



02 JUN, 2022

Demand, invasion spur Honeymoon revival

READCORPORATE
Investor Relations Corporate Communications

Australian Financial Review, Australia

Page 1 of 1

Demand, invasion spur Honeymoon revival

Simon Evans

The managing director of Boss Energy, which has given the final green light to a \$113 million restart of the Honeymoon uranium mine in South Australia, says demand is rising as prices reach 10-year highs and governments seek to lock in new supplies amid geopolitical turmoil.

Duncan Craib says companies restarting dormant mines have an advantage because of the lengthy permits and the red tape involved in starting a new project from scratch.

"We believe restart projects have the edge," he said.

Honeymoon has been dormant since late 2013 and Boss aims to be producing uranium again by late next year.

Mr Craib, who is to give a presentation to the World Nuclear Fuel Market conference, said big shifts were under way as countries stepped up the push to cut carbon emissions, just as the uranium supply market had been rocked by the Russian invasion of Ukraine.

"The world is chasing net carbon zero emissions. There is a big climate move," he said.

Russia's invasion of Ukraine had prompted a rethink by many countries and power utilities on where they sourced uranium. Buyers had also

been troubled by internal instability and curfews imposed earlier this year in Kazakhstan, a big supplier of uranium.

"Governments are seeking energy

independence. They are now looking further afield," Mr Craib said.

The Honeymoon mine, in northern South Australia about 80 kilometres north-west of Broken Hill, over the border in NSW, has been through several changes of ownership over the past decade.

Boss acquired the mine in 2015 from a Canadian company called Uranium One, itself owned by the Russian state-run nuclear company Rosatom. Honeymoon was put on care and maintenance in late 2013 because of low prices, after producing uranium between 2011 and 2013.

Other listed companies are also seeking to revive uranium projects as demand rises. In Africa, Paladin Energy is aiming to restart the Langer Heinrich mine in Namibia, and Lotus Resources is aiming to restart the Kayelekera mine in Malawi.

Boss raised \$125 million in a share placement and share purchase plan in March. Mr Craib said the group had no debt and was in a strong position when negotiating off-take agreements. "Our dance card is full," he said.

Mr Craib said Boss had not signed any off-take agreements yet, but was having discussions with potential customers.

"The best time to bring a mine on is at the beginning of a cycle," he said.

Boss also has a 1.25 million-pound uranium stockpile valued at \$US59 million (\$82 million).

Mr Craib said when Honeymoon

was at full production it would employ between 80 and 100 people.

The project has a mine life of 11 years, but it could expand through nearby deposits. Boss outlined an internal rate of return of 47 per cent based on a uranium oxide price of \$US60 per pound.