

Uranium Sector

Shaw and Partners Sector Report

Nuclear Renaissance – uranium price set to surge higher

U₃O₈ price deck – we assume a **multi-year price spike at US\$85/lb**, before settling to our long-term U₃O₈ realised price assumption of **US\$67/lb (2023 Real) in 2030**.



Source: Factset, Shaw and Partners

Company price targets

	Current SP	Target Price	Δ	Rec'n
	A\$ps	A\$ps	%	
PDN	0.69	1.15	67%	Buy
SLX	3.57	5.80	62%	Buy
PEN	0.17	0.34	100%	Buy
LOT	0.18	0.47	161%	Buy
BMN	1.53	3.20	109%	Buy
BOE	3.15	3.40	8%	Hold

Source: Factset, Shaw and Partners

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Event

The uranium sector is entering the next phase of its recovery after the long and deep downturn post-Fukushima. US and European utilities have returned to the term contract market and the volume of uranium sold in term contracts has surged higher over the past 12mths. CY22 saw approximately 120Mlb of uranium sold under term contracts and industry observers are suggesting the volume has already reached ~100Mlb in CY23. Uranium pricing is recovering with spot at US\$57/lb and term contract pricing approaching US\$60/lb. In our view, pricing is likely to reach and exceed US\$80/lb over the next two years.

Highlights

Nuclear is becoming a more important part of the energy transition as governments face the reality that investment in renewables is not going to meet decarbonisation objectives due to limitations on transmission, batteries and firming capacity.

- There are 59 new nuclear reactors being constructed around the globe, adding to the existing fleet of 436 reactors. A further 100 reactors are in the planning stage and 323 are being proposed (source: World Nuclear Association).
- The UK government has committed to a program of new nuclear plants.
- The US Government has committed to support power plant life extensions (US Infrastructure Bill).
- The EU has included nuclear in its green taxonomy legislation.
- China is aiming to build 150 new nuclear reactors over the next 15 years.
- The Japanese government has adopted a new plan to allow companies to operate existing nuclear reactors beyond the existing 60-year limit and to build next-generation reactors to replace decommissioned plants.
- France recently announced the creation of a pro-nuclear alliance with 12 European Union countries to advocate for nuclear energy and has announced the construction of six new reactors.

A bill known as the 'Reduce Russian Uranium Imports Act' is making its way through the US legislative process. The bill proposes banning US imports of Russian sourced uranium. In our view this will further tighten the uranium market.

Recommendations

Our preference list is based on a combination of uranium price leverage, underlying asset quality and project lifecycle phase. Paladin, Silex, Peninsula and Lotus are our preferred exposures, we upgrade Bannerman to Buy due to its high leverage but downgrade Boss to Hold after a period of strong performance.

- **Paladin Energy (Buy, PT A\$1.15)** – our preferred exposure to an improving uranium market. Paladin will restart Langer Heinrich in early CY24.
- **Silex Systems (Buy, PT A\$5.80ps)** – the company's 3rd generation uranium enrichment technology will revolutionise the uranium enrichment industry.
- **Peninsula Energy (Buy A\$0.34ps)** – Peninsula will be the first mine restart back in production and is a major beneficiary of US government support.
- **Lotus Resources (Buy, PT A\$0.36ps)** –The cheapest of the ASX listed uranium mine restart stories and on track for FID in 2H23.
- **Bannerman Energy (Buy, PT A\$3.20ps)** – The most leveraged name in the sector; the Etango resource in Namibia provides both scale and scalability.
- **Boss Energy (Hold, PT A\$3.40ps)** –Honeymoon is on track for first production late in CY23. We downgrade to Hold after recent strong performance.

The sector recovery continues, re-investment required

Uranium markets are past the cyclical downturn driven by the Fukushima earthquake. Fundamentals are rapidly improving, with:

1. Governments around the globe increasingly turning to nuclear power as a reliable baseload energy source to meet decarbonisation objectives.
2. A lack of investment in new mine supply over the past 12 years resulting in a structurally undersupplied market.
3. Additional financial players entering and being more active in the spot market (i.e. SPUT, Yellow Cake, ANU Energy, URC etc.).

This has led to a drawdown of inventories and a commodity price recovery – the spot uranium price has increased to around US\$57/lb and in our view is heading significantly higher over the next two years.

Utilities are re-entering the term contract market

US and European utilities have returned to the term contract market and the volume of uranium sold in term contracts has surged higher over the past 12mths. CY22 saw approximately 120Mlb of uranium sold under term contracts and industry observers are suggesting the volume has already reached ~100Mlb in CY23.).

Existing stockpiles are not inexhaustible, and the Russian / Ukraine war has highlighted the risks of a lack of supply diversity. For utilities, we believe security of supply will be a more important consideration than the price they pay for uranium, which is a relatively small part of the cost base of a nuclear reactor.

A US ban of Russian uranium will disrupt and tighten the market

A bill known as the ‘Reduce Russian Uranium Imports Act’ is making its way through the US legislative process. The bill proposes banning US imports of Russian sourced uranium. In our view this will further tighten the uranium market.

Nuclear power viewed as a low carbon, low air pollution and reliable energy source

Nuclear Energy is recognised as an essential element of the clean energy mix, which potentially enables nuclear power to increase its contribution from current ~10% of global electricity. In its most recent World Energy Outlook the International Energy Agency (IEA) outlined a range of scenarios for nuclear power. The IEA has three scenarios – State Policies (STEPS), Announced Pledges (APS) and Net Zero Emissions (NZE). The NZE scenario has nuclear electricity generation growing from 2.8TWh in 2022 to 3.9TWh in 2030 and more than doubling to 5.8TWh in 2050.

China remains the globe’s key demand uncertainty

China remains by far the single largest long-term global demand driver. Of the world’s ~391GWe nuclear capacity, it currently operates the world’s third largest fleet (~53GWe) behind the US (~96GWe) and France (61GWe).

The 14th Five-Year Plan announced in March 2021 includes the re-acceleration of a nuclear fleet build, with a specific target of 70GWe of nuclear energy capacity by 2025 (=>7% CAGR). Longer-term intentions outlined by the country’s National Energy Administration are for plants in operation to reach 180GWe capacity by 2035 (=> 9% CAGR), and a further 20GWe in construction by this stage i.e. 200GWe in production or construction by 2035.

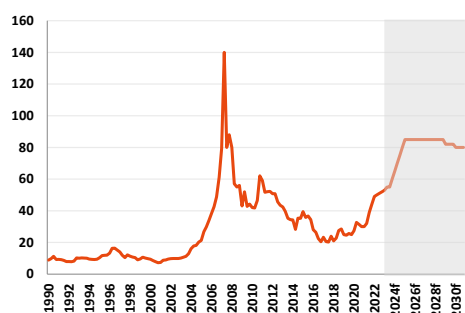
Upside risks to existing demand forecasts

The October 2022 World Nuclear Association (WNA) base case demand outlook had nuclear fleet growth at 2.6%pa from existing technologies, reaching 615 GWe by 2040.

In our view there are upside risks to forecasts such as the WNA’s as governments around the world increasingly turn to nuclear as a reliable baseload energy source to meet decarbonization targets. The mechanism for investment may be an increased uptake of advanced nuclear technologies, such as Advanced Nuclear Reactors (ANRs) and Small Modular Reactors (SMRs).

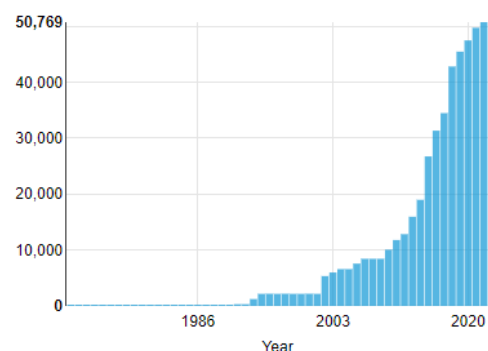
Industry experts believe long-term uranium demand growth rates will be greater than 4% if SMR and ANU demand is included, and potentially even higher if China can execute on its ambitious fleet buildout.

Figure 1: Spot U₃O₈ price (US\$/lb)



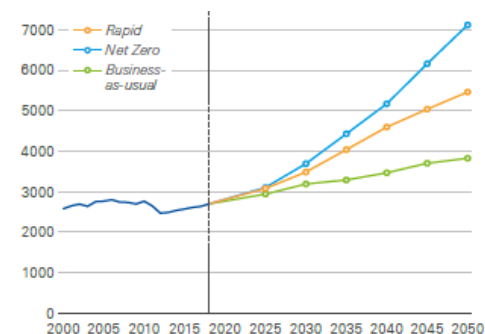
Source: Factset, Shaw forecasts

Figure 2: Chinese operable nuclear power capacity (MWe) – growing rapidly, and expected to re-accelerate following the 14th Five-Year Plan



Source: World Nuclear Association

Figure 3: Global nuclear generation (TWh) – growing robustly in the more progressive scenarios



Source: 2020 BP Statistical Review

Uranium Market Significantly Undersupplied

Global uranium demand of approximately 180Mlba is currently only being met by around 140Mlb of supply – the balance is being made up from drawdowns in inventories. There is very little visibility on the level of inventories, so although we cannot say for certain that inventories are now depleted, there are reasons to believe that we are nearing the end of the inventory drawdown:

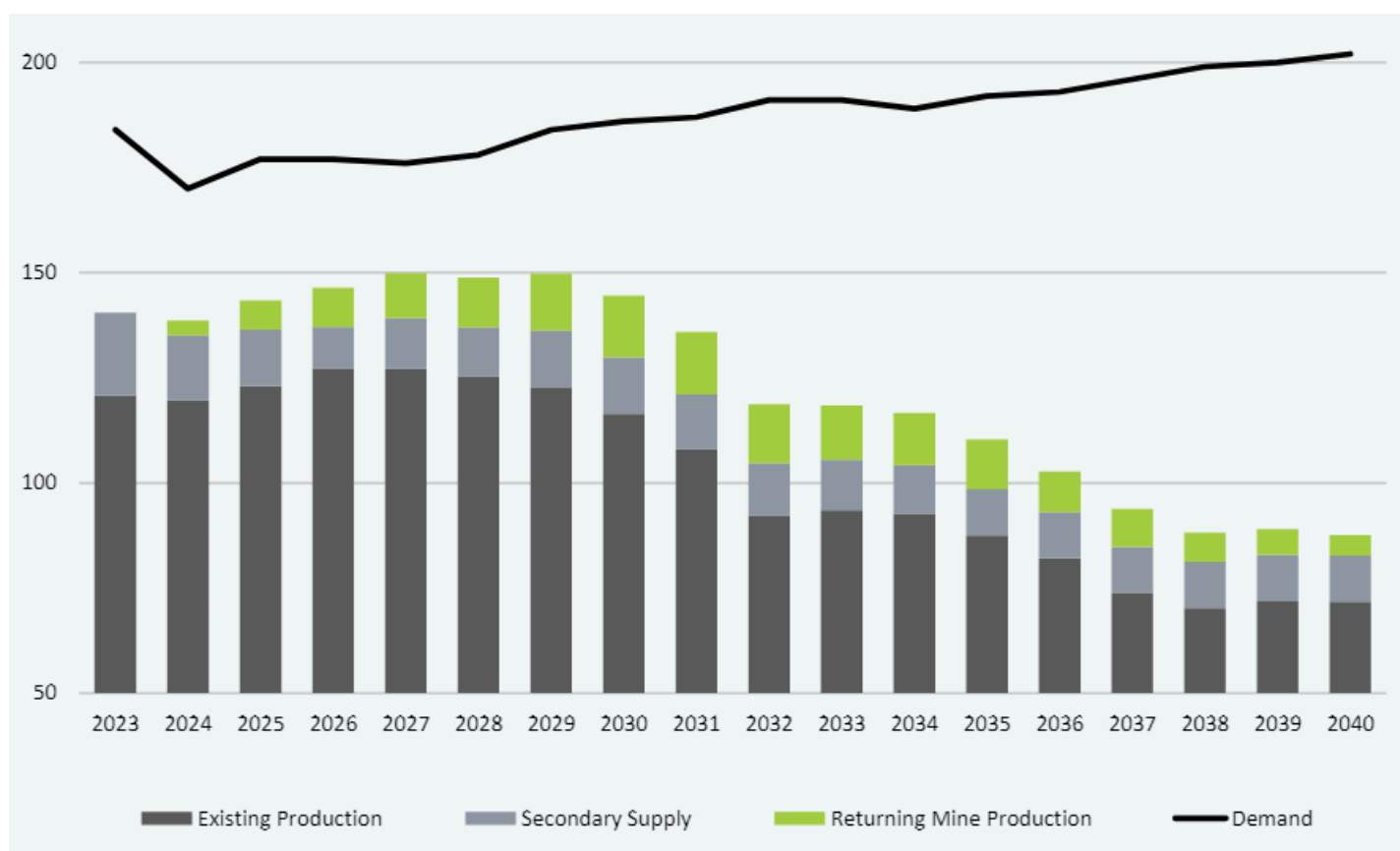
- Utilities re-entered the term contract market in large volume in 2022. Approximately 120Mlb of uranium sold under term contracts and industry observers are suggesting the volume has already reached ~100Mlb in 2023.
- The volume of activity in the spot market has shrunk and is now largely being driven by financial buyers (e.g. SPUT). Utilities have less ability to purchase uranium in a spot to term contract carry-trade whereby traders purchase spot and deliver into term contracts.
- Inventories are finite, and the market has been in deficit now for about as long as it was in over-supply post Fukushima.

In our view, the supply of uranium can be thought of in three groups:

1. Existing low cost producers such as Cameco and Kazatomprom which can generate reasonable returns at uranium prices of US\$40-50/lb and who have therefore been the first signing new contracts as the utility buyers have returned to the term contract market.
2. Greenfield restarts (including Paladin, Boss, Peninsula and Lotus) who require uranium in the US\$50-65/lb range to generate an adequate return to restart.
3. Brownfield new projects such as Bannerman and NexGen who are likely to require uranium prices in the US\$70-85/lb to incentivise the investment required to build the new capacity.

Given the demand/supply gap that already exists, and likely to widen further, we think all three sources of supply will be required.

Figure 4: Forecast structural supply shortage of uranium (Mlbs U₃O₈).



Source: PDN presentation, TradeTech

Uranium Price Outlook

The spot uranium price has rallied from its post Fukushima low of ~US\$20/lb to around US\$57/lb today. The recovery has been driven by improving fundamentals and active purchasing of spot uranium by financial participants such as the Sprott Physical Uranium Trust (SPUT), Yellow Cake, ANU Energy and URC. SPUT has acquired 61.7Mlb of uranium in the past two years. The spot market is typically ~20% of the overall market of about 180Mlb so SPUT buying alone has soaked up most of the spot market since launch.

In our view the market is tightening further due to the return of utilities into the term contract market, ongoing financial buying and the potential for further government support (e.g. US strategic reserve buying). Our forecasts assume a multi-year price spike at US\$85/lb, before settling to our long-term U₃O₈ realised price assumption of US\$67/lb (2023 Real, from US\$60/lb) in 2030. We have slightly lengthened the duration of the price spike in our most recent forecast, previously we had the price retreating to the long term assumption in 2028.

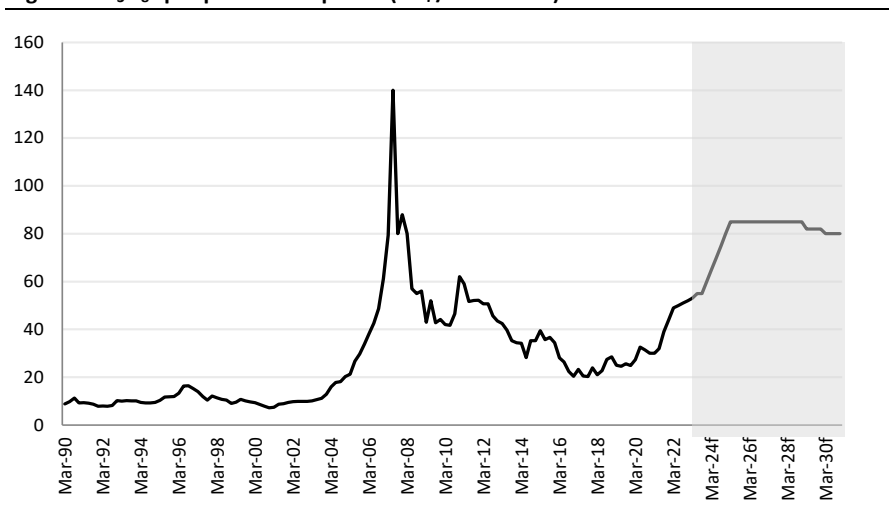
Although much of the focus is on the spot uranium price, it needs to be remembered that most uranium is bought and sold in the term contract market. When calculating the realized uranium price that a producer will receive, the nature of the term contracts needs to be considered. Historically, the term contract price has averaged about a US\$10/lb premium to spot pricing.

Figure 5: U₃O₈ spot price assumption (US\$/lb)

Uranium Price forecast (FY)	2019	2020	2021	2022	2023f	2024f	2025f	2026f	2027f	2028f	2029f	2030f	LT (2023 Real)
Spot price (US\$/lb)	26	28	31	46	53	63	81	85	85	85	84	81	67
AUD/USD	0.71	0.67	0.75	0.72	0.68	0.72	0.74	0.74	0.74	0.74	0.74	0.74	0.74

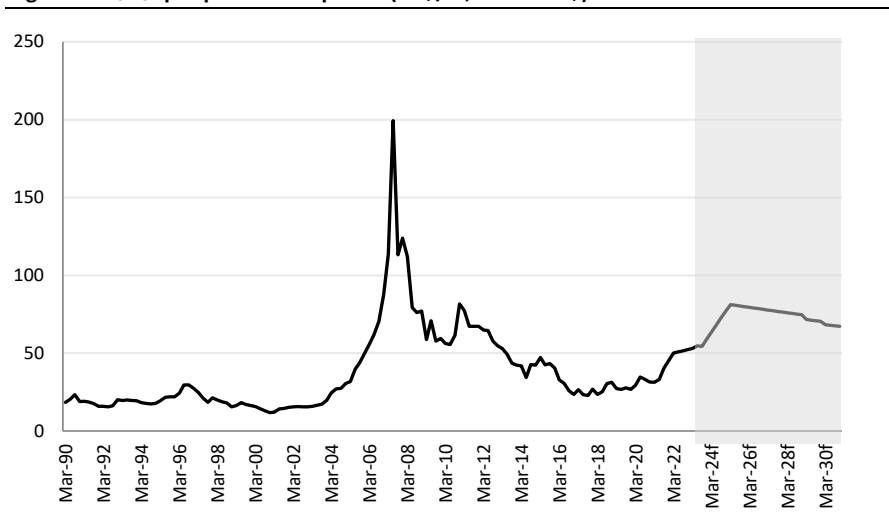
Source: Factset, Bloomberg, Shaw and Partners analysis

Figure 6: U₃O₈ spot price assumptions (US\$/lb nominal)



Source: Factset, Bloomberg, Shaw and Partners analysis

Figure 7: U₃O₈ spot price assumptions (US\$/lb, real 2023\$)



Source: Factset, Bloomberg, Shaw and Partners analysis

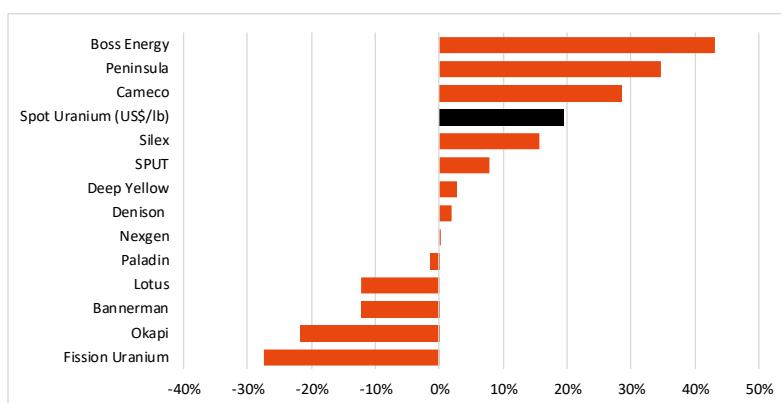
Sector Performance

The tables and chats below show the performance of a selection of ASX and TSE listed uranium companies and the spot uranium price. The past three years have been very different:

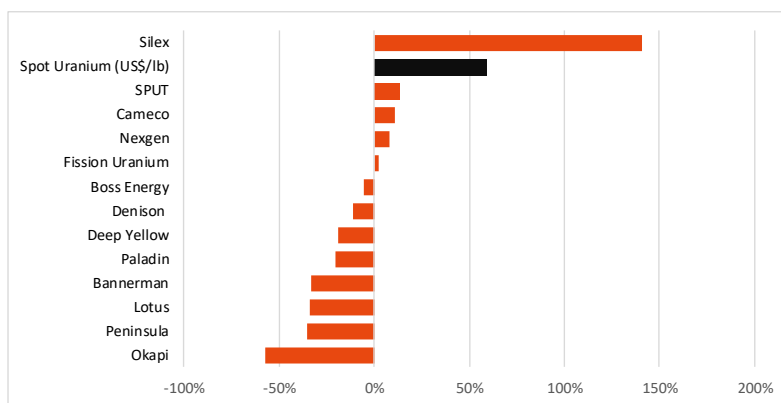
- In 2021 the sector saw extraordinary equity outperformance, led by Paladin with a 260% increase over the year. The spot uranium price hardly moved.
- In 2022 the spot uranium price rallied 59% due to the arrival of SPUT – but in a generally ‘risk-off’ environment for emerging resource stocks most equities underperformed. Silex was the exception, lifting 141%.
- In 2023 the spot uranium price has resumed its upward move (up 19%) but the performance of the equities is mixed. Boss and Peninsula are the best performing as they near first production.

Figure 8: Uranium equity performance – selected ASX and TSE listed uranium companies. Market cap in local currency.

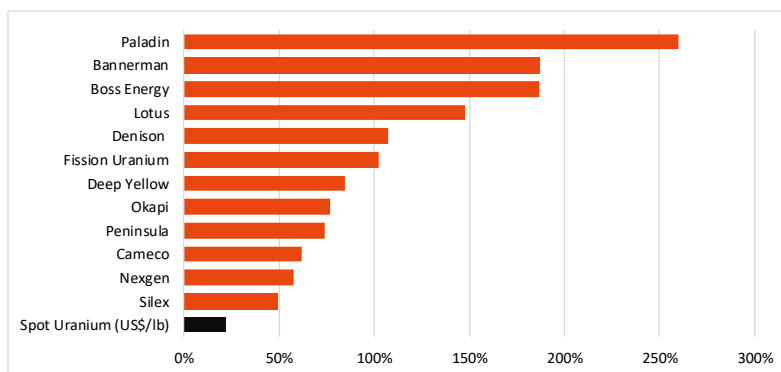
Company	Code	Mkt Cap A\$m/C\$m	2023 YTD Performance
Spot Uranium (US\$/lb)			19%
Paladin	PDN	2,056	-1%
Boss Energy	BOE	1,075	43%
Peninsula	PEN	220	35%
Lotus	LOT	242	-12%
Bannerman	BMN	238	-12%
Silex	SLX	871	16%
Deep Yellow	DYL	546	3%
Okapi	OKR	22	-22%
Cameco	CCO	17,083	29%
Nexgen	NXE	2,924	0%
Denison	DML	1,319	2%
Fission Uranium	FCU	419	-28%
SPUT	U.UT	4,243	8%



Company	Code	Mkt Cap A\$m/C\$m	2022 Performance
Spot Uranium (US\$/lb)			59%
Paladin	PDN	2,056	-20%
Boss Energy	BOE	1,075	-5%
Peninsula	PEN	220	-35%
Lotus	LOT	242	-34%
Bannerman	BMN	238	-33%
Silex	SLX	871	141%
Deep Yellow	DYL	546	-19%
Okapi	OKR	22	-57%
Cameco	CCO	17,083	11%
Nexgen	NXE	2,924	8%
Denison	DML	1,319	-11%
Fission Uranium	FCU	419	3%
SPUT	U.UT	4,243	14%



Company	Code	Mkt Cap A\$m/C\$m	2021 Performance
Spot Uranium (US\$/lb)			22%
Paladin	PDN	2,056	260%
Boss Energy	BOE	1,075	187%
Peninsula	PEN	220	74%
Lotus	LOT	242	148%
Bannerman	BMN	238	187%
Silex	SLX	871	49%
Deep Yellow	DYL	546	85%
Okapi	OKR	22	77%
Cameco	CCO	17,083	62%
Nexgen	NXE	2,924	58%
Denison	DML	1,319	107%
Fission Uranium	FCU	419	103%
SPUT	U.UT	4,243	n/a



Source: Factset, Shaw and Partners analysis

Legislation to ban Russian uranium imports in the US

A bipartisan group in the US Senate has introduced S.763 otherwise known as the ‘Reduce Russian Uranium Imports Act’. Specifically, S.763 calls for prohibiting “the importation into the United States of unirradiated low-enriched uranium that is produced in the Russian Federation or by a Russian entity.”

The bill is sponsored by Sen. John Barrasso (R., Wyo) (amongst others) a member of the Senate Committee on Energy and Natural Resources. In support of the bill, Senator Barrasso commented that:

“America’s nuclear industry is ready to transition away from Russian uranium. Wyoming has the resources we need to boost production at home. The first step is permanently removing all Russian energy, including uranium, from the American marketplace. By banning Russian uranium imports, we can further defund Russia’s war machine, help revive American uranium production, and increase our national security.”

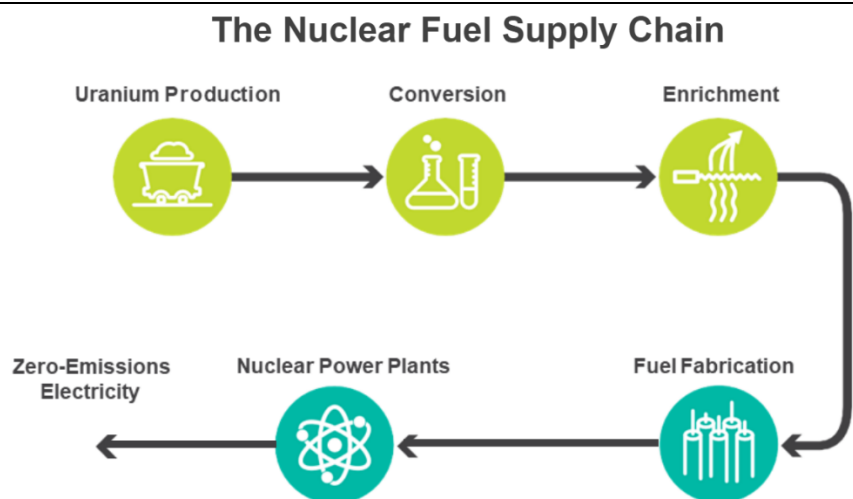
The bill passed 18-12 in a House subcommittee in the US House of Representatives on 16 May 2023 and has advanced in the Senate by being approved by the Energy and Natural Resources panel. The bill now needs to go to the Senate floor, and if approved then be signed into law by President Joe Biden. The bill is receiving strong bipartisan support.

The bill is proposing to ban Russian imports immediately, but with waivers to allow the import of low-enriched uranium (LEU) if there is no alternative source available. The waivers will phase down and end in 2028 – which, perhaps not coincidentally, is the year when the Cameco/Silex GLE JV is proposing to reach commercial production of enriched uranium from the Paducah Laser Enrichment Facility (PLEF) in the US.

Uranium enrichment – dominated by Russia

The uranium fuel supply chain is shown in the diagram below. U₃O₈ (yellow cake) is first converted to uranium hexafluoride (UF₆), then enriched before being fabricated into fuel rods for use in nuclear reactors.

Figure 9: The Nuclear Fuel Supply Chain



Source: Silex presentation Mar23

The enrichment process increases the percentage of U-235 in the mix. U-235 is fissile whereas U-238 is not. Current enrichment technology is dominated by centrifuges – these use the 1.3% difference in mass between U-235 and U-238 to separate the isotopes. It is a difficult process and requires large banks of centrifuges. The enrichment step in the fuel supply chain is dominated by Russia which has around 45% of the world’s enrichment capacity.

Figure 10: Russia dominates global enrichment capacity

	Russian Share of Global Production Capacity ¹	EU Nuclear Fuel Supplied by Russia ²	US Nuclear Fuel Supplied by Russia ^{1,3}
Uranium (U ₃ O ₈)	~14%	~20%	~14%
Conversion	~27%	~24%	~18%
Enrichment (SWU)	~45%	~31%	~20%

1. WNA and UIC various sources 2022
2. Euratom Supply Agency Annual Report 2021
3. EIA, 2021 Uranium Marketing Annual Report, May 2022

Source: Silex presentation

Enrichment capacity is measured in Separative Work Units (SWU), which is a measure of the effort required to separate U-235 and U-238. 1 SWU is equivalent to 1kg of separative work.

There are currently only 3 Western suppliers of conversion services (Cameco, Orano, Converdyn) and 2 Western suppliers of enrichment services (Urenco, Orano).

Figure 11: Global enrichment capacity

World enrichment capacity – operational and planned

Country	Company and plant	2020 capacity (thousand SWU/yr)
France	Areva, Georges Besse I & II	7500
Germany-Netherlands-UK	Urenco: Gronau, Germany; Almelo, Netherlands; Capenhurst, UK.	13,700
USA	Urenco, New Mexico	4900
Russia	Tenex: Angarsk, Novouralsk, Zelenogorsk, Seversk	27,700
China	CNNC, Hanzhun & Lanzhou	6300
Other	Various: Argentina, Brazil, India, Pakistan, Iran	66
	Total SWU/yr approx	60,166
	Requirements (WNA reference scenario)	50,205

Source: WNA Nuclear Fuel Report 2021 and company websites

Source: World Nuclear Association

The next generation of nuclear reactors called Small Modular Reactors (SMRs) need a higher level of enriched fuel called High-Assay Low Enriched Uranium (HALEU). There is no HALEU capacity in the West – it all comes from Russia.

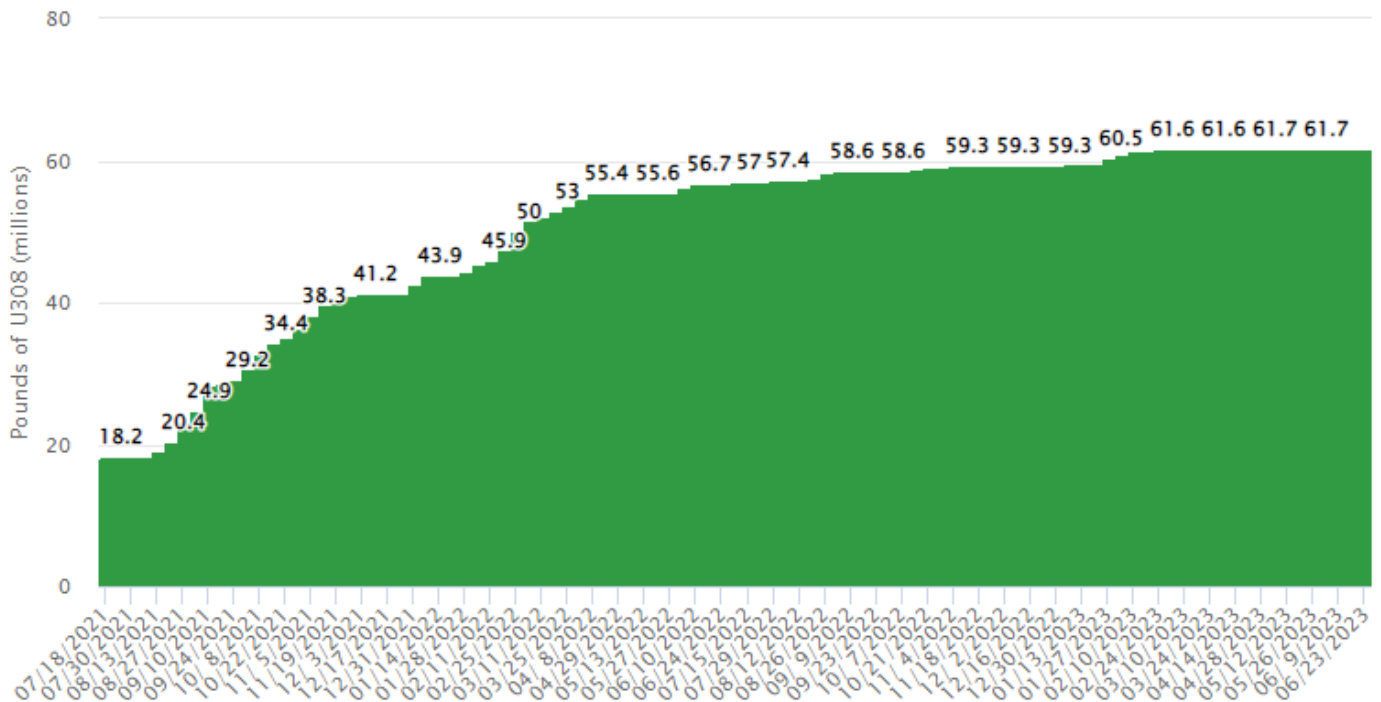
Silex (SLX:ASX) has developed a new technology which promises to revolutionise the nuclear supply chain. It uses lasers to excite the uranium atoms, and then separate the U-235 and U-238 which are excited at different levels. The technology of the actual separation process is hidden behind military-grade security clearance but Silex has successfully operated the technology at prototype-scale (approx. 10% full scale) in 2013 at GLE's Test Loop facility in Wilmington NC. Silex received a US\$15m milestone payment from GLE at that time, so it was an important milestone, and is now building a pilot plant in the US. The outcome from the pilot plant will be known in 2024 and Silex and Cameco have fast-tracked development of the first commercial operation at Paducah to 2027/28.

SPUT – purchasing physical uranium with its Canadian listing

Since August 2021, SPUT has aggressively purchased spot material in the market funded by an expanded US\$3.5b ATM facility. It has been one of the key drivers of the spot price increase from the ~\$30/lb level to the ~\$50-60/lb level, a nine-year high. We note that US\$3.5b is sufficient to purchase ~65Mlbs of uranium (assuming an average price of \$55/lb).

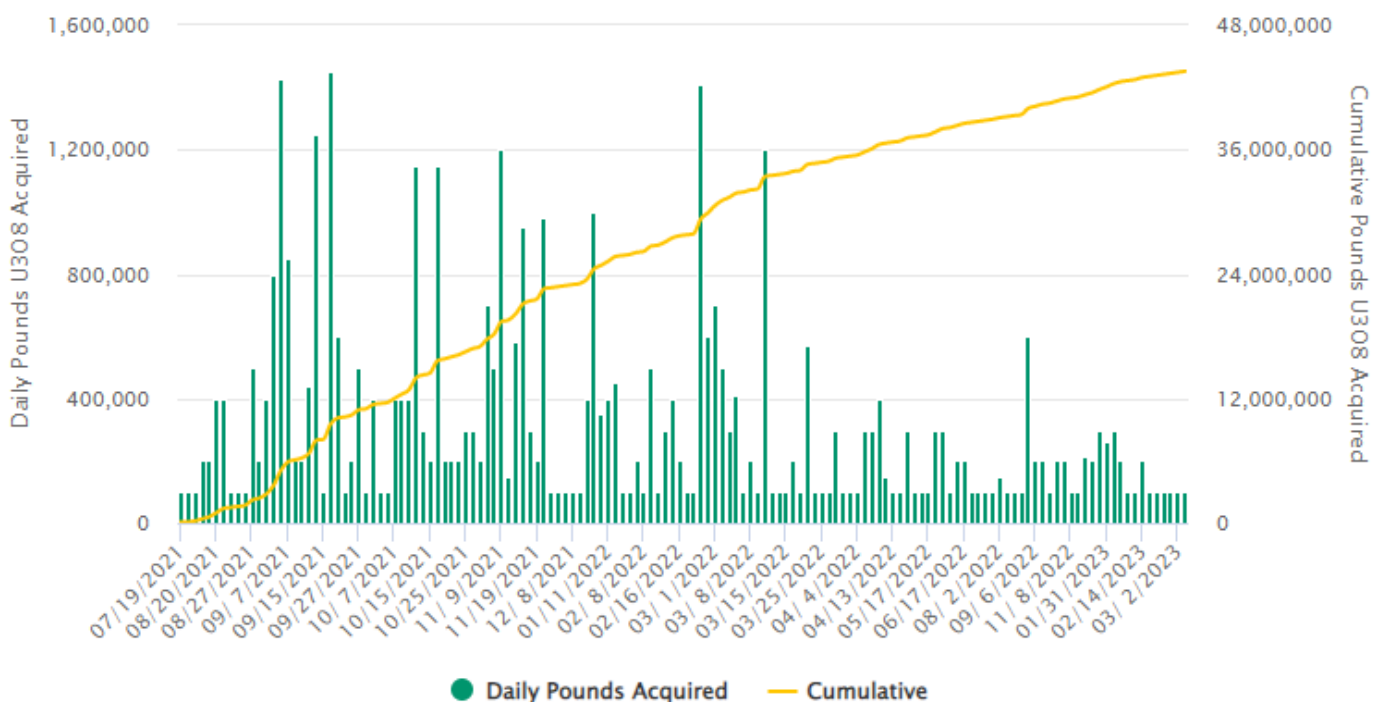
Since the acquisition of UPC, SPUT has purchased 43.4Mlbs of spot material and now holds 61.7Mlbs of total uranium inventory.

Figure 12: Total Pounds of Uranium held by SPUT (Mlbs U₃O₈)



Source: [Sprott Asset Management](#)

Figure 13: Daily and Cumulative Pounds of Uranium acquired by SPUT (Mlbs U₃O₈)



Source: [Sprott Asset Management](#)

Company valuations, price targets and sensitivities

Given we believe the sector is entering a multi-year upcycle after a decade of underinvestment, in our view equities will trade ahead of valuation support. It is not unusual to see equities trading greater than 1.5x valuation support in these scenarios.

We note the spot U₃O₈ price (US\$57/lb) is below our current forecast (LT US\$67/lb 2023 Real). Higher prices are required for each company to sanction their projects.

In the tables below our valuations are based on the company's fully diluted discounted cash flow valuation, assuming the project is sanctioned.

Our preferred valuation technique is a discounted cash flow (DCF) valuation with post-tax operational cash flows discounted at a weighted average cost of capital of 10%.

For most of our coverage we set a price target at 1.3x our DCF valuation. This reflects our view that spot uranium is about to surge higher, and therefore the uranium equities are likely to trade a premium to fundamental valuation support. The only stock we have set with a price target in-line with its valuation is Silex, which is due to the somewhat unique nature of this company, but also highlights how much valuation upside exists.

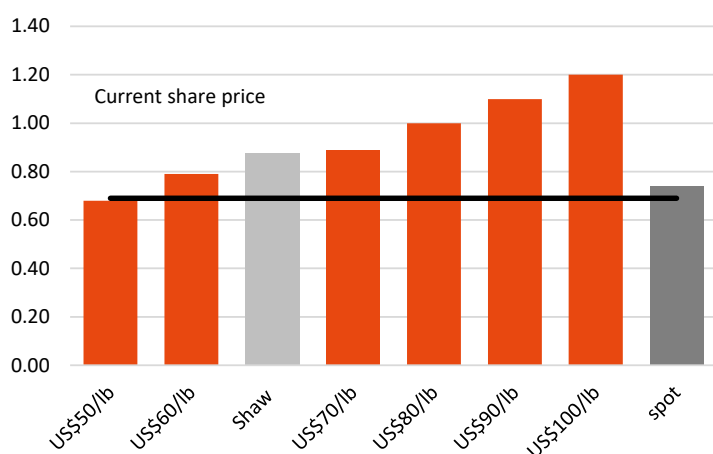
We note that we have brought our Paladin price target down to 1.3x DCF (from 1.5x DCF) to bring the stock in line with the rest of our coverage.

Figure 14: Coverage overview, target price and methodology

Rank			Current SP	Target	Δ	Rec'n	Target price methodology
			A\$ps	A\$ps	%		
1	Paladin Energy	PDN	0.69	1.15	67%	Buy	1.3x valuation
2	Silex Systems	SLX	3.57	5.80	62%	Buy	1.0x valuation
3	Peninsula Energy	PEN	0.17	0.34	100%	Buy	1.3x valuation
4	Lotus Resources	LOT	0.18	0.47	161%	Buy	1.3x valuation
5	Bannerman Energy	BMN	1.53	3.20	109%	Buy	1.3x valuation
6	Boss Energy	BOE	3.15	3.40	8%	Hold	1.3x valuation

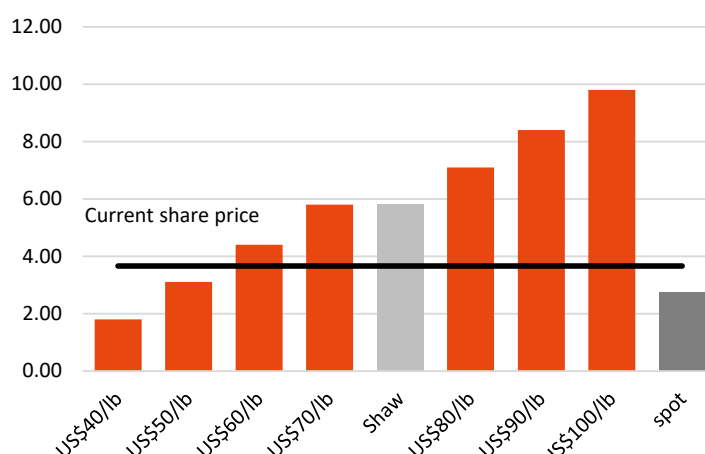
Source: Shaw and Partners analysis, Factset

Figure 15: PDN valuation sensitivity (A\$ps)



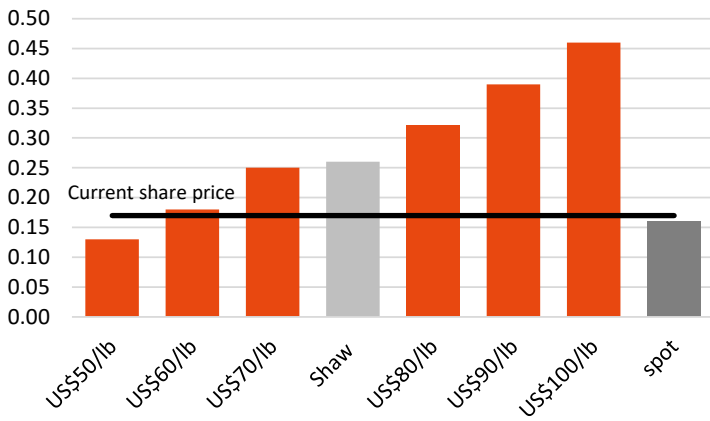
Source: Shaw and Partners analysis, Factset

Figure 16: SLX valuation sensitivity (A\$ps)



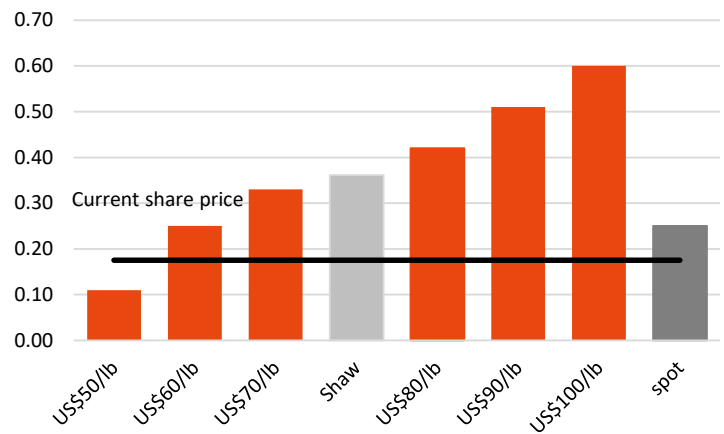
Source: Shaw and Partners analysis, Factset

Figure 17: PEN valuation sensitivity (A\$ps)



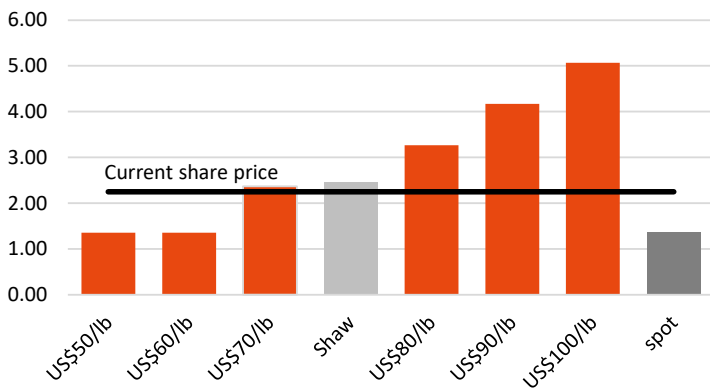
Source: Shaw and Partners analysis, Factset

Figure 18: LOT valuation sensitivity (A\$ps)



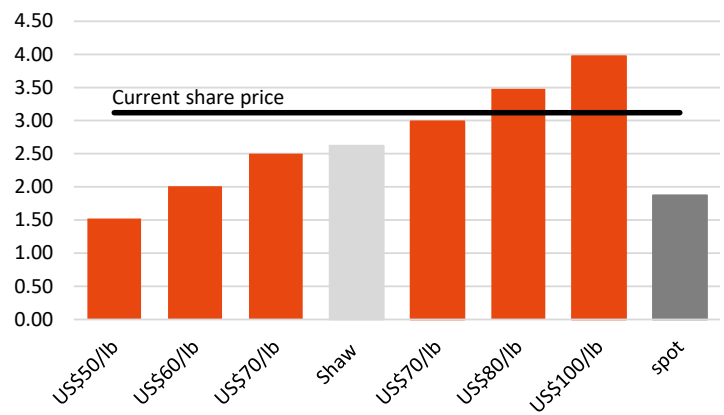
Source: Shaw and Partners analysis, Factset

Figure 19: BMN valuation sensitivity (A\$ps)



Source: Shaw and Partners analysis, Factset

Figure 209: BOE valuation sensitivity (A\$ps)



Source: Shaw and Partners analysis, Factset

Paladin Energy financial summary

Profit & Loss						Company Information					
	FY21	FY22	FY23f	FY24f	FY25f						
Revenue	3.0	4.7	0.0	124.1	327.6	Financial Year End Date					30-Jun
Expenses	-13.4	-20.3	-14.7	-58.2	-136.2	Share Price					0.69
Underlying EBITDA	-10.5	-15.6	-14.7	65.9	191.4	Market Capitalisation					2,055
Depreciation & Amort	-15.2	-15.3	0.0	-9.3	-20.1	Valuation					0.87
Underlying EBIT	-25.7	-30.9	-14.7	56.6	171.3	Target price (1.3x diluted valuation)					1.15
Net Interest	-32.4	-13.0	5.3	2.6	3.5	Recommendation					Buy
Profit Before Tax	-58.1	-43.9	-9.4	59.2	174.8						
Tax	-0.2	0.0	0.0	0.0	0.0						
NPAT (Underlying)	-58.3	-43.9	-9.4	59.2	174.8						
Exceptional items	0.0	0.0	0.0	0.0	0.0						
NPAT (reported)	-58.3	-43.9	-9.4	59.2	174.8						
Minorities	-14.3	-17.2	-2.3	14.8	43.7						
Attributable NPAT	-44.0	-26.7	-7.0	44.4	131.1						
Balance Sheet						Per Share Data (c)					
	FY21	FY22	FY23f	FY24f	FY25f		FY21	FY22	FY23f	FY24f	FY25f
Cash	30.7	177.1	87.5	116.5	299.3	Shares (m)	2,678	2,978	2,978	2,978	2,978
Net Receivables	2.0	5.1	0.0	10.2	26.9	Normalised EPS	-1.9	-0.9	-0.2	1.5	4.4
Other	7.4	7.4	7.4	7.4	7.4	Dividends	0.0	0.0	0.0	0.0	2.0
Current Assets	40.0	189.5	94.9	134.0	333.6	Dividend Yield (%)	0.0%	0.0%	0.0%	0.0%	2.9%
Property, Plant & Equipment	178.1	166.3	240.1	262.2	246.6	Book Value	0.09	0.12	0.12	0.14	0.20
Other	143.1	125.2	134.4	138.9	140.4	P/E (x)	-19.7	-44.3	-197.0	33.1	11.6
Non Current Assets	321.1	291.5	374.5	401.2	387.0	EV/EBITDA (x)	-23.3	-15.6	-16.6	3.7	1.3
Total Assets	361.2	481.0	469.4	535.2	720.6						
Trade Creditors	2.3	2.2	0.0	6.6	17.3						
Borrowings	0.0	0.0	0.0	0.0	0.0						
Other	0.6	0.4	0.4	0.4	0.4						
Current Liabilities	2.9	2.6	0.4	7.0	17.7						
Borrowings	0.0	0.0	0.0	0.0	0.0						
Other	111.6	120.0	120.0	120.0	120.0						
Non Current Liabilities	111.6	120.0	120.0	120.0	120.0						
Net Assets	246.7	358.4	349.0	408.2	583.0						
Shareholder Capital	2,489.1	2,645.8	2,645.8	2,645.8	2,645.8						
Retained earnings	-2,146.5	-2,160.8	-2,170.2	-2,111.0	-1,936.2						
Minorities/others	-95.9	-126.5	-126.5	-126.5	-126.5						
Total Equity	246.7	358.4	349.0	408.2	583.0						
Cash Flow						Valuation					
	FY21	FY22	FY23f	FY24f	FY25f		US\$m	A\$m	A\$ps		
Receipts	3.0	4.7	0.0	124.1	327.6	Langer Heinrich (75%)	856	1,206	0.40		
Payments	-9.8	-11.7	-14.7	-58.2	-136.2	Net cash / (debt)	147	207	0.07		
Other Operating Cash Flow	1.2	-2.9	8.2	-1.0	-2.6	Exploration upside	857	1,207	0.41		
Operating Cash Flow	-5.6	-9.9	-6.5	64.9	188.8	Corporate costs	-15	-21	-0.01		
Capex	0.0	-0.2	-82.0	-35.0	-5.0	Total Valuation	1,845	2,599	0.87		
Other Investing Cash Flow	-2.2	12.1	-1.0	-1.0	-1.0	Target price (1.3x diluted valuation)					1.15
Investing Cash Flow	-2.2	12.0	-83.0	-36.0	-6.0						
Net Equity raised	159.0	156.6	0.0	0.0	0.0						
Dividends Paid	0.0	0.0	0.0	0.0	0.0						
Net Borrowings	-115.0	0.0	0.0	0.0	0.0						
Financing Cash flow	1.2	157.4	0.0	0.0	0.0						
Total Cash Change	-6.6	159.4	-89.5	28.9	182.8						
Assumptions						Operating Metrics					
	FY21	FY22	FY23f	FY24f	FY25f		FY21	FY22	FY23f	FY24f	FY25f
Prices						Ore processed (ktpa)	0	0	0	2000	4000
A\$/US\$	0.75	0.72	0.68	0.72	0.74	Average grade (ppm)	0	0	0	508	547
Spot U ₃ O ₈ (US\$/lb)	31	46	53	63	81	U ₃ O ₈ sold (Mlb)	0.0	0.0	0.0	2.0	4.3
						C1 cost (US\$/lb)	0	0	0	21	26
Average price (US\$/lb)	n/a	n/a	n/a	62	75						
Average cost (US\$/lb)	n/a	n/a	n/a	24	29						
Average margin (US\$/lb)	n/a	n/a	n/a	38	46						
Financial metrics (%)						Balance sheet metrics					
	FY21	FY22	FY23f	FY24f	FY25f		FY21	FY22	FY23f	FY24f	FY25f
EBITDA margin	0.0%	0.0%	0.0%	53.1%	58.4%	Net Debt (m)	-31	-177	-88	-116	-299
EBIT margin	0.0%	0.0%	0.0%	45.6%	52.3%	ND / ND+E	0.0%	0.0%	0.0%	0.0%	0.0%
ROIC	0.0%	0.0%	0.0%	13.6%	42.3%						
Return on Assets	-16.1%	-10.4%	-2.0%	11.8%	27.8%						
Return on Equity	-34.3%	-14.5%	-2.7%	16%	35%						

Source: Company reports, Shaw and Partners analysis

Silex Systems financial summary

Profit & Loss						Company Information					
	FY21	FY22	FY23f	FY24f	FY25f						
Revenue	2.1	4.4	2.0	2.0	2.0	Financial Year End Date				30-Jun	
Expenses	-8.5	-13.4	-9.0	-9.2	-9.5	Share Price				3.66	
Underlying EBITDA	-6.4	-9.0	-7.0	-7.2	-7.5	Market Capitalisation				859	
Depreciation & Amort	-0.3	-0.4	-0.3	-0.3	-0.3	Valuation				5.80	
Underlying EBIT	-6.7	-9.4	-7.3	-7.5	-7.8	Recommendation				Buy	
Net Interest	0.0	0.0	1.2	3.8	3.6	Risk				High	
Profit Before Tax	-6.7	-9.5	-6.1	-3.7	-4.2						
Tax	0.0	0.0	0.0	0.0	0.0						
NPAT (Underlying)	-6.7	-9.5	-6.1	-3.7	-4.2						
Exceptional items	0.0	0.0	0.0	0.0	0.0						
NPAT (reported)	-6.7	-9.5	-6.1	-3.7	-4.2						
Minorities	0.0	0.0	-4.6	-2.8	-3.1						
Attributable NPAT	-6.7	-9.5	-1.5	-0.9	-1.0						
Balance Sheet						Per Share Data (c)					
	FY21	FY22	FY23f	FY24f	FY25f		FY21	FY22	FY23f	FY24f	FY25f
Cash	14.1	42.5	130.4	120.0	586.5	Shares (m)	173	205	235	235	235
Net Receivables	2.6	2.8	0.2	0.2	0.2	Normalised EPS	-3.9	-5.0	-0.7	-0.4	-0.4
Other	6.0	4.3	4.3	4.3	4.3	Dividends	0.0	0.0	0.0	0.0	0.0
Current Assets	22.7	49.7	134.9	124.5	591.0	Dividend Yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%
Property, Plant & Equipment	0.3	0.3	25.4	32.1	38.5	Book Value	0.13	0.25	0.68	0.66	2.68
Other	1.0	4.1	1.1	1.1	1.1	P/E (x)	-17.4	-30.3	-355.9	-665.2	-606.0
Non Current Assets	1.3	4.4	26.5	33.2	39.6	EV/EBITDA (x)	-16.0	-29.9	-64.3	-68.5	-6.7
Total Assets	24.0	54.1	161.4	157.7	630.6						
Trade Creditors	1.1	1.7	0.0	0.0	0.0						
Borrowings	0.0	0.0	0.0	0.0	0.0						
Other	0.8	1.0	1.0	1.0	1.0						
Current Liabilities	1.9	2.7	1.0	1.0	1.0						
Borrowings	0.0	0.8	0.8	0.8	0.8						
Other	0.0	0.1	0.1	0.1	0.1						
Non Current Liabilities	0.0	0.9	0.9	0.9	0.9						
Total Liabilities	2.0	3.6	1.9	1.9	1.9						
Net Assets	22.1	50.5	159.5	155.8	628.8						
Shareholder Capital	232.6	271.5	386.5	386.5	386.5						
Retained earnings	-222.6	-232.0	-233.6	-234.5	-235.5						
Minorities/others	12.0	11.0	6.5	3.8	477.8						
Total Equity	22.1	50.5	159.5	155.8	628.8						
Cash Flow						Valuation (fully diluted)					
	FY21	FY22	FY23f	FY24f	FY25f		US\$m	A\$m	A\$ps		
Receipts	2.8	6.8	2.0	2.0	2.0	PLEF I - Paducah UF6 (via 51% of GLE)	439	585	2.49		
Payments	-7.9	-6.5	-10.0	-10.2	-10.5	PLEF I - Paducah UF6 royalty (7%)	147	196	0.84		
Other Operating Cash Flow	0.3	0.1	3.1	4.8	4.6	Paducah Milestone payments	18	24	0.10		
Operating Cash Flow	-4.8	0.4	-4.9	-3.4	-3.9	Other assets (ZS-Si & IQE)	30	40	0.17		
Capex	-0.2	-0.1	-22.2	-7.0	-6.8	Net cash / (debt)	123	164	0.70		
Other Investing Cash Flow	10.0	-39.9	0.0	0.0	477.2	Corporate costs	-8	-10	-0.04		
Investing Cash Flow	9.8	-40.1	-22.2	-7.0	470.4	Total Valuation	1,013	1,350	5.80		
Net Equity raised	0.0	38.5	115.0	0.0	0.0						
Dividends Paid	0.0	0.0	0.0	0.0	0.0						
Net Borrowings	-0.2	-0.3	0.0	0.0	0.0						
Financing Cash flow	-0.2	38.2	115.0	0.0	0.0						
Total Cash Change	4.8	-1.5	87.9	-10.4	466.5						
Assumptions						Operating Metrics					
	FY21	FY22	FY23f	FY24f	FY25f		FY21	FY22	FY23f	FY24f	FY25f
Prices						U ₃ O ₈ sold (Mlb)	0.0	0.0	0.0	0.0	0.0
A\$/US\$	0.75	0.72	0.68	0.72	0.74	C1 cost (US\$/lb)	0	0	0	0	0
U ₃ O ₈ (US\$/lb)	31	46	53	63	81						
Financial metrics (%)						Balance sheet metrics					
	FY21	FY22	FY23f	FY24f	FY25f		FY21	FY22	FY23f	FY24f	FY25f
EBITDA margin	0.0%	0.0%	0.0%	0.0%	0.0%	Net Debt (m)	-14	-42	-130	-119	-586
EBIT margin	0.0%	0.0%	0.0%	0.0%	0.0%	ND / ND+E	0.0%	0.0%	0.0%	0.0%	0.0%
ROIC	0.0%	0.0%	0.0%	0.0%	0.0%						
Return on Assets	n/a	n/a	n/a	n/a	n/a						
Return on Equity	n/a	n/a	n/a	n/a	n/a						

Source: Company reports, Shaw and Partners analysis

Lotus Resources financial summary

Profit & Loss						Company Information					
	FY22	FY23f	FY24f	FY25f	FY26f						
Revenue	0.0	0.0	0.0	94.8	277.6	Financial Year End Date	30-Jun				
Expenses	-11.7	-5.0	-5.1	-45.3	-120.6	Share Price	0.175				
Underlying EBITDA	-11.7	-5.0	-5.1	49.5	156.9	Market Capitalisation	235				
Depreciation & Amort	-1.2	0.0	0.0	-4.4	-12.2	Valuation	0.36				
Underlying EBIT	-13.0	-5.0	-5.1	45.1	144.7	Recommendation	Buy				
Net Interest	0.0	0.0	0.0	-2.0	-4.0						
Profit Before Tax	-13.0	-5.0	-5.1	43.1	140.7						
Tax	0.0	0.0	0.0	0.0	0.0						
NPAT (Underlying)	-13.0	-5.0	-5.1	43.1	140.7						
Exceptional items	0.0	0.0	0.0	0.0	0.0						
NPAT (reported)	-13.0	-5.0	-5.1	43.1	140.7						
Minorities	-1.0	0.0	0.0	6.5	21.1						
Attributable NPAT	-12.0	-5.0	-5.1	36.7	119.6						
Balance Sheet						Per Share Data (c)					
	FY22	FY23f	FY24f	FY25f	FY26f		FY22	FY23f	FY24f	FY25f	FY26f
Cash (inc. restricted)	4.9	13.4	47.1	68.7	193.2	Shares (m)	1,207	1,344	1,741	1,741	1,741
Net Receivables	0.0	0.0	0.0	0.0	0.0	Normalised EPS	-1.1	-0.4	-0.3	2.1	6.9
Other	0.9	0.9	0.9	0.9	0.9	Dividends	0.0	0.0	0.0	0.0	0.5
Current Assets	5.8	14.3	48.0	69.6	194.1	Dividend Yield (%)	0.0%	0.0%	0.0%	0.0%	2.9%
Property, Plant & Equipment	0.0	0.0	62.9	110.0	105.8	Book Value	0.01	0.03	0.06	0.08	0.16
Other	60.8	63.5	73.2	87.7	108.2	P/E (x)	-14.0	-30.1	-37.7	6.2	1.9
Non Current Assets	60.8	63.5	136.2	197.7	214.0	EV/EBITDA (x)	-0.2	-0.5	-0.5	0.1	0.0
Total Assets	66.6	77.9	184.2	267.3	408.0						
Trade Creditors	1.7	0.0	0.0	0.0	0.0	Fully Diluted Valuation					
Borrowings	0.0	0.0	0.0	0.0	20.0		US\$m	A\$m	A\$ps		
Other	7.4	7.4	7.4	7.4	7.4	Kayelekera	295	440	0.25		
Current Liabilities	9.1	7.4	7.4	7.4	27.4	Net cash / (debt)	22	33	0.02		
Borrowings	0.0	0.0	40.0	80.0	60.0	Exploration upside	67	100	0.06		
Other	42.7	35.7	35.7	35.7	35.7	Cash from raise	48	71	0.04		
Non Current Liabilities	42.7	35.7	75.7	115.7	95.7	Corporate costs	-10	-15	-0.01		
Net Assets	14.8	34.8	101.1	144.2	284.9	Total Valuation	421	629	0.36		
Shareholder Capital	114.9	139.9	211.4	211.4	211.4	Target price (1.3x diluted valuation)	0.47				
Retained earnings	-68.4	-73.4	-78.5	-41.9	77.8	Assumptions					
Minorities/others	-31.8	-31.8	-31.8	-25.3	-4.2		FY22	FY23f	FY24f	FY25f	FY26f
Total Equity	14.8	34.8	101.1	144.2	284.9	Prices					
						A\$/US\$	0.72	0.68	0.72	0.74	0.74
						U ₃ O ₈ (US\$/lb)	46	53	63	81	85
Cash Flow						Operating Metrics					
	FY22	FY23f	FY24f	FY25f	FY26f		FY22	FY23f	FY24f	FY25f	FY26f
Receipts	0.2	0.0	0.0	94.8	277.6	Ore processed (ktpa)	0	0	0	500	1400
Payments	-10.1	-5.0	-5.1	-45.3	-120.6	Average grade (ppm)	0	0	0	900	900
Other Operating Cash Flow	-0.1	-1.7	0.0	-8.0	-20.9	U ₃ O ₈ sold (Mlb)	0.0	0.0	0.0	0.9	2.4
Operating Cash Flow	-10.0	-6.7	-5.1	41.4	136.0	C1 cost (US\$/lb)	0	0	0	34	35
Capex	-1.0	0.0	-69.9	-57.1	-8.8	Average price (A\$/lb)	n/a	n/a	n/a	110	115
Other Investing Cash Flow	-0.6	-9.7	-2.7	-2.7	-2.7	Average cost (A\$/lb)	n/a	n/a	n/a	46	48
Investing Cash Flow	-1.6	-9.7	-72.6	-59.9	-11.5	Average margin (A\$/lb)	n/a	n/a	n/a	63	67
Net Equity raised	1.1	25.0	71.4	0.0	0.0	Financial metrics (%)					
Dividends Paid	0.0	0.0	0.0	0.0	0.0		FY22	FY23f	FY24f	FY25f	FY26f
Net Borrowings	0.0	0.0	40.0	40.0	0.0	EBITDA margin	0.0%	0.0%	0.0%	52.2%	56.5%
Financing Cash flow	1.1	25.0	111.4	40.0	0.0	EBIT margin	0.0%	0.0%	0.0%	47.6%	52.1%
Total Cash Change	-10.5	8.5	33.7	21.6	124.5	ROIC	0.0%	0.0%	0.0%	20.3%	59.0%
						Return on Assets	-16.7%	-6.9%	-3.9%	19.1%	41.7%
						Return on Equity	-69.8%	-20.2%	-7.5%	35.2%	65.6%
Balance Sheet Metrics						Balance sheet metrics					
	FY22	FY23f	FY24f	FY25f	FY26f		FY22	FY23f	FY24f	FY25f	FY26f
Net Debt (m)	-5	-13	-7	11	-113	Net Debt (m)	-5	-13	-7	11	-113
ND / ND+E	0.0%	0.0%	0.0%	7.3%	0.0%	ND / ND+E	0.0%	0.0%	0.0%	7.3%	0.0%

Source: Company reports, Shaw and Partners analysis

Bannerman Energy financial summary

Profit & Loss						Company Information					
	FY21	FY22	FY23f	FY24f	FY24f						
Revenue	0.0	0.0	0.0	0.0	0.0	Financial Year End Date					30-Jun
Expenses	-2.2	-3.4	-5.9	-7.9	-8.1	Share Price					1.585
Underlying EBITDA	-2.2	-3.4	-5.9	-7.9	-8.1	Market Capitalisation					236
Depreciation & Amort	0.0	0.0	0.0	0.0	0.0	Valuation					2.46
Underlying EBIT	-2.3	-3.5	-5.9	-7.9	-8.1	Target Price (1.3x NPV)					3.20
Net Interest	0.0	0.0	1.6	1.2	3.6	Recommendation					Hold
Profit Before Tax	-2.3	-3.5	-4.3	-6.7	-4.5						
Tax	0.0	0.0	0.0	0.0	0.0						
NPAT (Underlying)	-2.3	-3.5	-4.3	-6.7	-4.5						
Exceptional items	0.0	0.0	0.0	0.0	0.0						
NPAT (reported)	-2.3	-3.5	-4.3	-6.7	-4.5						
Minorities	0.0	0.0	-0.2	-0.3	-0.2						
Attributable NPAT	-2.3	-3.5	-4.1	-6.3	-4.2						
Balance Sheet						Per Share Data (c)					
	FY21	FY22	FY23f	FY24f	FY24f		FY21	FY22	FY23f	FY24f	FY24f
Cash	12.5	51.9	41.4	287.0	298.9	Shares (m)	1,189	1,488	149	269	269
Net Receivables	0.0	0.1	0.0	0.0	0.0	Normalised EPS	-0.2	-0.3	-0.5	-3.0	-1.6
Other	0.0	7.4	7.4	7.4	7.4	Dividends	0.0	0.0	0.0	0.0	0.0
Current Assets	12.5	59.4	48.8	294.4	306.3	Dividend Yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%
Property, Plant & Equipment	0.1	0.1	0.1	23.8	159.0	Book Value	0.06	0.08	0.76	1.07	1.08
Other	54.4	60.4	65.6	70.8	76.0	P/E (x)	-61.7	-444.1	-212.2	-37.4	-74.2
Non Current Assets	54.4	60.4	65.6	94.6	235.0	EV/EBITDA (x)	-12.0	-7.8	-4.6	-3.4	-3.3
Total Assets	67.0	119.8	114.5	389.0	541.3						
Trade Creditors	0.2	1.0	0.0	0.0	0.0						
Borrowings	0.0	0.0	0.0	0.0	0.0						
Other	0.1	0.6	0.6	0.6	0.6						
Current Liabilities	0.3	1.7	0.6	0.6	0.6						
Borrowings	0.0	0.0	0.0	100.0	250.0						
Other	0.3	0.3	0.3	0.3	0.3						
Non Current Liabilities	0.3	0.3	0.3	100.3	250.3						
Net Assets	66.4	117.9	113.5	288.1	290.4						
Shareholder Capital	152.4	208.8	208.8	388.8	388.8						
Retained earnings	-112.8	-116.2	-120.3	-126.7	-130.9						
Minorities/others	26.7	25.3	25.1	25.9	32.5						
Total Equity	66.4	117.9	113.5	288.1	290.4						
Cash Flow						Valuation					
	FY21	FY22	FY23f	FY24f	FY24f		US\$m	A\$m	A\$ps		
Receipts	0.0	0.0	0.0	0.0	0.0	Etango-8	199	297	1.10		
Payments	-1.5	-2.2	-5.9	-7.9	-8.1	Net cash / (debt)	30	45	0.17		
Other Operating Cash Flow	0.1	0.0	0.6	1.2	3.6	Resource upside	100	149	0.56		
Operating Cash Flow	-1.4	-2.2	-5.3	-6.7	-4.5	Cash from equity raise	121	180	0.67		
Capex	0.0	0.0	0.0	-23.8	-135.1	Corporate costs	-7	-10	-0.04		
Other Investing Cash Flow	-1.5	-12.5	-5.2	-4.0	1.5	Total Valuation (base case)	443	661	2.46		
Investing Cash Flow	-1.5	-12.5	-5.2	-27.8	-133.6	Target Price (1.3x NPV)					3.20
Net Equity raised	11.2	54.2	0.0	180.0	0.0						
Dividends Paid	0.0	0.0	0.0	0.0	0.0						
Net Borrowings	0.0	0.0	0.0	100.0	150.0						
Financing Cash flow	11.2	54.2	0.0	280.0	150.0						
Total Cash Change	8.3	39.5	-10.5	245.5	11.9						
Assumptions						Operating Metrics					
	FY21	FY22	FY23f	FY24f	FY24f		FY21	FY22	FY23f	FY24f	FY24f
Prices						Ore processed (ktpa)	0	0	0	0	0
A\$/US\$	0.75	0.72	0.68	0.72	0.74	Average grade (ppm)	0	0	0	0	0
U ₃ O ₈ (US\$/lb)	31	46	53	63	81	U ₃ O ₈ sold (Mlb)	0.0	0.0	0.0	0.0	0.0
						C1 cost (US\$/lb)	0	0	0	0	0
						Average price (US\$/lb)	n/a	n/a	n/a	n/a	n/a
						Average cost (US\$/lb)	n/a	n/a	n/a	n/a	n/a
						Average margin (US\$/lb)	n/a	n/a	n/a	n/a	n/a
Financial metrics (%)						Balance sheet metrics					
	FY21	FY22	FY23f	FY24f	FY24f		FY21	FY22	FY23f	FY24f	FY24f
EBITDA margin	0.0%	0.0%	0.0%	0.0%	0.0%	Net Debt (m)	-12	-52	-41	-187	-49
EBIT margin	0.0%	0.0%	0.0%	0.0%	0.0%	ND / ND+E	0.0%	0.0%	0.0%	0.0%	0.0%
ROIC	0.0%	0.0%	0.0%	0.0%	0.0%						
Return on Assets	4.5%	-6.4%	-3.7%	-2.6%	-1.0%						
Return on Equity	4.5%	-6.4%	-3.8%	-3.3%	-1.5%						

Source: Company reports, Shaw and Partners analysis

Boss Energy financial summary

Profit & Loss						Company Information					
	FY21	FY22	FY23f	FY24f	FY25f						
Revenue	0.1	37.3	0.0	105.3	240.2	Financial Year End Date					30-Jun
Expenses	1.0	-43.5	-6.3	-51.0	-93.7	Share Price					3.12
Underlying EBITDA	1.1	-6.2	-6.3	54.3	146.5	Market Capitalisation					1,100
Depreciation & Amort	-0.1	0.0	0.0	-3.2	-6.0	Valuation					2.62
Underlying EBIT	1.0	-6.2	-6.3	51.1	140.5	Target price (1.3x diluted valuation)					3.40
Net Interest	-0.1	0.1	4.0	2.5	2.7	Recommendation					Hold
Profit Before Tax	0.9	-6.1	-2.4	53.6	143.2						
Tax	0.0	0.0	0.0	0.0	0.0						
NPAT (Underlying)	0.9	-6.1	-2.4	53.6	143.2						
Exceptional items	0.0	37.3	0.0	0.0	0.0						
NPAT (reported)	0.9	31.2	-2.4	53.6	143.2						
Minorities	0.0	0.0	0.0	0.0	0.0						
Attributable NPAT	0.9	31.2	-2.4	53.6	143.2						
Balance Sheet						Per Share Data (c)					
	FY21	FY22	FY23f	FY24f	FY25f		FY21	FY22	FY23f	FY24f	FY25f
Cash	20.9	132.6	84.3	88.6	184.0	Shares (m)	2,278	353	353	353	353
Net Receivables	0.0	0.6	0.0	8.7	19.7	Normalised EPS	0.0	-0.5	-0.7	15.2	40.6
Other	0.0	0.1	0.1	7.3	16.6	Dividends	0.0	0.0	0.0	0.0	0.0
Current Assets	20.9	133.4	84.4	104.6	220.3	Dividend Yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%
Property, Plant & Equipment	0.1	0.1	40.1	73.1	100.4	Book Value	0.04	0.67	0.66	0.82	1.22
Other	73.9	114.7	119.2	123.2	126.9	P/E (x)	301.7	-485.8	-313.8	14.7	5.7
Non Current Assets	74.0	114.8	159.2	196.3	227.3	EV/EBITDA (x)	40.5	-6.9	-6.7	0.8	0.3
Total Assets	94.9	248.2	243.7	300.9	447.6						
Trade Creditors	0.4	2.2	0.0	3.7	7.2						
Borrowings	0.0	0.0	0.0	0.0	0.0						
Other	0.1	0.2	0.2	0.2	0.2						
Current Liabilities	0.5	2.4	0.2	3.9	7.4						
Borrowings	0.0	0.0	0.0	0.0	0.0						
Other	8.9	9.2	9.2	9.2	9.2						
Non Current Liabilities	8.9	9.2	9.2	9.2	9.2						
Net Assets	85.5	236.6	234.2	287.8	431.0						
Shareholder Capital	151.6	270.5	270.5	270.5	270.5						
Retained earnings	-76.9	-45.7	-48.1	5.5	148.7						
Minorities/others	10.8	11.8	11.8	11.8	11.8						
Total Equity	85.5	236.6	234.2	287.8	431.0						
Cash Flow						Valuation (fully diluted)					
	FY21	FY22	FY23f	FY24f	FY25f		US\$m	A\$m	A\$ps		
Receipts	0.0	0.0	0.0	105.3	240.2	Honeymoon	396	591	1.68		
Payments	-3.7	-4.9	-6.3	-51.0	-93.7	Net cash / (debt)	69	103	0.29		
Other Operating Cash Flow	0.5	0.5	2.5	-9.7	-14.2	Exploration upside (US\$3/lb)	96	144	0.41		
Operating Cash Flow	-3.2	-4.4	-3.9	44.6	132.3	Uranium inventory	68	101	0.29		
Capex	-1.6	0.0	-44.4	-40.3	-37.0	Corporate costs	-10	-15	-0.04		
Other Investing Cash Flow	-49.7	-2.7	0.0	0.0	0.0	Total Valuation	619	924	2.62		
Investing Cash Flow	-51.3	-2.8	-44.4	-40.3	-37.0	Target price (1.3x diluted valuation)					3.40
Net Equity raised	72.0	118.9	0.0	0.0	0.0						
Dividends Paid	0.0	0.0	0.0	0.0	0.0						
Net Borrowings	-0.4	0.0	0.0	0.0	0.0						
Financing Cash flow	71.6	118.9	0.0	0.0	0.0						
Total Cash Change	17.0	111.7	-48.3	4.3	95.4						
Assumptions						Operating Metrics					
	FY21	FY22	FY23f	FY24f	FY25f		FY21	FY22	FY23f	FY24f	FY25f
Prices						Ore processed (ktpa)	0	0	0	700	1350
A\$/US\$	0.75	0.72	0.68	0.72	0.74	Average grade (ppm)	0	0	0	620	620
U ₃ O ₈ (US\$/lb)	31	46	53	63	81	U ₃ O ₈ sold (Mb) (incl inv)	0.0	0.0	0.0	1.3	2.4
						C1 cost (US\$/lb)	0	0	0	32	32
						Average price (A\$/lb)	n/a	n/a	n/a	87	110
						Average cost (A\$/lb)	n/a	n/a	n/a	53	53
						Average margin (A\$/lb)	n/a	n/a	n/a	35	56
Financial metrics (%)						Balance sheet metrics					
	FY21	FY22	FY23f	FY24f	FY25f		FY21	FY22	FY23f	FY24f	FY25f
EBITDA margin	0.0%	0.0%	0.0%	0.0%	61.0%	Net Debt (m)	-21	-133	-84	-89	-184
EBIT margin	0.0%	0.0%	0.0%	48.5%	58.5%	ND / ND+E	0.0%	0.0%	0.0%	0.0%	0.0%
ROIC	0.0%	0.0%	0.0%	18.0%	39.8%						
Return on Assets	1.5%	18.2%	-1.0%	19.7%	38.3%						
Return on Equity	1.8%	19.4%	-1.0%	20.5%	39.8%						

Source: Company reports, Shaw and Partners analysis

Rating Classification

Buy	Expected to outperform the overall market
Hold	Expected to perform in line with the overall market
Sell	Expected to underperform the overall market
Not Rated	Shaw has issued a factual note on the company but does not have a recommendation

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High	Higher risk than the overall market – investors should be aware this stock may be speculative
Medium	Risk broadly in line with the overall market
Low	Lower risk than the overall market

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Rating	Count	Recommendation Universe
Buy	102	90%
Hold	10	9%
Sell	1	1%

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