

9 November 2023

**Neo Energy Metals plc**  
**(‘Neo Energy’ or ‘the Company’)**

**First Day of Dealings**

*Accelerating an advanced, low-cost uranium project towards near term production*

Neo Energy Metals plc (previously Stranger Holdings plc), the near term, low-cost uranium developer, is pleased to announce that at 08.00 today its ordinary shares will commence trading on the Main Market for listed securities of the London Stock Exchange plc (‘LSE’) under the ticker NEO.

As part of a Reverse Take-Over (‘RTO’) process, the Company raised £4.9 million gross of fees and costs through a Subscription for Shares and a Placing of Shares at 1.25 pence per Ordinary Share. The Enlarged Share Capital following Admission will be 1,216,371,468 ordinary shares giving the Company a market capitalisation of c.£15m.

**OVERVIEW**

*New strategy - to become an important supplier to the fast-growing uranium sector*

- Initial focus on Henkries, an advanced, low-cost uranium project in the Northern Cape Province of South Africa with a clear pathway to production.
- Current estimated mineral resource of 4.7 million pounds of uranium, but wide open for potential new uranium discoveries given less than 10% of prospective ground has been fully tested.
- +US\$30m of historical exploration, drilling, test-pitting and mining, metallurgical testwork and pilot plant work and feasibility study completed.

*Robust market dynamics - one of the most significant and strategic modern commodities*

- A clean, safe, reliable, and economic energy source expected to play an increasingly significant role in the generation of green energy.
- Fragile supply chain with significant increases in uranium price forecast.
- The industry needs to at least double its development pipeline of new projects by 2040 to avoid potential supply disruptions.

*Corporate – positioned for growth*

- Raised £4.9 million gross of fees, with funds to be used to complete an updated feasibility study and target an increase in Mineral Resources at Henkries.
- Board and team strengthened to support new strategy.

**Neo Energy CEO Sean Heathcote said,** *“Neo Energy commencing trading on the LSE as its first uranium explorer is the culmination of a great deal of work by many people. With this milestone reached, we have an extremely exciting opportunity to fast-track our low-cost, near-term Henkries Uranium Project located in the Northern Cape Province of South Africa towards a development decision within two years. In line with this, our next steps include increasing the Project’s Mineral Resources, which is highly probable as less than 10% of prospective ground is fully tested, and updating the initial, positive feasibility study.*

*“We have joined the market at an opportune time. As the cleanest, cheapest, and safest form of mass power generation, interest in uranium is building momentum. With circa 10% of the world’s power generation coming from nuclear, rising to almost 20% in advanced economies, current inventories are being depleted and no new deposits are being put into production. More uranium must be mined to feed existing and new nuclear power plants, particularly in Asia where 60% of the new global reactors are under construction. The upside for uranium companies such as Neo Energy is therefore clear.*

*“Given the high volume of workstreams already underway and planned, we look forward to updating the market regularly and are confident that Neo Energy will deliver significant value to all stakeholders.”*

## **DETAILS**

Neo Energy holds up to a 70% interest in the Henkries Uranium Project (‘Henkries’ or ‘the Project’) in the Northern Cape of the Republic of South Africa. This 742km<sup>2</sup> uranium project with an estimated mineral resource of 4.7 million pounds of uranium has been subject to extensive historical exploration activities as well as a feasibility study, which the Directors believe represents a significant opportunity for the Company’s stakeholders to gain exposure to the uranium exploration and mining sector.

The other 30% interest is owned by Wavecrest Proprietary Capital Limited, a company registered in the Republic of South Africa, and which holds its interest in accordance with South Africa’s Broad Based Black Economic Empowerment legislation.

Neo Energy’s strategy is layered on a two-year development approach to generate cashflow from Henkries with a view towards building a longer term (8-year) exploration and portfolio growth strategy to develop the highly prospective Northern Cape Region of South Africa and, potentially, broader regional expansion into energy metal property holdings globally.

Notably, the Company plans to explore additional minerals of significant intrinsic value to the global de-carbonisation drive such as lithium, graphite, copper, lead, and zinc, should they occur on properties under investigation. The Competent Persons Report (‘CPR’) annexed to the Company’s Prospectus highlights that Henkries’ basement gneisses are mostly of the Aggeneys Subgroup, and the

Marula Mining Blesberg Spodumene (lithium) deposit is less than 30km from Henkries, suggesting the potential for further discoveries of this nature in the region. In addition, data obtained in May 2022 from detailed historical airborne surveys identified what could be a significant base metal anomaly within the Henkries property. Any discoveries worthy of investigation have the potential to be spun out with the proceeds being used to further fund the Company's uranium growth strategy.

### ***Current exploration and development plans***

The Directors' short-term development programme for Henkries will be to update the feasibility study ('FS') for the existing deposit at Henkries, which was proven to be economically exploitable by Anglo American Corporation in 1979. The Directors' short-term development programme will comprise the detailed set of quarterly activities encompassed in the Working Capital Expense plan, which will take between 18 months and two years to complete and include the following activities:

- completion of geophysical traverses to prove up resistivity method of identifying most promising ground for drilling;
- infill drilling to upgrade the deposits at Henkries Central and North to an appropriate amount of indicated and measured resources for a FS;
- exploration drilling to increase the size of the resource to over 10Mlbs contained uranium looking at the highly prospective anomalous targets in Henkries South and Kabib;
- update of MRE to incorporate the first two years Measured Resources for production;
- completion of initial phases of metallurgical test-work to update the recovery projections using modern technology;
- completion of an Environmental Impact Assessment ('EIA') and consultation with interested and affected parties;
- development of options for potential acquisition of surrounding prospecting rights also found to have highly prospective ground;
- completion of the Preliminary Economic Assessment ('PEA') for the Project to determine the optimum design and cost estimations for the Company's capital expenditure, operating expenditure, and net present value, and internal rate of return internal projections; and
- provision of development schedule for a front-end engineering design ('FEED') phase that will determine the financing requirement for shareholder/financial institutional review.

Once the FS has been updated, the Company will move into the development phase, where various financing options will be explored. It is envisaged that a small modular plant will be constructed initially to exploit the deposit at Henkries, which can either be expanded on once more deposits have been developed or utilised to extend the life of mine/plant operations beyond that envisaged for Henkries.

The future mining of the Henkries orebody is seen as being relatively straightforward and would not require any drilling and blasting. The initial thoughts on mining the ore, the majority of which sits between 5-8m below surface, would be a very low cost bulldozer based, strip mine and rehabilitate on a rolling horizon basis. During the updating of the FS, additional metallurgical testwork will be

undertaken. Uranium extraction technology has significantly advanced since 1979 and resulting efficiencies may improve process recoveries.

The Directors believe these gains along with additional infrastructure, and market considerations, will support further improvement of the PEA and future development phase outcomes. Once in production, it is intended to transfer mined yellowcake to licensed storage facilities known as 'converters'; there are only a few locations worldwide licensed to store and further process yellowcake. At the converter facility, the yellowcake is quality tested for impurity levels and any penalties are applied to valuation. Afterwards, further physical movement is limited to selected enrichment and fuel manufacturing facilities since downstream sales of further products are generally made as book transfers between the various conversion sites.

### ***Present demand and outlook***

Nuclear power is seen by the global energy markets as a key component in the overall transition towards a low or net-zero carbon, lower cost, sustainable energy economy. Furthermore, during the transitional phase, governments around the globe are increasingly keen to promote investment into new technologies to facilitate more prevalent and flexible deployment of nuclear power, such as smaller, modular reactors. In the Directors' view, these concerns will encourage a greater demand for enriched uranium and, as a result, triuranium octoxide ('U<sub>3</sub>O<sub>8</sub>'), one of the more popular forms of yellowcake.

This demand will likely be further propelled by increased electricity needs. The decarbonisation of the world's energy ecosystem will go hand-in-hand with the anticipated electrification of heating and transport. The Directors expect that electric-based heating solutions (like heat pumps and infrared) will increase, whilst gas-based central heating will decline and there will be a projected 1.6bn electric cars in use by 2050, as governments regulate production of petrol-powered vehicles. As the world seeks to shift to the net-zero economy, the Directors anticipate that nuclear energy will play a key role, alongside renewables, in ensuring adequate supply is sustained.

The markets for uranium are therefore global, and production is projected to ramp at a compound annual growth rate ('CAGR') of 5% in the mid-term, reaching 65 thousand tonnes by 2025.

### ***A team to deliver***

**Jason Paul Brewer, Non-Executive Chairman**, has over 28 years' experience in international mining, financial markets, and investment banking with a particular focus in Africa. This includes holding senior executive positions with a number of major global investment banks, including Dresdner Kleinwort Benson, NM Rothschild & Sons and Investec and with listed funds management companies focused on the mining and metals sector. He is the founder and principal of Mayflower Capital Investments Pty Limited, an active African focused private equity-style mining investment company, and the Chief

Executive Officer of London Listed Marula Mining plc, which has seen a threefold increase in its share price on the AQSE exchange over the last 12 months. He is also the founder of the Mayflower Africa Foundation, an organisation that aims to improve the education, health, and wellbeing of African children through a variety of charitable programmes.

**Sean Heathcote, Director and Chief Executive Officer**, has over 31 years' experience in the mining and exploration industry in Africa across a broad range of commodities including uranium, bulk commodities, precious metals, diamonds and base metals. He has previously held operations management positions at Billiton and Anglo American in both the UK and Africa. He has 16 years of executive management and directorships experience in the project development companies of Fluor, Murray & Roberts Engineering Solutions, GRD Minproc and Sedgman gained in over 30 countries.

During his career he has participated in the development of over 100 mineral resource projects, including 50 Feasibility Studies. Whilst at GRD Minproc he played a leading role in securing and delivering the DFS for the Langer Heinrich and Kayalekera uranium projects and the subsequent EPCM contract for Phase 1 of Langer Heinrich. His previous company directorships include positions at GRD Minproc, Micromine, Group Five, G4S, and Kapsch Africa.

**Bongani Raziya, Non-Executive Director**, has over 20 years of experience in the retail sector. He graduated as a lawyer and holds B.A., B.Proc and LLB degrees and during the course of his career he has held numerous directorships and board positions in South African companies. He is currently the director of Petregaz, a liquefied petroleum gas (LPG) aggregator, and the largest independent LPG distributor in South Africa. Additionally, he maintains senior operational roles at a number of other natural resource enterprises, including a directorship at Camel Fuels Pty Ltd, a privately owned South African energy trading operation established in 2001, and board membership (as an alternate) at Umsimbithi Mining. Umsimbithi Mining was founded to undertake operations at the Wonderfontein Coal colliery and Mr Raziya was involved as an adviser during the prospecting stage and through to the Bankable Feasibility Study, sitting on all operational committees. Today the mine is managed by Glencore.

Mr Raziya founded Rwenzori Rare Metals, a rare earth mine based in Uganda. The company established and is continuing to actively develop a significant ion absorption clay deposit at Makuutu, Uganda, which is currently thought to rank amongst the largest ionic clay deposits (key sources of highly prized magnetic, heavy rare earths) outside China. Rwenzori Rare Metals is majority owned by Ionic Rare Earths Limited, which is listed on the Australian Stock Exchange (ASX). Finally, Mr Raziya also founded the largest independent shareholder of Burgan Cape terminals, a refined petroleum product storage facility situated in the port of Cape Town.

Mr Raziya is active in Broad- Based Black Economic Empowerment (B-BBEE) concerns and acts as an adviser on B-BBEE compliance to a number of companies involved in natural resource extraction. He

has spent much time encouraging local entrepreneurial activity and supporting black business leaders. He is also a member of the Young Presidents Organisation in Cape Town.

**Jackline Gathoni Muchai, Non-Executive Director**, is a Kenyan-based businesswoman with an understanding of East African markets and active involvement in transactions throughout the region. She is the founder of Gathoni Muchai Investments, a company, which focuses on mining, natural resources and property investments in eastern and southern Africa.

As a director of Mayflower Capital Investment Pty Limited's Nairobi office, she currently is responsible for identifying new investment opportunities in East Africa and assisting in the management of the portfolio of mining investments and projects across Kenya, Tanzania and Uganda, and liaising with key representatives in London, Nairobi, and Perth. Ms. Muchai concurrently project manages the activities of the Mayflower Africa Foundation, an organisation that aims to improve the education, health, and wellbeing of African children through a variety of programs. Her work mostly concentrates on partnerships with donors around the world and local initiatives like the Makimei Children's Home in Kikuyu, Kenya. In this way the Mayflower Africa Foundation seeks to both raise the profile and improve facilities for charities and groups working for the betterment of the lives of disadvantaged children.

**James Longley, Non-executive Director**, is a chartered accountant whose career has been focused on venture capital, private equity and building growth companies. His earlier career was with Arthur Andersen, Creditanstalt-Bankverein Merchant Banking and Touche Ross Corporate Finance. In 1990 he co-led the £10.5m management buy-in of The Wilcox Group, one of the UK's leading aluminium alloy tipping trailer manufacturers. He was also co-founder, director, and chief financial officer of BioProgress Technology International, Inc., a VMS and drug delivery system developer using proprietary films, processes, and formulations. It was a NASD quoted and regulated company from 1997 to 2002 and was subsequently listed on AIM. He was also a co-founder, director, and chief financial officer of PhotoBox Limited.

**Charles Tatnall, Non-executive Director**, is primarily involved in advising and raising funds for small and medium sized enterprises with varying business activities ranging from advising investment and family wealth companies to reviewing investments and business opportunities together with the management of personal investments. Until 2005, he was consultant to Bolton Group plc, a UK-listed investment company, identifying and conducting due diligence on potential investment and acquisition opportunities from a broad range of industry sectors. These included natural resources, both exploration and production, electronic hardware and software, and biotechnology. Previously he held a number of positions with public companies in North America and Canada and was a director and founder of several micro-cap North American listed companies being responsible for general corporate governance and all finance areas.

In addition, the Company has assembled a team comprising geologists, mining engineers and metallurgists with proven track records in successfully developing and operating mining projects throughout Africa.

Further information on the Company, including the prospectus published in conjunction with the RTO, can be found on its website: [www.neoenergymetals.com](http://www.neoenergymetals.com).

## ENDS

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## Notes

Neo Energy Metals plc aims to become an important supplier to the fast-growing uranium sector. Its initial focus is on its 70% owned Henkries Uranium Project, an advanced, low-cost uranium project in the Northern Cape Province of South Africa with a clear pathway to production. +US\$30m of historical exploration, drilling, test pitting and mining, metallurgical testwork and pilot plant work has been undertaken at the Project, culminating in a published feasibility study.

Headquartered in Nairobi, Kenya, Neo Energy is now focused on increasing the mineral resources at Henkries from the current estimated 4.7 million pounds of uranium, which is highly probable as less than 10% of prospective ground is fully tested, and completing an updated feasibility study ahead of reaching a development decision by November 2025.

Led by a proven board and management team with uranium and other mineral project development experience in Southern Africa, Neo Energy's strategy is layered on a two-year development approach to generate cashflow from Henkries with a view towards building a longer term exploration and portfolio growth strategy to develop the highly prospective Northern Cape Region of South Africa and, potentially, broader regional expansion into energy metal property holdings globally.

The team includes:

- *Jason Brewer, Non-Executive Chairman*: c.30 years' experience in international mining, financial markets, and investment banking with a particular focus in Africa.
- *Sean Heathcote, CEO*: +30 years' experience in the mining and exploration industry in Africa across a broad range of commodities.
- *Jackline Muchai, Non-Executive Director*: one of the few Kenyan women serving on a board within London's Main Market on the London Stock Exchange, and CEO of Gathoni Muchai Investments.

- *Bongani Raziya, Non-Executive Director:* +20 years' experience in oil and gas and mining in Africa with various directorships held in well-established profitable companies.
- *James Longley, Non-Executive Director:* +30 years' experience in finance, whose career has been focused on venture capital, private equity and building growth companies.
- *Charles Tatnall, Non-Executive Director:* a seasoned advisor and fundraiser, specialising in small and medium-sized enterprises across diverse industries.