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**ASX Announcement**

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**27 November 2020**

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*Not for release to US wire services or distribution in the United States*

## **LOTUS TO RAISE \$5.0M FOR KAYELEKERA RESTART**

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**Lotus Resources Limited (ASX: LOT) (Lotus or the Company)** is pleased to announce that it has received binding commitments to raise \$5.0 million (before costs) through the placement of 62.5 million shares at \$0.08 per share (**New Shares**) to professional and sophisticated investors (**Placement**). Lotus plans to use funds from the Placement for a restart study for its Kayelekera Uranium Project in Malawi, which is on care and maintenance, and for near-mine exploration to potentially increase the existing 37.5Mlb U<sub>3</sub>O<sub>8</sub> resource.

Lotus directors subscribed for 1.4 million shares under the Placement, the issue of which is subject to shareholder approval. The Placement was supported by both new and existing shareholders in Australia and North America.



*Figure 1: Kayelekera Process Plant (2020)*

Lotus will issue the New Shares under the Company's issuance capacity in accordance with ASX Listing Rule 7.1. Accordingly, no shareholder approval is required in connection with the Placement. The New Shares will rank equally with the Company's existing fully paid ordinary shares.

Lotus will use proceeds from the Placement to:

- Undertake development studies to support a restart of operations at Kayelekera;
- Investigate near-mine uranium exploration opportunities;
- Satisfy payments due to Paladin Energy Limited in connection with bond repayments;
- Fund care and maintenance costs at the Kayelekera Project; and



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- Review of rutile and rare earths prospects on the Kayelekera tenement package.

As announced in August 2020, Lotus has commenced discussions with major global utilities to re-introduce the Kayelekera Project, which has been on care and maintenance since 2014. The Company is targeting utilities with open near-term requirements and previous customers of Kayelekera, which is positioned as a proven quality uranium product supplier.

The Placement price of \$0.08 per share represents a discount of 11.1% to the 30-day VWAP of \$0.09. BW Equities acted as lead manager to the Placement.

This announcement has been authorised for issue by the Company's board of directors. All dollar amounts are in Australian dollars unless otherwise indicated.

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## ABOUT LOTUS RESOURCES

Lotus owns a 65% interest in the Kayelekera Uranium Project in Malawi. The Project hosts a current resource of 37.5M lbs U<sub>3</sub>O<sub>8</sub>, and historically produced ~11Mlb of uranium between 2009 and 2014. The Company completed a positive Scoping Study which demonstrated that Kayelekera can support a viable long-term operation and has the potential to be one of the first uranium projects to recommence production in the future.

For more information, visit [www.lotusresources.com.au](http://www.lotusresources.com.au)

## Not an offer in the United States

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