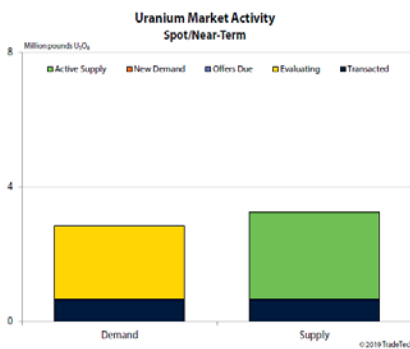
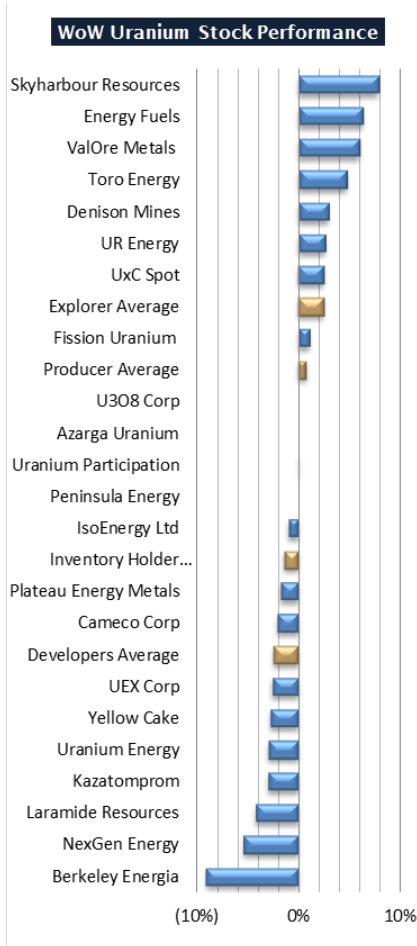


# Uranium Sector

June 12, 2019

## Uranium on the Cranium - Charging a Tesla Model S in Germany Emits Almost 8x the CO2 vs. Charging in France



Source: Tradetech

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Stocks: BKY-ASX, DML, FCU, ISO, KAP-LON, NXE, PTU, RIO-LON, U1, UEX, VO

Enviro Minister Schulze recently said that Germany will stick to its timetable to close the last nuclear reactor by YE22. Some critics like Volkswagen CEO Herbert Diess believe that it should wind down coal before nuclear. A recent Forbes article [What Does It Actually Cost To Charge Up An Electric Car?](#) focused on cost of charging an EV. We took it one step further and also determined the environmental impact of Germany's decision. Given that France's electricity generation is 73% nuclear and Germany is only 12%, we compared estimated costs and emissions associated with charging a Tesla Model S with a 100 kWh battery. First off, electricity prices appear 45% lower in France. Secondly, CO2 emissions from electricity generation to charge an EV in France is just 13% of what it is in Germany. Yes, Germans would see a 140% CO2 reduction by using EV's versus that from an average ICE vehicle, but the French would see a 1,720% CO2 reduction.

Metric		Germany	France
Share of Electrical Power Output:	Nuclear	12%	72%
	Fossil Fuels	53%	9%
	Renewables	35%	18%
Driving Costs:	Electricity price per kWh (US\$/kWh)	\$0.35	\$0.19
	Cost to charge 100 kWh EV (US\$)	\$35	\$19
	Cost to fill up a ICE vehicle with 50L tank (US\$/50L tank) [assumes gasoline cost of US\$1/L]	\$50	\$50
% Cost reduction with EVs		43%	163%
Driving Emissions:	Emissions from fossil fuel electricity output (g CO2/kWh)	486	64
	Emissions to Charge 100 kWh EV (kg CO2)	48.6	6.4
	Emissions from ICE 50L Tank (kg CO2/50L Tank) [assumes 2.33 kg CO2 / L gasoline burned]	116.5	116.5
	% Emissions reduction with EVs	140%	1720%

Source: Eight Capital, Forbes, Wikipedia

**Australian miners welcome federal election outcome.** Liberal-led Coalition of Prime Minister Scott Morrison won on May 18th. Minerals Council of Australia CEO Tania Constable noted that there is now a clear mandate for approved resource projects to proceed, such as Cameco's Yeelirrie and Vimy Resources' (VMY-ASX, Not Rated) Mulga Rock in WA, and Toro Energy's Wiluna project in NT. That said, development still depends on U3O8 prices.

**UxC uranium spot price rose US\$0.75 to US\$24.75/lb** as of 10-Jun-19. UxC's 3-year and 5-year prices rose to US\$29.25 and US\$33.00. Long term U3O8 stayed at US\$32. For the first time since April, trading volumes rose on rising demand. Almost 1 MM lbs traded at spot this week (26.5 MM lbs YTD).

**Uranium equity performance remained flat overall** after starting off 2019 well before falling early in Q2. Interestingly, producers are up 10% over the past quarter lead by Ur Energy and Peninsula, but explorers with projects in the lithium and vanadium sectors have led the pullback.

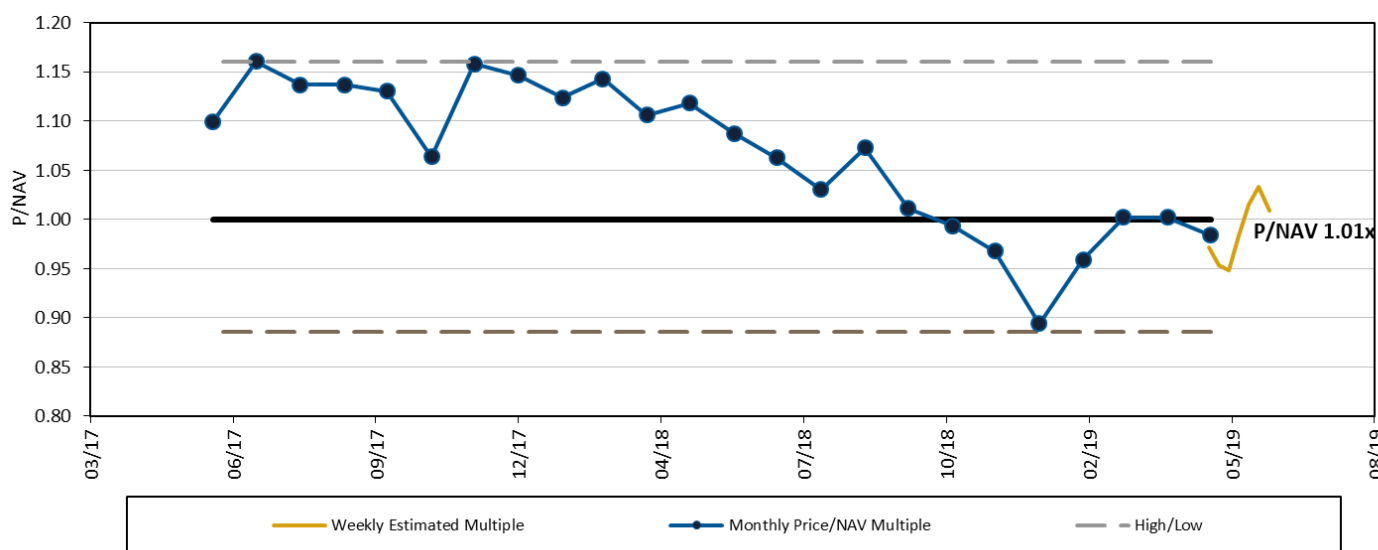
**Uranium Participation (U-T, BUY, C\$6.60 target):** We saw P/NAV fall 1.9% this week as uranium prices rose. Our estimated NAV is up 0.9% to C\$4.27 on 10-Jun-19, while the stock remained flat. Current P/NAV is 1.01 or 1% premium to its NAV, implying an underlying uranium price of US\$25.04/lb U3O8. Our NAV estimate increased by 10 cents on the stronger uranium price, but gave up 6 cents on the stronger CAD.

**Table 1: LEFT - Stock, Commodities and Index Performance; RIGHT - Uranium Participation WoW NAV and P/NAV.**

Stock, Commodities and Index Performance							Uranium Participation P/NAV			
	Price	1 Wk	1 Mo	3 Mos	6 Mos	12 Mos		This Week	Last Week	WoW
U Holder Avg.		-1.4%	2.5%	-8.8%	-8.4%	-0.7%	NAV	4.27	4.23	0.9%
U Producer Avg.		0.8%	-0.4%	9.2%	9.5%	15.4%	FX Impact	-0.06		
U Developer Avg.		-2.4%	-0.8%	-6.3%	-1.8%	-27.7%	U3O8 Impact	0.10		
U Explorer Avg.		2.5%	4.6%	-4.8%	-4.3%	-24.8%	P/NAV	1.01	1.03	-1.9%
TSX	16,216	0.3%	-0.5%	0.7%	10.6%	-0.3%	Implied U3O8	25.04	24.98	0.2%
S&P500	2,887	2.9%	0.1%	3.7%	9.4%	3.7%				
UxC Spot (US\$)	24.75	2.7%	-3.9%	-13.6%	-15.1%	9.3%	NAV in C\$, U3O8 in US\$			
UxC Term (US\$)	32.00	0.0%	0.0%	0.0%	1.6%	6.7%				

Source: Factset, Company Reports, Eight Capital estimates, UxC

**Figure 1: Uranium Participation 24-month P/NAV Chart.**



Source: Factset, Company Reports, Eight Capital estimates

## THE NUCLEAR SECTOR

**USA: [IEA: Steep Decline in Nuclear Power Would Threaten Energy Security and Climate Goals \(May 28\)](#).** With nuclear power facing an uncertain future in many countries, the world risks a steep decline in its use that could result in billions of tonnes of additional carbon emissions. Nuclear is the second-largest low-carbon power source in the world, accounting for 10% of global electricity generation, and second only to hydropower at 16%. Without policy changes, advanced economies could lose 25% of their nuclear capacity by 2025, and as much as two-thirds by 2040 (International Energy Agency (IEA)).

- **Eight Capital:** We agree with the IEA in that policy makers hold the key to nuclear power’s future. Electricity market design must value the environmental and energy security attributes of nuclear power and other clean energy sources. In particular, Governments should recognize the cost-competitiveness of extending the lives of existing nuclear plants when compared to starting from scratch in building new reactors.

**USA: [Ohio House advances nuclear subsidy Bill, ditching renewable components \(May 24\)](#).** Ohio House Energy and Natural Resources Committee approve a Bill that includes subsidies for Perry and Davis-Besse nuclear power plants. A new tax will provide the majority of \$190 MM required by the plants (Utility Drive).

- **Eight Capital:** Similar deals are being struck in many of the NE states that host nuclear power plants, including NJ, NY, PA and IL. The risk to some of these deals are optics - they aren’t seen as clean energy Bills but blatant nuclear utilities bailouts that may even go as far as subsidizing some of these power companies’ coal burning power plants.

**USA:** [US must 'reassert global leadership' in nuclear energy or lose out to Russia and China \(May 22\)](#). Senators Mike Crapo (R-ID) and Sheldon Whitehouse (D-RI) write a column about bipartisan support for advancing nuclear energy leadership (CNBC). Key points include: (a) American nuclear energy leadership faces stiff headwinds, and (2) Nuclear plants are shuttering nationwide due to competition from cheap natural gas. This means more fossil fuels, less clean energy, and a big step backward for emissions reductions in response to climate change. Regardless of our political affiliation or region, developing advanced nuclear energy technologies is a win for the country.

- **Eight Capital:** The two Senators are effective on two fronts...demonstrating why nuclear power is required, and what is happening to USA's dominance in the industry. They reiterated EIA data, 12 US reactors (11.7 GW) are scheduled to retire within the next seven years. That is equivalent to 36.5 MM solar panels or 5,043 utility-scale wind turbines of carbon-free power. Meanwhile, China and Russia have been exporting their nuclear services across the globe and they now account for over 60% of new nuclear plants under construction worldwide.

## THE URANIUM SECTOR

**India: Kazakhstan:** [Exclusive: Boost to Indian nuclear program as Kazakhstan assures increased supply of uranium \(May 31\)](#). Kazakhstan Ambassador Bulat Sarsenbayev says a new contract is being negotiated that will provide India with more uranium from Kazakhstan (Times Now News).

- **Eight Capital:** A previous contract saw India receive 13 MM lbs U3O8 from Kazakhstan, and while not providing details, Sarsenbayev states that a new agreement to increase uranium supplies is being finalized. India has 22 reactors in operation using 2.1 MM lbs U3O8 pa. However, it has seven under construction, 14 being planned and another 28 proposed. Eighteen of its existing fleet of 22 reactors are quite small at 202 MWe each or less than 6.2 GWe in total. The seven reactors under construction are much larger (5.4 GWe total) and require more uranium for both increased amounts of fuel and uranium enrichment.

**USA:** [Uranium Marketing Annual Report \(May 30\)](#). The EIA says owners and operators of U.S. power reactors purchased 40 MM lbs U3O8 at a weighted-average price of \$38.81/lb in 2018, down 6% YoY. US-origin uranium accounted for 10% or 4 MM lbs U3O8, up 33% from 2017 at a realized weighted-average price of \$45.26 per pound U3O8, up 27% YoY. Foreign-origin uranium accounted for 90% of deliveries in 2018 (36.4 MM lbs). Canada and Australia accounted for 42% of foreign deliveries (~16.8 MM lbs) of Uranium from Kazakhstan, Russia, and Uzbekistan accounted for 40% (16.1 MM lbs) (US Energy Information Administration).

- **Eight Capital.** Uranium deliveries last year were 19% below reactor requirements, as US nuclear utilities use ~49.3 MM lbs U3O8 annually. Uncertainty is weighing on US nuclear utilities and reduced their uranium procurement activities while the Uranium Section 232 review was ongoing. We anticipate the Trump Administration to make a decision before its July 14th deadline. Which way the decision might go is up in the air - perhaps we will see quotas for US production (with Canadian and Aussie exemptions), but we don't expect tariffs. Even if nothing comes of the Department of Commerce review, we believe that a decision will finally allow nuclear utilities to plan their futures and get back to contracting. That in itself should help boost uranium prices.

**Canada:** [Sask. premier plans to talk uranium, NAFTA replacement agreement during U.S. trade visit \(May 22\)](#). Saskatchewan Premier Scott Moe to meet with US senators, House Reps, and Trump administration officials to discuss trade issues (CBC).

- **Eight Capital:** Uranium will be an important part of these discussions. Canada continues to deliver more uranium to US nuclear utilities than anyone else and the SK and Federal Governments are concerned about the implications of the ongoing Section 232 review. Canadian uranium companies have shown solidarity against any undue trade action that might be implemented. Should the USA be concerned about its security of supply, we don't expect it will bite the hand that literally feeds its nuclear industry. That said - Canadian production is down considerably over the past couple of years due to sinking uranium prices. With only Cigar Lake in operation and both Rabbit Lake and McArthur River off-line, one can see how even America's security of supply from Canada continues to be at risk.

**USA:** [House Funding Plan Includes No Uranium Barter for Nuclear Cleanup \(May 21\)](#). The US House Appropriations energy and water subcommittee has said that bartering excess government uranium to help fund remediation of the US Energy Department's Portsmouth Site in Ohio will not be allowed in fiscal 2020. The subcommittee's Appropriations Bill for the next budget year would provide Portsmouth with US\$60 million above the Trump administration's budget request for clean-up operations (Exchange Monitor).

- **Eight Capital:** This is good news and should come as no surprise, given that the DOE had confirmed early during the Trump Administration that it would not sell excess uranium into the market to pay for nuclear site clean-up programs.

## URANIUM STOCKS UNDER COVERAGE

**Purepoint Uranium Group (PTU-V, Not Rated):** [Purepoint Uranium Group Inc: Joint Venture Partners Plan Next Program at Hook Lake \(June 5\)](#). Hook Lake project (Cameco Corp. (39.5%), Orano Canada Inc. (39.5%) and Purepoint Uranium Group Inc. (21%)) located along the SW edge of the Athabasca Basin and is adjacent to and on trend with Fission Uranium's Triple R deposit and NexGen's Arrow deposit. This year's ground EM results support structural interpretations and a new priority drill target includes a previously unknown structure that links Dragon and Spitfire areas.

- **Eight Capital:** The SW edge of the Athabasca Basin is one of the most exciting areas for uranium exploration. Only the last few years of successful uranium exploration has started to result in critical mass as resources approach 500 MM lbs in this area. Purepoint and its senior partners host an 8km long extension of the prolific Patterson Lake corridor. As positive drill results continue, this is one of the new uranium exploration projects that Cameco and Orano have not removed for focus.

**Denison Mines:** [Denison Announces Initiation of Environmental Impact Assessment Process and Execution of MOU with Local Communities for the Wheeler River Project \(June 3\)](#). Canadian Nuclear Safety Commission and Saskatchewan Ministry of Environment accept Denison's Provincial Technical Proposal and Federal Project Description for proposed Wheeler River In-Situ Recovery uranium mine and processing plant.

- **Eight Capital:** The acceptance of the Project Description is a major milestone and the first step in the EIA process. While this milestone is often glossed over by investors, it should be received positively given that it is the first sign from both Governments that the Wheeler River Project Description has the required information to allow said Governments to make a decision as to whether Denison's plans will meet requirements of both the Canadian Environmental Assessment Act, 2012 (Canada), and The Environmental Assessment Act (Saskatchewan). See our 25-Sep-18 note [PFS Improves Economics as ISR Prioritizes Phoenix](#).

**Fission Uranium:** [Fission Files Prefeasibility Study for PLS \(May 30\)](#). The technical report for Fission's Triple R Deposit at its PLS Project in the Athabasca Basin was filed on Sedar.com.

- **Eight Capital:** [Lower Operating Costs, Higher Production Rate, and UG Mining Optionality Offset Higher Capex in PFS](#). The recent PFS demonstrates strong economics, significant resource growth potential and economic upside. It contemplates both 1) a combined open pit/underground operation; and 2) an entirely underground operation. Both options promote quite low operating costs (on higher production and larger reserves), while the underground option (studies at PEA level only) may offer opportunities such as lower Capex, dilution, easier and quicker permitting.

**NexGen Energy:** [NexGen Intersects High-Grade Mineralization in all A2 and A3 Targets from the 2019 Feasibility Stage Drilling Program \(May 28\)](#). Scintillometer results have been provided for an additional 20 holes (7,969.5m) of 125,000m of planned Feasibility stage drilling on the Arrow Deposit at the Rook I property in the Athabasca Basin. Off-scale scintillometer/radioactivity measurements were encountered in nine holes. This included 80m with radioactivity of >10,000 cps, and 18m with radioactivity of >60,000 cps, within a combined 386m of composite mineralization. Feasibility-stage engineering, metallurgical, and environmental studies, permitting and community programs are all progressing.

- **Eight Capital:** This is positive news and largely expected given that this drilling was focused in the heart of the A2 Shear high grade core. The goal for this huge drill program is reduce spacing to between 9m and 16.7m in order to upgrade uranium resources from Indicated to Measured for the upcoming Feasibility Study. While we don't expect the market to treat every scintillometer or corresponding assays news release as if it were discussing first pass drilling, as time goes on, we do expect the geological risk associated with Arrow to decline.

**Berkeley Energia:** [Miner Berkeley Says It Has No New information on Spanish Uranium Project After Shares Surge \(May 28\)](#).

Management has told the ASX that it doesn't know why its shares rose 31% on May 28th, from 26 cents to 34 cents Australian under much heavier than normal trading volumes. That said, the shares jumped the day after local elections gave Spain's conservative opposition People's Party four out of five council seats in the local town of Retortillo, Spain.

- **Eight Capital.** Two final permits remain outstanding, including the Initial Authorization of its process plant as a radioactive facility, and an Exceptional Authorization for land. The local government had said that it cannot issue a building license if other permits have not been issued. It is believed that BKY needed to gain legal ownership of some of the land that it requires to build the Salamanca uranium mine. Management is pleased with local support, as it plans

to bring jobs, training and business to the area. The \$100 MM project is to become Europe's only major uranium mine, producing 4 MM lbs U3O8 pa or 10% of Europe's annual supply requirements. At total cash costs of US\$16/lb U3O8, BKY aims to be one of the lowest cost producers.

**Berkeley Energia** [Municipal election result and award of three new licenses \(June 11\)](#). The company recently announced it was awarded additional exploration licenses that will allow it to diversify into battery metals exploration across 266 sq. km near its flagship Spanish Uranium Project. The company used advanced geochemical sampling techniques to detect levels of mobile metal ions in the soils that suggest the presence of lithium, cobalt, tin, tungsten, and rare earth elements, among others, that will be targeted with future exploration drilling.

**ValOre Metals:** [ValOre to Acquire the Pedra Branca PGM District in Brazil \(May 28\)](#). Valore Metals has entered into a binding agreement to purchase Jangada Mines PLC's Pedra Branca Platinum Group Metals project. Five deposits host an inferred resource of 1,165,500 ounces PGM+Gold (Palladium, Platinum and Gold; Pd, Pt+Au) in 28.8 MMt grading 1.26 g/t PGM+Au. Mineralization outcrops at surface and VO suggests that all of the inferred resources are potentially open pit. Total compensation is \$7.75 MM including \$3 MM in cash and 25 MM shares of VO worth \$4.75 MM at time of the deal.

- **Eight Capital.** Sub-\$25/lb U3O8 has made survival difficult for many in the uranium sector, and it is likely that we can chalk VO's opportunistic purchase up to the need for diversification. This has become more common as of late. Berkeley is kicking off a battery metals exploration program near its Spanish flagship; Mawson Resources focuses not just on gold but has added cobalt to the mix (pushing its uranium even further into the background); Plateau Energy Metals is advancing its lithium deposit in addition to its uranium project; UEX Corp. drilling has focused on Co and Ni mineralization found on its West Bear project (although it continues to push its high grade Christie Lake uranium project forward); Toro Energy has drilled its Yandal Gold project, located close to the Bronzewing Gold Mines in Western Australia; both U3O8 Corp. and Energy Fuels have turned sights to vanadium; and CanAlaska Uranium (CVV-V, Not Rated) is working on defining a nickel resource in Manitoba.
- **UEX Corp.:** [UEX intersects 0.55% Co & 1.39% Ni over 4.0 m at West Bear \(May 22\)](#). A total of 126 holes (11,412.5m) were completed this winter at the West Bear Cobalt-Nickel Deposit in the Athabasca Basin. The final 24 hole tranche of assay results were highlighted by 0.33% Co and 0.75% Ni over 8.3m, including 0.55% Co and 1.39% Ni over 4.0m (WBC-143). Nineteen of the 24 holes reported this tranche exceeded the cobalt equivalent ("CoEq") cut-off grade of 0.023% CoEq used in the initial resource estimate.
- **Eight Capital:** Positive drill results continue for West Bear Co-Ni deposit. Mineralization continues to be identified well along strike of the existing resource, and below the existing West Bear uranium deposit. As its drill theory holds true, we expect the deposit to continue to grow and ultimately the next resource estimate update should outline a deposit that is a few times the size of the existing resource.

## OTHER URANIUM MINING AND EXPLORATION NEWS

**KazAtomProm (KAP-LON, Not Rated):** [Top Uranium Producer Is Gloomy About Nuclear Power, for Now \(June 6\)](#). KazAtomProm will increase uranium production by about 5% this year but plans to keep production flat in 2020 (Bloomberg).

- **Eight Capital:** Kazakhstan produces 40% of the world's uranium and KazAtomProm provides roughly half of that. As the lowest cost producer, KAP can afford to sell its production at current spot prices. Some of its production is heading straight into firms that buy physical uranium such as Yellow Cake LLC (YCA-LON, Not Rated). Yellow Cake raised almost US\$33 MM in April to buy another 1.175 MM lbs of U3O8 from KAP.

**IsoEnergy (ISO-V, Not Rated):** [IsoEnergy Targets Eastern Strike Extension of Hurricane Uranium Zone \(May 29\)](#). The primary objective is to test for an eastern extension of mineralization to the shallow, high grade Hurricane Zone deposit at its 100% owned Larocque East project in SK.

- **Eight Capital:** We see excellent probability of success given that mineralization is open to the east and recent geophysical results suggest Hole KER-07 located about 1km along strike was drilled to the south of the target. Clay alteration within the sandstone is typical of large uranium deposits in the Athabasca Basin. We also note that [IsoEnergy Expands Larocque East Uranium Property Through Staking \(June 5\)](#).

**Rio Tinto (RIO-LON, Not Rated):** [Namibia says China can buy Rio's uranium stake if it respects laws \(May 29\)](#). Namibia's Mines and Energy minister says that sale of Rio's 69% stake in Rössing uranium mine to China can go ahead, provided that it respects the nation's laws. Rössing could close in 2020 if sale to CNUC falls through (Reuters).

- **Eight Capital:** To ensure production continues, we believe sale to the Chinese is a must. Rio Tinto cannot continue sustaining a loss-making business and this has led to a decision to close the mine if the sale doesn't go through. The mine had been targeted for closure in 2015, but the combination of uranium sales contracts with Ranger likely gave the mine some added life. But now Ranger too is nearing closure. While there are sufficient resources to last through 2025, the lack of high priced contracts simply makes this operation uneconomic. That is less of a concern in Chinese hands as China appears more worried about security of supply than mine economics.

**Uranium One: (Private, Not Rated):** [Uranium One Announces Changes in Senior Management \(May 29\)](#). Fletcher Newton was appointed CEO of Uranium One. He is a member of the board of directors and president of TENEX-USA, Inc., a marketing affiliate of Uranium One. Newton was EVP, Corporate and Strategic Affairs at Uranium One from 2007 through 2012. He succeeds Eduard Smirnov, CEO since 2017. Ms. Jane Luck, VP Legal was appointed to the board.

- **Eight Capital.** It was a pleasure to know and work with Eduard, as despite U1 not being a public corporation, it continues to be a global uranium mining leader. U1 has achieved all of its development goals and outperformed its peers over the past three years with Eduard at the helm.

## URANIUM ON THE CRANIUM

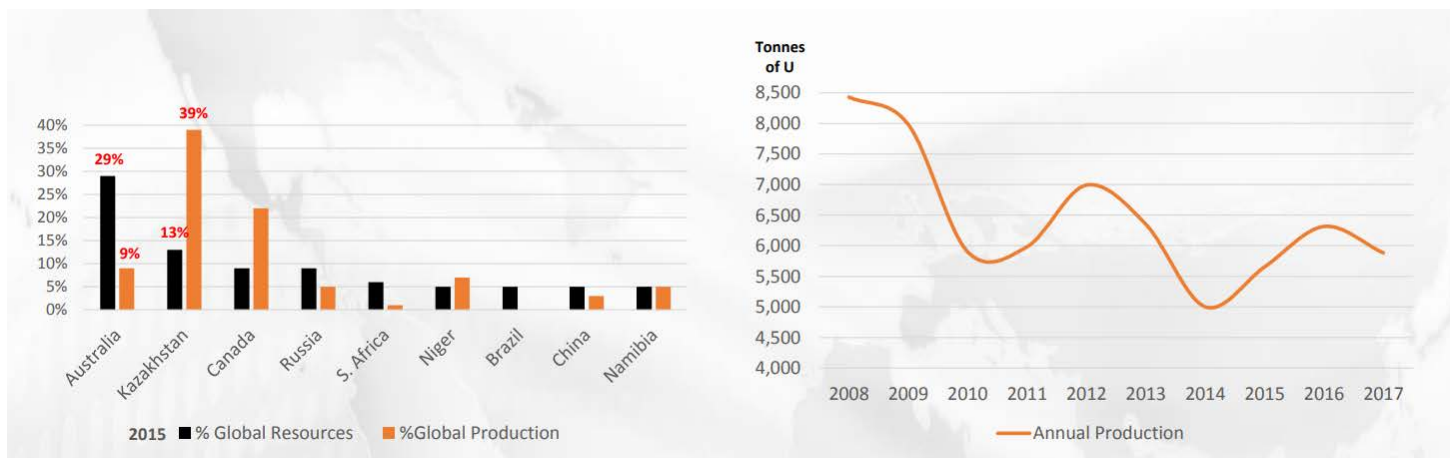
**Tania Constable, Minerals Council of Australia CEO:** "The [new] Coalition government's strategic economic reform agenda to keep taxes low, in conjunction with responsible 2019-2020 budget measures, provides opportunities for large and small business to be successful. It also means that the mining industry will continue to develop the nation's minerals for the benefit of everyone".

**Werner Duvenhage, former MD of Rössing:** "The Rössing uranium mine in Namibia could shut down as soon as June 2020 if the N\$1.5 billion sale of the mine to China National Uranium Corporation (CNUC) is not approved by the Namibia Competition Commission (NaCC)".



FIGURE OF THE WEEK

Figure 2: Australia hosts more uranium resources than any other country, yet only three mines are in production.



Source: Purepoint Uranium, NEI & IAEA Red Book

RECENT NOTES

Date	Ticker	Company	Note Title
Jun 3	PLU	Plateau Energy Metals	<a href="#">New Li Trend Suggests Multiple Volcanic Centres, Upside</a>
May 22	--	Uranium Sector	<a href="#">Uranium on the Cranium - (Bi-)Weekly Sector Commentary</a>
May 7	URE	Ur Energy	<a href="#">Early Deliveries Mean FY19 U3O8 Sales to Increase 33%</a>
Apr 22	FCU	Fission Uranium	<a href="#">Lower Operating Costs, Higher Production Rate, and UG Mining...</a>
Apr 15	FCU	Fission Uranium	<a href="#">PFS: Higher Triple R Capex Impacts Economics, UG Option..</a>
Apr 15	--	Uranium Sector	<a href="#">Section 232 Decision Approaches: Higher Uranium Prices...</a>
Apr 1	EFR	Energy Fuels	<a href="#">Highest Purity Vanadium to Date; Readying the Mines</a>
Apr 1	PEN	Peninsula Energy	<a href="#">Grades Improve 3.5-4.5 Fold During Low pH Test Mining</a>
Mar 25	URE	Ur Energy	<a href="#">Preparing the Pipeline for Higher Price Potential</a>
Feb 20	UEC	Uranium Energy	<a href="#">Burke Hollow Receives Radioactive Materials License</a>
Feb 1	PLU	Plateau Energy Metals	<a href="#">Falchani West Footprint Continues to Expand</a>
Jan 24	--	Mining Sector	<a href="#">Industrial Metals &amp; Precious Metals - Macro Headwinds Remain...</a>
Jan 17	PEN	Peninsula Energy	<a href="#">Management Upbeat That Technical Turnaround Nears</a>
Jan 16	UEC	Uranium Energy	<a href="#">Consolidated Reno Creek Uranium Resource Estimate Hints of...</a>
Jan 15	URE	Ur Energy	<a href="#">Buy Low, Sell High: Another Year of Uranium Purchases...</a>
Jan 7	EFR	Energy Fuels	<a href="#">Vanadium Production, Uranium Production Readiness...</a>
Dec 20	LAM	Laramide Resources	<a href="#">Initial Crownpoint Resource Paves Way for Joint PEA</a>
Dec 19	UEX	UEX Corporation	<a href="#">Initial High Grade Resource Confirms Potential at Christie Lake</a>
Nov 11	--	U and Battery Material	<a href="#">Power Up 3.0 - Global Electrification Nuclear Power &amp; EVs...</a>

PEER TABLE



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PEER TABLE - URANIUM																							
																	Performance					Net Asset Value	
																	1 wk	1 mo	3 mo	6 mo	1 yr	NAVPS	P/NAV
June 12, 2019	Ticker	Currency	Last Price \$/sh	Analyst	Rating	Target Price	Return to TP	Shares O/S MM	Mkt Cap (\$MM)	Cash (\$MM)	Debt (\$MM)	EV (\$MM)	Avg Grade %U3O8	Inventory MMlbs U3O8	EV/lb US\$/lb								
<b>Inventory Holders</b>																							
Uranium Participation	U-TSX	CAD	C\$ 4.35	D. Talbot	BUY	C\$ 6.60	52%	138	C\$ 601	C\$ 6	C\$ 0	C\$ 595	n/a	16.2	27.6	0%	5%	(8%)	(5%)	3%	C\$ 6.63	0.66x	
Yellow Cake	YCA-LON	GBP	GBP\$ 2.08	n/a	n/a	n/a	n/a	88	GBP\$ 183	GBP\$ 7	GBP\$ 0	GBP\$ 176	n/a	9.6	23.4	(5%)	0%	(11%)	(10%)	n/a	n/a	n/a	
<b>Inventory Holder Average</b>															25.5	(2%)	3%	(10%)	(7%)	3%	0.66x		
<b>Producers</b>																							
Cameco Corp	CCO-TSX	CAD	C\$ 13.55	R. Profti	BUY	C\$ 18.00	33%	396	C\$ 5,363	C\$ 1,104	C\$ 1,496	C\$ 5,755	6.4%	1065	4.1	(0%)	(2%)	(15%)	(16%)	(12%)	C\$ 14.24	0.95x	
Energy Fuels	EFR-TSX	CAD	C\$ 4.04	D. Talbot	BUY	C\$ 6.15	52%	93	C\$ 377	C\$ 57	C\$ 22	C\$ 342	0.14%	152	1.7	5%	11%	13%	(17%)	47%	C\$ 6.15	0.66x	
UR Energy	URE-TSX	CAD	C\$ 1.18	D. Talbot	BUY	C\$ 2.55	116%	160	C\$ 188	C\$ 9	C\$ 20	C\$ 200	0.061%	43	3.5	3%	6%	24%	23%	22%	C\$ 2.61	0.45x	
Peninsula Energy	PEN-ASX	AUD	A\$ 0.26	D. Talbot	BUY	A\$ 0.60	135%	247	A\$ 63	A\$ 20	A\$ 22	A\$ 65	0.067%	96	0.5	6%	(12%)	23%	32%	0%	A\$ 0.67	0.38x	
Kazatomprom	KAP-LON	GBP	GBP\$ 14.55	n/a	n/a	n/a	n/a	259	GBP\$ 3,774	GBP\$ 340	GBP\$ 526	GBP\$ 3,960	0.054%	1391	3.6	(3%)	(7%)	(2%)	6%	n/a	n/a	n/a	
<b>Producer Average</b>															2.7	2%	(1%)	9%	6%	14%	0.61x		
<b>Developers</b>																							
Uranium Energy	UEC-NYSE	USD	US\$ 1.31	D. Talbot	BUY	US\$ 3.40	160%	181	US\$ 237	US\$ 7	US\$ 20	US\$ 249	0.048%	105	2.4	(2%)	(5%)	2%	2%	(20%)	US\$ 3.73	0.35x	
NexGen Energy	NXE-TSX	CAD	C\$ 1.92	D. Talbot	BUY	C\$ 6.95	262%	352	C\$ 676	C\$ 125	C\$ 138	C\$ 689	2.0%	348	1.5	(4%)	0%	(11%)	(30%)	(34%)	C\$ 8.71	0.22x	
Denison Mines	DML-TSX	CAD	C\$ 0.70	D. Talbot	BUY	C\$ 1.70	143%	589	C\$ 412	C\$ 23	C\$ 0	C\$ 389	2.9%	153	1.9	0%	4%	3%	0%	(4%)	C\$ 2.32	0.30x	
Fission Uranium	FCU-TSX	CAD	C\$ 0.48	D. Talbot	BUY	C\$ 2.00	317%	486	C\$ 233	C\$ 21	C\$ 0	C\$ 212	1.8%	141	1.1	1%	(6%)	(1%)	(23%)	(38%)	C\$ 2.35	0.20x	
Berkeley Energia	BKY-ASX	AUD	A\$ 0.30	D. Talbot	BUY	A\$ 1.20	300%	258	A\$ 78	A\$ 101	A\$ 70	A\$ 46	0.049%	89	0.4	32%	23%	(18%)	108%	(53%)	A\$ 1.46	0.20x	
Laramide Resources	LAM-TSX	CAD	C\$ 0.34	D. Talbot	BUY	C\$ 0.70	106%	135	C\$ 46	C\$ 1	C\$ 11	C\$ 56	0.11%	118	0.4	(4%)	(11%)	(3%)	(17%)	15%	C\$ 0.86	0.39x	
Azarga Uranium	AZZ-TSX	CAD	C\$ 0.23	D. Talbot	BUY	C\$ 0.50	122%	183	C\$ 41	C\$ 0	C\$ 0	C\$ 41	0.060%	31	1.0	0%	2%	7%	(8%)	(20%)	C\$ 0.59	0.38x	
Plateau Energy Metals	PLU-TSX	CAD	C\$ 0.56	D. Talbot	BUY	C\$ 2.70	382%	80	C\$ 45	C\$ 1	C\$ 0	C\$ 44	0.021%	124	0.3	(2%)	10%	(19%)	(1%)	(50%)	C\$ 3.80	0.15x	
<b>Developers Average</b>															1.1	3%	2%	(5%)	2%	(25%)	0.28x		
<b>Explorers</b>																							
Toro Energy	TOE-ASX	AUD	A\$ 0.02	D. Talbot	NEUTRAL	C\$ 0.04	92%	2,172	A\$ 48	A\$ 4	A\$ 16	A\$ 59	0.48%	91	0.5	0%	(5%)	(19%)	(30%)	(22%)	A\$ 0.07	0.34x	
UEX Corp	UEX-TSX	CAD	C\$ 0.19	D. Talbot	BUY	C\$ 0.45	143%	381	C\$ 71	C\$ 10	C\$ 0	C\$ 60	0.43%	99	0.5	3%	12%	19%	6%	(33%)	C\$ 0.54	0.34x	
ValOre Metals	VO-TSX	CAD	C\$ 0.27	D. Talbot	BUY	No Target	n/a	49	C\$ 13	C\$ 0	C\$ 0	C\$ 13	n/a	n/a	n/a	15%	23%	15%	61%	(51%)	n/a	n/a	
U3O8 Corp	UWE-TSX	CAD	C\$ 0.11	D. Talbot	BUY	No Target	n/a	23	C\$ 2	C\$ 0	C\$ 0	C\$ 3	n/a	n/a	n/a	0%	(19%)	(30%)	(53%)	(72%)	n/a	n/a	
Skyharbour Resources	SYH-TSX	CAD	C\$ 0.35	n/a	n/a	n/a	n/a	64	C\$ 22	C\$ 2	C\$ 0	C\$ 20	n/a	n/a	n/a	5%	1%	1%	(15%)	(27%)	n/a	n/a	
IsoEnergy Ltd	ISO-TSX	CAD	C\$ 0.50	n/a	n/a	n/a	n/a	64	C\$ 32	C\$ 6	C\$ 0	C\$ 25	n/a	n/a	n/a	(3%)	10%	(7%)	24%	43%	n/a	n/a	
<b>Explorer Average</b>															0.5	3%	4%	(3%)	(1%)	(27%)	0.34x		

Source: FactSet, Company Reports, Eight Capital estimates



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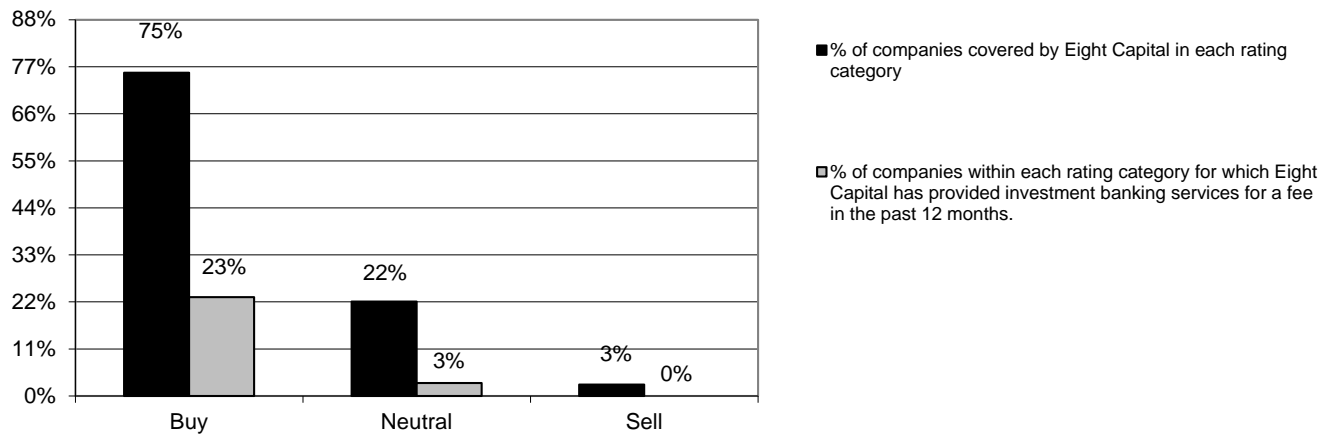
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