

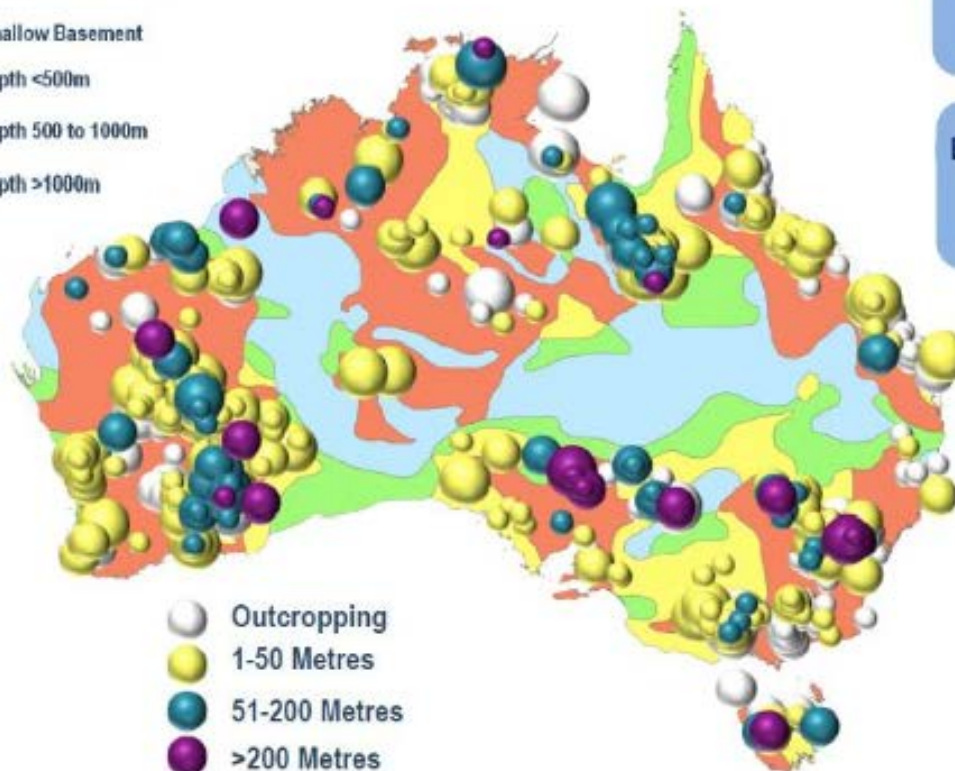
Exploration in Australia

Is Uranium Different?

Erica Smyth
11th April 2017

Significant mineral deposits > 200 m

INDICATIVE DEPTH OF COVER



Most of the deep discoveries are in established districts

Large areas of Australia have not yet been explored effectively

After Schodde, 2013

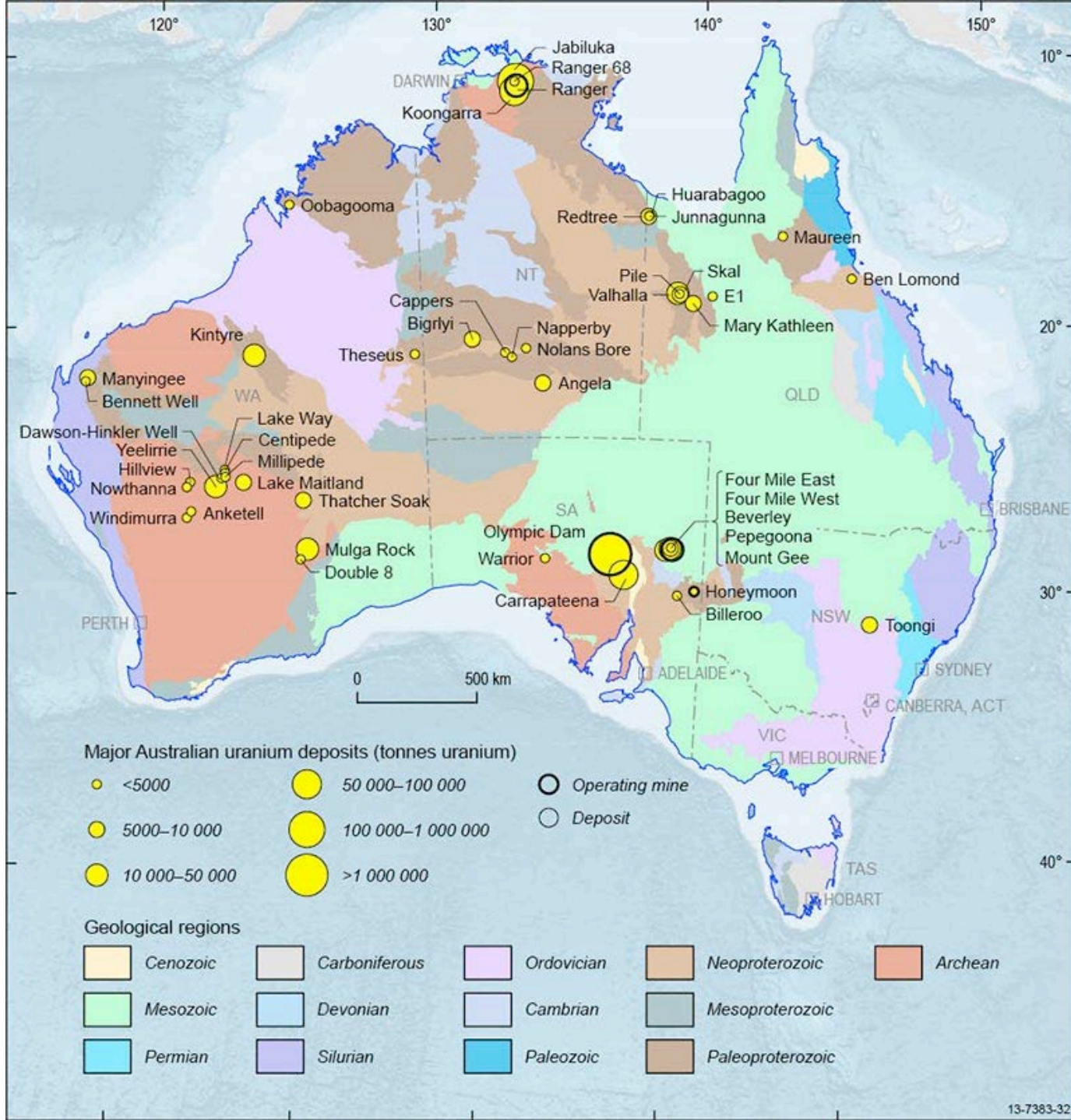
e: Bubble-size refers to size of deposit

"Moderate" >100koz Au, >10kt Ni, >100kt Cu equiv, 250kt Zn+Pb, >5kt U₃O₈

"Major" >1Moz Au, >100kt Ni, >1Mt Cu equiv, 2.5Mt Zn+Pb, >25kt U₃O₈

"Giant" >6Moz Au, >1Mt Ni, >5Mt Cu equiv, 12Mt Zn+Pb, >125kt U₃O₈

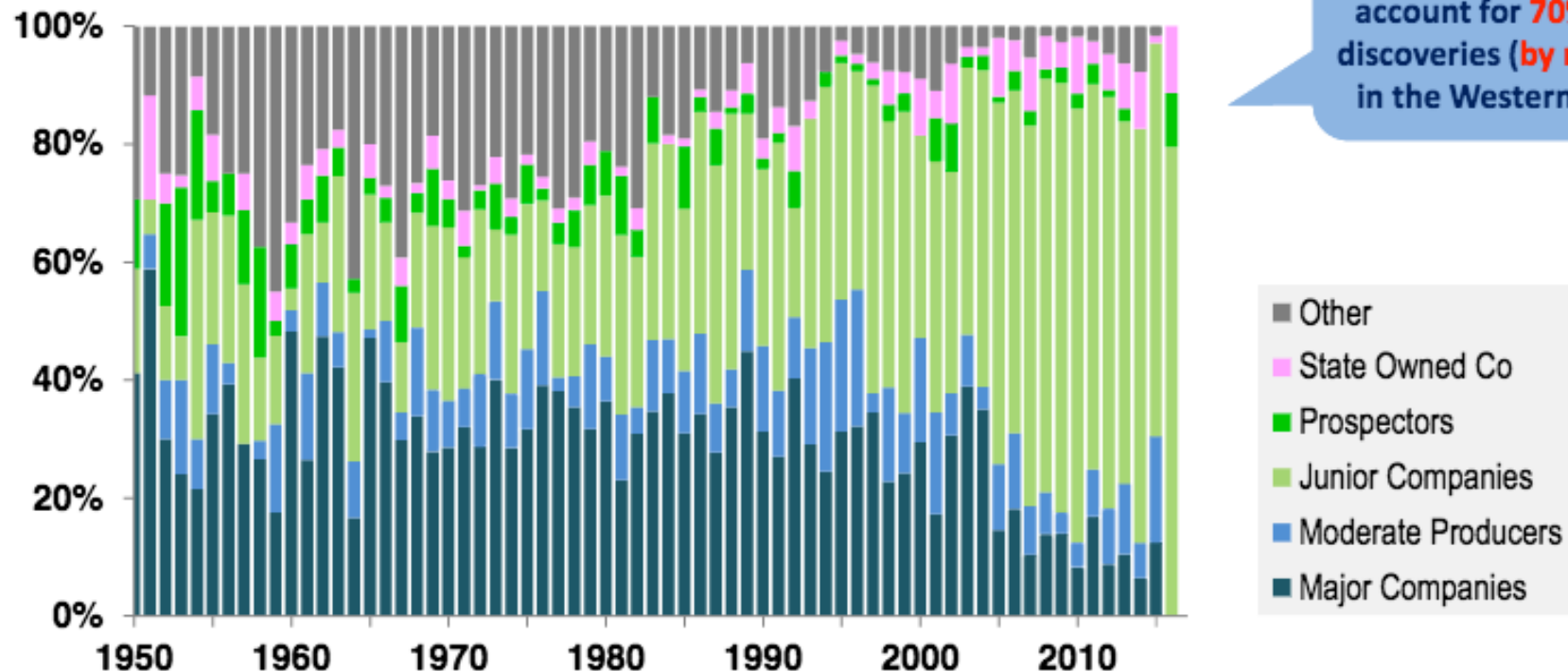
Sources: MinEx Consulting © November 2013
Geoscience Australia



Number of discoveries made by Company Type

Moderate+Major+Giant primary gold discoveries in **Western World**: 1950-2016

Percentage Share



Junior Companies now account for **70%** of all discoveries (**by number**) in the Western World

Note: "Other" refers to Oil Companies, Private Companies and Industrial Companies

Discoveries by unknown companies have been prorated

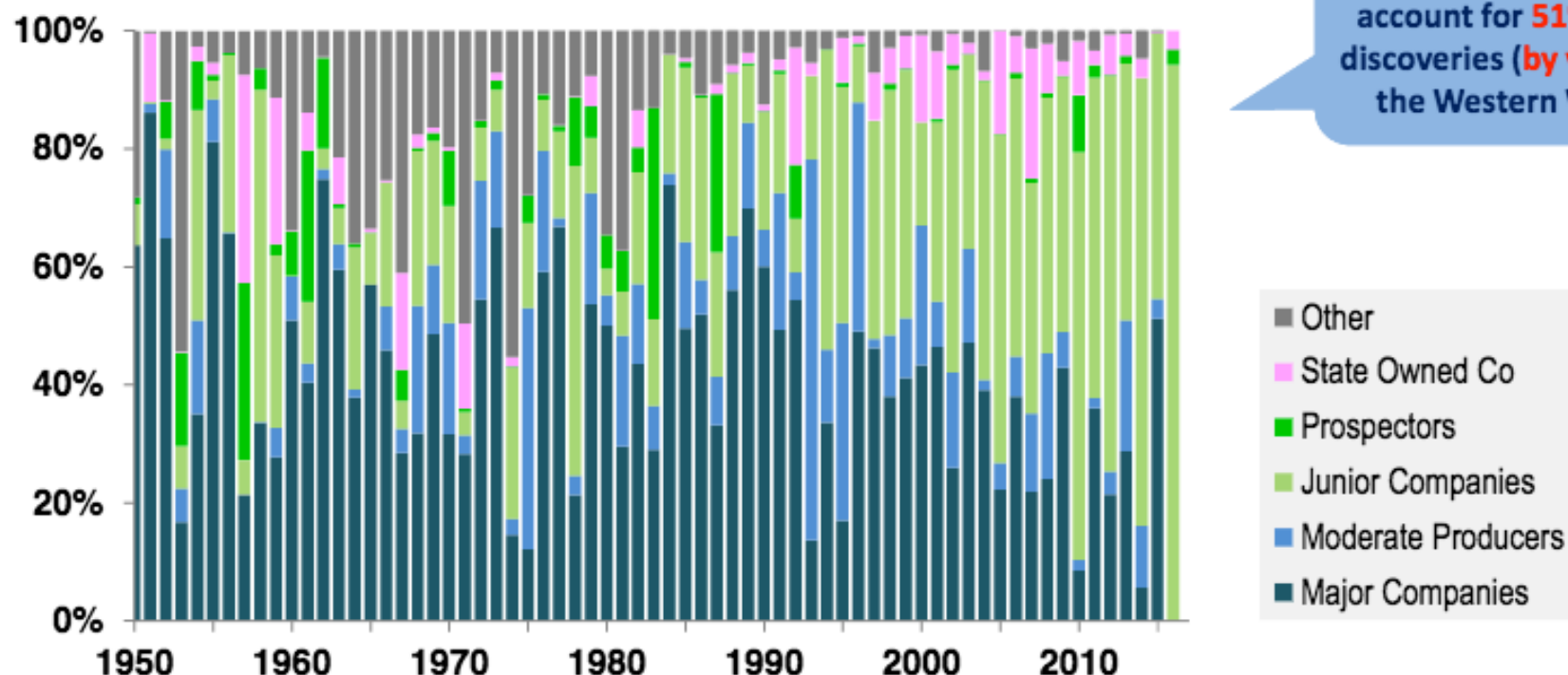
Figures are adjusted for shared discoveries

Source: MinEx Consulting © March 2017

Value of discoveries made by Company Type

Moderate+Major+Giant primary gold discoveries in **Western World**: 1950-2016

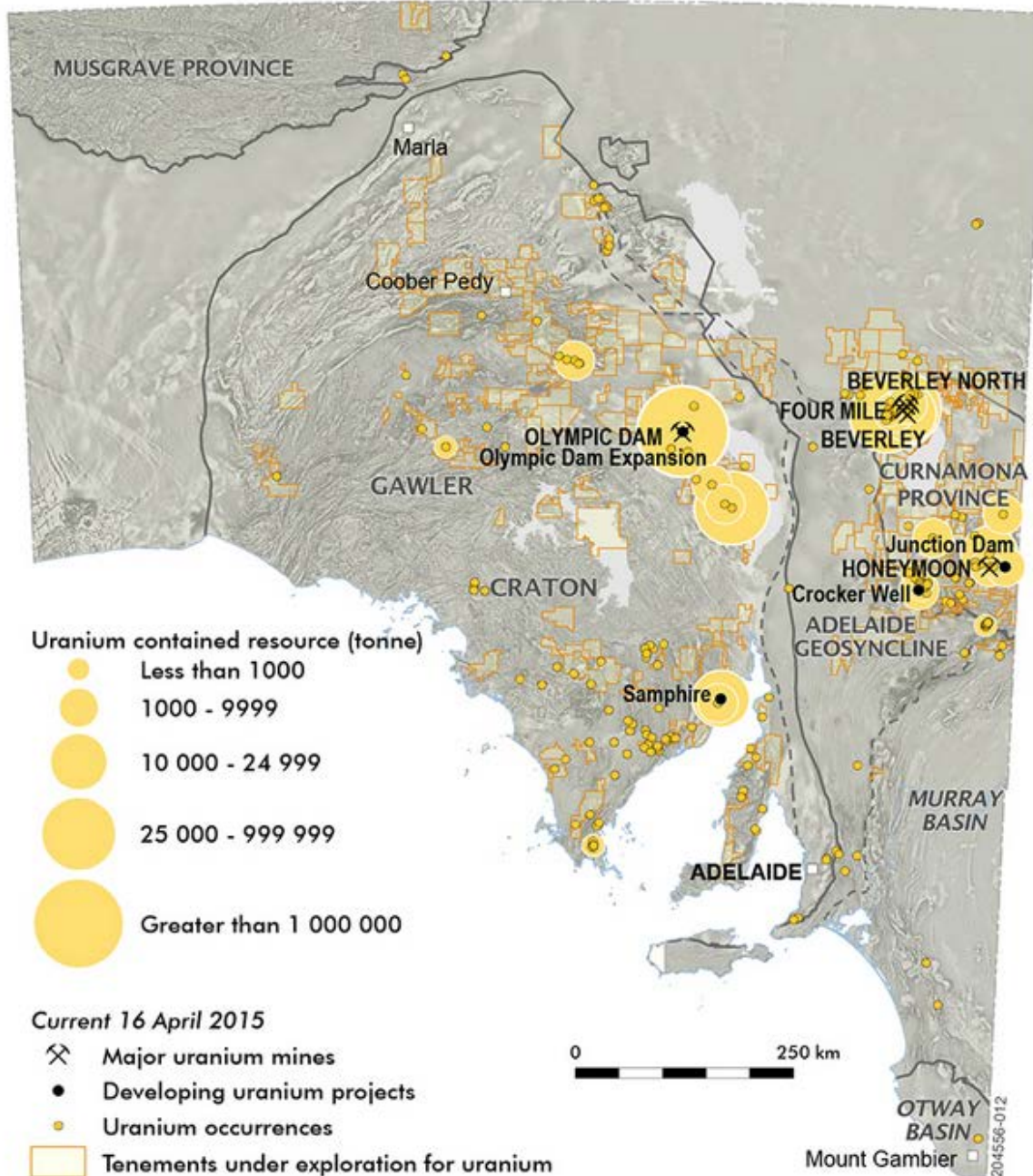
Percentage Share



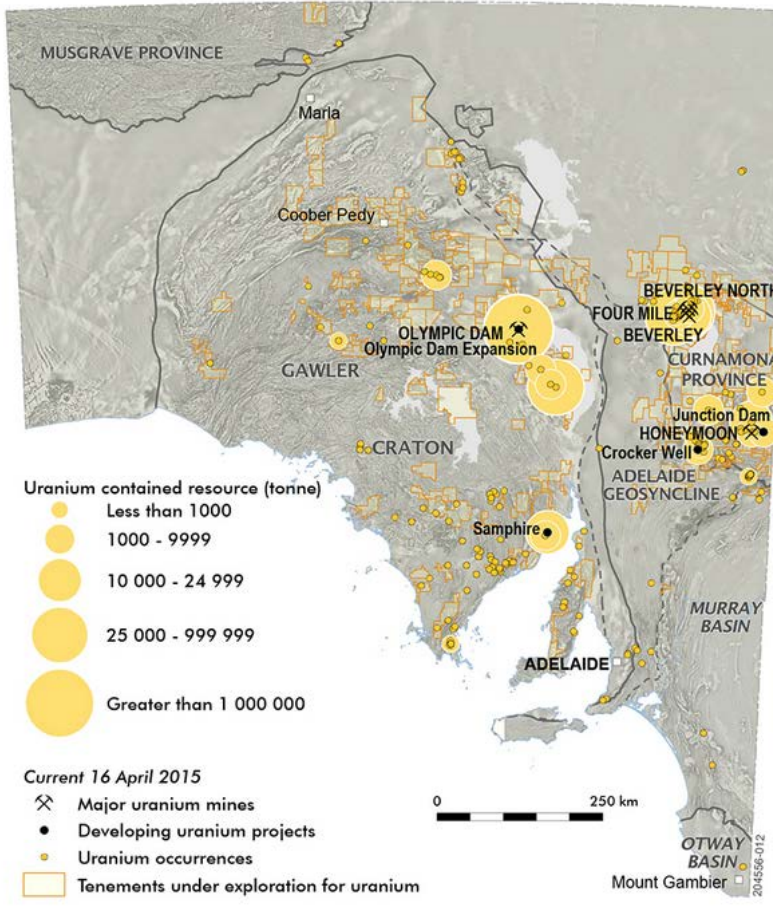
Junior Companies now account for **51%** of all discoveries (**by value**) in the Western World

Note: "Other" refers to Oil Companies, Private Companies and Industrial Companies
Discoveries by unknown companies have been prorated
Figures are adjusted for shared discoveries

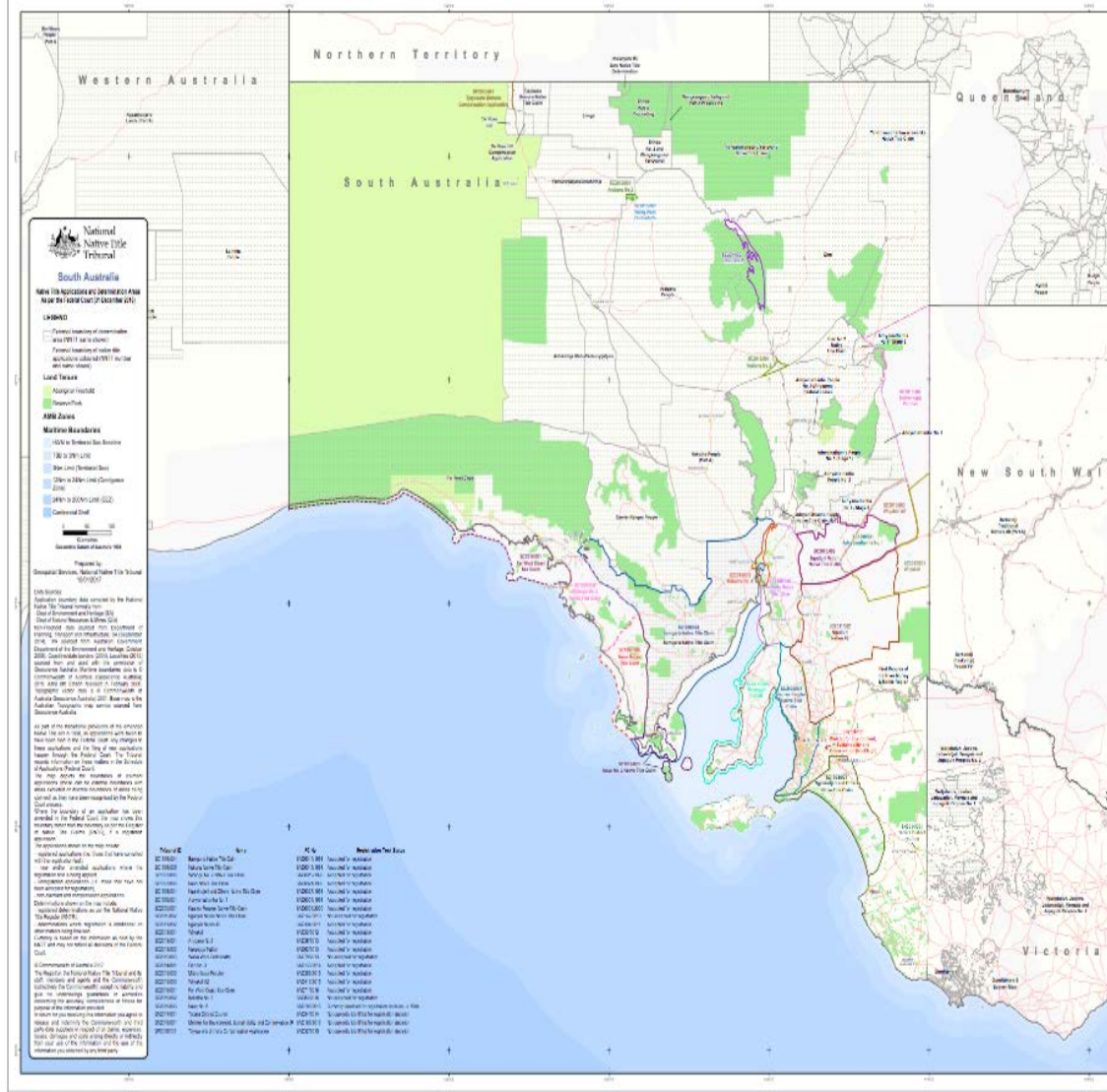
Source: MinEx Consulting © March 2017

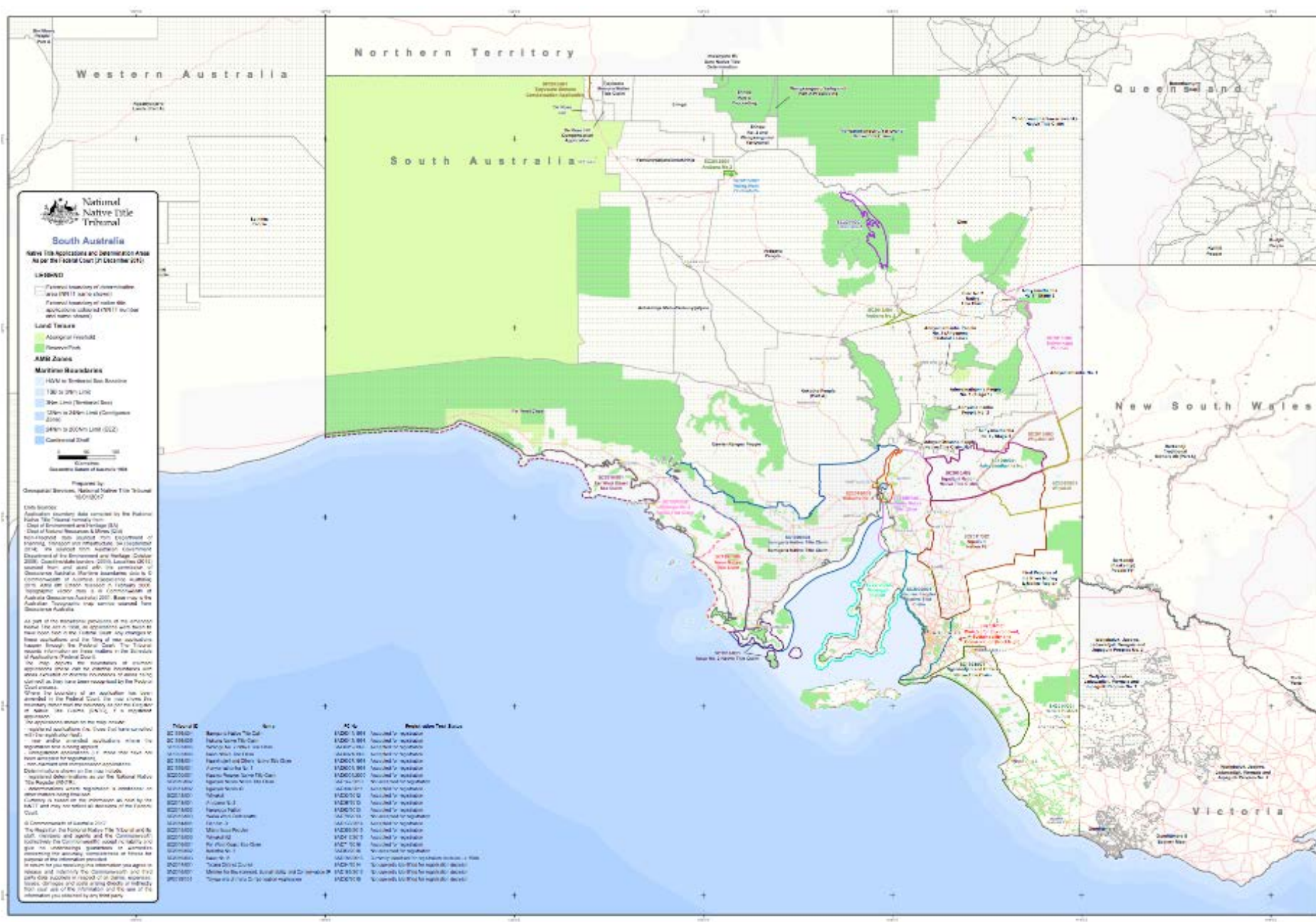


South Australian mines, developing projects and mineral exploration tenements under exploration for uranium



South Australian mines, developing projects and mineral exploration tenements under exploration





Some Statistics

Heritage – no legal requirement to do survey but big penalties for disturbance

In 2006, our first heritage clearances at the Warrior project in the NW of SA cost around \$8,000 all up – usually included 8 indigenous peoples, plus costs, for around one to two days. The indigenous people got themselves to and from the site, and were paid a day rate (about \$250 to 300 per day then), plus food supplied.

Now in the NT, a general rule is that a heritage clearance will cost around \$25,000 – involves meetings and travel over the sites for two days or so – costs often include hiring of adequate numbers of vehicles, plus a \$ amount per day (now around \$500 per day) for agreed number of senior people

In WA in the Lake McKay region 2009+, clearances there cost around \$40,000 – often indigenous people had to travel to the area and were paid travel days, and a helicopter had to be available to ferry small groups to certain areas, plus food, accommodation etc.

In WA in the Kimberly region – a clearance costs around \$100,000 – and involves transport of people to the area, hire of swags for overnight (up to 100 swags at times), truck mounted freezer with food and a cook, 3 anthropologists, 3 mining officers, etc.

Some Statistics

Agreement to work on Native Title Land

Annual rates on an agreement over a project area start at around \$15,000 per year, and on ALRA land this starts at about \$30,000 per year annual fee. On top of this is usually a calculation based on in-ground exploration work costs – eg 5% of expenditure on ALRA land, and 2.5% expenditure on native title land.

With an active industry in previous years, a typical agreement over a large project area (eg Lake McKay) was around 5% of in ground expenditure with a minimum payment of \$120,000. This minimum often increased each year, either CPI or a fixed increase. With the industry downturn, if you have a project area on native title land, with no work occurring, an agreement will cost about \$15,000 per year to maintain.