

Lotus Resources - (LOT) - 12 month outlook.

Lotus is about to restart their uraniam mine in Malawi. The project is fully funded and reopened on 14 August 2025 with first production expected in Q3 2025. Lotus has long term contracts already signed and in place with big energy utilities. This is now a funded restart not a speculative idea

## What Could Drive the Share Price Higher?

- Production officially begins (expected Q3 2025)
- New uranium contracts signed with utilities
- Global uranium shortage continues to push prices up
- Institutional investors enter once cash flow starts
- Botswana project provides future growth option

#### Where Could the Stock Go in 12 Months?

Base Case (~\$0.17-0.18)

Stock stays flat if production is on time and uranium prices remain stable.

Upside Case (\$0.26-\$0.30)

Stock rllies if uraniam prices rise or more contracts are secrued

Downside Case (< \$0.15)

Stock falls if there are production delays and cost overruns



#### Bottom Line

Lotus Resources is a wellfunded restart story with production only weeks away.

- . Tangible upside if execution go right
- Clear milestones for derisking
- Ability to leverage the global clean energy shift

This is a <u>high risk</u>, <u>high reward</u> idea - suitable for clients looking for exposure to uranian and are comfortable with volitility in the pursuit of upside

### Sustainability & Risk Profile

- Best suited for: Clients with moderate to high risk tolerance who want exposure to the clean energy/uranium theme
- Time Horizon: 6-12 months for first production and re-rating potential. with optionality for longer term growth via Botswana

## Catalyst Time (Next 12 months)

- 14 Aug 2025 Kayelekera restart acheived (commissioning complete)
- Q4 2025 Ramp-up to steady-state and first sales receipts
- FY2026 Botwana project progress update/potential development pathway



## Technical Overview - Where could the stock go in 12 months

#### Base Case (- \$0.17 - \$0.18)

• Stock stays flat if production is on time and uranium prices stay flat

#### Upside Case (-\$0.26 - \$0.30)

· Stock rallies if uranium prices rise or more contracts are secured

#### Downside Case (<\$0.15)

• Stock falls if there are production delays or cost over runs





#### **Advisor Talking Points**

- Lotus has already restarted production this is a funded restart, not a speculative explorer.
- Our exposure gives us a direct link to the uranium clean-energy theme, with contracted sales already in place.
- Clear catalysts are coming over the next 6-12 months including first sales receipts in Q4 2025.
- Compared to peers, Lotus trades at a discount, offering high torque to rising uranium prices.

#### **Competitor Snapshot (Peer Comparison)**

- Paladin Energy (ASX: PDN): Larger restart in Namibia (~5M lb/yr), higher market cap, but slower timelines. Lotus is smaller, more nimble.
- Boss Energy (ASX: BOE): Honeymoon project just restarted, trades at premium. Lotus offers similar restart but at discount.
- Cameco (TSX: CCO): Market leader with scale. Lower risk, slower growth. Lotus provides higher torque to uranium prices.
- Kazatomprom (LSE: KAP): Largest global producer, but geopolitical exposure in Kazakhstan.
  Lotus diversifies away from this risk.

#### Why Lotus is Differentiated:

- Already funded, de-risked restart (plant reopened Aug 14, 2025).
- Contracted sales to utilities provide cash flow visibility.
- Near-term rerating potential as steady output proven.
- Option value from Botswana project adds medium-term growth.



#### Portfolio Fit

Diversification Role: Adds uncorrelated exposure to uranium and the energy transition theme.

#### **Global Uranium Sector Snapshot**

Global uranium supply is highly concentrated — dominated by **Kazakhstan, Canada, Australia** and **Namibia** — with prices in the low-mid **US\$70/lb range in August 2025** and **long-term prices around the low-\$80s**. The demand backdrop is underpinned by reactor life-extensions, restarts and new build programs, with Western utilities seeking secure, diversified supply.

## Why Lotus Stands Out Now

- De-risked timeline: plant reopened on 14 AUG 2025, entering ramp up
- Contracted sales Base: to major utilities provides revenue visibility
- Near-term production scale: (-2.4mlb/yr nameplate) gives operating leverage to uranium prices
- Rerating potential vs larger peers as steady-state output proven
- Option value from the Botswana project for medium-term growth

# <u>Disclaimer</u>

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