total life of mine capex we're about \$25 a pound. So our breakeven is \$25 a pound. We are doing some optimization work that were part of some earlier stage studies that have been done within the last couple of years the budget wasn't there to do those optimization programs. We're looking at can we pre-concentrate the material so effectively what that means ultimately we concentrate to process less material which has benefit in terms of the capital and operating cost associated per pound of uranium. That \$25 all in is a very competitive level amongst the developers out there today. Then if we have some wins on that optimization, we're going to be looking at an even better scenario.

▶ **SmithWeekly:** Okay that sounds good and when you say pre-concentration, are you looking at these various technologies that are available to kind of reduce the ore before it comes in for processing. Is that what you're meaning there?

▶ **Alex:** Yeah, so there was some work in 2013, I believe it was by Cameco because they used to own part of this project. So in 2013 they had showed that 85% of the uranium in 50-60% of the material and then there was some work done by an external consultant who's got the background pre-concentration. They looked at the mineralogy and came away with the basically similar questions according to the view

Cameco work has shown. So what we'll do now is you take it to an independent lab test with a sample and they run through and determine well looking at using anything unique like pre-concentrate or stay with a conventional standard approach.

▶ **SmithWeekly:** So just a couple more questions on uranium before we move on to lithium. So moving outside of the project moving on kind of looking at a global view. Are there any other uranium businesses Alex that you like at this point?

▶ **Alex:** I can't go without mentioning Nexgen in the Athabasca Basin. I mean that's a truly fantastic project. It's got great production profiling and obviously Canada is a pretty big producer contributing to the production picture. So that's one I like.

▶ **SmithWeekly:** Okay and in your mind, what is the biggest hurdle for uranium prices to kind of start the push higher?

▶ **Alex:** Yeah, it's a good question. Well, I think we had a couple of false starts in 2016-2017. So now we're six months into spot moving from around \$20-ish to \$29 or so today. It seems to be hanging in there. I think what we need to see, really, you know to nail it home is new term contracts being signed. I think 232 needs to come through and from various parties that I speak to their view is that the U.S. utilities aren't going to sign new off takes or new term contracts until they know the outcome of 232 because that may dictate where they have to source their material from so my understanding is 232 goes to the president's desk in late April and there should be a final decision I believe it's July. So I think that'll be interesting validating point for the cycle and then continue to see Japan turning reactors back on so they had 53 pre-Fukushima, depends on who you talk, to somewhere around 40 or so now but only 9 back online. So if we can continue to see Japan turning them back on, these are big serious reactors and a huge source of energy for Japan and now it's all nearly gas powered. So I'd like to see those things kind of play out more but you know, it's certainly, there's a lot of strong fundamental reasons including new financial buyers in the spot market that this first half of the year probably sets in a little bit stronger and then I think second half of the year could be game on.

▶ **SmithWeekly:** Yellowcake has another option to buy more from Kazatomprom here this month. I think they have to exercise at this month if I recall or at least the period exercise starts this month and then I think total globally including Japan I think there's somewhere between expectations of between 10 and 15 reactors being commissioned or being restarted total in 2019. So it's a pretty good number that's coming on this year and also next year, of course, it continues to go from there. But yeah, I think that the long-term contracting is going to be key. So let's get 232 off the desk and then we can move on to seeing who's going to be the first one, who's going to get their feet wet in the market. So I think you know 2020 is going to be exciting, 2019 certainly, and then after that it's going to be really interesting. So moving on to lithium what is your view of the lithium market at this stage and where do you see the price going? Does Plateau see that this is a kind of an equal to the uranium asset or is it kind of just a supplemental project at this point?

▶ **Alex:** Sure. Well, maybe I'll start with the last question first. So I believe we're getting roughly 50/50 valuation in our marketplace today for our lithium project and our uranium project. As we advance the lithium project we will be looking to do a resource update later this year and from the metallurgical perspective we're hiring a lead engineer for the PEA. Once we have some economic parameters around the project I think a good result is going to be equal or surpass the net present value of that uranium project we have out there today. So until we have those economics it's hard to give you an exact answer on that. I can see that the size of our asset we've already demonstrated

through the drilling and the results we put out we've expanded it, now we need to do the resource update to incorporate that expansion. Like I said earlier multi-generational assets, this could be a significant contributor to the overall supply side of the equation. It is important to keep in mind we are classic hard rock mining so we control the mining rate for ability to scale up as the market grows. This is why I think it could be a significant contributor to the overall market place and the market is very quickly evolving for battery metals as a whole and for lithium in particular. We've passed the million electric vehicles mark last year. We're seeing strong growth, we've seen incentives in China for pure electric vehicles increasing this year and the market is growing at something like 25% a year to 2025. I believe that the marketplace, like we've seen in every other, is going to focus on assets that can be you know, a significant part of that picture. So if we can scope out a project that starts off reasonable relative to the size of the market today and can expand with that marketplace and maintain a significant market share that's going to be a very valuable and desirable action.

So some background on the split between the two assets but management wise we're focused on both assets because they're both fantastic assets. They hold a lot of value for the company but we have more work to do on the lithium which is also important from management perspective. So if we switch gears and going back to your first question the lithium markets, I'm really excited about them if you look at the mid and long-term that looks from a demand perspective to be very robust. I believe we are seeing the early stages of an electric car revolution. I mean this is going from horse and cart to Model T Ford. I honestly believe that and we've got around the world not only pushing it. It happens to be we will have affordable electric cars on a mass market scale so that's really why it's part of a revolution. I was listening to a talk at a conference last year and a person was saying that you know, this is similar to when the first Motorola cell phone came out and everybody thought there's no chance. This is not going to be mass adopted not everybody's going to have a cell phone and the talk time is 20 minutes. Well, kind of equate this in a lot of ways to what we're seeing in electric vehicles. We're getting towards that mass point and there's going to be this inflection point where it becomes exponential. So that's why I think, with our project, we get past the two to three million tons space and window into an area where there's not as many assets that meet that size threshold. We demonstrated some robust economics on it this year and I think it's going to stand out on a world scale.

► **SmithWeekly:** Well, I'll save some comments just to keep it brief but certainly with China having government policies that are coming into place to enforce electric vehicles and so forth that is certainly positive for the market. Can I characterize your view as realistically, at this point, lithium is stable going forward, but uranium has more upside?

► **Alex:** Yeah, I would say that's true. I think we've had 2-3 runs in lithium over the past years. I think that at this level it is a positive thing. I think first half of the year might be just a little bit soft. I don't see any significant drops in price. This is going to be a really telling sign about whether the price starts to move back up again because of any kind of additional supply concerns. So we already saw oversupply be less of a concern last year, even though the start of the year was a big concern but by the end of the year it never happened. I think we'll see that play out through the first half here in the second half of the year will be stronger for lithium. In terms of price uranium has more room to move and a kind of trigger point if you will for the U.S. utilities to start to lock down supply and I'll be convinced we are in for a longer term commodities run for uranium markets if we could keep this momentum up that we saw second half of last year and we keep that up through the first half of this year.

► **SmithWeekly:** Yeah and this time it's certainly been a little bit more slow and steady. So moving back the talking about the lithium project, Falchani. So there's been a little bit of an occurrence of companies spinning out assets separating, maybe non-core assets or separating different minerals. So examples Lumina spins out Luminex, NGex proposed in December that they're going to spin out there assets by jurisdiction, Argentina and Chile, then you have Equinox spinning out copper from gold assets in the case of Solaris. If there is potential suitors of your lithium project is there this consideration that maybe a suitor would be more interested if the projects were separated and an asset such as the lithium asset is spun out?

► **Alex:** Yeah. Well, let's see. It is a good question Andrew because I think there is a strategic review that certainly I've been thinking of it. We've been discussing internally as we have, you know, often times we have a uranium focused investor, the lithium focused investors and today investors that you know are interested in our opportunity. They see the value here that clearly the two assets are worth more than what the market says so they see it as a value opportunity and what we'll be focused on is I'd like to get our lithium project first through an economic study before I consider any kind of separation of the two assets and really the reason for that is because I don't want to spin something out that's not going to have its own market support because it's a task, that is, if you know what I mean, so and it's been something considered. Let's put some value on the table for the shareholders. Let's then determine what the best next step is. Is it a spin out of lithium and spin on the uranium. Is it an asset sale or a joint venture. I would like to find some dedicated capital certainly to move our uranium project forward because it deserves to move forward to feasibility study. I think it is one of those assets when you look a little bit at where the different development assets are we've got a lot of government support to see it move forward. We've got something that could fast-track to feasibility 18 months. So that really should be moved forward quickly and it's a conversation and it's considerations we have internally and the right timing. But it absolutely makes sense to have some way of advancing each project with a separate piece of capital. As you point out ultimately any suitor for either asset ideally want one or the other, that's right.

► **SmithWeekly:** Yeah. So on that same line with the lithium project being, you know, about 20 kilometers away is there an idea that the production facilitates would be centralized or do you see these being separate studies, separate projects for the purposes mentioned regarding suitors. Are you seeing these basically stand alone at this point or do you see some kind of centralization happening?

► **Alex:** Well, I think in the future absolutely, there's synergies between the two assets. So from a NI 43-101 perspective for PEA we have to treat them as two separate assets. We can talk about opportunities with the synergies, but we can't actually include those with the economics. But you know, if you step back for a second you got two assets as you point out 25 kilometers apart. Why would you not have shared camp, shared maintenance, shop shared, excess supplies, a variety of things, exploration camp, fuel etc. in a centralized location that benefits both operations. So that could actually add up to a significant amount of capital you could save on operating cost.

▶ **SmithWeekly:** Right. Okay. So tell us on the studies, what's the next upcoming study and when do you plan on having that out?

▶ **Alex:** Sure, so we will continue with results coming out over the next couple of months on this expansion drilling all of that is being brought into a resource update. So that'll be updated like in terms of the technical report on the lithium project that will be late Q1 most likely for the resource update and then PEA target the end of the first half of 2019, well have the logical result along the way and optimization and then with regards to the uranium project will update the optimization work. So anybody following what we're doing looking for news and sort of April/May timeframe on the outcome of that it shows positive we believe. Establishing these values is perspective new line in the sand that we take that through the feasibility study.

▶ **SmithWeekly:** Okay, so give me, again this question always comes, can you give me an all in sustaining cost? Maybe the high-end ballpark rough figure what you think the lithium project production scenario would look like as far as lithium price?

▶ **Alex:** I really wish I could answer that question. We're not there yet.

▶ **SmithWeekly:** We have our answer. Okay. Well answer this one, we talked earlier about uranium off takes, how about lithium off takes, is there a desire to go after that potentially soon?

▶ **Alex:** Absolutely. Yeah, so lithium supply agreements it might be too early to find strategic partners that might want to ultimately have a supply agreement with us. So again in 2019, it'll really be once we get that PEA out, established and we can effectively market to the world this project. I'll be having conversations throughout the first half of the year and reaching out to various groups. Then I think on the back of a robust PEA then it's the kind of conversation turning towards something a little more concrete until we have something in an economic study. These people like to wait until little bit more of that technical information is secure but having that those strategic conversations is critical and probably more productive conversations on that basis leading us into 2020.

▶ **SmithWeekly:** So why should investors be taking a stake in Plateau Energy Metals today? What would you say to the potential investors thinking about getting into Plateau at this point?

▶ **Alex:** Sure. Firstly we had a good run up last year on the back of the discovery and some more positive sentiment uranium. In December we unfortunately were exposed to tax law selling which I'm not sure if that's a thing in the U.S. but in Canada people offset gains by locking losses. Part of my objective, since joining is to get broader market awareness, not only institutionally but also with high net worth

investors and brokers across a much broader spectrum. We would like to get the company to have four or five core sponsors supporting our stock and what I mean by that is where to today. With capital and as we hit these milestones throughout time, these are significant value events in the company. So I think every company suffered from lack of liquidity, I should say in kind of second half with Q4 2018, we're hanging in here price-wise around this range and we've got project wise a lot of value to put on the table in the next six months. So I think for investors that want to take a closer look I see a lot of value in the stock and where we're going with an excellent set of projects.

▶ **SmithWeekly:** So Alex, how can investors reach out to the company for more information?

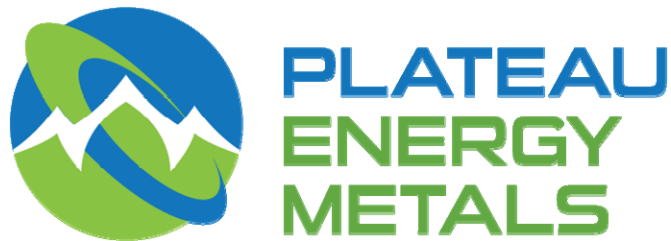
▶ **Alex:** So email in and I look at the emails and I have time for calls too. They can email ir@plateauenergymetals.com and certainly that's probably the best place to start and I'm happy to speak with investors. I'm obviously traveling a lot and in between things, but I do have someone helping out on that part of our investor relations side. They can they can answer questions and get back soon. Our website is plateauenergymetals.com you can find fact sheets, corporate presentation and the usual information there.

▶ **SmithWeekly:** Alex we appreciate your time, good luck, and we look forward to having you back.

▶ **Alex:** Thank you Andrew, I appreciate it.

For more information about Alex Holmes and Plateau Energy Metals, visit:

www.PLATEAUENERGYMETALS.com



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