

NEWS RELEASE

## **Forum Energy Metals and Traction Uranium Enter into an Option Agreement for the Grease River Property in the Athabasca Basin**

*10,528 Hectares situated along the east-northeast trending Grease River Structure south of Lake Athabasca near the Fond Du Lac Uranium Deposit*

**February 7, 2023 - Vancouver, BC: Forum Energy Metals Corp. (TSX.V: FMC; OTCQB: FDCFF)** (the “Company” or “Forum”) is pleased to announce that it has entered into a property option agreement with Traction Uranium Corp. (“Traction”), pursuant to which Traction has the right, at its option, to acquire up to a 100% interest in Forum’s 100% owned Grease River Property located in the Athabasca Basin, Northern Saskatchewan, Canada (the “Property”), in exchange for a series of cash payments, share issuances and funding of exploration expenditures, separated into three phases. The first phase entitles Traction to acquire a 51% interest in the Property by paying an aggregate of \$250,000, issuing an aggregate of 1,625,000 common shares and funding an aggregate of \$3,000,000 in exploration expenditures on the Property by December 31, 2025. Forum will be the operator of the Property until Traction completes the first phase.

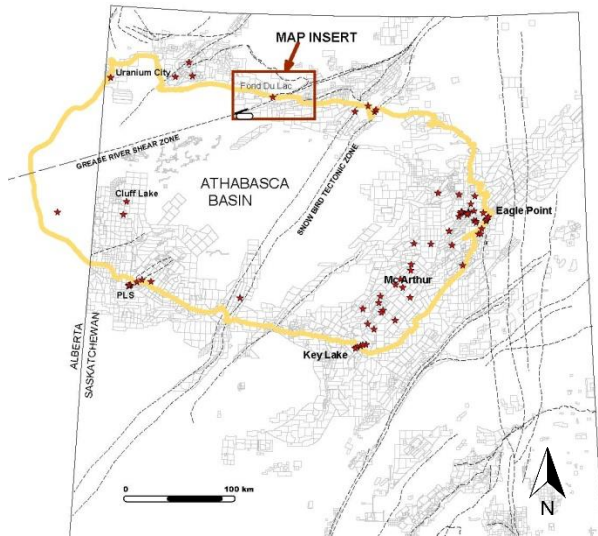
**Richard Mazur, President & CEO of Forum Energy Metals** stated, “We are pleased to work with the Traction team to unlock the potential to host new, large uranium deposits along this underexplored, favourable structural corridor.”

**Lester Esteban, Chief Executive Officer of Traction** stated, “Our research team has been hard at work to complete the Hearty Bay “Quartz Degradation” research program (see Traction news release dated January 31<sup>st</sup>, 2023) and we are looking forward to providing the results once our team has finalized their report. With our Hearty Bay Project nearby, the Grease River Project is an exciting addition where we are looking to acquire 100% of the property and our interest in unlocking the uranium discovery potential in the Fond du Lac area. We look forward to bringing together our technical advisor Boen Tan Ph.D., P. Geo with Forum’s Dr. Rebecca Hunter Ph.D., P. Geo. and Ken Wheatley P. Geo., M.Sc. on this project, an esteemed team with a combined 100+ years of uranium exploration experience and numerous discoveries under their belt.”

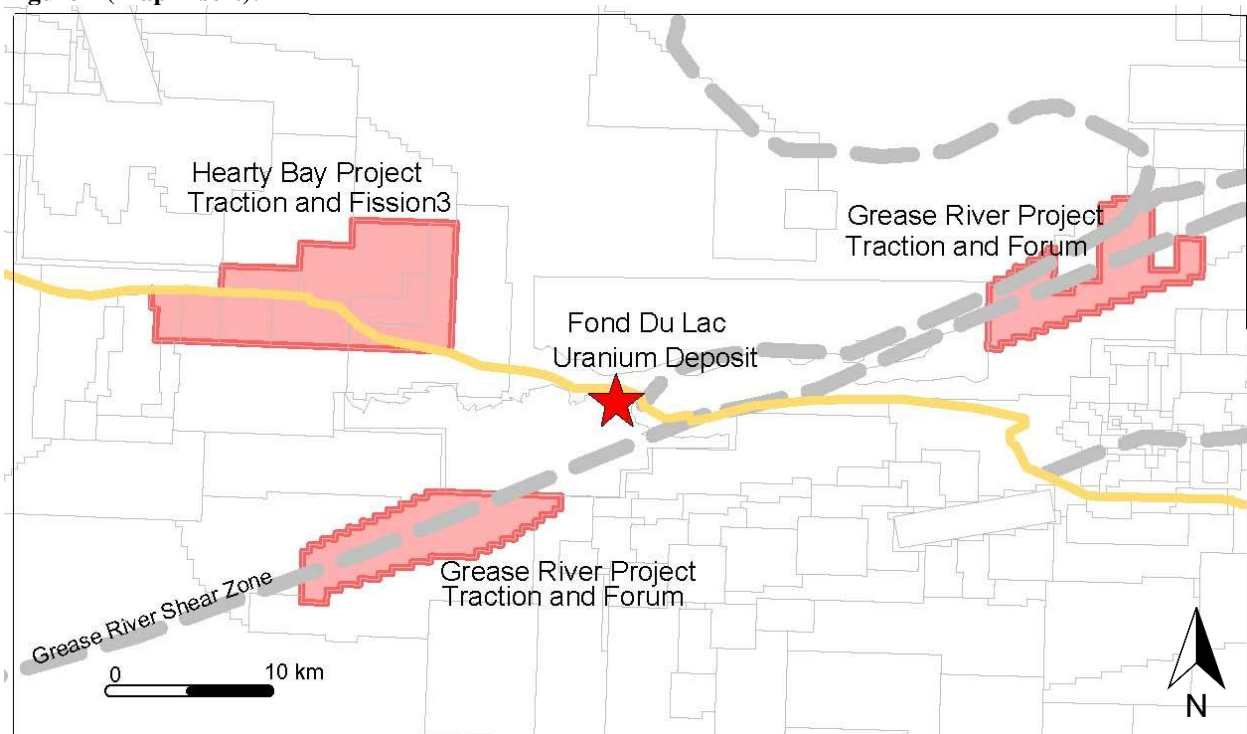
### **The Grease River Property**

The Grease River Project is located within the north-central margin of the Athabasca Basin near the community of Fond du Lac (Figure 1). The project consists of two separate claim blocks situated along the NE- trending Grease River Shear zone, a major intracontinental shear zone greater than 400 km long (Figure 2). The nearby Fond du Lac uranium deposit was previously discovered within the shear zone by Amok and Eldorado in the 1970s with an estimated non-compliant historical resource of one million pounds uranium at an average grade of 0.25% U<sub>3</sub>O<sub>8</sub>\*. The Grease River Project claims are located along trend of the deposit to the southwest and northeast. Limited exploration has been conducted in the property area and there is potential for additional uranium mineralization along the shear zone. Airborne geophysical surveys are planned in 2023 to aid in structural mapping and to define prospective drill targets.

**Figure 1 (Location of Property):**



**Figure 2 (Map Insert):**



## **Terms of the Agreement**

### **Phase One**

Traction is entitled to acquire a 51% interest in the Property (the “**First Option**”) by paying an aggregate of \$250,000, issuing an aggregate of 1,625,000 common shares (the “**Shares**”) and funding an aggregate of \$3,000,000 in exploration expenditures on the Property by December 31, 2025. Traction will become operator of the Property if it exercises the First Option.

## Phase Two

If Traction exercises the First Option then it can acquire an additional 19% interest in the Property, for a total interest of 70% (the “**Second Option**”), by paying an aggregate of a further \$700,000 in cash, issuing an aggregate of a further 2,500,000 Shares and funding an aggregate of a further \$3,000,000 in exploration expenditures on the Property by December 31, 2027.

## Phase Three

If Traction exercises the Second Option, then it can acquire an additional 30% interest in the Property, for a total interest of 100% (the “**Third Option**”), by paying an aggregate of a further \$1,000,000 in cash, issuing an aggregate of a further 3,000,000 Shares and funding an aggregate of a further \$3,000,000 in exploration expenditures on the Property by December 31, 2028.

If the Third Option is exercised, Traction would also be required to (i) grant Forum a 2% net smelter returns royalty (the “**NSR Royalty**”), (ii) pay Forum an additional \$1,000,000 upon completion of a preliminary economic assessment as this term is defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”) in respect of the Property, (iii) pay an additional \$2,000,000 to Forum upon completion and disclosure of a NI 43-101 compliant feasibility study, and (iv) pay an additional \$5,000,000 to Forum upon commencement of commercial production on the Property.

All Shares issued to Forum pursuant to the Option Agreement will be subject to a statutory four month hold period pursuant to applicable Canadian securities laws.

## Qualified Person

The technical content of this news release has been reviewed and approved by Rebecca Hunter, Ph.D, P. Geo., who is a Qualified Person as defined by National Instrument 43-101, Standards of Disclosure for Mineral Projects. The information provides an indication of the exploration potential of the Property but may not be representative of expected results.

*\*Some historical estimates were completed prior to the implementation of NI 43-101 and others are internal estimates from previous operators. Given the extensive exploration work completed by experienced mineral resource companies, and the quality of the historical work completed, the Company believes the historical estimate to be relevant and reliable. However, a qualified person has not completed sufficient work to verify and classify the historical estimate as a current mineral resource, and the Company is not treating the historical estimate as a current mineral resource. Hence, the estimate should not be relied upon. It should be noted that mineral resources, which are not mineral reserves, do not have demonstrated economic viability as defined by NI 43-101.*

## About Forum Energy Metals

Forum Energy Metals Corp. (**TSX.V: FMC; OTCQB: FDCFF**) is a diversified energy metal company with uranium, copper, nickel, and cobalt projects in Saskatchewan, Canada’s Number One Rated mining province for exploration and development, a strategic uranium land position in Nunavut and a strategic cobalt land position in the Idaho Cobalt Belt.

For further information: <https://www.forumenergymetals.com/>

ON BEHALF OF THE BOARD OF DIRECTORS

Richard J. Mazur, P.Geo.  
President & CEO

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

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