Infini Resources

Investment Report

PHOENIX
GLOBAL INVESTMENTS

Infini Resources: Shaping Tomorrow's Energy with Uranium

Overview: Infini Resources is an ASX-listed exploration company focused on the high-growth lithium and uranium markets. With a portfolio of 8 projects across Canada and Australia, including the promising Portland Creek Uranium Project, Infini is driving the future of energy and critical minerals. Committed to sustainable practices and innovation, the company is strategically positioned to advance resource discovery and meet the evolving demands of a transitioning global energy market.

Share Price: 0.4800

ASX: I88
Sector: Basic Materials
15 December 2024

Metrics	Value
Valuation Measures	
Market Cap	AUD 31.63M
Enterprise Value	AUD 29.6M
Share Information	
Shares Outstanding	65.22M
52 week high/low (A$)	$1.0350 / $0.1450
% held by Board and Management	10.6%

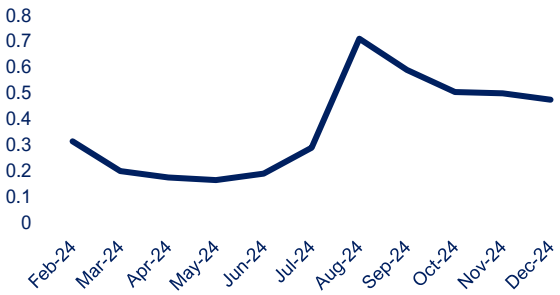
Key Achievements

- **Strategic Asset Acquisition:** Successfully acquired and initiated development on the Portland Creek Uranium asset, a high-potential project in a geologically favourable region.
- **Geological Anomalies and Discoveries:** The Portland Creek Uranium Project revealed a geochemical anomaly spanning ~800m x 100m along a north-south axis, coinciding with three intersecting faults and a shear zone. These geological features are crucial for hosting high-grade uranium deposits.
- **Exceptional Assay Results:**
  - Stunning assays grading upto ~7.5% U_3O_8 Open to the east and west
  - 7 out of 17 soil samples assayed returned >3% U_3O_8
  - Peak result of 74,997 ppm U_3O_8 is 15,000 times the background of ~5 ppm U_3O_8
- **Market Performance:** Infini Resources' share price has surged by 138% since its IPO, reflecting strong investor confidence fuelled by exceptional exploration results and strategic advancements in high-grade uranium projects.

Market Dynamics

- **Rising Global Demand:** As nuclear energy sees renewed interest worldwide, the demand for uranium is projected to grow significantly, driven by the expansion of nuclear power plants in countries such as China, India, and the U.S.
- **Geopolitical Shifts:** U.S. policies to reduce reliance on uranium from Russia and Kazakhstan create opportunities for potential suppliers like Infini Resources to capture market share.
- **Price Recovery:** Stabilization and recovery of uranium prices, influenced by increasing global demand and strategic reserve policies, enhance the profitability of uranium assets.

ASX: I88 Share price (A$)



Source: Yahoo Finance

Future Outlook

Infini Resources is poised to capitalise on the changing dynamics of the global uranium market. With robust assets, strategic partnerships, and a clear focus on innovation and sustainability, the company is well-positioned to play a pivotal role in the nuclear energy landscape. By driving growth through the development of assets like Portland Creek, Infini Resources aims to strengthen its market position and contribute to the global transition toward cleaner and more sustainable energy solutions.

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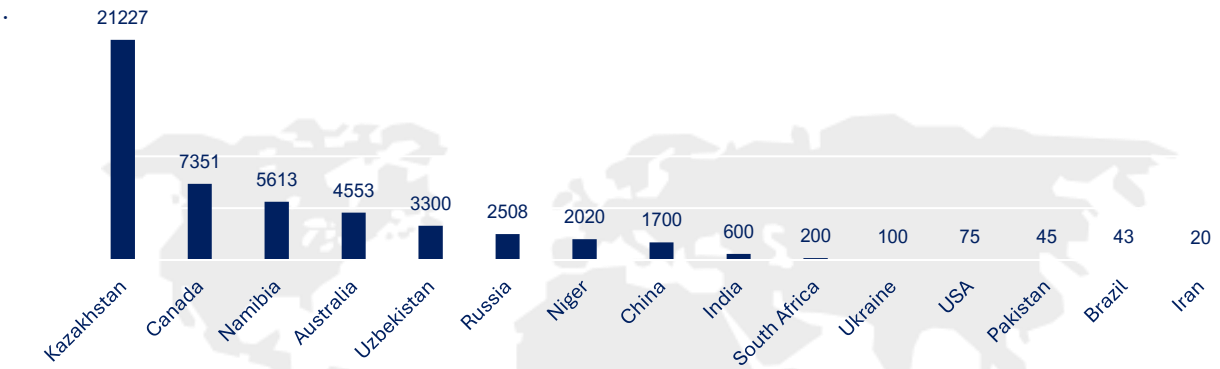
Global Uranium Production Overview:

In 2022, global uranium production reached approximately 48,900 metric tons, with Kazakhstan dominating the market at 43% of total production, producing 21,227 metric tons. Kazakhstan has maintained annual production above 21,000 metric tons since 2012, except for 2020, when it dipped to 19,477 metric tons. Canada ranked second with 7,351 metric tons, while Namibia and Australia followed, producing 5,613 metric tons and 4,553 metric tons, respectively. By contrast, the United States produced just 75 metric tons, a steep decline from its 1,919 metric tons in 2014, reflecting the country's decreasing focus on uranium mining

Uranium Production – By Country (MT)



Source: Grand View Research, Australian Bureau of Statistics

Canada's Role in the Uranium Market

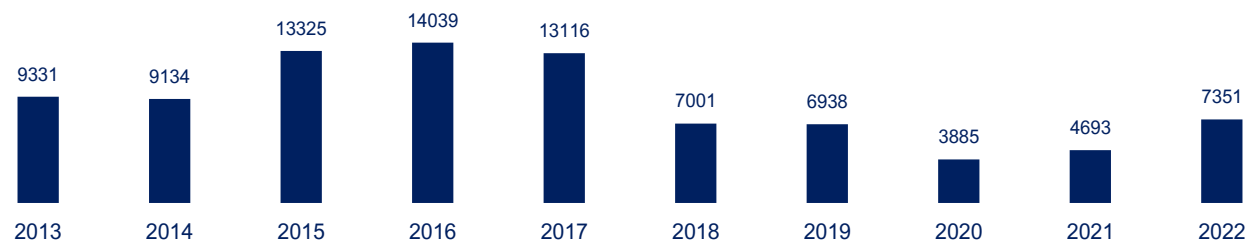
Canada plays a critical role in the global uranium market, contributing significantly to uranium production, refining, and exports. The country's uranium resources are among the largest and highest-grade in the world, with major production areas located in Saskatchewan. This analysis delves into the demand and supply dynamics that shape Canada's uranium industry, exploring the global context, key drivers, and challenges affecting the market, and Canada's role in meeting future demand.

1. Overview of Canada's Uranium Industry

Canada has long been a major player in the global uranium market, ranking as the second-largest producer and exporter of uranium globally. The country's uranium resources, primarily concentrated in Saskatchewan, are of exceptionally high grade, with concentrations up to 100 times higher than the global average. Canada is home to some of the world's largest and most productive uranium mines, including the Cigar Lake and McArthur River mines. These mines, along with processing facilities such as the McClean Lake Mill, make Canada an essential supplier to the global nuclear power industry.

In 2022, Canada's uranium production totaled 6,940 tones of U_3O_8, representing around 10% of global output. The majority of this production is exported, with 80% going to international markets. The U.S. is Canada's largest export destination, accounting for 27% of the country's uranium supply. Other key markets include Europe, Asia, and Latin America.

Canada Uranium Production Metric Tons



Source: Statista

2. Demand Drivers for Uranium

The demand for uranium is primarily influenced by its use as a fuel for nuclear reactors, which generate a significant portion of the world's electricity. As the world focuses on decarbonizing the energy sector, nuclear power is increasingly seen as a clean, low-carbon energy source that can help reduce dependence on fossil fuels.

Key Drivers of Uranium Demand:

- **Global Nuclear Expansion:** With over 440 nuclear reactors in operation worldwide and the construction of 50 more planned in the next decade, the global demand for uranium is set to rise. Countries like China, India, and the UAE are expanding their nuclear power fleets, increasing the need for uranium.
- **Climate Change Mitigation:** As part of their efforts to combat climate change, many countries are looking to nuclear power as a way to reduce carbon emissions. Nuclear energy provides a stable, low-emission energy source, making it a key part of decarbonization strategies.
- **Small Modular Reactors (SMRs):** The development of SMRs, which are smaller, more flexible nuclear reactors, is expected to drive long-term demand for uranium. Canada is actively involved in the development of SMR technology, positioning itself to benefit from this emerging market.
- **Restocking of Inventories:** Following years of low uranium prices, utilities around the world are working to replenish uranium stockpiles, contributing to the recent uptick in uranium demand.

Source: Natural Resources Canada

4. Canada's Role in the Global Uranium Market

Canada remains one of the world's largest and most reliable suppliers of uranium, with its high-grade deposits and well-established mining industry. Canadian uranium is highly sought after for its purity and the efficiency with which it can be extracted, making it a preferred choice for nuclear reactors around the world.

Canada's Competitive Advantages:

- **High-Grade Uranium Deposits:** Canadian uranium deposits, particularly in Saskatchewan, are some of the highest-grade in the world, making Canada a key supplier. The Cigar Lake mine, for example, produces uranium with a grade of over 16% U_3O_8, compared to the global average of 0.15%.
- **Stable Regulatory Framework:** Canada's stable political environment and strict regulatory standards for nuclear safety and non-proliferation make it a trusted source of uranium. This reputation helps Canada maintain strong relationships with major nuclear energy-consuming countries like the U.S., Europe, and Japan.
- **Technological Leadership in SMRs:** Canada is a global leader in the development of Small Modular Reactors (SMRs), which are poised to play a larger role in the global energy market. SMRs require a reliable and efficient supply of uranium, which positions Canada as an important supplier in the future nuclear energy landscape.

Export Markets:

Canada's uranium exports are predominantly directed to the U.S., which receives approximately 27% of its total uranium supply from Canada. The remainder is sent to markets in Europe, Asia, and Latin America. As global demand for uranium rises, Canada's export markets are expected to expand, particularly as countries increase their nuclear energy capacity.

5. Price Trends and Market Outlook

Uranium prices have been volatile in recent years, influenced by fluctuations in supply and demand, as well as broader geopolitical factors. After a prolonged period of low prices, the uranium market is experiencing an upswing, driven by growing demand and concerns about long-term supply shortages.

Price Trends:

- **Rising Prices:** Uranium prices have increased significantly from around $22 per pound in 2017 went up to $106 per pound in 2024. The price increase is driven by increased demand from utilities, which are replenishing stockpiles, as well as the growing role of nuclear power in global energy strategies.
- **Investment and Speculation:** Institutional investors, particularly in uranium-focused exchange-traded funds (ETFs), are playing an increasing role in price volatility. These financial instruments contribute to price fluctuations as they respond to global market trends and supply-demand imbalances.

Future Market Outlook:

The outlook for the uranium market is positive, with long-term price growth expected due to rising demand for nuclear energy, particularly in emerging economies and the development of SMRs. However, supply constraints, such as the closure of aging mines and slow development of new projects, could create supply shortfalls, putting upward pressure on prices.

Canada is positioned to remain a vital supplier of uranium for the global nuclear industry, thanks to its high-grade deposits, stable regulatory environment, and strong export relationships, particularly with the U.S. However, the country faces several challenges, including production declines from aging mines, regulatory restrictions, and environmental concerns. As global demand for uranium rises due to the expansion of nuclear power and the development of Small Modular Reactors, Canada will need to address these supply-side challenges to maintain its key role in the global uranium market. The interplay between growing demand and constrained supply will shape the future of Canada's uranium industry, with price fluctuations and investment in new mining projects being central to the sector's evolution.

Trump Administration: Towards Uranium

Donald Trump's Position on Nuclear Power

As Donald Trump prepares to assume office again on January 20, 2025, he faces critical decisions regarding U.S. nuclear policy. His administration is expected to continue the modernization of the nuclear triad—comprising bombers, submarines, and intercontinental ballistic missiles—as part of a $1.5 trillion, 30-year program.

Trump has historically supported nuclear energy, acknowledging its potential as a safe and efficient power source. He has previously remarked that "nuclear now has become very good, very safe," signalling his approval of nuclear development. However, in a recent interview with Joe Rogan, Trump expressed concerns about the complexity and high costs associated with large-scale nuclear projects, which might influence his administration's stance on constructing new reactors. Despite these reservations, analysts anticipate that his administration will remain "incredibly pro-nuclear," spurred by influential supporters who strongly advocate for nuclear energy.

Elon Musk's Perspective on Nuclear Power

Elon Musk, a leading advocate for sustainable energy, emphasizes the critical role of nuclear power in achieving a balanced energy strategy. During a Town Hall event supporting Donald Trump's presidential campaign in Harrisburg, Pennsylvania, Musk highlighted the safety of modern nuclear reactors, stating that concerns about nuclear power are "greatly overstated." He explained that with current technologies, it is "literally impossible to melt [a reactor] down, even if you tried." Musk has described the closure of nuclear power plants as "total madness" and "extremely crazy," advocating for the reopening of such facilities, including those operated by Constellation Energy Corp.

While Musk has consistently predicted that solar energy will be the dominant long-term power source, he acknowledges that nuclear power is essential in the interim due to its ability to generate energy quickly and reliably. He sees nuclear as a critical bridge technology that complements renewable sources like solar and wind.

In a recent conversation with Donald Trump on X (formerly Twitter), Musk reiterated the importance of a gradual transition from fossil fuels to renewable energy. He warned against abrupt changes that could destabilise the economy, advocating instead for a phased approach that leverages existing energy infrastructure, including nuclear power.

Given Musk's influence and his commitment to a pragmatic energy transition, his insights could shape the direction of energy policy in the U.S., particularly under a Trump administration. His call for a balanced energy mix—integrating nuclear alongside renewables—aligns with his broader vision of a sustainable and resilient energy future.

Source: X

Source: X

About: Infini Resources

Overview
Infini Resources Limited is a publicly listed Australian company focused on the exploration and development of mineral resources, with a particular emphasis on uranium and lithium projects. Established with a vision to harness opportunities in emerging resource markets, the company officially debuted on the Australian Securities Exchange (ASX) in January 2024 following a successful IPO raising $5.3 million.

Vision:
To become a leading player in the critical minerals sector by unlocking new opportunities in uranium and lithium, essential for clean energy and technological advancements.

Core Activities:
- Exploration and evaluation of mineral projects in Western Australia, Canada, and beyond.
- Key focus on uranium projects like the Portland Creek and Des Herbiers in Canada, alongside lithium-rich sites such as Paterson Lake in Ontario.
- Strong commitment to sustainable exploration practices and community engagement.

Key Details
- **Managing Director & CEO**: Mr Charles Armstrong
- **Headquarters**: Perth, Western Australia
- **Year Founded**: 2021

Key Facts (2024):
- Active exploration licenses covering diverse regions globally.
- Strategic investments in early-stage "greenfields" projects with high growth potential.

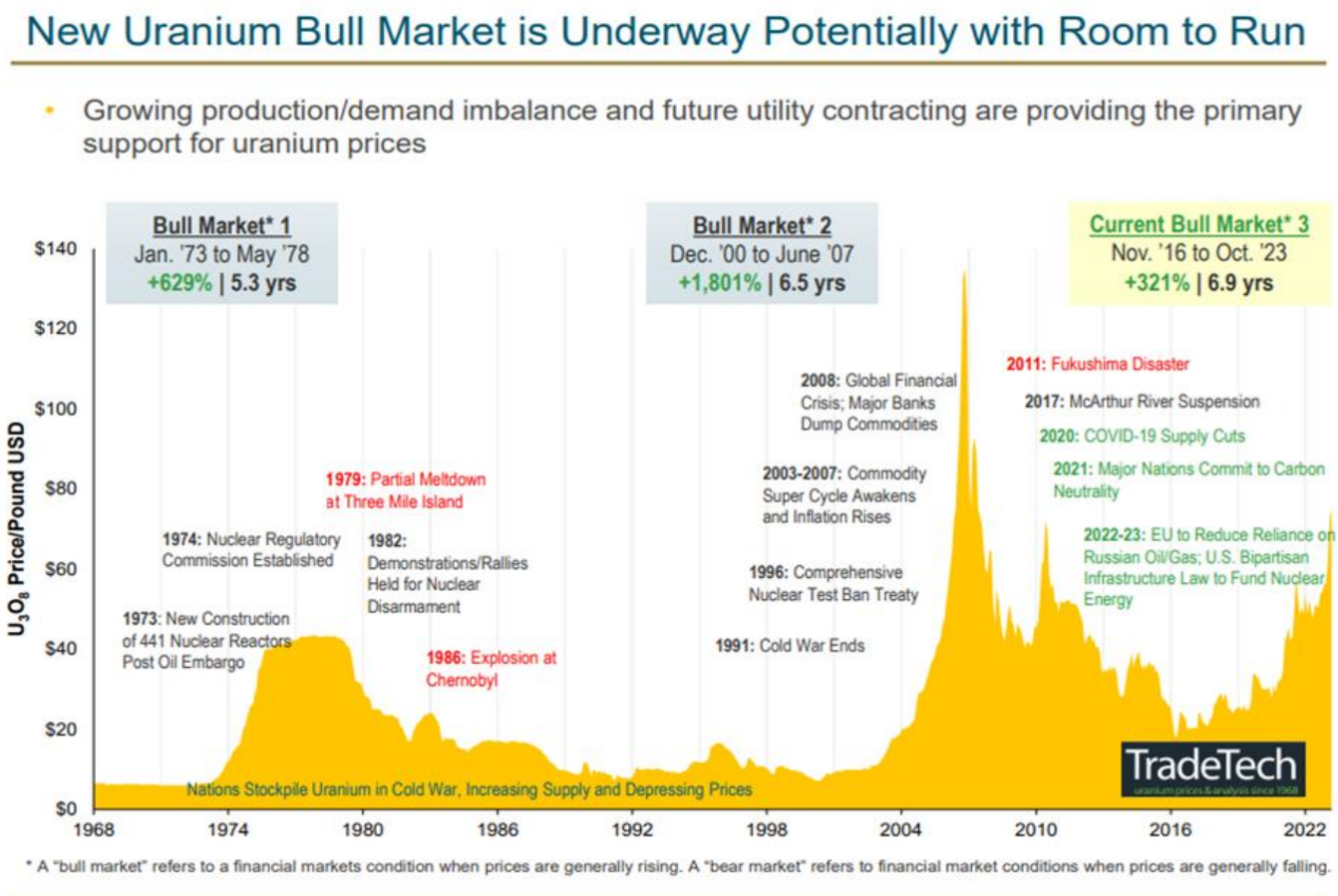
Infini Resources: Projects

Project Name	Location	Size	Commodity
Portland Creek Uranium	Newfoundland, Canada	149 km^2	Uranium
Des Herbiers Uranium	Quebec, Canada	162 Mt (JORC-compliant)	Uranium
Yeelirrie North Uranium	Western Australia	220 km^2 (planned 762 km^2)	Uranium
Tinco Uranium	Saskatchewan, Canada	7,590 hectares	Uranium and Niobium
Paterson Lake Lithium	Ontario, Canada	12 km^2	Lithium
Valor Lithium	Quebec, Canada	125 km^2	Lithium
Pegasus Lithium	Western Australia	121 km^2	Lithium
Parna Lithium	Western Australia	146 km^2	Lithium

Infini Resources Limited focuses on eight key exploration projects across Canada and Australia, targeting critical minerals like uranium and lithium. emphasizing its commitment to sustainable and strategic mineral exploration.

Uranium Supply-Demand Bull Case Grows

Since our last article (Stunning High Grade Uranium Soil Results at Portland Creek) on Infini Resources (I88), we have seen the fundamentals behind the supply and demand dynamic of uranium continue to become more imbalanced, however we are yet to see that 2005-2007 style boom in the sector.



Source: TradeTech LLC. **Uranium spot price data** as of 10/31/2023. TradeTech is the leading independent provider of uranium prices and nuclear fuel market information. The uranium prices in this chart dating back to 1968 is sourced exclusively from TradeTech; visit https://www.uranium.info/.

Sprott

Thus far in 2024, we have not seen Western utilities contracting above the replacement rate (~180mlbs p.a), despite in 2023 which had the highest amount of term contracting in a decade (~163mlbs p.a).

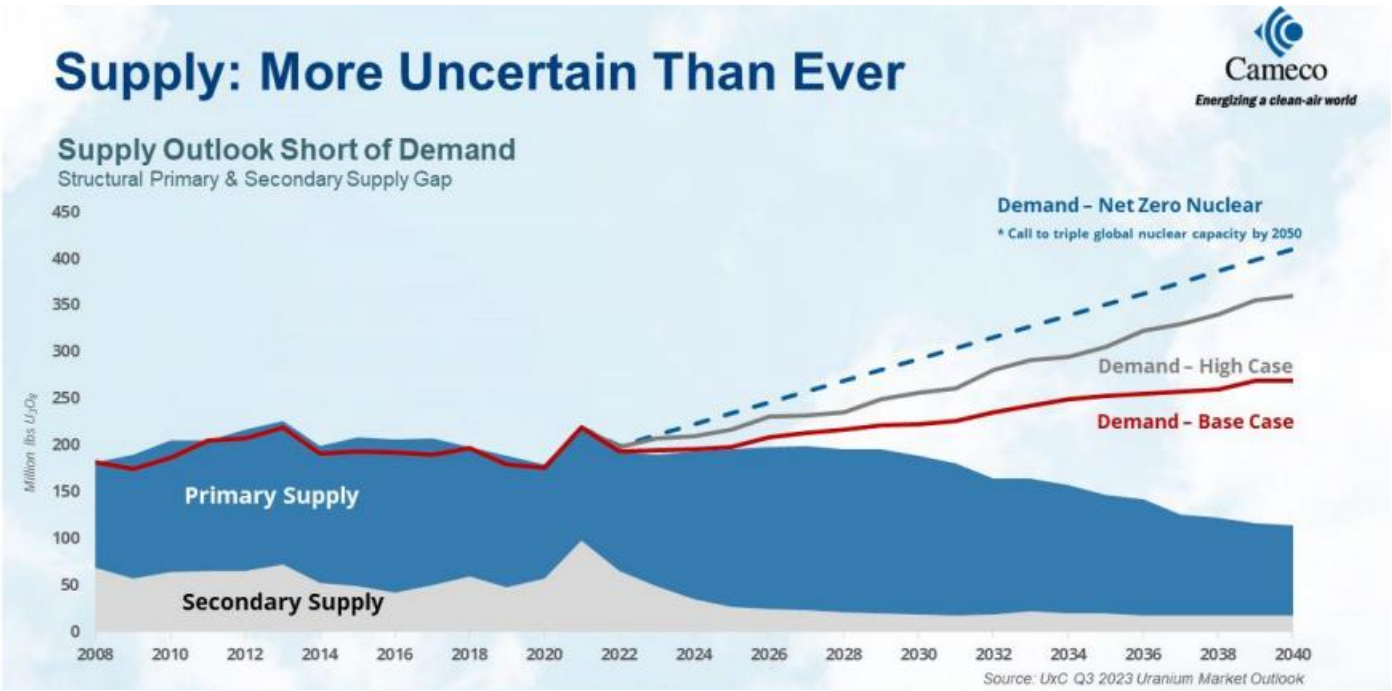
Term contracting has been below the replacement rate for the past decade as excess global uranium inventories have been able to be drawn down on.

With uranium mine supply persistently below the needs of the world's uranium reactors and the markets reliance on secondary supplies, we believe the day of reckoning is very close, whereby existing inventories will be depleted.

Currently there are 440 operational reactors and 65 reactors under construction, all of which have no other alternative but to secure their supply, however the required uranium supply doesn't exist in current mines or planned/permitted projects, to provide enough supply for all.

We expect when we see Western utilities contracting above the replacement rate to secure their supply, we will see a fire lit under the spot and term prices, driving them higher, creating the market frenzy we are all waiting on.

We haven't even touched on the increasing demand which will be required for the Small Modular Reactors and Artificial Intelligence boom.



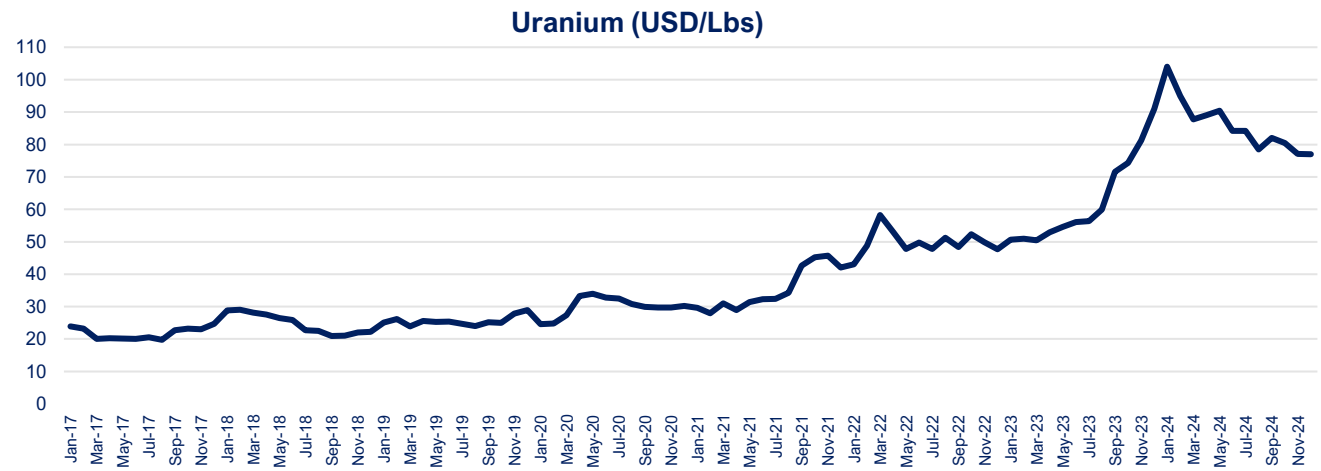
We have also recently seen the continued growth of supply issues.

For example, in August Kazatomprom which is the world's largest uranium miner, cut its production guidance for 2025 by 5,000 tonnes due to ongoing uncertainties in sulphuric acid supply and related construction delays to new projects.

Additionally, the increasing geopolitical and energy security concerns, such as the recent development whereby Russia officially imposed restrictions on the exports of enriched uranium to the United States, which saw uranium futures surge from US $76.5 per pound to US $82 per pound overnight.

Sprott Physical Uranium Trust, the world's largest investor in physical uranium investment fund, stated that even with efforts to increase production out of Canada, Kazakhstan, and Namibia, it will not be enough to meet the 50 million pounds needed to power US nuclear power plants.

As for the uranium spot price, it has taken a small breather since it tipped US ~$100 per pound in January 2024, however the price is still in an upwards trajectory and the highest it's been since January 2008.



Source: Investing.com

With all these evolving supply-demand imbalances increasing, we remain confident in our uranium investment thesis and that we will see renewed interest in uranium trickle down to some of the uranium juniors. It is just a matter of when, in our opinion.

Infini Resources (ASX: I88) Secures Drill Permit for Maiden Diamond Drill Program at Portland Creek Uranium Project

Infini Resources Ltd (ASX: I88, "Infini" or the "Company") has received approval for its maiden diamond drilling program at the highly prospective **Portland Creek Uranium Project** in Newfoundland, Canada. This milestone signifies a major step forward for the company's exploration efforts targeting high-grade uranium mineralisation.

Highlights of the Drill Program

Permit Approval: The **Newfoundland Mines Department** has approved a substantial **~6,500m diamond drill program** targeting the **Talus Prospect**. The approval underscores the efficiency of operating in Newfoundland, a tier-one mining jurisdiction with streamlined regulatory processes.

Drilling Schedule and Execution

- Two **heli-supported diamond drill rigs** will mobilise to the site in **late January 2025**, with operations running **24/7**.
- The program is expected to span **6–8 weeks**, contingent on field conditions.
- The campaign comprises **23 methodically planned drill holes**, designed to intersect structural features, geochemical pathfinders, and anomalous **Pb isotope ratios**.

Data Collection and Analysis

- Core logging and **downhole televiewer surveys** will be conducted for each hole to capture lithological, structural, gamma, density, and radiometric data.
- **Handheld spectrometer readings** on core samples will allow for early detection of uranium mineralisation prior to confirmatory lab assays.

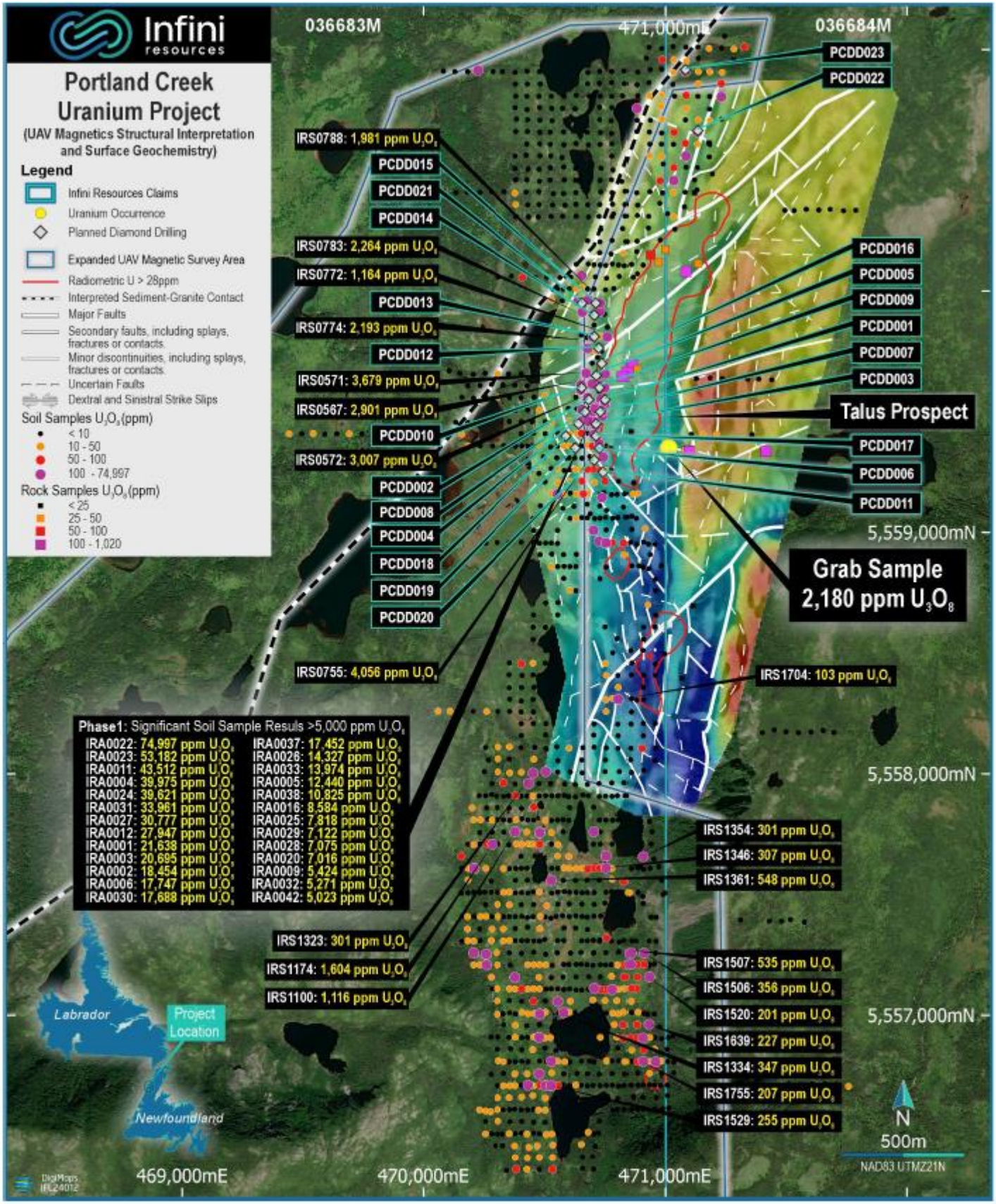
Focus on the Talus Prospect: The **Talus Prospect** is the primary target for this program, offering exceptional potential due to its unique geological and geochemical characteristics.

Geochemical and Structural Highlights

- **Unexplained geological indicators** in stream sediment and historical radon gas data.
- A **3.2km radiometric anomaly**, among the largest in the region.
- A **primary fault system**, associated with grab samples measuring **2,180 ppm U_3O_8**.
- **Secondary fault structures**, aligned with soil assays peaking at **74,997 ppm U_3O_8**.
- Multiple geochemical vectors that coincide with key structural features.

Drilling Strategy

- Initial drilling will follow **east-west fence lines** at **100m spacing**.
- Success on high-priority holes will lead to **infill drilling at 50m spacing**.
- Deeper drill holes will target:
    - Secondary fault systems.
    - The **primary fault zone**, interpreted as containing mineralised boulders and albitisation.



The Talus Uranium Prospect showing the location of the planned diamond drillholes.

Planned Drillhole ID	Easting	Northing	Elevation	Azimuth	Dip	Planned Depth (m)	Comment	Priority
PCDD001	470753	5559550	142	90	45	540	Testing 74997 ppm U_3O_8 , 3m south coincident with 46.54 Pb 206-204 ratio, 2.54 ppm As, 1.76 ppm Co, 8.87 ppm Ni, and NS fault at depth.	1A
PCDD002	470686	5559550	131	90	55	150	Testing 3006 ppm U_3O_8 (underneath 7.5% U_3O_8 from the west) coincident with 30 Pb 206-204 ratio, 0.97 ppm Co, and 4.22 ppm Ni.	1A
PCDD003	470716	5559450	134	90	45	540	Testing 39621 ppm U_3O_8 coincident with NS shear zone, 1.95 ppm Co, 11.45 ppm Ni, and 41.20 Pb 206-204 ratio.	1A
PCDD004	470644	5559450	125	90	55	150	Testing 68 ppm U_3O_8 (underneath 3.9% U_3O_8 from the west) coincident with 21.88 Pb 206-204 ratio, 1.64 ppm As, 5.5 ppm Co, and 4.58 ppm Ni.	1A
PCDD005	470718	5559650	133	90	45	600	Testing NS fault at depth and 2936.21 ppm U_3O_8 coincident with 0.90 ppm As and 37.68 Pb 206-204 ratio.	1A
PCDD006	470730	5559350	137	90	45	540	Testing 4056 ppm U_3O_8 coincident with NNE fault and 46 Pb 206-204 ratio.	1B
PCDD007	470734	5559500	139	90	45	210	Testing 39975 ppm U_3O_8 coincident with 39 Pb 206-204 ratio, 2.88 ppm As, 11.1 ppm Co, and 46 ppm Ni (very high compared to background).	1B
PCDD008	470671	5559500	129	90	55	150	Testing 2936 ppm U_3O_8 coincident with NE fault, 24.48 Pb 206-204 ratio, and 11.15 ppm Ni.	1B
PCDD009	470730	5559600	136	90	45	540	Testing EW and NS fault intersect coincident with 17452 ppm U_3O_8, 41 Pb 206-204 ratio, 1 ppm Co, and 0.55 ppm As.	1B
PCDD010	470656	5559600	128	90	55	150	Testing EW and NS fault intersect coincident with 2901 ppm U_3O_8, 36.84 Pb 206-204 ratio, 6.2 ppm Co, and 1.97 ppm As.	1B
PCDD011	470745	5559250	143	90	45	540	Testing 80 ppm U_3O_8 coincident with NW and NE fault intersect, 26.57 Pb 206-204 ratio, 3 ppm As, and 54 ppm Co (very high compared to background).	1B
PCDD012	470728	5559764	135	90	55	210	Testing 774.73 ppm U_3O_8 coincident with 21.89 Pb 206-204 ratio and fault convergence at depth.	1B
PCDD013	470709	5559811	134	90	55	225	Testing 2193.31 ppm U_3O_8 coincident with 1.72 ppm As and 36.77 Pb 206-204 ratio/fault intercept at depth.	1B
PCDD014	470709	5559900	134	90	60	150	Testing NE fault coincident with 2264.06 ppm U_3O_8, 44.60 ppm As, 1.08 ppm Co, and 28.45 Pb 206-204 ratio.	1B
PCDD015	470715	5559950	133	90	60	150	Testing NNE fault coincident with 549.51 ppm U_3O_8 and 6.09 ppm Co.	1B

The planned and approved diamond drill hole list with geological targeting rationale. For corresponding locations please refer to figure 1. NB: final number of drillholes and end of hole depths will depend on continuous assessment of each drillhole as the program progresses.

Geological Context of the Portland Creek Project: The **Portland Creek Project**, spanning **149 km²**, is located in Newfoundland's **Long-Range Complex** of the **Humber Tectonic Zone**. This area features:

- Precambrian metaquartzite and paragneisses, intruded by pink granite.
- Paleozoic carbonate sediments thrust over by Precambrian rocks, creating an ideal setting for uranium mineralisation.
- A prominent regional uranium anomaly, initially identified in a 1970s Newfoundland government sampling program.
- A verified **800m x 100m high-grade soil anomaly** at the Talus Prospect, peaking at **7.5% U_3O_8**.

Upcoming Exploration Activities: Infini Resources has laid out a clear roadmap for advancing exploration and delivering results:

- **Maiden Drill Program:** Drilling will commence in **late January 2025**, with a **~6,500m campaign** across **23 high-priority holes**. The program aims to explain the world-class soil anomalies with significant bedrock uranium discoveries.
- **UAV Litho-Structural Survey:** The results of an **expanded UAV litho-structural interpretation** are expected to be released before **Christmas 2024**. These findings will provide further insights into geological structures and assist in refining future targets.
- **Second Drill Permit Application:** Following the assessment of southern geochemical anomalies, a second permit application will be submitted to expand exploration activities.

Compelling Investment Case: Infini Resources represents a unique investment opportunity, combining a data-driven exploration approach with world-class uranium potential.

Exceptional Drill Targets: The Talus Prospect features some of the most compelling geochemical and structural indicators seen in uranium exploration. Multiple field studies have narrowed down precise drill targets, significantly increasing the likelihood of success.

High-Grade Uranium Potential: If Infini's drill results approach or exceed **92 Energy's (92E)** discovery of **5.5m @ 0.12% U_3O_8**, the company's valuation could potentially rise by **~300%**, offering substantial returns to investors.

Strategic Location: The Portland Creek Project is situated in a premier mining jurisdiction in Newfoundland, supported by strong infrastructure and efficient permitting processes.

Systematic Exploration Approach: Infini has combined geochemical, structural, and radiometric data to meticulously develop its drill program, maximising the chances of discovering high-grade uranium mineralisation.

About the Portland Creek Uranium Project

The **Portland Creek Uranium Project** is the world's highest-grade uranium anomalies. Key highlights include:

- Verified soil anomalies at the Talus Prospect, with peak assays of **7.5% U_3O_8**.
- Geological features indicating strong uranium potential, including major fault zones and uranium-enriched pathfinders.
- A 1970s government stream sediment program that initially highlighted the area's uranium prospectivity.

Leadership Perspective

Charles Armstrong, Infini's Managing Director and CEO, emphasised the strategic importance of this program:

"Our methodical approach to exploration has positioned Infini Resources to deliver meaningful results at the Portland Creek Project. This is a pivotal moment for our team, and we're eager to unlock the potential of this world-class uranium anomaly. The support of the Newfoundland Mines Department and our stakeholders has been invaluable."

With its systematic exploration approach, high-grade uranium potential, and strategic location, **Infini Resources Ltd (ASX: I88)** is poised to achieve significant milestones at the Portland Creek Uranium Project. The upcoming maiden drill program, supported by advanced geophysical and geochemical data, positions the company to make transformative discoveries in the global uranium sector.

Investors can look forward to updates as drilling progresses, with early indications of success expected as core logging and spectrometer readings provide insights ahead of assay results

Global Expert Confirms Surface Geochemical Results are Likely from a Nearby Bedrock Source

In this particular part of the world, it is feasible that glacial movement might have led to the transport of the existing high grade uranium geochemistry at the Talus Prospect.

As such I88 engaged Dr Martin Ross, a globally recognised glaciologist, who assisted the company with better understanding the risk of any potential glacial movement linked to its high-grade uranium soil anomaly (peak result of 74,997 ppm U3O8).

Dr Ross confirmed that the evidence suggests the likelihood of a soil anomaly being caused by substantial glacial transport far from its source is considered very low.

This provides further confidence to management's exploration thesis that these geochemical anomies must be stemming from a nearby source.

I88 Still Following 92E Pathway of Share Price Accretion

In our last update we highlighted that I88 has the benefit of a direct peer comparison in 92E, who have demonstrated through their timeline of events leading up to the GMZ discovery, a pathway of share price accretion.

At the time of writing this, I88 has a market cap of ~$29M, which offers parallels to what 92E was trading at pre-drilling. This adds confidence to our initial investment thesis, that should I88 achieve any exploration success in their maiden drill campaign it is likely to result in a share price re-rate in the multiples.

For example, should I88 achieve similar drill assay results to 92E and their maiden discovery hole (5.5m @ 0.12% U_3O_8 from 232m), based on the similarities in company valuations at each of their respective milestones (shown in the below table), I88 is likely to offer a ~300% increase from its currently valuation.

However, as we advised previously, given I88's world class soil assay results, if this is reflected in their drill results, share price accretion could significantly outperform its peers, such as 92E.

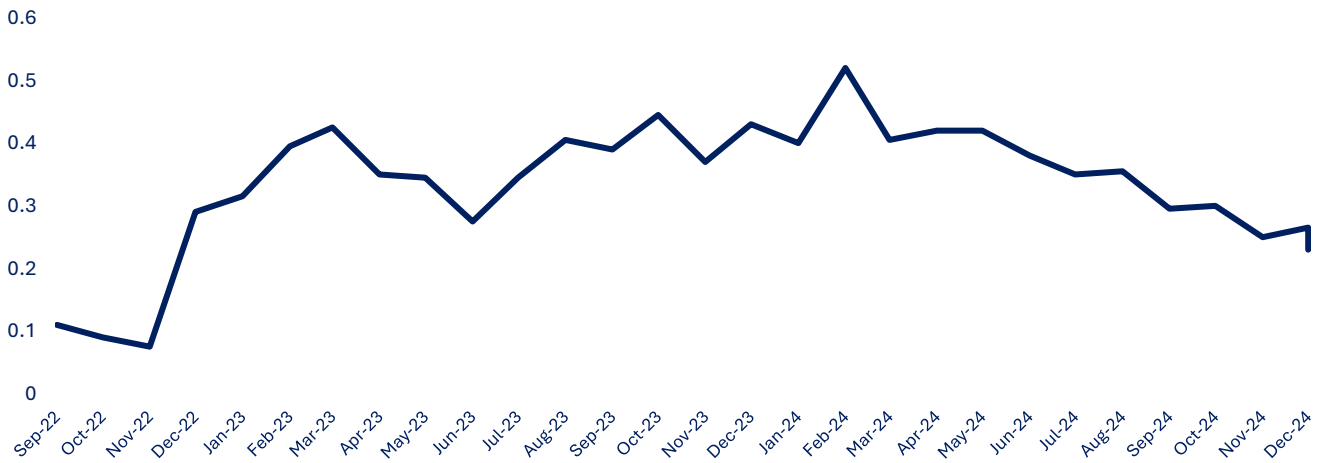
Market Cap Stages	I88	92E
Project	Portland Creek	Gemini Project
IPO	~$12M	~$12M
After fieldworks	~$24M	~$24M
Commencement of maiden drilling	N/A – Not commenced	~$24M
Confirmation of 'Elevated Radioactivity' intersected	N/A – Not commenced	~$52M
After discovery drill hole results	N/A – Not commenced	~$92M (discovery drill hole 5.5m @ 0.12% U_3O_8) from 232m

Other Uranium Discoveries

Meaningful uranium drill results are slim pickings on the ASX, let alone a new uranium discovery. We wanted to add some further confidence to our peer comparison outside of 92E, and had to look abroad to find another comparable peer.

Fission 3.0 Corp (F3 Corp)	
Ticker	TSXV:FUU.V
Market Cap Pre-Discovery	AUD ~$28M
Market Cap Post Discovery (1 week)	AUD ~$129M
Market Cap Peak	AUD ~$264M
Return Post Discovery (1 week)	~450%
Return Peak	~940%
Project Name	Patterson Lake North
Discovery Date	November 2022
Width	15m
Grade	6.97% U_3O_8

Fission 3.0 Corp – Share Price (A$)



Source: Yahoo Finance

Whilst there have been a small handful of other Canadian uranium discoveries, Fission 3 Corp (F3) offers the most parallels due I88's market cap being almost identical to F3's pre-discovery in addition to being the most recent uranium discovery.

F3's discovery drill hole of 15m @ 6.97% U_3O_8 clearly demonstrates that the increased width and grade as compared to 92E's discovery drill can result in substantial re-rate.

At a market cap of ~$24M, if I88 can replicate a similar drill result to F3, the peer analysis suggests returns more than ~500% would be feasible in the very short term and plus 1,100% over the longer term if the discovery continues to be proven.

Other discoveries as shown below, demonstrate that a meaningful uranium discovery provides outsized returns in the long term.

Initial Discovery Holes Radioactivity and Drill Intersection	Width (downhole)	Max CPS (counts per second)
NexGen – Arrow RK-14-21 (Feb 2014) *Assay: 5.75m @ 0.37% U3O8* → Now CAD $6.6B Market Cap Handheld Exploranium GR-110 scintillometer	26.5 m	>9,999*
ISO Energy - Hurricane LE18-01A (July 2018) → Now CAD $633M Market Cap *Assay: 1.26% over 8.5m including 3.58% over 2.5m, including 6.45% over 1m* Handheld SRAT SPP2 scintillometer	8.5 m	>15,000*
Fission Uranium - Triple R PLS12-022 (Nov. 2012) → Now CAD $747M Market Cap *Assay: 1.07% over 8.5m including 2.63% over 2.5m* Handheld Exploranium GR-110G scintillometer	6.0 m	>9,999*
F3 Uranium – PLN – JR PLN22-035 (Nov. 2022) → Now CAD $122M Market Cap *Assay: 6.97% over 15.0m including 5.5m 18.6%, further including 1.0m 59.2%* Handheld Radiation Solutions RS-125 spectrometer	15.0 m	>65,535*

Cashed Up for Drilling & Directors Have Contributed Over $1 Million

I88 have over ~$3.1M in the coffers, following their $3.4M capital raising (before costs) via the issue of 5.67 million ordinary shares at an offer price of $0.60 per share.

With the share price having settled between ~$0.40 & ~$0.50 over the past few months, it offers investors the opportunity to get in below the capital raise price.

Additionally, the placement included $1M in commitments from Infini's directors, which clearly demonstrates some strong conviction of their expectations for the Portland Creek project.

This $1M commitment from directors is still yet to hit the books, so the current ~$3.1M cash reserves will be bolstered even further.

In addition to the $1 million commitment by the directors, Charles Armstrong, the Managing Director and CEO, has increased his on-market holdings with purchases amounting to $53,523 at $0.78 per share and $4,915.57 at $0.49 per share. Similarly, David Pevcic, the Executive Director, acquired $51,025 worth of shares at $0.78 per share

Nothing provides more confidence to shareholders then directors buying shares on-market and substantially supporting raises.

More UAV Magnetic Survey Results

I88 also has results pending from the airborne UAV magnetic surveying at Portland Creek, which commenced in order to identify undercover uranium targets within the sediment-granite contacts.

Managing Director & CEO, Charles Armstrong said "By extending the survey out to the north and south we will get a better understanding on this opportunity and at the same time gain a more detailed interpretation of the geology and structure that we already have in the Talus corridor".

Investment Case Risks?

In the short term, the key risks to our Investment in I88 are:

1. Exploration Risk – As with any greenfield exploration, there is a possibility that I88 finds nothing with this round of drilling. If this occurs, then the market will start to discount the potential for I88 Portland Creek project and likely sell the company down, leading to a lower company valuation.

2. Funding Risk – I88 had $2.02M cash in the bank at the end of the last quarter. With drilling soon to commence in addition to the airborne UAV Magnetic Survey, I88 will have a higher cash burn then past months. If the drilling results don't yield strong results, then it is likely the company will be in a position where it needs to raise funds.

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