

## Physical Uranium Inventory (U.UN-T, U.U-T & YCA-L)

Monthly Uranium NAV Update : Spot Just Under \$90/lb

### Event

Following the sixteen-year uranium spot highs achieved earlier in Q1/2024, The spot regained some ground in April following the mid-February/March retracement. Having ended the month of April at a near-month high of \$89.88/lb, the spot traded in a narrow range between \$86.50/lb-\$90.00/lb in during the month. Momentum in the sector continues given positive NPP restart news from Korea and further reactor starts in China. Additionally, we expect further strength in the sector (particularly for the US based uranium producers & developers) given the recently passed Russian uranium import ban which now awaits President Biden's signature.

### Details

- **Russian Uranium Ban Finally Comes Through** - The big news item was for the month was announced just yesterday (April 30) as the US Senate approved a bill to ban Russian uranium imports. This bill is now on its way to being signed into law by President Biden. Specifically, the bill will ban imports 90 days after enactment while allowing for some waivers until 2027 (a period which has been already contracted for). The full ban will take place as of 2028. Recall that official passage of the Russian ban was needed to unlock the \$2.7B recently pledged.
- **Sector Momentum Continued in April** - China General Nuclear (CGN) announced that Fangchenggang unit 4 (HPR-1000 reactor) reached criticality to begin operation earlier in April. Additionally, Korea Hydro & Nuclear Power (KHNP) announced that Shin Hanul unit 4 entered commercial operation in April. This is the second of two APR-1400 reactors at the site, with two additional units planned. KHNP also began a process to extend the lives of Wolsong units 2, 3 and 4. This is significant because of the 26 total reactors currently operating in Korea, the 10.
- **Cameco Results** – Cameco reported its Q1/2024 results which were strong on the operational front given the 5.8M lbs of uranium produced (Cameco's share) at \$19.52/lb which was a noted +29% from Q1/2023. Adjusted EBITDA amounted to \$345M which was +53% from Q1/2023. FY/2024 production guidance was maintained as management reiterated its goal for 18.0M lbs produced from both Cigar Lake and McArthur River/Key Lake (100%). Consolidated revenue is seen between \$2.90B-\$3.00B. The internal fundamentals remain solid as the company maintains delivery commitments for ~28.0M lbs per year from 2024-2028.

### Conclusion

Given current pricing, SPUT's discount to NAV decreased from last month's -5.0% to the current -4.1%. Units are now trading at a 0.96x P/NAVPU relative to its intrinsic value of \$30.64. Given our LT \$120/lb price objective for the spot and constant CAD/USD exchange rate, our 1.05x NAVPU valuation of \$43.30 (rounded) remains. this represents upside of +47.3% from the most recent close.

For YCA, given the most recent spot U3O8 quote at \$89.88/lb (or £74.66/lb), YCA is trading at 0.88x P/NAVPU, or at an -11.8% discount given the current 1.0x NAVPU intrinsic value of £730.18. Given our LT \$120/lb price objective for the spot and a constant GBP/USD foreign exchange rate, our 0.95x NAVPU valuation of £1,040 (rounded) remains. This equates to upside of +61.5% from the most recent close. Full details can be found [here](#):

### Company Profile

Sector	Mining - Inventory
Sub-Sector	Uranium
Company	Sprott Physical U Trust
Ticker	U.UN, U.U

Current Price (C\$)	\$29.39
12-Mth Price Objective (C\$)	\$43.30
Potential Upside	+47.3%
Mkt Cap, Basic (C\$M)	\$7,302
EV (C\$M)	\$7,243

Shares O/S Basic (M)	261.16
1-Mth Return	+1.1%
3-Mth Return	-11.0%
YTD Return	+4.0%

Sector	Mining - Inventory
Sub-Sector	Uranium
Company	Yellow Cake plc
Ticker	YCA-L

Current Price (GBP)	£644.00
12-Mth Price Objective (GBP)	£1,040.00
Potential Upside	+61.5%
Mkt Cap, Basic (GBP M)	£1,398
EV (GBP M)	£1,329

Shares O/S Basic (M)	216.86
1-Mth Return	+11.2%
3-Mth Return	-8.3%
YTD Return	+8.2%

### 2-Year Stock Chart – U.UN



### 2-Year Stock Chart - YCA



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X (Twitter): @HoldCoMarkets  
Website: HoldCoMarkets.com

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