

Ask Alex

YOU ASKED AND ALEX IS ANSWERING.

Anything.

QUESTION: What are the upcoming catalysts to the PLU story that we should be watching for?

ALEX: We have a series of upcoming important catalysts led by: (1) a resource update for Falchani lithium, (2) Optimized processing routes for Falchani this quarter, and (3) a PEA for Falchani targeted for the end of the first half of 2019.

These are exciting times for our company as we scope out a new, large, yet scalable project. Something we think will be well positioned in the high growth #EV and #Lithium sector at the start of the supply chain.

We will be at PDAC in full force so please visit us at Booth #3127.

QUESTION: What are the priorities for Plateau Energy Metals - lithium or uranium?

ALEX: We have two great projects:

Our focus today is to move our Falchani lithium project from maiden resource to resource update and a PEA. It will be large on a global scale, have room to grow and now we need to show the world the optimized processing options and economics. This clearly shifts Falchani into the development phase;

Our second focus is more strategic with our uranium project, as we see the uranium supply side continue to dwindle and term price will be managed by the large players. We see our Macusani uranium project being well positioned to capitalize on a changing landscape. We are focused here on low capital spend optimization work while we wait to be convinced the uranium market is back. We need to see sizable term contracts at higher prices be announced to have that conviction.

QUESTION: What are some of the concerns that keeps you up at night with the assets?



If you have a question for Alex Holmes,
CEO of Plateau Energy Metals Inc,
please email us at IR@PlateauEnergyMetals.com

ALEX: When thinking about our Falchani lithium project, we know we can recover lithium and precipitate one of the high value products (carbonate or hydroxide). This is a huge positive, and different from spodumene projects that mostly produce a concentrate and miss out on the high value product market (unless they're integrated). If I think about how this project is going to stack up globally to participate in the electric vehicle revolution and other use cases for lithium-ion batteries, any concerns I have are whether we sit below, at or slightly above the middle of the evolving cost curve. Fortunately, the development pipeline of Li projects and government royalties in jurisdictions other than Peru are pointing us to be a competitive player in the space. For our uranium project, today I think we're getting little value for it, which means as a shareholder, I have option value built in.

Resource development is about managing and mitigating risks to unlock value for stakeholders - whether its technical or social, they are all important. Fears out there from our perspective are speculation driven, not fundamentally driven. We are on the ground, living this every day and greatly aware that positive news to alleviate the fear factor is something we are working on. Our team knows this, I've experienced it in the trenches and we know what we need to do.

If I was asked a few months ago what keeps me up at night I would have said: (1) our lithium project is unique, so what do we need to do to demonstrate it's not that unique, (2) does it have the potential to be ranked high globally for scale, margins and strategic appeal (what the OEM car companies ultimately look for in our view), (3) is it permissible, and (4) is it financeable. These are interconnected really, (3) and (4) go together, and tie in (2).

I can now confidently say our lithium project is permissible (community and central government support are key - we have both), Peru is a mining nation, we're meeting with the new regional governor (supportive of economic development in the region by the way) which was seen as an unknown quantity late last year and we are working diligently to continue building that relationship. After a few meetings now,

we can say he recognizes the positive impacts we have made being present in the region the last 10 years - presence and continuity can't be under appreciated. Of course, the market is probably looking for a statement from him to counter the blogger commentary and in-country press (which I can tell you without a doubt is good at spinning stories). We're aware this would be good.

A comment around lithium metallurgy we take comfort in the fact we are conducting a significant amount of work on our metallurgy and processing side not to determine whether it works, but how to best make it work - we have a brand new discovery to two resources, thousands of metallurgical tests and experts standing behind it. So in less than two years what we have accomplished is truly phenomenal and a statement to the calibre of our team.

The market will wake up one day to the prize we are unravelling with Falchani. We recognize that we need to scope out a project that isn't massive capex, can play off its high grade and positive metallurgical work thus far to present an attractive project producing a high-quality end product. This is not about scoping out something that is so big it blows our brains out on the first go, we are taking a disciplined capital and operating approach to scope out a buildable, financeable project that has growth and an ability to scale up. Keep in mind, our ore, a volcanic rock, isn't all that different from the volcanic rocks that were leached by water to charge the South American brine projects. We call it our 'solid brine'.

As for our uranium project, it's there and not going away as we work with the government of Peru on the legal framework for uranium transport and export - this is a standard framework in any uranium producing country. We think 2019 will be the year and so are focused on lower capital intensity investments to keep improving on the project. We have support in our stakeholder group for this project too, we would just like to see the framework and a more robust term market take shape before advancing it to feasibility. Fortunately, the project has scale, growth and is high margin with low capital intensity. Therefore, it stands out in the development pipeline and we think sets it up nicely as a 'next cycle' project.