

URANIUM PRICES	SPOT PRICE US\$/lb U ₃ O ₈	LONG TERM PRICE US\$/lb U ₃ O ₈
UC PRICES		
January 31, 2019	\$28.90 ↑	\$32.00 ●
February 28, 2019	\$27.75 ↓	\$32.00 ●
SLUC PRICE OUTLOOK		
March 31, 2019	\$32.00 ↑	\$33.50 ↑
June 30, 2019	\$34.00 ↑	\$34.24 ↑
September 30, 2019	\$35.75 ↑	\$35.00 ↑
December 31, 2019	\$39.00 ↑	\$41.50 ↑
December 31, 2020	\$42.50 ↑	\$49.75 ↑
December 31, 2021	\$45.00 ↑	\$60.50 ↑

Updated on March 1, 2019

SLUC EQUITY INDEX		
November 30, 2018	603.35	↑
December 31, 2018	590.28	↓
January 31, 2019	614.27	↑
February 28, 2019	575.91	↓

WORLD NUCLEAR ASSOCIATION

Global Reactor	Count	GWe
Operable	445	396
Under construction	57	62
Planned	132	131
Proposed	365	419

MONTH IN REVIEW

So after a nice steady rise during the balance of 2018, the uranium Spot Price seems to have hit a road block, continually bouncing back off of US\$29.00 per lb. for most of this year.....what's up?

It is most likely due to the fact that Cameco's cost of inventory sits between \$31.00 and \$33.00 per lb. U₃O₈. With their shut down at McArthur, Cameco's inventory levels were reduced by 50% over 2018 leaving them with far less than one years' worth of product.

In 2018 Cameco purchased 1/3 of their required uranium on the open market and in 2019 they are increasing that number to approximately 70% or 18-21 million lbs. Cameco is happy paying up to \$29.00 per lb. but as it approaches their cash cost of production, there will be resistance.

Once that price slips north of \$30.00 it will be time to resume long term contract negotiations.

We look forward to any comments or questions you may have.

Ask us on Twitter ([@SightlineU3O8](https://twitter.com/SightlineU3O8)) or email us at editor@sightlineu3o8.com.

HOW KAZAKHSTAN OWNS URANIUM'S PENDING RECOVERY



EXCLUSIVE TO SIGHTLINE U₃O₈ - In January 2017, while announcing planned production cuts, the Chairman of the Management Board of Kazatomprom (Kazakhstan's national uranium arm) explained that the glut of uranium supply would be the reality of the market for the near term. He then went on to state, "It will be better for our shareholders and stakeholders that these strategic Kazakhstan resources remain in the bowels of the earth for the time being, rather than adding to the current oversupply situation".

The fact is that despite a number of promised production reductions, Kazakhstan has left very little in the ground. Not only do they appear to be the possible architects of the global oversupply situation but have gone on to help choreograph the uranium market's slow and painful recovery.

Kazakhstan's Rise

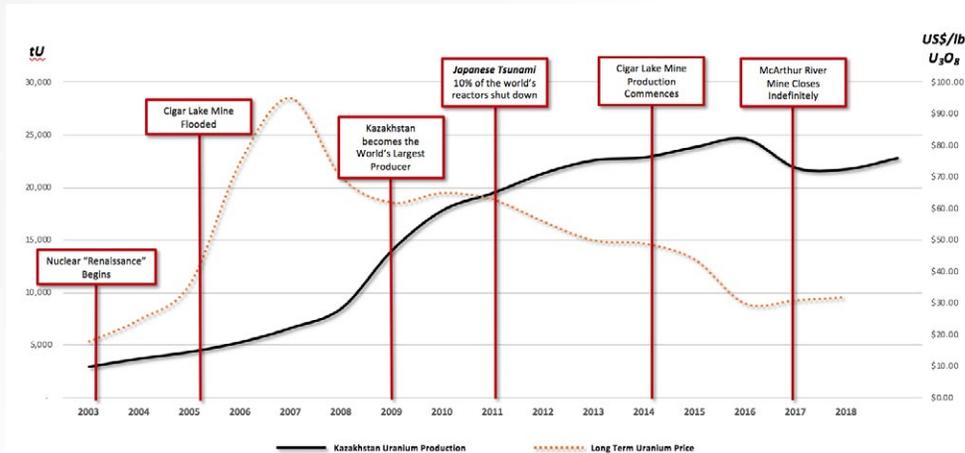
Although uranium exploration in Kazakhstan began in 1943, significant mining did not

HOW KAZAKHSTAN OWNS URANIUM'S PENDING RECOVERY (CONT'D)

commence until 1970. Up until 2000, only 1/3 of Kazakhstan's production was performed via the less costly sedimentary In-situ leaching (ISL) technique. Today, however, almost all production is from ISL resulting in all-in production costs of less than US\$20/lb.

Over the 18 years since 2000, uranium production in Kazakhstan has risen at a significant and constant pace, seemingly oblivious to events within the industry and monumental swings in the market price of the product. By 2009, the country's production had grown by over 700% making Kazakhstan the world's largest producer delivering 28% of the world production. Today, that number has grown to over 40% providing Kazakhstan with unchallengeable control over one of the planet's primary energy sources.

Kazakhstan Uranium Production



The Industry Reacts to a Disaster

On March 11, 2011, following a major earthquake, a 15-metre tsunami struck Japan, disabling the power supply and cooling of three Fukushima Daiichi reactors. All three cores largely melted in the first three days. As a precautionary measure, Japan shut down the country's 55 reactors representing 12.5% of the world's nuclear fleet. Most of those reactors remain closed today.

The uranium industry's reactions took a number of forms. Within six months, the spot price of uranium fell nearly 30%.

As a result of the time lags between the ordering, delivery and use of uranium fuel, however, the effect on the contract price of uranium and the actual movement of product was felt over a longer time period. Offsetting the loss of demand in Japan were numerous newly constructed reactors coming on line. By the end of 2017, those new reactors has all but replaced those lost or not re-started.

Since 2010, despite the disaster in Japan, the level of uranium required for the world's nuclear reactors never dropped by more than 5%. In response, the world's uranium producers hastened to adjust to their new reality as it became apparent that Japan's reactors would not be returned to operation in the near future. As can be seen below, annual changes in production levels fluctuated only slightly until major reductions through mine closures finally resulted in a significant drop in 2018.

Kazakhstan, on the other hand, continued to ramp up their production, flooding the market with unneeded uranium fuel.

CONTINUED ON PG 3

TOP DEMAND NEWS

[Kazatomprom sees further uranium tightness](#)
February 1, 2019

[Uranium price recovery tipped to maintain momentum as supply dries up globally](#)
February 7, 2019

[Fuel loading underway at new South Korean reactor](#)
February 11, 2019

[IAEA talks on Uzbekistan's first nuclear power plant](#)
February 11, 2019

[Spain plans to close all nuclear plants by 2035](#)
February 13, 2019

[Kyushu Electric to scrap No. 2 reactor at Genkai nuclear plant due to cost of safety upgrades at aging site](#)
February 13, 2019

[Is there a commodity that could become bigger and larger than bitcoin itself?](#)
February 18, 2019

[Uranium Week: Chain Reaction](#)
February 19, 2019

[Rosatom reportedly reaching new deal to complete Turkish nuclear plant](#)
February 19, 2019

[Czech PM outlines nuclear expansion with state control over construction](#)
February 21, 2019

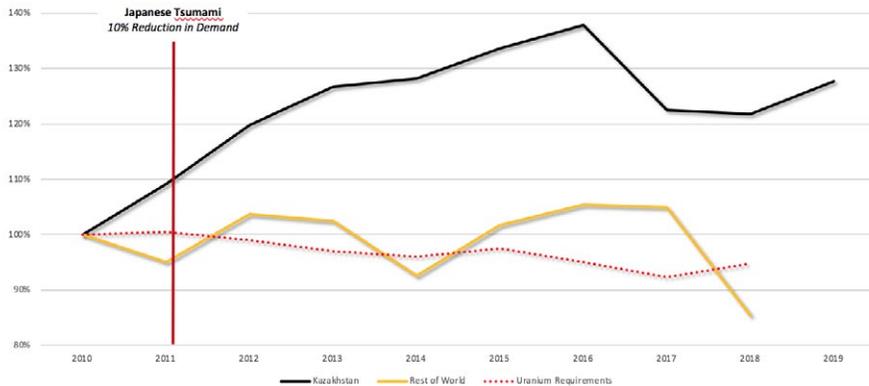
[UK-Japan venture seeks to build small nuclear reactor in North East England](#)
February 21, 2019

[Finland's nuclear watchdog greenlights Olkiluoto 3 reactor](#)
February 26, 2019

[Work on nuclear power plant to start in Fujian](#)
February 26, 2019

HOW KAZAKHSTAN OWNS URANIUM'S PENDING RECOVERY (CONT'D)

Global Uranium Production Change Since 2010



Kazakhstan's Impact on Oversupply

So – what if the uranium industry had maintained their 2010 production levels?

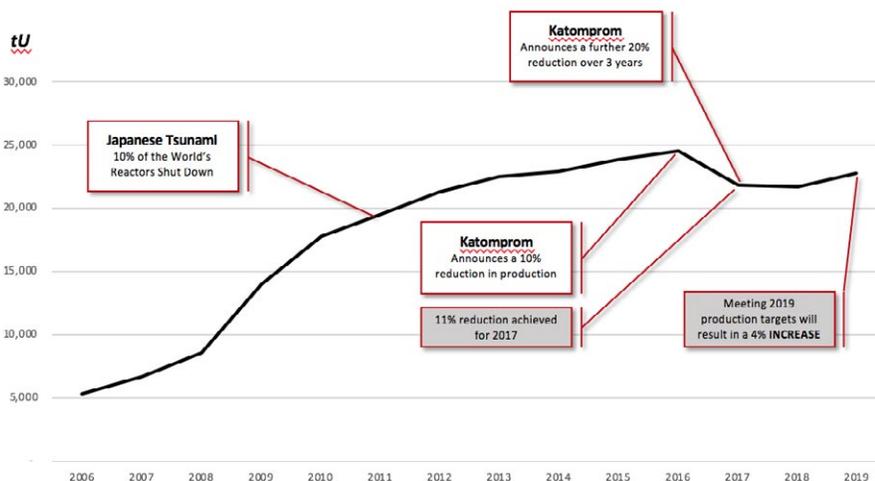
In 2010, Kazakhstan produced 17,803 tonnes of U while the rest of the world produced an additional 35,868 tU. Had the rest of the world continued producing at that rate, they would have delivered 286,944 tU between 2011 and 2018.

The rest of the world actually produced approximately 284,000 during that time period meaning that they have reduced excess supply by about 3,000 tU (1%).

Meanwhile, Kazakhstan has produced 178,003 tU during those 8 years while production at 2010 levels would have resulted in only 142,424 – a difference of 35,579 tU

What this means is that since the disaster at Fukushima, Kazakhstan, rather than adjusting to the situation, has added the equivalent of a full years' worth of production to the world's excess inventory – clearly a predatory move.

Kazakhstan Uranium Production



Kazakhstan's Impact on a Recovery

Just over two years ago, Kazakhstan responded to a languishing uranium market by announcing that they would reduce their 2017 production by 10%. A year later, they announced that they would further reduce their production by an additional 20% by the end of 2020.

Kazakhstan did keep their promise in 2017, reducing their country's production by 11%. These reductions, however, were only maintained long enough to see Cameco shutter the world's largest producing mine, McArthur River.

The next 20% has not been delivered quite as quickly with 2018's production coming in about 100 tU less than the prior year – a drop of less than 0.5%. Moreover, Kazakhstan's announced production levels for 2019 have come in at 22,742 tU – an increase of over 4% of the 2017 level.

To accomplish their 20% reduction promise they would have to close two of their largest mines in 2020 (or four smaller ones).

Kazakhstan's End Game

Although many have looked at the 2011 Japanese Tsunami as the cause of the current uranium market woes, it was merely the straw that broke the back of a decade of growing overproduction. What is clear is that Kazakhstan has been able to establish itself - from a cold start – as the premier supplier of low cost uranium fuel, forcing others to make room at the table.

It's a new day and higher cost mines such as Australia's Ranger mine and Namibia's Langer Heinrich and Rossing mines cannot compete. In addition to Cameco's closure of their McArthur River and Rabbit Lake mines, Paladin's Langer Heinrich was put on "care and maintenance" last year. The Ranger mine is in the process of considering decommissioning options while Rio Tinto is selling its share of the Rossing to Chinese interests.

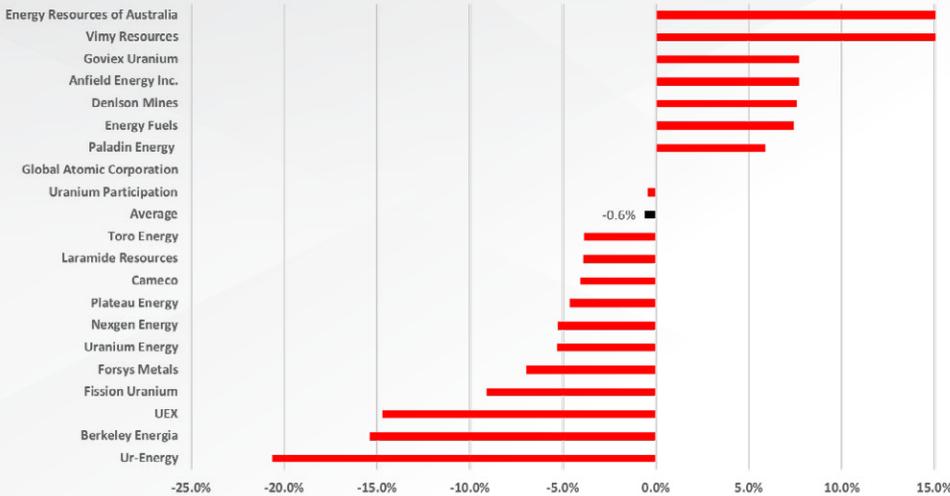
With the competition vanquished, a new European marketing arm established and Kazatomprom's IPO behind them perhaps we can now expect to see Kazakhstan take their foot off of the gas, allow uranium prices to rise and maximize the profitable fruits of their labor. •

UEQUITIES MONTHLY PERFORMANCE

TOP SUPPLY NEWS

Producers/Developers

One-Month Return
Production and Development Companies



[Kazakhstan to remain uranium mining leader, says Energy Minister](#)
February 11, 2019

[Sudan to cooperate with China in uranium projects](#)
February 14, 2019

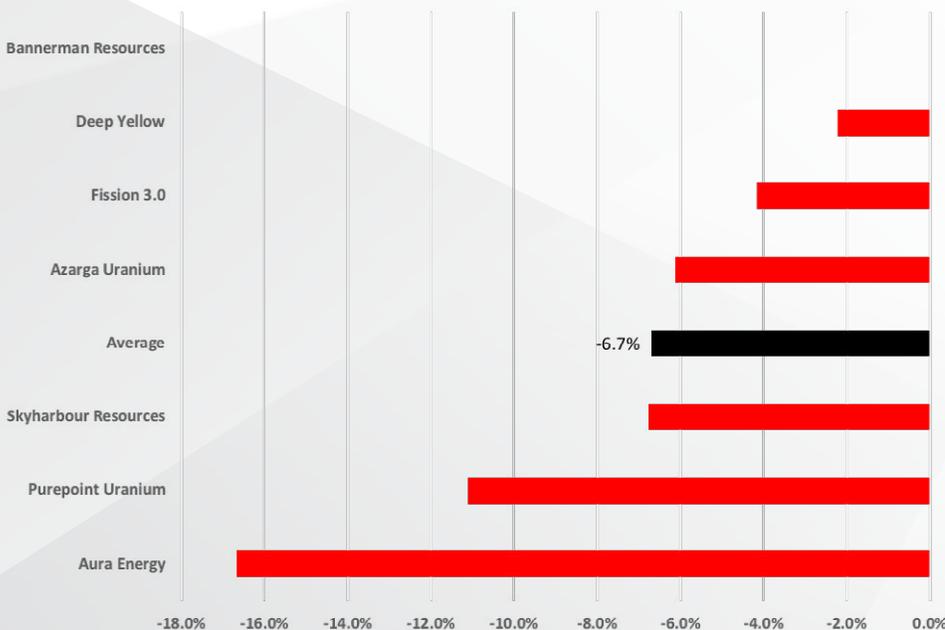
[Glowing results for nuclear power at France's EDF](#)
February 19, 2019

[Ontario system operator notes substantial role of nuclear](#)
February 26, 2019

[Namibia's uranium production predicted to rise by 50%](#)
February 27, 2019

Explorers

One-Month Return
Exploration Companies



TOP POLITICS NEWS

[India, Argentina sign MOU for cooperation in nuclear energy](#)
February 19, 2019

[7 in 10 in favor of nuclear power plants](#)
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[Why the nuclear industry needs more diversity](#)
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[Mapping the future: IAEA paves the way for nuclear transition](#)
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[Korean, Czech companies strengthen cooperation](#)
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[Energy traders gird for market roiling mishap in no-deal Brexit](#)
February 27, 2019

[Want to whip climate change? Go nuclear, says Alberta advocate](#)
February 27, 2019

[The new, safer, nuclear reactors that might help stop climate change](#)
February 27, 2019

TOP EQUITY NEWS

[T.UEX files technical report for the Christie Lake Project](#)
February 4, 2019

[U.URE: 2019 - the Year for Uranium @ VRIC 2019](#)
February 4, 2019

[U.UEC positioned to lead rising markets in Uranium and Gold @ VRIC 2019](#)
February 4, 2019

[T.DML: Uranium exploration development and production @ VRIC 2019](#)
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[T.FCX stage set for higher uranium prices @ VRIC 2019](#)
February 4, 2019

[V.PTU: Advanced exploration in the world's richest uranium region @ VRIC 2019](#)
February 4, 2019

[V.SYH: A preeminent uranium explorer in Canada's Athabasca Basin @ VRIC 2019](#)
February 4, 2019

[T.EFR: #1 uranium producer in the world, and newest vanadium producer in the world @ VRIC 2019](#)
February 4, 2019

[The Lure of Fake \(U\) News](#)
February 5, 2019

[V.SYH option partner Orano commences winter program at Preston](#)
February 7, 2019

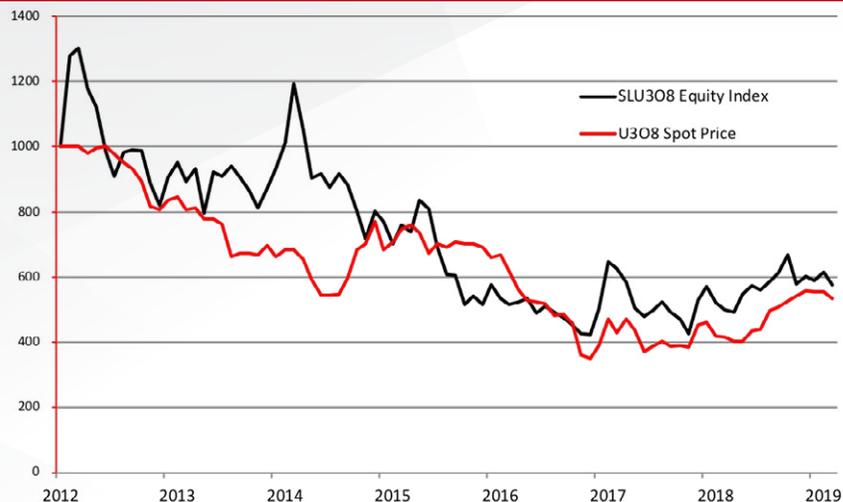
[T.UEX deposit strike length increase to 400 metres](#)
February 7, 2019

[T.CCO reports 4th quarter and 2018 financial results](#)
February 8, 2019

[T.NXE releases results from Shaft pilot hole](#)
February 14, 2019

[Uranium - is it a Dead Market?](#)
February 26, 2019

SLU308 EQUITY INDEX



UEQUITIES

PRODUCING COMPANIES		COUNTRY FOCUS	PRICE AS OF 02/31/2019	52 WEEK HIGH	52 WEEK LOW	MARKET CAP (MILLIONS)
T.CCO	Cameco Corp	Canada	\$15.27	\$17.12	\$11.22	\$6,384.14
T.DML	Denison Mines Corp	Canada	\$0.71	\$0.89	\$0.55	\$412.42
T.EFR	Energy Fuels Inc.	United States	\$4.05	\$5.38	\$1.92	\$373.18
A.ERA	Energy Resources of Australia Limited	Australia	\$0.31	\$0.70	\$0.22	\$160.49
U.UEC	Uranium Energy Corp	United States	\$1.26	\$1.89	\$1.12	\$236.36
A.PDN	Paladin Energy Ltd	Namibia	\$0.18	\$0.22	\$0.10	\$306.61
T.URE	Ur-Energy Inc	United States	\$0.97	\$1.19	\$0.74	\$156.53
DEVELOPMENT COMPANIES						
V.AEC	Anfield Energy Inc	United States	\$0.21	\$0.59	\$0.175	\$9.18
A.BKY	Berkeley Energia Ltd	Spain	\$0.44	\$0.90	\$0.14	\$112.41
T.FCX	Fission Uranium Corp	Canada	\$0.50	\$0.80	\$0.485	\$240.58
T.FSY	Forsys Metals Corp	Namibia	\$0.20	\$0.32	\$0.09	\$32.16
V.GLO	Global Atomic Corporation	Niger	\$0.35	\$0.45	\$0.20	\$47.36
V.GXU	Goviex Uranium Inc	Niger	\$0.14	\$0.255	\$0.125	\$58.30
T.LAM	Laramide Resources Ltd	United States	\$0.37	\$0.52	\$0.24	\$51.81
T.NXE	NexGen Energy Ltd	Canada	\$2.16	\$3.31	\$2.11	\$807.85
V.PLU	Plateau Energy Metals Inc	Peru	\$0.62	\$1.69	\$0.55	\$52.72
A.TOE	Toro Energy Limited	Australia	\$0.025	\$0.035	\$0.024	\$54.03
T.UEX	UEX Corporation	Canada	\$0.145	\$0.35	\$0.14	\$57.21
A.VMY	Vimy Resources Ltd	Australia	\$0.065	\$0.15	\$0.046	\$31.50
EXPLORATION COMPANIES						
A.AEE	Aura Energy Limited	Sweden, Maritania	\$0.015	\$0.032	\$0.014	\$16.75
T.AZZ	Azarga Uranium Corp	United States	\$0.23	\$0.34	\$0.195	\$39.15
A.BMN	Bannerman Resources Limited	Namibia	\$0.04	\$0.077	\$0.034	\$41.66
A.DYL	Deep Yellow Limited	Namibia	\$0.44	\$0.58	\$0.24	\$88.48
V.FUU	Fission 3.0 Corp	Canada	\$0.11	\$0.295	\$0.08	\$15.60
V.PTU	Purepoint Uranium Group Inc	Canada	\$0.08	\$0.105	\$0.055	\$19.32
V.SYH	Skyharbour Resources Ltd	Canada	\$0.35	\$0.57	\$0.345	\$23.02
OTHERS						
T.U	Uranium Participation Corp	Canada	\$4.76	\$5.14	\$3.70	\$690.30
LGCL	Geiger Counter Ltd	UK	\$20.06	\$24.70	\$17.70	\$16.64
U.URA	Global X Uranium ETF	US	12.37	\$14.75	\$11.00	\$244.48
LYCA	Yellow Cake Plc	UK	\$240.00	\$260.00	\$193.00	\$182.82

Note: Currencies for the price and market cap are respective to the country of trade.

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UC PRICES		
January 31, 2019	\$27.75 ↓	\$32.00 ●
SLU3O8 PRICE OUTLOOK		
March 31, 2019	\$32.00 ↑	\$33.50 ↑

KAZAKHSTAN TO REMAIN URANIUM MINING LEADER

SOURCE: [Kazinform Int'l Agency](#)
February 11, 2019



Kazakhstan will remain the world's leader in uranium mining despite the complicated situation in the global market, said Minister of Energy of Kazakhstan Kanat Bozumbayev, Kazinform correspondent reports.

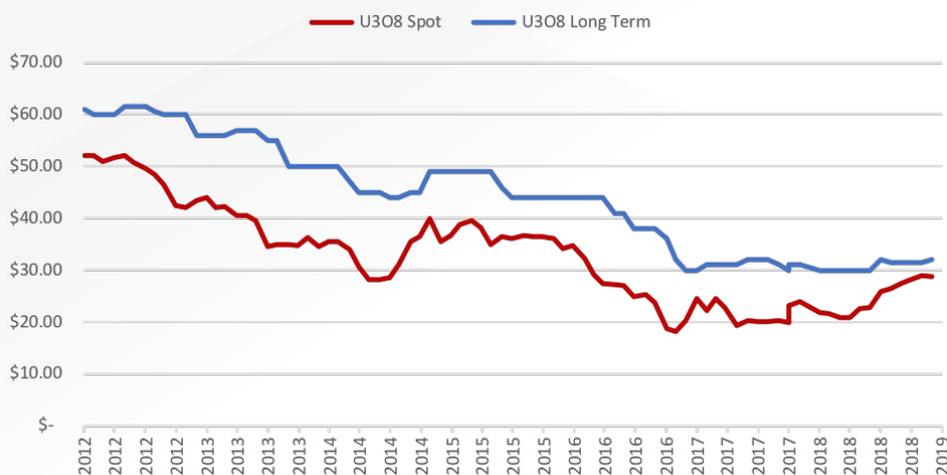
"Despite the difficulties in the global uranium market, we intend to maintain leadership in uranium mining. Now there is an oversupply of uranium and this trend continues," he told the extended board meeting of the Ministry of Energy.

According to the ministry's press service, in 2018, Kazakhstan produced 21,699 tons of uranium, which is in line with the target figure, and, this year, it is planned to produce 22,742 tons.

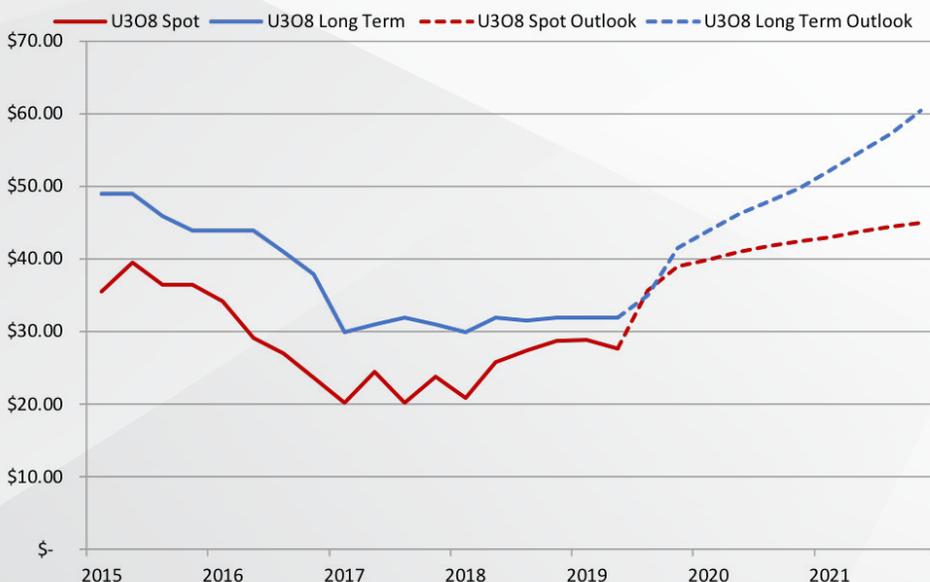
The Minister highlighted that considerable uranium reserves are Kazakhstan's competitive advantage.

"Therefore, the main goal for us is to increase the gross value added of the nuclear industry through the development of all the major segments of the nuclear fuel cycle and the creation of nuclear power industry that would use its own resource base to the maximum extent. Vice-Minister Sungat Yessimkhanov and Director of Department of Atomic Energy and Industry Development Batyrzhan Karakozov are to ensure the introduction of amendments to the legislation on civil and legal accountability in the nuclear field in the first half of the year," Kanat Bozumbayev concluded.

U₃O₈ PRICES - HISTORIC



SLU3O8 PRICE OUTLOOK



We have assembled the UComps results up-to-date 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. Feel free to click on any of the dots to get more information. 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. Any comments or questions pertaining to the information provided or companies we may have missed can be sent to info@sightlineu3o8.com.

UCOMPS: URANIUM DEVELOPMENT COMPANIES

DEVELOPMENT COMPANIES		MANAGEMENT			FINANCIAL HEALTH		PROJECT INFORMATION			
		MONTHLY OVERHEAD COSTS	EXPLORATION PER \$1 OVERHEAD	CXO COMPENSATION/ MARKET CAP	ANNUAL CHURN OUTSTANDING SHARES	FINANCING STRATEGY	JURIS-DICTION	MINING METHOD	RESOURCES	
									SIZE (M&I) (million lbs)	GRADE U ₃ O ₈
T.NXE	NexGen Energy Ltd	●	●	●	●	●	●	●	●	●
T.FCU	Fission Uranium Corp	●	●	●	●	●	●	●	●	●
V.PLU	Plateau Energy Metals Inc	●	●	●	●	●	●	●	●	●
A.TOE	Toro Energy Limited	●	●	●	●	●	●	●	●	●
A.BKU	Berkeley Energia Ltd	●	●	●	●	●	●	●	●	●
T.FSY	Forsys Metals Corp	●	●	●	●	●	●	●	●	●
V.GXU	GoviEx Uranium Inc	●	●	●	●	●	●	●	●	●
A.AEE	Aura Energy Limited	●	●	●	●	●	●	●	●	●
A.VMY	Vimy Resources Ltd	●	●	●	●	●	●	●	●	●
A.ACB	A-Cap Resources Limited	●	●	●	●	●	●	●	●	●
V.AEC	Anfield Energy Inc	●	●	●	●	●	●	●	●	●
T.AZZ	Azarga Uranium Corp	●	●	●	●	●	●	●	●	●
U.WUC	Western Uranium Corp	●	●	●	●	●	●	●	●	●
T.LAM	Laramide Resources Ltd	●	●	●	●	●	●	●	●	●
A.BMN	Bannerman Resources Limited	●	●	●	●	●	●	●	●	●
AVERAGE		\$253,520	1.47	1.50%	1.52		71.64		62.7	0.66%

UCOMPS: URANIUM EXPLORATION COMPANIES

EXPLORATION COMPANIES		MANAGEMENT			FINANCIAL HEALTH		PROJECT INFORMATION		
		MONTHLY OVERHEAD COSTS	EXPLORATION PER \$1 OVERHEAD	CXO COMPENSATION/ MARKET CAP	ANNUAL CHURN O/S SHARES	FUNDING CAPABILITY	JURIS-DICTION	# OF PROJECTS	PROJECT PARTNERS
V.PTU	Purepoint Uranium Group Inc	●	●	●	●	●	●	●	●
T.UEX	UEX Corporation	●	●	●	●	●	●	●	●
V.FUU	Fission 3.0 Corp	●	●	●	●	●	●	●	●
V.CVV	CanAlaska Uranium Ltd	●	●	●	●	●	●	●	●
V.AL	ALX Uranium Corp	●	●	●	●	●	●	●	●
A.SMM	Summit Resources Ltd (Australia)	●	●	●	●	●	●	●	●
V.SYH	Skyharbour Resources Ltd	●	●	●	●	●	●	●	●
V.FMC	Forum Energy Metals Corp	●	●	●	●	●	●	●	●
V.AAZ	Azincourt Energy Corp	●	●	●	●	●	●	●	●
V.BSK	Blue Sky Uranium Corp	●	●	●	●	●	●	●	●
V.VO	ValOre Metals Corp	●	●	●	●	●	●	●	●
V.EU	enCore Energy Corp	●	●	●	●	●	●	●	●
V.ISO	ISOEnergy Ltd	●	●	●	●	●	●	●	●
V.REL	Roughrider Exploration Ltd	●	●	●	●	●	●	●	●
V.API	Appia Energy Corp	●	●	●	●	●	●	●	●
A.DYL	Deep Yellow Limited	●	●	●	●	●	●	●	●
V.URC	Uracan Resources Ltd	●	●	●	●	●	●	●	●
AVERAGE		\$63,466	1.84	3.58%	0.99		80.39	6.3	

SIGHTLINE U₃O₈ UCOMPARABLES

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

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.

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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*:

- 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 nuclear industry research organization reporting through 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