

URANIUM PRICES	SPOT PRICE US\$/lb U ₃ O ₈	LONG TERM PRICE US\$/lb U ₃ O ₈
UC PRICES		
May 31, 2019	\$23.94 ↓	\$32.00 ●
June 30, 2019	\$ 24.55 ↑	\$32.00 ●
SLUC PRICE OUTLOOK		
December 31, 2019	\$39.00 ↑	\$41.50 ↑
December 31, 2020	\$42.50 ↑	\$49.75 ↑
December 31, 2021	\$45.00 ↑	\$60.50 ↑

Updated on July 1, 2019

SLUC EQUITY INDEX		
April 30, 2019	636.72	↓
May 31, 2019	630.61	↓
June 30, 2019	645.23	↑
WORLD NUCLEAR ASSOCIATION		
Global Reactor	Count	GWe
Operable	446	398
Under construction	56	61
Planned	111	122
Proposed	328	358

MONTH IN REVIEW

Moving out of the first half of 2019, uranium markets continue to be void of any signs of life with a marginal rise in Spot prices (up \$0.61) and a dormant Long Term price of \$32.00. Spot purchase volumes are down significantly from this time last year, utility buying is about half of last year's numbers and we have not seen any recent production cuts announced.

Equities, which are coasting along their market lows, are simply keeping busy while trying not to do anything that might take their stock prices lower.

The only remaining talking point (that is not a re-hash of past discussions) is the pending Section 232 decision out of the White House in two weeks.

With any luck, that decision – no matter what it is – will free up utilities to initiate purchasing strategies for the coming years. The effect is not expected to be sudden or severe, but it should allow uranium prices to begin some form of sustainable upward movement.

Comments or questions ? Ask us on Twitter ([@SightlineU308](https://twitter.com/SightlineU308)) or email us at editor@sightlineu308.com.

US. DEPT. OF COMMERCE RECOMMENDS URANIUM QUOTA, BLOOMBERG SAYS



The June 20 article, quoting three anonymous sources briefed on the matter, said the commerce department believes that the U.S. reliance on uranium imports poses a national security risk and that "among the trade remedies recommended is to require nuclear power plants to purchase a minimum of 5% of the radioactive fuel from U.S. mines."

The news report said two of the three people interviewed said one option being discussed "would see the quota escalate by 5 percentage points a year."

"The matter is far from final," the article cautioned, "but one person said it is certain that the White House appears poised to take action. Other options being considered include doing nothing or putting limits on uranium from specific countries, one of the people said."

CONTINUED ON PG 2

US. DEPT. OF COMMERCE RECOMMENDS URANIUM QUOTA, BLOOMBERG SAYS

According to Bloomberg, U.S. President Donald Trump has not yet reviewed the DOC report, and has until July 15 to make a decision on its recommendations.

At the moment, the U.S. imports most of its uranium from Canada, Kazakhstan, Australia and Russia.

Energy Fuels and Ur-Energy, which own conventional hard rock mines and in-situ recovery operations in the U.S., were the two companies that originally petitioned the department of commerce to consider imposing a 25% domestic purchase quota. Shares of Energy Fuels are up 3.4% to \$4.38 and Ur-Energy up 2.5% to \$1.25 in mid-morning trading.

“With U.S. uranium production waning to just a fraction (less than 2%) of domestic uranium requirements, a phased implementation of a quota is the rational approach to allow for production to ramp up from existing producers and idled mines,” Colin Healey, an analyst at Haywood Securities wrote in a research note. “The scale and implementation of any quota is ultimately the president’s decision and is not certain at this point.”

Healey noted that uranium production in the U.S. has fallen by roughly 90% since its peak in 1980 of about 43 million pounds of U308, and now makes up about 2% of the nation’s consumption, down from about 49% in 1987.

Alexander Pearce and Colin Hamilton of BMO Capital Markets in London commented that “any proposal to impose quotas or tariffs is negative for commodity markets, as it will stimulate higher cost supply into production at a cost for the end users.”

But they also noted that if the 5% tariff was confirmed, “this is a level we view as achievable, whereas an immediate 25% would have been impractical. U.S. output was about 1 million pounds last year. With this, and given high inventory levels, any ‘U.S. premium’ for uranium may take a couple of years to emerge, unlike the immediate impact from Section 232 decisions on the steel and aluminium markets.”

“More important for the wider uranium market is potential changes in nuclear build-out on a global basis,” they continued. “Reuters has reported that, at the China People’s Political Consultative Conference (CPPCC) held this week, senior industry officials pointed to potential to build 30 nuclear reactors in “One Belt, One Road” countries by 2030 utilizing its third-generation Hualong One reactor design.”

Chinese President Xi Jinping announced his One Belt, One Road initiative five years ago. The multi-billion dollar plans aims to connect Asia, Africa and Europe with massive infrastructure projects in a modern day version of the ancient Silk Road.

Mike Kozak, a mining analyst at Cantor Fitzgerald, calculates that if an initial 5% quota were implemented, “it would require U.S. uranium mining companies to deliver about 2.5 million pounds of domestic origin U308 to U.S. utilities, growing by about 2.5 million pounds a year U308 thereafter (to an unknown level) as the quota escalates.”

“In our view, in order to meet this domestic demand, U.S. producers would need incentive pricing (under long-term contracts) of +US\$55 per lb. U308 (and potentially higher), an approximate 120% premium to current spot prices of about US\$25 per lb. U38.”

Kozak notes that should the U.S. take action, Cameco Corporation (TSX: CCO; NYSE: CCJ), one of the largest nuclear fuel companies, should also gain, and has resumed coverage of the company with a buy rating and a 52-week target price of \$17 per share.

“Resolution, regardless of the outcome, should nudge utilities to re-enter the contract market in a significant way,” he concluded.●

TOP DEMAND NEWS

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June 3, 2019

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[Egypt prepares site of Dabaa nuclear energy station to start executive work](#)
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TOP SUPPLY NEWS

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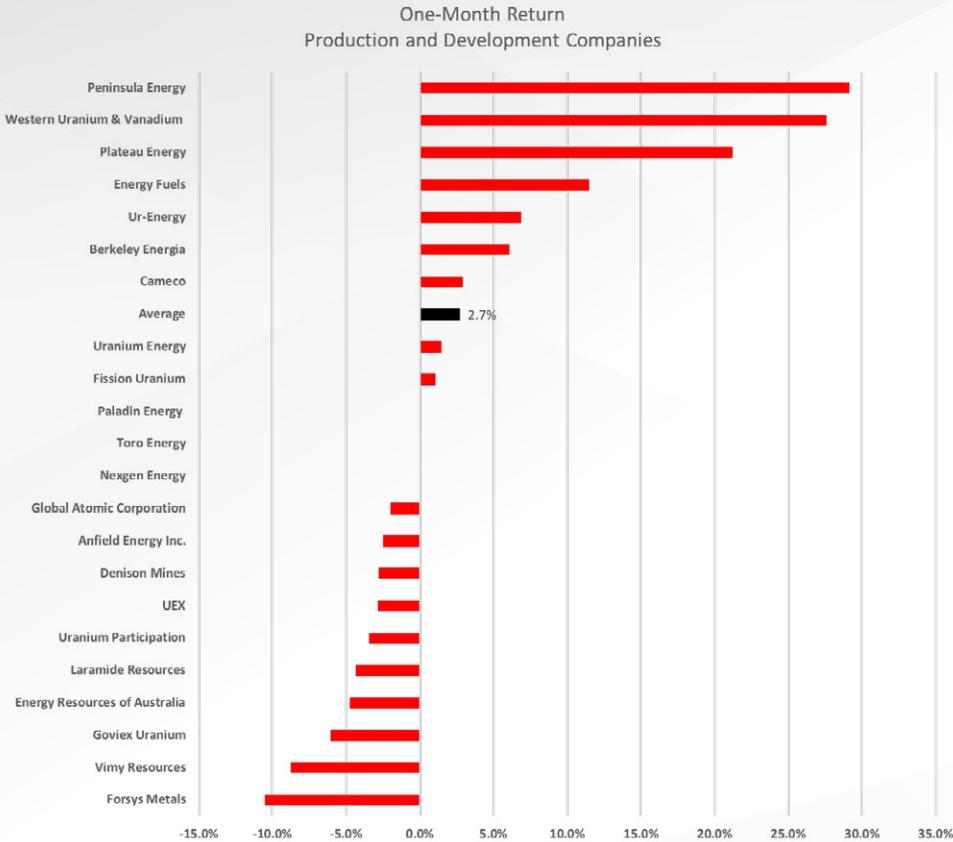
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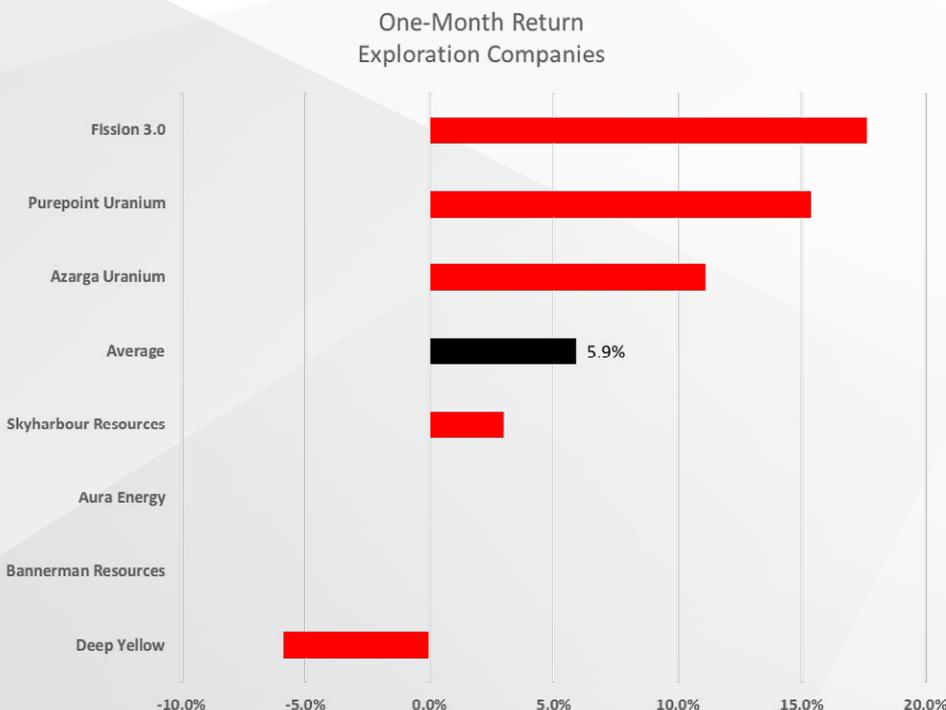
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UEQUITIES MONTHLY PERFORMANCE

Producers/Developers



Explorers



TOP POLITICS NEWS

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June 14, 2019

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[US Dept. of Commerce recommends uranium quota, Bloomberg reports](#)
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[How I learned to stop worrying and love nuclear power](#)
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May 31, 2019	\$24.55 ↑	\$32.00 ●

TOP ALTERNATIVE NEWS

[How do we power a sustainable future?](#)
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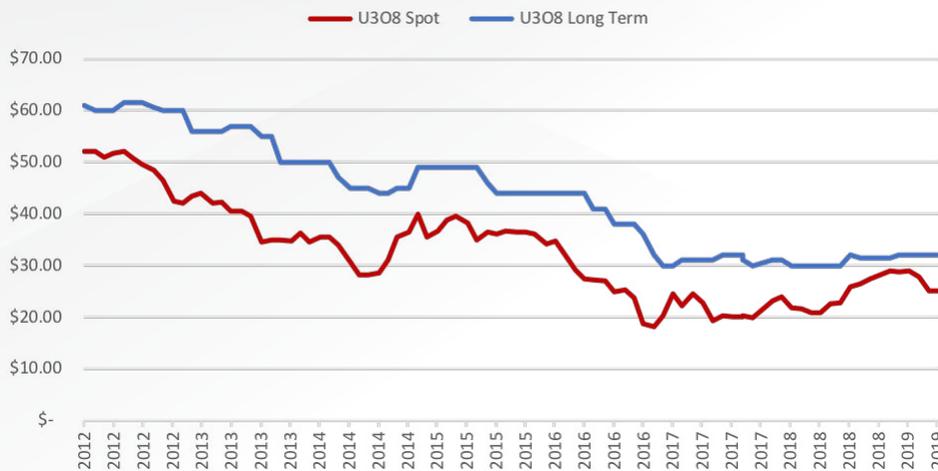
[Latest ETI report supports development of large, small and advanced modular reactors in UKs transition to a low carbon economy](#)
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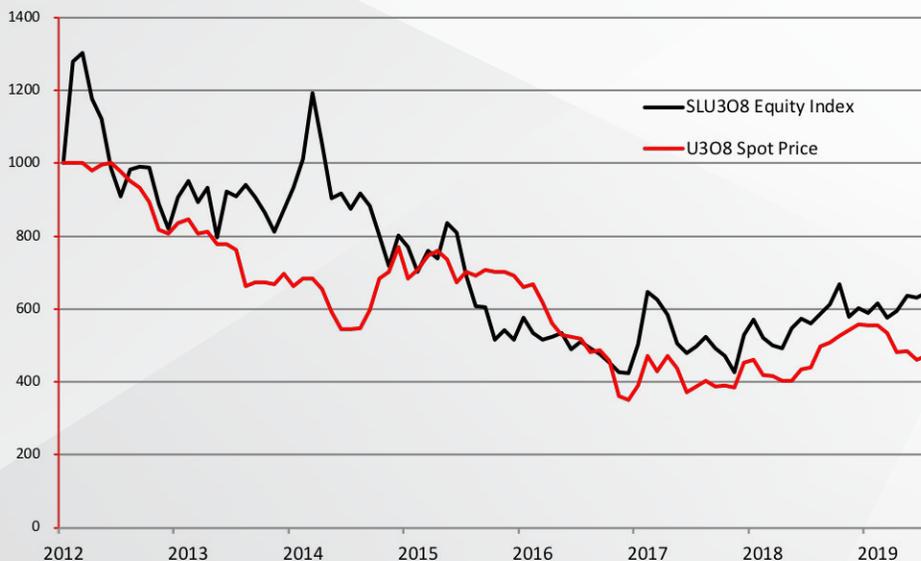
[Energy Department invests nearly \\$50million at National Labs and Universities to advance nuclear technology](#)
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U₃O₈ PRICES - HISTORIC



SLU₃O₈ EQUITY INDEX



TOP EQUITIES NEWS

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June 25, 2019

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June 26, 2019

[T.DML announces initiation of ISR field testing as the summer field program commences at Wheeler River](#)
June 26, 2019

UEQUITIES

PRODUCING COMPANIES		COUNTRY FOCUS	PRICE AS OF 06/30/2019	52 WEEK HIGH	52 WEEK LOW	MARKET CAP (MILLIONS)
T.CCO	Cameco Corp	Canada	\$14.04	\$17.12	\$12.31	\$5,398.68
T.DML	Denison Mines Corp	Canada	\$0.70	\$0.89	\$0.59	\$424.21
T.EFR	Energy Fuels Inc	United States	\$4.07	\$5.38	\$2.40	\$358.18
A.ERA	Energy Resources of Australia Limited	Australia	\$0.20	\$0.44	\$0.19	\$98.43
U.UEC	Uranium Energy Corp	United States	\$1.37	\$1.89	\$1.12	\$242.12
A.PDN	Paladin Energy Ltd	Namibia	\$0.12	\$0.22	\$0.11	\$210.25
T.URE	Ur-Energy Inc	United States	\$1.24	\$1.30	\$0.74	\$190.23
A.PEN	Peninsula Energy Limited	United States	\$0.31	\$0.34	\$0.16	\$76.62
DEVELOPMENT COMPANIES						
V.AEC	Anfield Energy Inc	United States	\$0.195	\$0.59	\$0.175	\$14.39
A.BKY	Berkeley Energia Ltd	Spain	\$0.35	\$0.88	\$0.14	\$90.47
T.FCU	Fission Uranium Corp	Canada	\$0.48	\$0.75	\$0.445	\$228.43
T.FSY	Forsys Metals Corp	Namibia	\$0.17	\$0.32	\$0.15	\$25.89
V.GLO	Global Atomic Corporation	Niger	\$0.49	\$0.50	\$0.275	\$71.30
V.GXU	Goviex Uranium Inc	Niger	\$0.155	\$0.255	\$0.12	\$69.83
T.LAM	Laramide Resources Ltd	United States	\$0.33	\$0.52	\$0.24	\$46.01
T.NXE	NexGen Energy Ltd	Canada	\$2.04	\$3.31	\$1.81	\$718.27
V.PLU	Plateau Energy Metals Inc	Peru	\$0.60	\$1.69	\$0.46	\$47.73
A.TOE	Toro Energy Limited	Australia	\$0.02	\$0.035	\$0.019	\$43.45
T.UEX	UEX Corporation	Canada	\$0.17	\$0.315	\$0.135	\$64.84
A.VMY	Vimy Resources Ltd	Australia	\$0.052	\$0.13	\$0.046	\$25.20
C.WUC	Western Uranium and Vanadium	United States	\$1.34	\$3.48	\$0.91	\$40.95
EXPLORATION COMPANIES						
A.AEE	Aura Energy Limited	Sweden, Maritania	\$0.011	\$0.025	\$0.008	\$13.46
T.AZZ	Azarga Uranium Corp	United States	\$0.25	\$0.30	\$0.195	\$45.93
A.BMN	Bannerman Resources Limited	Namibia	\$0.045	\$0.077	\$0.034	\$46.87
A.DYL	Deep Yellow Limited	Namibia	\$0.34	\$0.58	\$0.26	\$67.43
V.FUU	Fission 3.0 Corp	Canada	\$0.10	\$0.295	\$0.08	\$13.48
V.PTU	Purepoint Uranium Group Inc	Canada	\$0.075	\$0.105	\$0.06	\$15.03
V.SYH	Skyharbour Resources Ltd	Canada	\$0.345	\$0.57	\$0.305	\$20.48
OTHERS						
T.U	Uranium Participation Corp	Canada	\$4.20	\$5.14	\$3.99	\$555.00
L.GCL	Geiger Counter Ltd	UK	\$18.90	\$24.70	\$18.00	\$15.77
U.URA	Global X Uranium ETF	US	\$12.15	\$13.67	\$11.00	\$223.39
L.YCA	Yellow Cake Plc	UK	\$204.50	\$260.00	\$193.00	\$181.72
T.HURA	Horizon Global Uranium ETF	Canada	\$9.97	\$11.01	\$9.80	\$2.946

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

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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