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Tuesday, 2 August 2016 10:06 AM  
Boss Resources (BOE) \$0.049/sh; Commences Field Work Program at Honeymoon

## Hot off the Press Materials Research



**Boss Resources (BOE) \$0.049/sh**

**Recommendation: Speculative Buy**

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### Event

- Boss Resources (BOE) has announced that it has commenced its maiden field work program at the Honeymoon Uranium project in South Australia.
- A drill program of 70 mud rotary holes will commence at the Jason prospect following the receipt of heritage clearances (commencing this week).
- The drill program is designed to enable increased resource definition at Jasons resource which currently stands at 2.8Mt at 840ppm  $U_3O_8$  for 5.2Mlb (JORC 2012 - Inferred).
- Core sampling and logging has commenced on these 5 previously unsampled historical sonic holes from the Honeymoon and East Kalkaroo prospects. There has been a strong positive equilibrium comparing Prompt Fission Neutron (PFN) and gamma grade data to chemical assays.

### Impact

- We see the commencement of field work at the Honeymoon Uranium project as a positive development for BOE.
- The drilling program should allow BOE to conduct infill and extensional drilling over the Jasons Mineral Resource area. It will also confirm previous work by Uranium One and others.
- BOE is targeting an expanded operation (2-4Mlbpa  $U_3O_8$ ) at Honeymoon compared to the 880klbpa nameplate that the mine is currently rated. We believe this should allow costs to come down into the \$20-30/lb  $U_3O_8$  range. GR Engineering is supporting the delivery of an expansion trade off study. Thus far, the Global Honeymoon resource has been estimated at 40.1Mt at 654ppm for 57.8Mlb  $U_3O_8$ .
- **Valuation:** Our base case remains at \$0.12/sh and our expanded case at \$0.15/sh. Our unrisks valuation is \$0.19/sh.
- We retain our Speculative Buy rating.

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