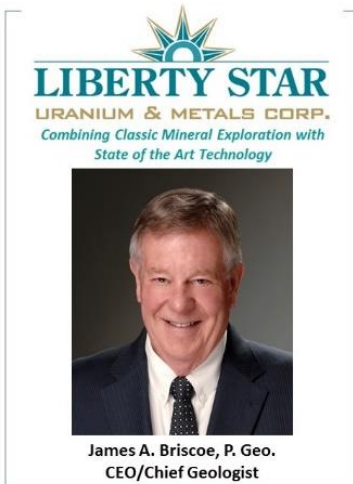


CEO End of Year Update 2016: The Trump Effect on Our Industry, Copper to Make Our Nation Go & Grow



Part 3 | Feb 06, 2017

The Trump Effect on Our Industry

During his campaign, President-elect Donald Trump used explicit, simplified language to explain his fundamental change in approach to managing the federal government.

I believe he will be able to accomplish this goal in the following ways:

- Place controls and work toward managing the stifling federal bureaucracy i.e. “Drain the Swamp” in his vernacular
- Cut through the over-regulation in the country, including reforming the federal tax code and dismantling the EPA
- Embark on a program of repair and new construction on the USA infrastructure

Trump has made a good start by announcing the appointment of Oklahoma Attorney General Scott Pruitt to head the Environmental Protection Agency (EPA). Pruitt has a positive record focusing on restoring or giving more regulatory oversight to states and limiting federal regulations. Viable mining projects killed over the last couple of decades by the EPA are too numerous to mention. But among the more famous is the Pebble copper gold mine in Southwest Alaska, **which also killed the potential in our Big Chunk prospect related to the surrounding caldera, which is the genetic cause of the Pebble copper gold project and was our target for other Pebble-like projects.** Other projects on our list of lost opportunities include: the Silverbell mining district extension **Perhaps 12 or more porphyries in the extension of the SB Caldera**, which I identified the potential in. During our exploration, we perfected our expertise in vegetation geochemistry for buried and hidden porphyry coppers. The Silverbell program may have been the largest such in the world outside of Australia according to our geochemist Shea-Clark Smith (see our home page), our acquisition of the Rosemont mine – whose copper- moly reserves now drilled out by Augusta Corp. & Hudbay, make it the third largest copper moly mine deposit in the USA, and the 20-year moratorium on Arizona Strip/Colorado Plateau lands within one of the richest uranium mining districts in the world. **This moratorium made it impossible to retain our large uranium claim block there.** We kept some key targets within the North Pipes Super Project, but were forced to drop most. **A reversal of the last three decades of confiscatory takings by the Federal government could give us back our projects. Who knows?**

Of course there needs to oversight and regulation in terms of the mining industry, but it need not be what we have endured. PhD geologist-hydrologist Jay Lehr, who designed the EPA for the Nixon administration (a fellow whom I went to school with at the University of Arizona), has related in speeches and writings that ‘the EPA now is not what I designed the EPA to do; it

is a bureaucracy run amok. The laboratory portion of the EPA is doing useful work and they should be relocated to the centroid of the United States which is northern Nebraska. The individual state equivalents of the EPA can more properly handle environmental problems on a state-by-state basis, in a way that they know best.’ The ‘30 thousand EPA bureaucrats in Washing DC should be terminated.’

We are looking forward to President Trump’s sensible dismantling of the federal EPA accomplishing the recommendations of its designer to refashion the EPA, to better serve citizens and industry. I am looking forward to putting more funds into exploration and drilling rather than spending those dollars on our lawyers fighting the Federal Government - and environmentalists, most times one in the same.

Looking ahead, Trump’s pledge to repair our nation’s infrastructure will provide Liberty Star with additional opportunities to grow under the new economy as well. The metals we plan to develop and mine at Hay Mountain are among the most important to infrastructure projects.

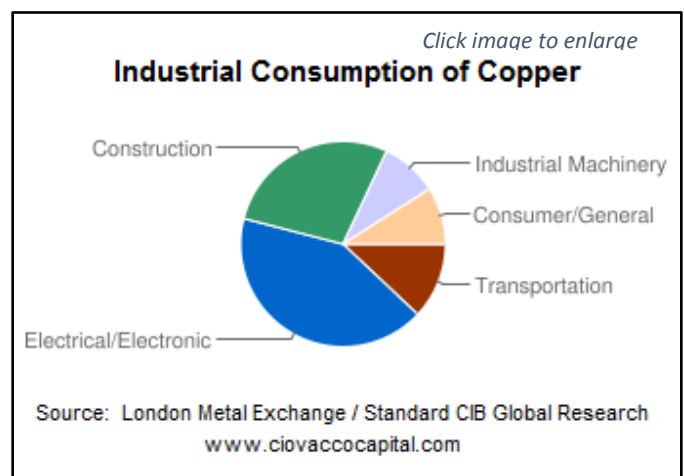
Copper to Make Our Nation Go & Grow

Copper is required for everything in our lives and our electric/electronic future in many ways within a renewed and new highway infrastructure:

1. automated signage on superhighways, tied to smart phones tied to traffic warnings, weather alerts. to make our highways safer
2. Increased smart phones coverage
3. For automated electric vehicles
4. For charging stations for electric vehicles

These technological advances work together; modern, high speed charging stations are needed to provide rapid recharge of vehicle batteries, which will be spaced appropriately and tied to smart phone locator apps. Electric vehicles alone will require unimaginable amounts of copper for: Copper buss interchanges from batteries to wheel motors to drive the vehicle, and back when electric braking reverses the flow and recharges the batteries until forward motion is again necessary


1. To run all the electric devices used in a vehicle – automated or not
2. Electric windows
3. Sat radio or standard radios
4. Heated & cooled seats
5. Full vehicle heating & cooling
6. Onboard computers of many types
7. Lights




8. Guidance devices and automated controls
9. Electronic entertainment, TV & computers

NATURAL RESOURCE OVERVIEW


COPPER



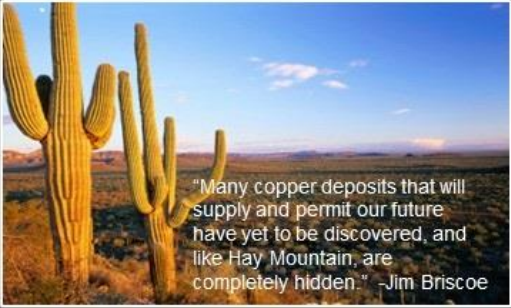
Copper has been in use at least **10,000 years**



Copper is a "ductile" metal that can be stretched into a wire format with very high thermal and electrical conductivity

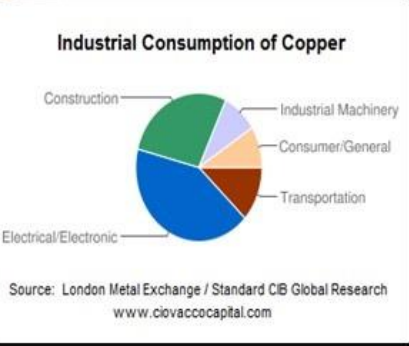


Copper, silver and gold are lined up on the Periodic Chart of elements. They share many characteristics, but of most importance are heat and electrical conductivity. Copper - the third precious metal. It is relatively inexpensive and an outstanding conductor of heat and electricity. It is much less expensive than Gold & Silver



"Many copper deposits that will supply and permit our future have yet to be discovered, and like Hay Mountain, are completely hidden." -Jim Briscoe

Industrial Consumption of Copper



Electrical uses of Copper-including power transmission & generation, building wiring, telecommunications, and electrical and electronic products and transportation, land sea and air.

WE NEED COPPER FOR MODERN LIVING ALL OVER THE WORLD

Source: London Metal Exchange / Standard CIB Global Research
www.ciovaccocapital.com

Copper has been around what seems like forever. It's uses have expanded over time from simple cooking vessels and weapons to the many modern uses. For now and tomorrow, copper for enhanced homes: the average American home now contains about 120 small motors wound with copper wire. Heat exchangers of all types require copper, HVAC units with multitudes of copper tubes. Copper is the best conductor of heat as well as electricity.

Other uses for copper are only increasing:

1. Fresh Water tubing & pipes
2. Germ free door handles, surfaces, and copper-zinc containing clothing as a permanent germicide
3. Long lasting roofing
4. Plant fertilizer and algaecide

And too many other uses to name. We can't get away from the use of copper.

In addition to copper, we expect the presence of **molybdenum (moly)** at Hay Mountain, which is a very important industrial metal, will be critical to Liberty Star.

1. High strength steel alloys require molybdenum.
2. Other materials including rebar will need moly too.
3. Oil pipelines, drilling pipe have to be tough requiring high moly steel.
4. Oxide proof paints
5. Armor plate
6. Trump has authorized the Keystone pipeline final construction using US manufactured steel, which will require major amounts of molybdenum for strength. And more metallurgical coal will be required

Hay Mountain zinc: galvanized bolts and parts that otherwise rust when exposed to the weather will prevent bridge steel from weakening and premature ageing from corrosion.

Thinking about the future of electricity generation I want to include mentioning super safe small, simple (4S) micro nuclear reactors such as the proposed [Toshiba Galena Reactor Project](#). I envision the expansion of this technology because these micro core reactors are clean, need very little attention, can be closed down almost instantaneously in the unlikely occurrence of major problems. Because they are located 90 feet in the ground they are not subject to malicious damage or attack on land or by air and they generate power for ½ of the cost of transmitted power from a very large centralized power plant and will further reduce the operating cost of electric vehicles. They can run for up to 80 years – essentially an atomic battery. We know about Colorado Plateau uranium and we will keep an eye on what is discovered in southeast Arizona as well. Uranium and thorium were indicated in our geochemical results at Hay Mountain.

Regarding the future of the mining industry I will mention that we need to work on poor aesthetic and environmental mine dump placement. I've been talking about this since 1966. I addressed the Nuclear Regulatory Commission (NRC) meeting in Denver in 2006, with a plan on how to disguise mines while they were operating and how they could be remediated during mining so that they would not leak any mineral material from the mine site and how they could be completely remediated as to never again be seen. I call this the *Briscoe Invisible Mine Plan* [IMP]. It is applicable to any mine however large or small it might be. My plan would not add substantial costs and in the long term be less expensive.

My talk to the NRC was well received and I was approached by one environmental lawyer who said "I have been coming to these addresses for 30 years: your talk was the most insightful I have ever seen here. I would be happy to help you bring this to approval." Using IMP, mine pollution can be prevented. The mine (of any type) can be aesthetically configured by this method so as not to be visible during operation. Beyond the edges of the mine (which will be

interior to permanent mine overburden and non-mineral rock repositories) there will be no noise, no dust no light pollution, no emission of acid mine drainage, and the terrain very quickly designed to look compatible with surrounding topography and the ground immediately revegetated as mining progressed. Mines of all types can be successfully remediated via the Briscoe IMP architecture, technical procedures and methodology. When the last ton of ore is mined, the final vegetation will be planted over the small remaining un-remediated area, equipment removed and the mine area will go back to nature.

RISK FACTORS FOR OUR COMPANY ARE SET OUT IN OUR 10-K AND OTHER PERIODIC FILINGS FILED WITH THE SEC ON EDGAR.

Liberty Star Uranium & Metals Corp.

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[Review the Hay Mtn. Near Surface Phase 1 Plan Presentation \(PDF\)](#)

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