

EXCLUSIVE TO SIGHTLINEU308 – In response to numerous requests, we are pleased to launch a new section of research focused on those public companies operating in the uranium supply space.

UComparables will provide metrics and data gathered across the entire spectrum of uranium exploration companies and uranium development companies.



Who is Included

For the small community of mining companies currently producing uranium around the world, there are many resources available to investors to analyze, evaluate and compare opportunities. For the smaller uranium development and exploration companies, however, similar evaluations require extensive research. For that reason, we have chosen to focus solely on those companies.

We are defining Development Companies as any public company (without a producing uranium asset) that has announced plans to prepare an economic evaluation of a known uranium deposit. We have been able to identify only 17 such companies around the world.

We are defining Exploration Companies as any public company, actively exploring for uranium that has not yet disclosed plans to evaluate the economic potential of a deposit. In this category, we have identified 19 such companies globally.

What will we be Comparing

It is not our intention to provide analysis or opinion as to the investment potential of these companies. We would expect investors to perform their own due diligence and arrive at their own conclusions.

What we will look at are those metrics and data points, common across the companies that investors can use as input to their decision making process.

We will identify metrics that measure the performance of management, the value of their projects and the financial health of the companies. We will accumulate and publish new metrics over time, eventually creating a broad table of comparables.

With this first issue, we will look at Overhead Spending, Project Jurisdiction and Share Liquidity.

DEVELOPMENT COMPANIES

ACB.AX	A-Cap Resources Limited
AEC.V	Anfield Energy Inc.
AEE.AX	Aura Energy Limited
AZZ.TO	Azarga Uranium Corp
BMN.AX	Bannerman Resources Limited
BKY.AX	Berkeley Energia Ltd
FCU.TO	Fission Uranium Corp
FSY.TO	Forsys Metals Corp
GXU.V	GoviEx Uranium Inc
LAM.TO	Laramide Resources Ltd.
NXE.TO	NexGen Energy Ltd.
PLU.V	Plateau Energy Metals Inc
TOE.AX	Toro Energy Limited
UEC.TO	Uranium Energy Corp.
VMY.AX	Vimy Resources Ltd
WUC.US	Western Uranium Corp
WWR.US.	Westwater Resources Inc

EXPLORATION COMPANIES

ALV	ALX Uranium Corp
API.V	Appia Energy Corp
AAZ.V	Azincourt Energy Corp
BSK.V	Blue Sky Uranium Corp
CVVV	CanAlaska Uranium Ltd
DYL.AX	Deep Yellow Limited
EU.V	enCore Energy Corp
EME.AX	Energy Metals Ltd
FUU.V	Fission 3.0 Corp
FMC.V	Forum Energy Metals Corp
ISO.V	ISOEnergy Ltd
KIV.V	Kivalliq Energy Corp
PTU.V	Purepoint Uranium Group Inc
REL.V	Roughrider Exploration Ltd
SYH.V	Skyharbour Resources Ltd
SMM.AX	Summit Resources Ltd (Australia)
UEX.TO	UEX Corporation
URC.V	Uracan Resources Ltd
UVN.V	Uravan Minerals Inc

OVERHEAD SPENDING

One of the first questions asked by investors is “what’s your burn”? That is, how much money is management spending on administration and overhead, relative to the money being spent in the field/on the project?

In order to be consistent, we took a look at the last 24 months of each company’s reported results (as available at March 31, 2018) and recorded the total cash overhead costs, ignoring non-cash items such as share based payments and any “other income or loss” items. What we derived is each company’s average monthly overhead costs.

Second, we compared those figures to the total amount of exploration and development dollars that each company managed during the same 24-month period. That is, how many dollars of fieldwork are managed for every dollar of overhead cost?

The results are very interesting, but one must be reminded not to evaluate any single metric in isolation. For instance, you will note that among development companies, NexGen maintains one of the top burns at nearly \$600,000 per month. However, for every \$1.00 they spend on overhead, they manage \$5.46 in exploration and development, nearly four times the average of the group (\$1.46). As a matter of fact, more than half of the development companies spend more on overhead, than they spend on their projects.

On the exploration side, Purepoint Uranium appears to run the most efficient operation managing \$9.38 in exploration work for every dollar in overhead (group average \$1.84).

DEVELOPMENT COMPANIES		MONTHLY OVERHEAD COSTS	EXPLORATION PER \$1 OVERHEAD
NXE.TO	NexGen Energy Ltd.	\$594,643	\$5.46
BKY.AX	Berkeley Energia Ltd	\$334,758	\$4.51
VMY.AX	Vimy Resources Ltd	\$304,563	\$3.48
FCU.TP	Fission Uranium Corp	\$717,265	\$2.67
AVERAGE		\$253,520	\$1.47
PLU.V	Plateau Energy Metals Inc	\$86,726	\$1.29
TOE.AX	Toro Energy Limited	\$186,819	\$1.28
GXU.V	GoviEx Uranium Inc	\$133,958	\$1.14
ACB.AX	A-Cap Resources Limited	\$215,046	\$0.85
AZZ.TO	Azarga Uranium Corp	\$102,031	\$0.74
AEC.V	Anfield Energy Inc.	\$153,693	\$0.66
WWR.US	Westwater Resources In	\$594,333	\$0.55
BMN.AX	Bannerman Resources Limited	\$262,792	\$0.39
FSY.TO	Forsys Metals Corp	\$64,659	\$0.25
WUC.US	Western Uranium Corp	\$101,573	\$0.22
AEE.AX	Aura Energy Limited	\$150,651	\$ -
LAM.TO	Laramide Resources Ltd	\$52,812	\$ -
UEC.TO	Uranium Energy Corp	\$ -	\$ -

EXPLORATION COMPANIES		MONTHLY OVERHEAD COSTS	EXPLORATION PER \$1 OVERHEAD
PTU.V	Purepoint Uranium Group Inc	\$39,203	\$9.38
FUU.V	Fission 3.0 Corp.	\$75,480	\$3.44
UEX.TO	UEX Corporation	\$108,199	\$3.11
SMM.AX	Summit Resources Ltd (Australia)	\$20,833	\$2.22
BSK.V	Blue Sky Uranium Corp	\$63,564	\$1.96
FMC.V	Forum Energy Metals Corp	\$49,911	\$1.95
UVN.V	Uravan Minerals Inc	\$15,632	\$1.88
AVERAGE		\$63,466	\$1.84
ISO.V	ISOEnergy Ltd	\$138,328	\$1.60
DYL.AX	Deep Yellow Limited	\$120,542	\$1.59
KIV.V	Kivalliq Energy Corp	\$50,990	\$1.56
SYH.V	Skyharbour Resources Ltd	\$87,935	\$1.46
AL.V	ALX Uranium Corp	\$106,771	\$1.32
EU.V	enCore Energy Corp	\$19,597	\$1.24
API.V	Appia Energy Corp	\$40,927	\$1.07
REL.V	Roughrider Exploration Ltd	\$33,693	\$0.44
EME.AX	Energy Metals Ltd	\$72,720	\$0.40
CVV.V	CanAlaska Uranium Ltd	\$81,250	\$0.30
AAZ.V	Azincourt Energy Corp	\$45,630	\$0.08
URC.V	Uracan Resources Ltd	\$34,640	\$ -

PROJECT JURISDICTION

One of the most compelling considerations/risks in evaluating a project is the jurisdiction it resides in. Government stability, tax regimes, permitting requirements, mining law maturity, etc. can mean the difference between an economic project and a complete loss of investment.

For this comparable we went to The Fraser Institute Annual Survey of Mining Companies which rates 91 jurisdictions around the world based on their geologic attractiveness for minerals and metals and the extent to which government policies encourage or deter exploration and investment. In 2017, Finland ranked as the most attractive jurisdiction in the world for mining investment, followed by Saskatchewan. Quebec and Ontario are rank in the top ten globally.

As it turns out, most of the existing uranium exploration companies operate in Saskatchewan resulting in some fairly high scores. The development companies, however, showed a broader disbursement.

The complete Fraser Institute Survey can be found [here](#).

DEVELOPMENT COMPANIES		JURISDICTION
FCU.TP	Fission Uranium Corp	87.18
NXE.TO	NexGen Energy Ltd.	87.18
TOE.AX	Toro Energy Limited	83.53
VMY.AX	Vimy Resources Ltd	83.53
UEC.TO	Uranium Energy Corp	81.11
AZZ.TO	Azarga Uranium Corp	78.19
WUC.US	Western Uranium Corp	78.19
AEE.AX	Aura Energy Limited	76.88
PLU.V	Plateau Energy Metals Inc	74.26
AVERAGE		71.64
BKY.AX	Berkeley Energia Ltd	66.69
LAM.TO	Laramide Resources Ltd	66.38
ACB.AX	A-Cap Resources Limited	63.14
BMN.AX	Bannerman Resources Limited	60.67
FSY.TO	Forsys Metals Corp	60.67
GXU.V	GoviEx Uranium Inc	59.34
AEC.V	Anfield Energy Inc.	58.35
WWR.US	Westwater Resources In	52.60

EXPLORATION COMPANIES		JURISDICTION
ALV	ALX Uranium Corp	87.18
API.V	Appia Energy Corp	87.18
AAZ.V	Azincourt Energy Corp	87.18
CVV.V	CanAlaska Uranium Ltd	87.18
FUU.V	Fission 3.0 Corp.	87.18
FMC.V	Forum Energy Metals Corp	87.18
ISO.V	ISOEnergy Ltd	87.18
PTU.V	Purepoint Uranium Group Inc	87.18
REL.V	Roughrider Exploration Ltd	87.18
SYH.V	Skyharbour Resources Ltd	87.18
UEX.TO	UEX Corporation	87.18
UVN.V	Uravan Minerals Inc	87.18
URC.V	Uracan Resources Ltd	87.18
SMM.AX	Summit Resources Ltd (Australia)	80.53
AVERAGE		80.11
KIV.V	Kivalliq Energy Corp	70.58
EU.V	enCore Energy Corp	66.38
DYL.AX	Deep Yellow Limited	60.67
BSK.V	Blue Sky Uranium Corp	30.54

LIQUIDITY

Certainly most investors are concerned with the liquidity of an equity investment – especially when dealing with junior resource companies.

Once again, we compiled the total number of shares traded for each company over the last 24 months. With that, we calculated the number of times that the total outstanding shares are traded per year, on average.

DEVELOPMENT COMPANIES		ANNUAL CHURN S/O SHARES
WWR.US	Westwater Resources In	9.62
AEE.AX	Aura Energy Limited	5.15
UEC.TO	Uranium Energy Corp	4.58
NXE.TO	NexGen Energy Ltd.	1.86
AVERAGE		1.52
PLU.V	Plateau Energy Metals Inc	0.94
LAM.TO	Laramide Resources Ltd	0.84
GXU.V	GoviEx Uranium Inc	0.80
FCU.TP	Fission Uranium Corp	0.62
BMN.AX	Bannerman Resources Limited	0.48
WUC.US	Western Uranium Corp	0.37
ACB.AX	A-Cap Resources Limited	0.37
VMY.AX	Vimy Resources Ltd	0.24
FSY.TO	Forsys Metals Corp	0.22
AEC.V	Anfield Energy Inc.	0.18
AZZ.TO	Azarga Uranium Corp	0.18
BKY.AX	Berkeley Energia Ltd	0.14
TOE.AX	Toro Energy Limited	0.11

EXPLORATION COMPANIES		ANNUAL CHURN S/O SHARES
AAZ.V	Azincourt Energy Corp	4.62
SYH.V	Skyharbour Resources Ltd	1.72
CVV.V	CanAlaska Uranium Ltd	1.70
PTU.V	Purepoint Uranium Group Inc	1.32
ALV	ALX Uranium Corp	1.14
UVN.V	Uravan Minerals Inc	1.14
FMC.V	Forum Energy Metals Corp	1.07
EU.V	enCore Energy Corp	0.99
AVERAGE		1.01
UEX.TO	UEX Corporation	0.93
FUU.V	Fission 3.0 Corp.	0.59
URC.V	Uracan Resources Ltd	0.56
KIV.V	Kivalliq Energy Corp	0.51
BSK.V	Blue Sky Uranium Corp	0.51
ISO.V	ISOEnergy Ltd	0.45
REL.V	Roughrider Exploration Ltd	0.38
API.V	Appia Energy Corp	0.37
DYL.AX	Deep Yellow Limited	0.25
SMM.AX	Summit Resources Ltd (Australia)	0.01

UCOMPARABLES

MAY 2018

UCOMPARABLES TABLE

In the attached table, we have assembled the results at a high level. For simplicity sake, we have identified those companies in the top quartile of any particular metric with a green dot. For those in the bottom quartile we have indicated that with a black dot. The rest, falling within a safe margin of the average, are noted with a yellow dot.

Again, we must stress that investors need to take care in evaluating any information pertaining to their investments and that this information is being provided only as a starting point to that evaluation. We will continue to add new comparable categories and update these as necessary.

We invite any comments or questions pertaining to the information provided or companies we may have missed. Such questions and comments can be sent to editor@sightlineu308.com.

DEVELOPMENT COMPANIES		MONTHLY OVERHEAD COSTS	EXPLORATION PER \$1 OVERHEAD	JURISDICTION	ANNUAL CHURN O/S SHARES
NXE.TO	NexGen Energy Ltd.	●	●	●	●
PLU.V	Plateau Energy Metals Inc	●	●	●	●
FCU.TO	Fission Uranium Corp	●	●	●	●
VMY.AX	Vimy Resources Ltd	●	●	●	●
AEE.AX	Aura Energy Limited	●	●	●	●
LAM.TO	Laramide Resources Ltd.	●	●	●	●
WUC.US	Western Uranium Corp	●	●	●	●
GXU.V	GoviEx Uranium Inc	●	●	●	●
TOE.AX	Toro Energy Limited	●	●	●	●
AZZ.TO	Azarga Uranium Corp	●	●	●	●
BKY.AX	Berkeley Energia Ltd	●	●	●	●
ACB.AX	A-Cap Resources Limited	●	●	●	●
UEC.TO	Uranium Energy Corp.	●	●	●	●
FSY.TO	Forsys Metals Corp	●	●	●	●
WWR.US.	Westwater Resources Inc	●	●	●	●
BMN.AX	Bannerman Resources Limited	●	●	●	●
AEC.V	Anfield Energy Inc.	●	●	●	●
AVERAGE		\$253,520	1.47	71.64	1.52

EXPLORATION COMPANIES		MONTHLY OVERHEAD COSTS	EXPLORATION PER \$1 OVERHEAD	JURISDICTION	ANNUAL CHURN O/S SHARES
PTU.V	Purepoint Uranium Group Inc	●	●	●	●
AAZ.V	Azincourt Energy Corp	●	●	●	●
FUU.V	Fission 3.0 Corp	●	●	●	●
CVV.V	CanAlaska Uranium Ltd	●	●	●	●
UEX.TO	UEX Corporation	●	●	●	●
ALV	ALX Uranium Corp	●	●	●	●
FMC.V	Forum Energy Metals Corp	●	●	●	●
UVN.V	Uravan Minerals Inc	●	●	●	●
SMM.AX	Summit Resources Ltd (Australia)	●	●	●	●
EU.V	enCore Energy Corp	●	●	●	●
SYH.V	Skyharbour Resources Ltd	●	●	●	●
URC.V	Uracan Resources Ltd	●	●	●	●
KIV.V	Kivalliq Energy Corp	●	●	●	●
EME.AX	Energy Metals Ltd	●	●	●	●
REL.V	Roughrider Exploration Ltd	●	●	●	●
BSK.V	Blue Sky Uranium Corp	●	●	●	●
API.V	Appia Energy Corp	●	●	●	●
ISO.V	ISOEnergy Ltd	●	●	●	●
DYL.AX	Deep Yellow Limited	●	●	●	●
AVERAGE		\$63,466	1.84	80.39	0.99

SIGHTLINE U₃O₈ UCOMPARABLES

UComparables provides metrics and data that measure the performance of management, the value of their projects and the financial health of the companies, gathered across the entire spectrum of uranium exploration companies and uranium development companies.

We will look at metrics and data points, common across the companies that investors can use as input to their decision making process.

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ABOUT THE SLU₃O₈ OUTLOOK

The SLU₃O₈ Outlook; is an in-depth forecast model, optimized to anticipate the timing and extent of pending changes in uranium prices. Projections are maintained quarterly and based on the analysis of uranium price movement relative to detailed supply and demand changes over the past 15 years.

ABOUT THE SLU₃O₈ EQUITY INDEX

The SLU₃O₈ Equity Index tracks the relative share price of a select basket of uranium-based equities, checking the market's reaction to industry activities. The Index is based on share price movement since January 1, 2012 (1,000.00) of the following companies*:

- AREVA SA
- Cameco Corporation
- Denison Mines Limited
- Energy Fuels Inc.
- UEX Corporation
- UR-Energy Inc.
- Uranium Energy Corp.
- Uranium Participation Corp

* As the significant stock price movement of Fission Uranium Corp and NexGen Energy Ltd. is a function of major uranium discoveries, we have not included their stock performance in the Index to better reflect the uranium equities market in general.

ABOUT SIGHTLINE SLU₃O₈

Sightline U₃O₈ is a monthly newsletter and supporting website created and maintained to provide uranium investors and industry stakeholders with a single source of insight into the ongoing factors that directly affect uranium prices.

We welcome your comments, questions and ideas. Please contact us at editor@sightlineu3o8.com