

**INTERVIEW**

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**The Next Bull Market Move –  
Daniel Major, CEO of GoviEx Uranium**

By Kerem Mermutlu

This week I was lucky enough to interview the CEO of GoviEx Uranium, Daniel Major. We talked about the uranium bull market and what it takes to become a successful investor. Enjoy!

**Hi Daniel, thank you for joining us here at the Next Bull Market Move. Give our readers some background on your career and how you became involved with GoviEx Uranium?**

I graduated as a Mining Engineer from the Camborne School of Mines in the UK. My career in mining began as a production engineer at Rio Tinto's Rossing Uranium in Namibia, before moving to South Africa to be the Chief Planning Engineer on Amplats Open Pit Platinum Mine start up. I then had a period as a Partner in a mining consulting business, before moving to JCI Ltd to do M&A.

From JCI, changed direction for a time becoming a mining analyst with HSBC and JPMorgan. After seven years as rated analysts decided to return to the mining industry working in Russia for Oleg Deripaska's Basic Element, where as CEO I was responsible for the groups Ferro-Molybdenum and Pulp & Paper businesses. Then to South America doing Gold and Manganese exploration, followed by Gold production in Peru and Canada. To finally complete the circle with GoviEx, and a return to Uranium in Africa.

**From my understanding, the long-term goal for GoviEx Uranium is to become a low-cost producer; what steps are in place for you to reach this goal?**

That is correct. The Madaouela Project already has an approved Mining Permits and hence is focused on a four-pronged development strategy. Firstly, operating and capital costs optimization of the Madaouela Project through improvements to the process design, and increasing the size of the open-pit amenable resources. Secondly, the structuring of an Export Credit backed debt-financing package, which we expect will cover approximately 66% of the project capital. Thirdly, securing and structuring long term off take agreements, and lastly seeking project level strategic equity partners.

**Is uranium back in a bull market? The recent price surge in some of the uranium juniors and the uranium spot price seems to suggest we have come off a bear market bottom.**

We have certainly come off the bear market bottom, and the long term fundamentals remain very positive suggesting, subject to no shocks, that the uranium price will continue to rise over the next 3 to 4 years. Since last year we have seen production reductions reported by Kazatomprom, Cameco, Paladin and ERA. The most significant being Kazatomprom, who accounts for about 40% of annual uranium supply. They have targeted a 10% reduction in 2017. We have seen Converdyn reduce its enrichment capacity 50%. And politically we have seen the Trump government make very positive statements about nuclear as a long term green energy source in the USA. These are all on top of the strong growth from China and India, and expected supply reduction long term as older mines start to close.

**What does it take to become a successful contrarian investor?**

Be willing to take the long view on a sector. You must be willing to buy a sector while it is falling and apparently out of favour, on the basis you believe in the long term positive structural change.

**Give us an idea of who is involved with Goviex Uranium, who are the major shareholders?**

Denison Mines is the largest shareholder at approximately 21%, followed by founder and Executive Chairman Govind Friedland and Toshiba Corporation on approximately 10% and 9% respectively, then Ivanhoe Industries 6% and Cameco 4%.

**And finally, what's the best piece of advice you've received in regards to investing in the resource sector?**

Make the sector call first. If it is mining, then pick the commodity you believe in the most. Those are the big drivers. Get those decisions right and almost any share you buy within that group will do well.