



UEC

Uranium Energy Corp

Recommendation: Buy

'The Only American Vertically Integrated Nuclear Fuel Supplier, from Mining to Conversion'

Company Background

‘The Only American Vertically Integrated Nuclear Fuel Supplier, from Mining to Conversion, to Support U.S. Enrichment’



Company Overview

Uranium Energy Corp (UEC) is the largest and fastest-growing domestic uranium company in the United States. Founded in 2005 and headquartered in Corpus Christi, Texas, UEC has pivoted from a pure developer into the only vertically integrated American producer capable of handling the fuel cycle from mining to conversion.

Strategic Niche:

- **Production Model:** Exclusive focus on low-cost, environmentally In-Situ Recovery (ISR) mining in the U.S. ISR mining is more environmentally friendly than traditional mining, aligning with modern ESG regulations.
- **National Champion Role:** Positioned as the primary sovereign alternative to foreign supply, supported by Section 232 designation of uranium as a critical mineral.
- **Licensed Capacity:** Controls largest licensed ISR production capacity in the U.S., at 12.1 million lbs. of U_3O_8 annually across its hubs.

Risk Rating

COMPREHENSIVE

23.8 Medium Risk



UEC’s Governance & ESG Framework

- Independent Oversight: Spencer Abraham, former U.S. secretary of energy, providing regulatory expertise
- Sustainability Advantage: ISR mining has a significantly lower surface footprint in comparison to traditional methods.

Executive Leadership

CEO: Amir Adnani is founder, president & CEO of UEC who also serves on the board of management for the world nuclear Association as of April 2025.

CFO: Andy Marshall joined UEC in August 2025 and has 20+ years of senior financial leadership and M&A experience in the natural resource sector.

Executive VP: Scott Melbye, has over 40 years of industry experience with likes of Cameco. Currently serves as president of Uranium Producers of America.

UEC’s Vision

To be America’s premier uranium producer and national champion in energy independence by controlling the entire front-end of the nuclear fuel cycle.

UEC’s Mission

To provide low-cost and environmentally friendly uranium through the responsible development of projects, combining operational efficiency with sustainability.

Business Model

Perfectly positioned to focus on developing, permitting and restarting US mining projects.

How UEC Makes Money

UEC mines uranium via low-cost In-Situ Recovery (ISR) - injecting oxygenated water underground to dissolve uranium, then pumping the solution to the surface. The extracted uranium is processed into U₃O₈ ("yellowcake") and sold to utilities at spot or long-term contract prices. Vertical integration – from mining through conversion – is the key differentiator vs pure-play peers.

Wyoming Hub

Christensen Ranch/
Irigaray. Near-term –
fully allowed. 199K lbs
since restart

Texas Hub

Burke Hollow/
Sweetwater.
Medium-term volume
growth.

Canada Optionality

Roughrider/ Athabasca
Basin. Long-term
resource upside. 40%
IRR.

Hub & Spoke Strategy

UEC incorporate a hub & spoke strategy that will create operational efficiency, lower costs, rapid scalability, strategically place resource concentration, reduce permitting time and utilise their high-margin ISR method of mining Uranium, as seen in example below.



Key Operating & Financial Metrics

12.1M lbs

Licensed ISR Capacity p.a.

\$29.90/lb

Cash Cost (Best-in-Class)

\$698M

Cash, Inventory & Equities

Zero Debt

~90% Equity-Funded
Balance Sheet

Competitive Moat

- **Only U.S. Vertically Integrated Nuclear fuel supplier** – from mining to conversion.
- **Section 232 Designation** – uranium declared a critical mineral in bipartisan legislative agreement.
- **100% Unhedged Production** – full leverage to rising spot prices; 1.66M lbs inventory at ~\$100/lb.
- **ISR ESG Advantage** – lower footprint vs conventional mining; ESG score 23.8 vs Cameco 31.4

Thesis 1: Demand Has Outgrown Supply

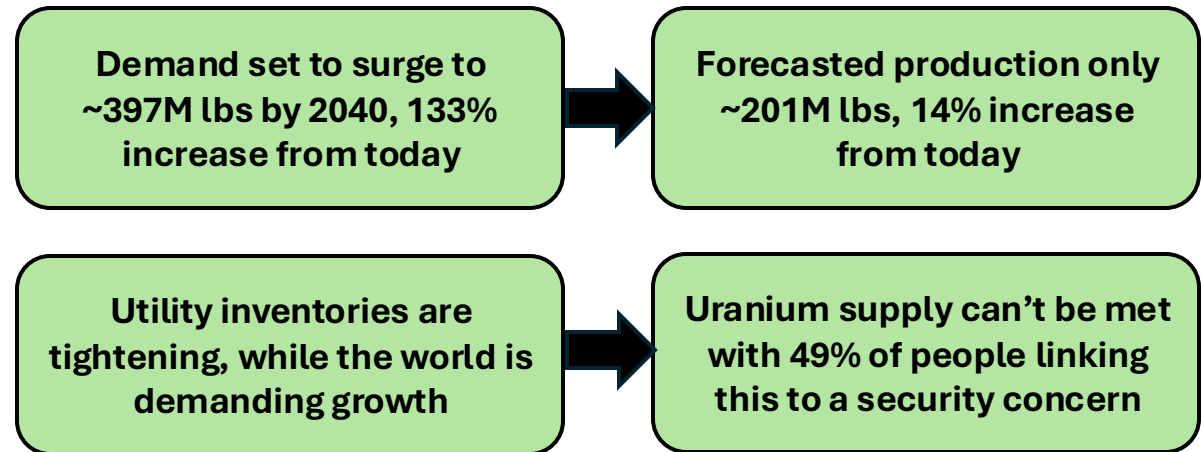
A structural deficit is forming and UEC is the only U.S. company prepared to fill the void.

The Demand Story is Structural, Not Cyclical

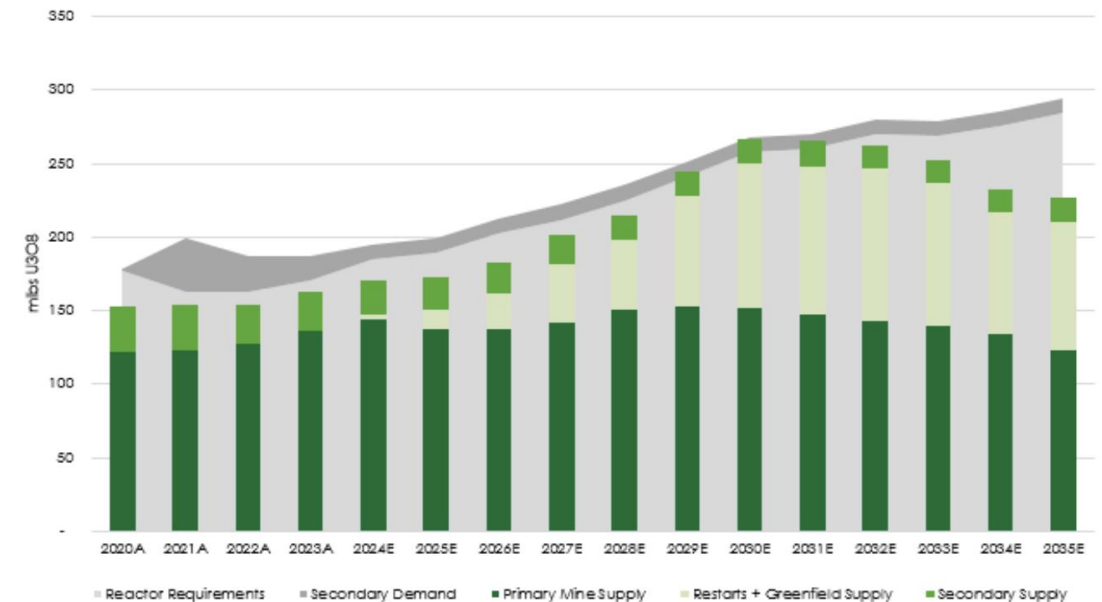
- **438 operable reactors globally** – 72 under construction, 437 planned; world uranium requirements trending to all-time highs.
- **AI & data centre energy demand** – tech giants (Amazon, Google, and Meta) signing nuclear Power Purchase Agreements; nuclear seen as the only baseload zero-carbon solution at mass scale.
- **Nuclear life extensions & new builds** – U.S. (10 reactors extended), France (14 new by 2050), UK (8 new by 2080), India targeting 22.5 Gwe by 2031.
- **SMR Revolution** – Small Modular Reactors represent a new fast-build demand vector; UEC's partnership with Terra Power positions it at the frontier.

The Supply Constraint: Decade-Long Underproduction

- **Secondary supply is depleting** – utilities relied on stockpiles and legacy contracts for a decade; that buffer is now exhausted, forcing a return to the spot market.
- **Russia ban drives re-sourcing urgency** – U.S. ban on Russian enriched uranium removes 24% of U.S. enrichment supply; western utilities must find an alternative.
- **Spot price breakout** – uranium spot reached \$100/lb in 2024 and again in early 2026, highest since Fukushima; current range supports strong producer economics.



The Supply-Demand Summary



Thesis 2: Best-in-Class Uranium Supplier

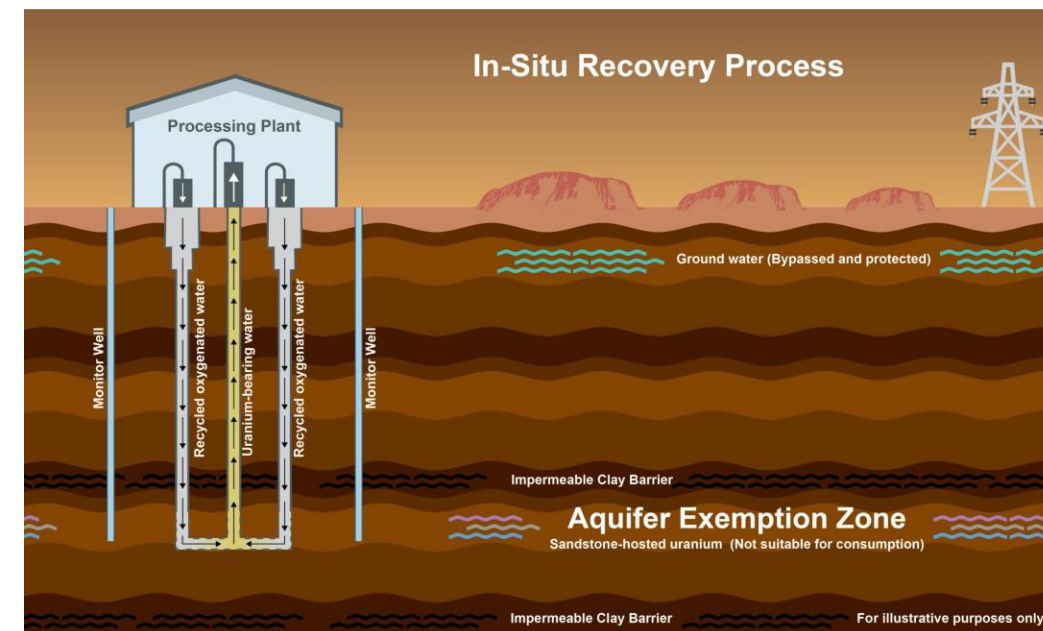
UEC is America's lowest-cost, largest-capacity, fully-unhedged ISR producer - uniquely levered to rising uranium prices.

Cost Leadership: \$29.90/lb vs \$100/lb Spot

- **ISR cash cost of \$29.90/lb vs all-in cost of \$34.35/lb** – a near \$70/lb margin at current spot rate; ISR is structurally cheaper than conventional mining due to no blasting, no tailings, no ore haulage.
- **12.1M lbs licensed capacity** – largest licensed ISR capacity in the U.S.; Christensen Ranch already restarted with 199k lbs produced; Sweetwater hub adds medium-term volume
- **100% unhedged** – every pound sold at prevailing market prices; 1.66M lbs of physical U_3O_8 , equivalent to \$112M of in-the-ground leverage.
- **Canada Optionality** - Roughrider (Athabasca Basin) carries a 40% IRR; provides a tier 1 resource upside without near-term capex drag.

Why UEC over Cameco?

- **Higher Beta to Uranium Prices** – UEC +75.8% (6M) vs CCJ +55.0%; UEC +652% (5Y) vs. CCJ +663%; UEC smaller market cap (\$8Bn vs \$71Bn CCJ indicates more upside per dollar of asset.
- **Better ESG Prices** – UEC scores 23.8 (medium) vs Cameco 31.4; ISR method has lower land disturbance and no mill tailings.
- **U.S.-Domiciled with Policy Tailwinds** – Cameco is a Canadian-listed global producer; UEC is the direct beneficiary of Section 232, domestic reserve build, and U.S. utility re-sourcing mandates.
- **In-Situ Recovery vs Cameco's Conventional Mining** – Lower CapEx, 30-40% lower operating costs, and a faster development for production vs Cameco's higher CapEx, potential development delays (seen in McArthur River in late 2025).



Price Torque: UEC vs Cameco at Rising Spot

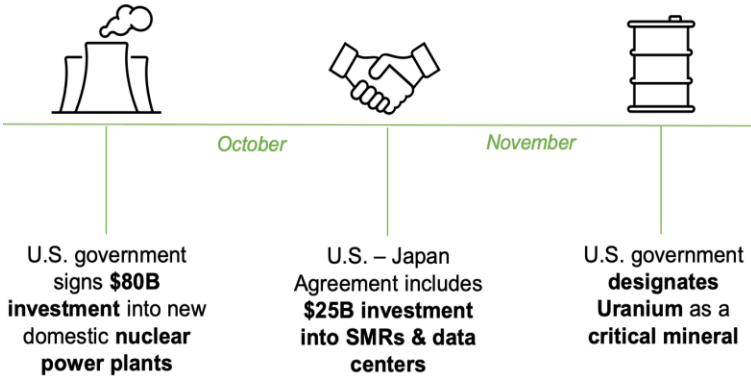
Spot Price	Cameco (/lb)	UEC (/lb)	Torque
\$80	~\$65	\$80	+\$15
\$100	~\$68	\$100	+\$32
\$120	~\$69	\$120	+\$51
\$140	~\$70	\$140	+\$70

Cameco hedges 60-70% of production at contracted prices; UEC sells 100% at spot price – torque doubles at \$140/lb

Thesis 3: Bipartisan Support for Domestic Uranium Supplier

The U.S. has made domestic uranium supply a national security priority - UEC is the direct and primary beneficiary.

Recent Political Momentum



A Market for Domestic Production

Uranium Purchased by US Origins vs Foreign Origins, Average between 2002-2024



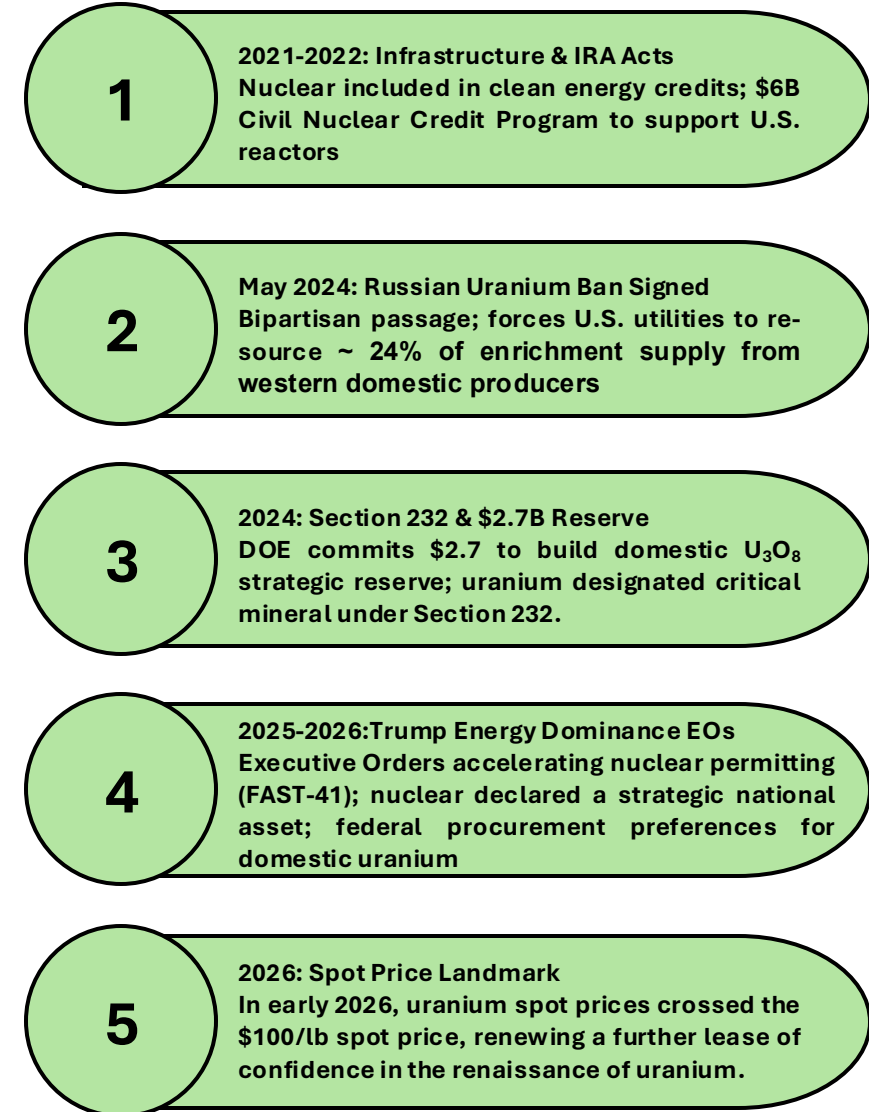
Legislative & Executive Catalysts

- **Section 232** – Uranium declared as a Critical mineral. Bipartisan legislative giving producers' preferential treatment in federal procurement; directly benefits UEC's sales pipeline.
- **\$2.7B Strategic Reserve Commitment** – Department of Energy building a domestic U₃O₈ reserve; UEC is one of the only qualified U.S. producers able to supply at scale.
- **Russian Import Ban** – signed into law with bipartisan majorities; removes around 24% of U.S. enrichment supply and legally forces utility re-sourcing to domestic suppliers.

Trump: Accelerating Tailwinds

- **“Drill, baby, drill” for Nuclear** – U.S. administration has declared energy dominance as a national security priority; nuclear explicitly included as a “clean, reliable baseload” energy source worthy of federal acceleration.
- **Spencer Abraham on UEC board** – former U.S. Secretary of Energy provides direct expertise and institutional relationships with DOE decision-makers.

Policy Timeline: Key milestones



Share Price

\$15.23

52-wk: \$3.85 – \$20.34

Market Cap

~\$7.4B

EV

~\$5.88B

Enterprise Value

Price / Book

4.83x

P/B Ratio

EV / FWD Revenue

67x Pre-ramp Premium



Valuation Framework

Primary: NAV-Based Valuation (Mining Sector Standard)

Miners valued on Net Asset Value - discounted cash flow of future pound production at assumed spot prices. UEC's 12.1M lb/yr capacity and \$29.90/lb cost support strong NAV per share.

EV/Fwd Revenue: 67x (Pre-Ramp Premium)

Elevated multiple reflects early-stage ramp; justified by revenue inflection from \$0.22M (FY23) to \$66.8M (FY25E) to ~\$150-200M (FY26E)

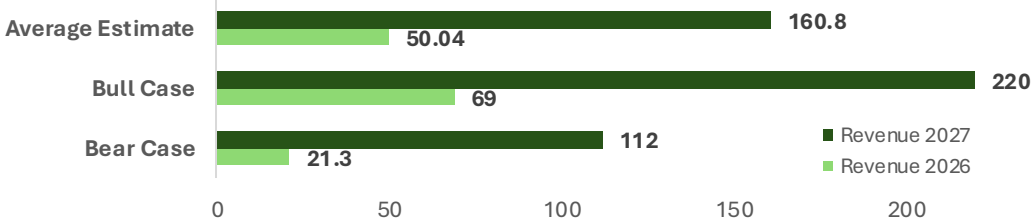
Spot Price Scenario Assumptions (U₃O₈ /lb)

Bear: \$60 | Base: \$80 | Bull: \$100

Performance vs Benchmarks

Ticker	6M	1Y	5Y
UEC	20.77%	182.52%	512.34%
Cameco	47.82%	159.03%	560.54%
S&P 500	4.41%	15.09%	76.26%
Global X Uranium ETF	22.62%	104.39%	167.92%

Revenue Inflection



Analyst Consensus

Firm	Rating	1 Year Target
Goldman Sachs	BUY	\$17.00
HC Wainright & Co.	BUY	\$20.00
Roth Capital	BUY	\$16.00
TD Cowen	BUY	\$17.00

Consensus Average: \$17.50

~ 21% Upside from \$13.91

Company Financials: Peer Comparison

UEC stands apart on cost, jurisdiction, balance sheet strength, and ESG profile vs. global uranium peers.



Metric	UEC	CCJ	NXE	UUUU	URG	DNN
Market Cap <i>(Billion)</i>	\$7.6	\$54	\$8.7	\$5.6	\$0.65	\$3.9
Jurisdiction	United States	Canada	Canada	United States	United States	Canada
Production Capacity <i>(million lbs)</i>	12.1	53	NA	2.5	2.2	NA
All-In Sustaining Cost <i>(/lb)</i>	\$34.35	\$45.00	\$13.86	\$52.00	\$44.00	\$16.04
Hedging	0%	60-70%	NA	Partial	Partial	NA
ESG Score <i>Out of 100</i>	69	82	53	33	25	56
Debt Profile	Zero Debt	Moderate	Low	Low	Low	Low

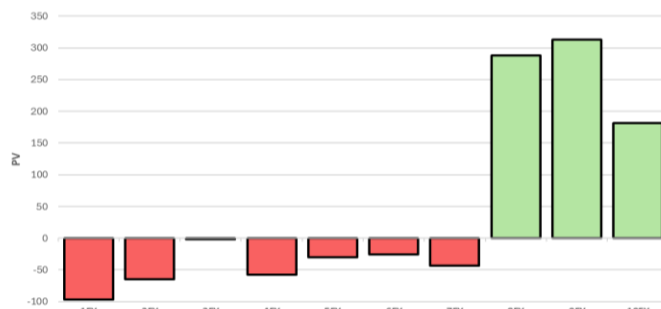
UEC Competitive Advantages

Pure U.S. Domicile Only pure-play U.S. producer. Direct beneficiary of Section 232, \$2.7B federal reserve, and utility re-sourcing mandates	100% Unhedged Every pound sold at spot. Full leverage to rising uranium prices vs. Cameco's 60-70% hedged book	Best ESG Profile ISR score 23.8 vs Cameco 31.4. Low surface footprint, no mill tailings, no blasting -- ESG-aligned extraction	Fortress Balance Sheet Zero debt, \$698M cash/inventory/equities, ~90% equity-funded. No dilution risk vs. developer peers
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Investment Risks

UEC's valuation is highly sensitive to uranium price volatility and project execution, with early-stage cash flow uncertainty and capital requirements driving elevated equity risk.

DCF Value Concentrated in Later-Stage Cash Flows

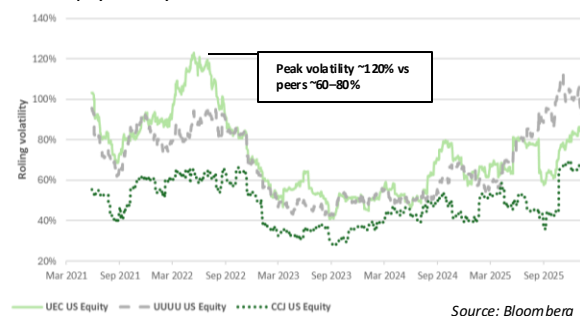


Source: Bloomberg

Early-year PV volatility highlights exposure to project execution risk and funding constraints. Later-year growth illustrates optionality from successful ISR ramp-ups and disciplined capital allocation.

UEC exhibits elevated rolling volatility relative to peers, reflecting sensitivity to uranium prices, development-stage execution, and reliance on equity financing. Peaks highlight periods of heightened downside exposure.

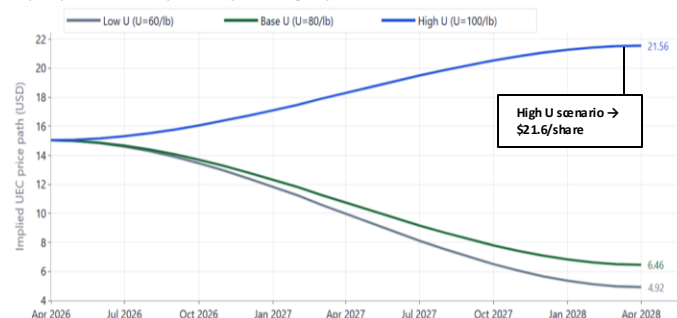
UEC Equity Volatility vs Uranium Peers



Source: Bloomberg

Projected equity value is highly sensitive to uranium price fluctuations. Downside scenarios show risk from commodity volatility, while upside reflects potential gains from favourable market recovery and successful project execution.

UEC Equity Value Sensitivity to Uranium Prices



Source: Bloomberg

Summary: UEC's investment case reflects a development-stage uranium producer, with valuation highly sensitive to uranium prices, project execution, and capital discipline. Long-term value creation depends on successful ISR project ramp-ups and favourable uranium market conditions, while early development spending and financing needs create near-term volatility.

1

Risk: Commodity Exposure
Driver: Uranium price volatility
Potential Impact: Revenue sensitivity; value swings $\pm 20\%$ in PV scenarios

2

Risk: Restart / Execution
Driver: Development-stage ISR projects
Potential Impact: Delayed cash flows; optionality lost if ramp-ups fail

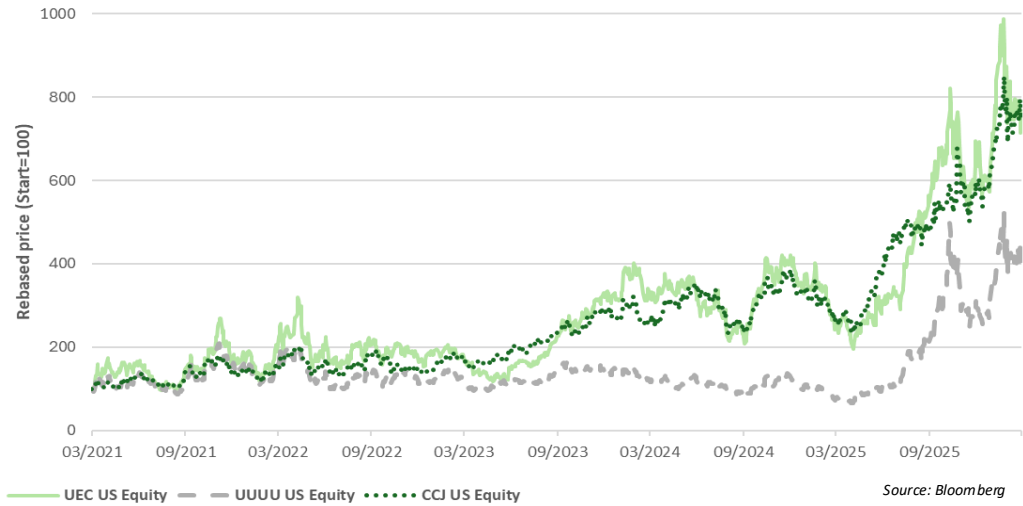
3

Risk: Valuation Sensitivity
Driver: Project timing & assumptions
Potential Impact: PV and equity value sensitive to reserve updates and timelines

4

Risk: Capital Discipline
Driver: Reliance on external financing
Potential Impact: Potential dilution; constrained funding may delay growth

UEC vs peers



U3O8 Daily Return

