

URANIUM PRICES ¹	As of 07/31/2019	MoM	YTD	YoY
Spot Price US\$/lb U ₃ O ₈	25.41	+3.5%	-11.8%	-1.7%
Long-Term Price US\$/lb U ₃ O ₈	\$32.00	0%	0%	0%

GLOBAL REACTOR ²	COUNT	GWe	MoM	YTD	YoY
Operable	447	398	0%	-0.9%	-0.4%
Under Construction	55	61	-1.8%	-1.8%	-5.2%
Planned	111	122	0%	-25.0%	-27.9%
Proposed	330	358	+0.6%	-1.5%	-0.9%

SLU ₃ O ₈ EQUITIES PERFORMANCE	As of 07/31/2019	MoM	YTD	YoY
SLU ₃ O ₈ Equity Index ³	505.73	-21.6%	-14.3%	-13.7%
UProducers Average ⁴	MoM Top Performer: A.PDN +28.0%	-11.4%	-12.6%	-27.5%
UDevelopers Average ⁴	MoM Top Performer: A.VMY +38.2%	-5.9%	-4.7%	-25.0%
UExplorers Average ⁴	MoM Top Performer: A.AEE 9.1%	-3.6%	-17.7%	-25.3%

1. Price as per UxC, LLC.
 2. As per World Nuclear Association; MoM, YTD and YoY percentages based on Global Reactor Count
 3. SLU₃O₈ Equity Index Performance based on CCO, DML, EFR, UEX, URE, UEC & U
 4. Performance Averages from the SLU₃O₈ UEquity list of companies;

Updated on August 1, 2019

MONTH IN REVIEW

The big news in July was the resolution of the 232 Petition, which many US uranium companies (and their investors) hoped would result in a forced domestic rise in fuel prices through the imposition of tariffs. Unfortunately, that was not the outcome and the share prices of those companies saw a drastic correction in the days immediately following the announcement.

Instead of tariffs, US companies received another 90-day wait while the White House's Nuclear Fuel Working Group looks at alternative ways of supporting a fuel supply it relies quite heavily on. Although positive support may still be delivered to US uranium producers, it will undoubtedly result in a more modest impact on near term operations.

Meanwhile, the rest of the world saw another month of minimal spot price movement (up just less than a dollar to close at \$25.41) and no contract action what so ever (closing the month again at \$32.00).

Driven primarily by the US correction, the SLU3O8 Equity Index moved to its lowest level in over a year and a half to close at 505.73.

This month we have started the process of evolving our dashboard to better reflect the data our readers seem to be following. We will continue to refine it over the coming months and welcome any comments or suggestions.

Comments or questions ? Ask us on Twitter (@SightlineU3O8) or email us at editor@sightlineU3O8.com.

URANIUM RECLAIMS THE HEADLINES BUT ITS GOT A LONG WAY TO GO BEFORE RECLAIMING INVESTOR CONFIDENCE



Uranium concentrate, commonly known as U3O8 or yellowcake, sits in the Uvanas processing facility near the East Mynkuduk uranium deposit in Kyzylsok, Kazakhstan. Photographer: Daniel Acker/Bloomberg News
 BLOOMBERG NEWS

It's been a long road back for uranium since the 2011 Fukushima nuclear reactor meltdown in Japan and there could be further to travel despite a promising uptick in the price of the fuel after last week's decision by the U.S. President, Donald Trump, to not ban imports of the material.

Apart from safety considerations uranium has a very basic problem, supply continues to exceed demand with both sides of the equation sliding lower but with demand falling faster.

The net result is a price stuck in the cellar and likely to stay there for a few more years, at least.

CONTINUED ON PG 2

URANIUM RECLAIMS THE HEADLINES BUT ITS GOT A LONG WAY TO GO BEFORE RECLAIMING INVESTOR CONFIDENCE (CONT'D)

Up One Day, Down The Next

A recent analysis of the uranium equation best tells the story of what is arguably the world's most frustrating commodity, up like a rocket one day and then down spectacularly the next.

According to Macquarie, an Australian-based investment bank, total demand for uranium has been over-powered by supply for the best part of the past decade with between 23 million pounds and 56m/lbs a year being stockpiled with a predictable detrimental effect on the price.

But the real problem for uranium, and investors in a fuel which promises to deliver carbon-free energy, is that on a global basis reactor closures after Fukushima have outstripped reactor starts.

Total demand in 2010, the year before the Fukushima incident, was 163m/lbs, well short of total supply at 195m/lbs. By 2016 total demand had fallen to 151m/lbs and total supply had risen to 199m/lbs.

Mine Closures Helping

Mine closures, particularly in Canada, have cut supply but the fall in demand has kept the price for uranium traded on the short-term market below \$30 a pound.

For U.S. uranium producers the price collapse has been particularly damaging because most of their ore has a lower grade than international rivals or, in the case of some big mines such as Australia's Olympic Dam project, the uranium is produced as a by-product of copper production.

Last year, two U.S. uranium producers complained to Commerce Secretary, Wilbur Ross, that imports were a threat to national security. He agreed, but President Trump did not, declining to impose a limit on imports while asking for a 90-study into ways to revive and expand U.S. nuclear-fuel production.

That decision hit the share prices of the U.S. uranium stocks and provided a modest boost to international miners of the fuel.

Core Problem Of Excess Supply Not Fixed

The core problem, too much material chasing a slow-growing (or even declining) market, has not been solved despite claims from supporters of the industry that better times are just around the corner.

The truth is that better times have been out of reach for decades with three nuclear accidents weighing heavily on public sentiment even as the search for carbon-free energy accelerates.

The 1979 Three Mile Island power plant radiation leak in Pennsylvania was the first big setback for nuclear power. The Chernobyl meltdown in 1986 compounded the poor image, and Fukushima delivered a near-fatal blow, powerful enough to see some countries opt to close their existing reactor fleet and others to go slow with expansion plans.

Confidence has been slowly returning to nuclear power which remains an important source of base-load power in a number of countries such as China, Russia and France, as well as supplying about 20% of total U.S. electricity production.

Speculators Taking Early Positions

Well-funded speculators have been placing bets that this time the uranium recovery is real and sustainable with a British company, Yellow Cake, leading the way in accumulating uranium (which is sometimes called yellow cake in its traded form) in the belief that the market has bottomed.

TOP SUPPLY NEWS

[TSX Investors: Sell or Buy Canadian Uranium Stocks?](#)
July 23, 2019

[Japan utility to scrap 4 four reactors in Fukushima](#)
July 25, 2019

[Rio Tinto officially hands over Namibia's Rossing Uranium to Chinese firm](#)
July 26, 2019

[Uranium market not yet ready for Cameco restarts, says CEO](#)
July 29, 2019

[Envoys meet in bid to save nuclear deal](#)
July 30, 2019

[China nuclear capacity rises 9% in H1 as 2 new units built](#)
July 31, 2019

TOP DEMAND NEWS

[First Barakah operators receive regulatory certification](#)
July 8, 2019

[Ankara boosts energy cooperation with Beijing](#)
July 10, 2019

[America wants to extend the lifespans of its nearly 100 nuclear reactors to 80 years](#)
July 15, 2019

[Uzbekistan adds second plant to nuclear power goal](#)
July 16, 2019

[Advanced nuclear reactors hold promise of clean energy for Gulf countries](#)
July 23, 2019

[CNNC signs MoU with Emirates Nuclear Energy Corporation](#)
July 23, 2019

[Rosatom head and Turkish Minister of Energy and Natural Resources meet at Akkuyu NPP construction site](#)
July 24, 2019

URANIUM RECLAIMS THE HEADLINES BUT ITS GOT A LONG WAY TO GO BEFORE RECLAIMING INVESTOR CONFIDENCE (CONT'D)

Over the past 18 months Yellow Cake has amassed a uranium stockpile measuring 9.62m/lbs, largely by acquiring material from the mining arm of the government of Kazakhstan.

Yellow Cake's most recent purchase of uranium was on June 3 when it acquired 1.175m/lbs of material at a price of \$25.88, taking its average price since embarking on its buy-and-hold strategy to \$21.68/lb, comfortably below the latest short-term price of \$26.15/lb.

Yellow Cake Is A Stock To Watch

Listed on the London stock exchange Yellow Cake's share price has broadly tracked the price of the uranium it has in a Canadian storage facility.

In theory, and assuming no more setbacks for nuclear power, the supply/demand equation could re-balance over the next few years as a result of a continued fall in the supply of freshly-mined material and a modest rise in demand.

Next year, Macquarie expects total supply of 165m/lbs (down from the 173m/lbs supplied this year) while demand next year should total 162m/lbs (down from this year's 168m/lbs).

The potential return to more balanced conditions could see the uranium price rise to \$29.50/lb by the end of this year, according to Macquarie, and then up to \$31/lb next year which sounds promising but is well short of the \$75/lb just before the 2011 Fukushima melt-down and a fraction of the 2007 peak price of \$135/lb.

The uranium price trend might be up, but only just.●

Source: [Forbes](#)
July 22, 2019



The containment structure which entombs the destroyed nuclear reactor stands near electricity power lines in Chernobyl, Ukraine. Photographer: Vincent Mundy/Bloomberg © 2018 BLOOMBERG FINANCE LP

TOP DEMAND NEWS (CONT'D)

[China starts construction at 3 nuclear projects](#)

July 25, 2019

[China's first small modular reactor "to begin generating in 2025"](#)

July 26, 2019

[Second innovative power block of the Novovoronezh NPP 2 has reached 90% capacity](#)

July 30, 2019

[CNNC's two new nuclear units approved in Fujian](#)

July 30, 2019

[Georgia Power's Vogtle nuclear expansion could face new delays](#)

July 31, 2019

TOP ALTERNATIVE NEWS

[Uranium and its uses](#)

July 7, 2019

[US federal funding granted for SSR technology development](#)

July 7, 2019

[China launches small reactor project in push for nuclear dominance](#)

July 19, 2019

[Planned small nuclear project reaches milestone with more Utah cities signing on](#)

July 22, 2019

[Innovative funding models and technologies to drive investment in new wave of low carbon economy](#)

July 23, 2019

[Nuclear power must feature in the IRP, insists SAYNPS](#)

July 24, 2019

[Nuclear remains UK's main low-carbon energy source, despite outages](#)

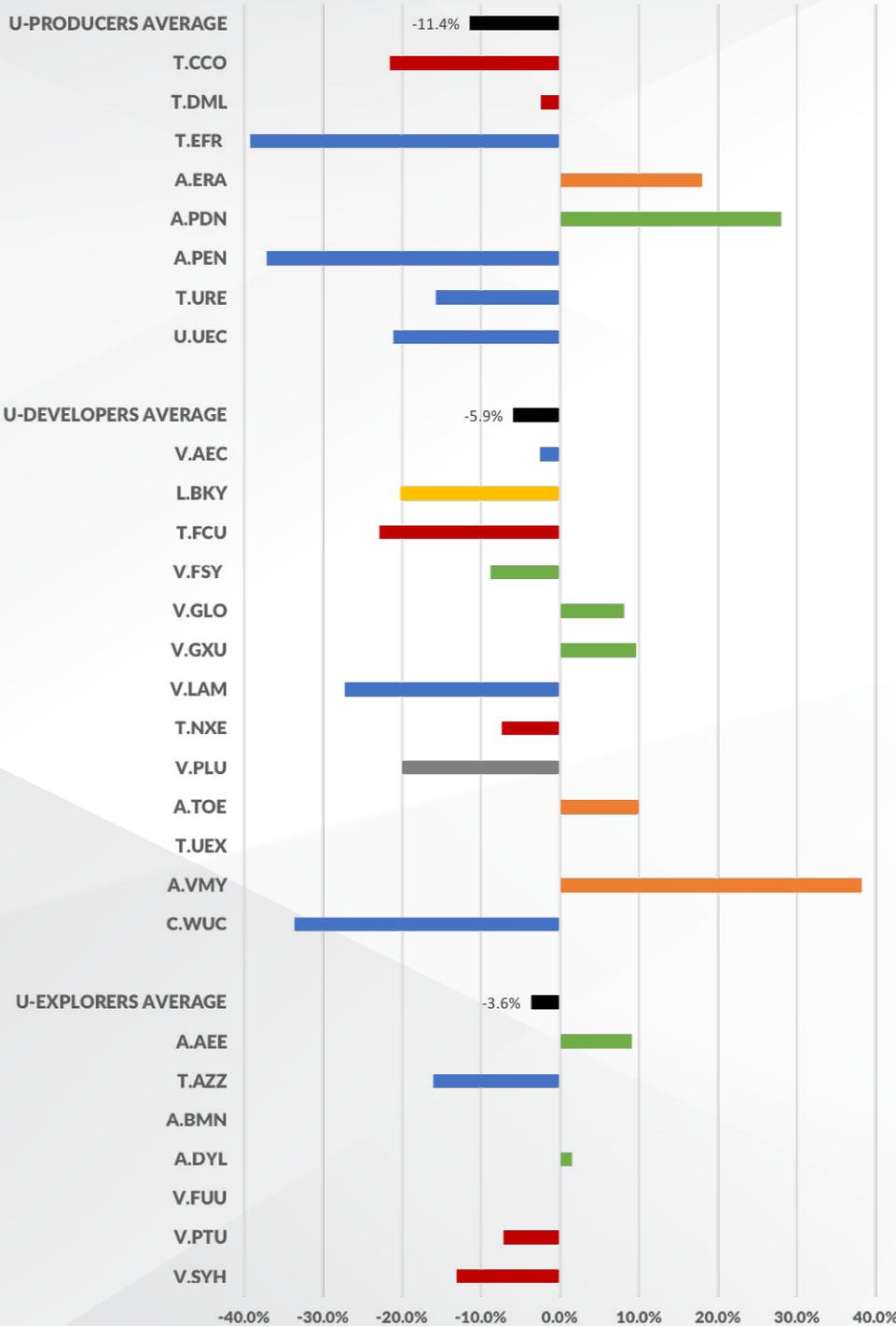
July 25, 2019

SLUO EQUITIES MONTHLY PERFORMANCE

TOP EQUITIES NEWS

Project Regional Focus:

Red: Canada Blue: USA Green: Africa Orange: Australia Yellow: Spain Gray: Peru



[V.SYH announces Airborne Geophysics Surveying on its Moore Uranium Project](#)
July 8, 2019

[V.FUU Begins Hunt for Source of the High-Grade Uranium Boulder Train at Hearty Bay](#)
July 9, 2019

[T.NXE continues to intersect high-grade mineralization in all A2 and A3 targets](#)
July 10, 2019

[Yellow Cake says US uranium import decision to help long-term prices](#)
July 15, 2019

[President Trump takes no action at this time to adjust uranium imports to the US. Establishes US Nuclear Fuel Working Group](#)
July 15, 2019

[T.AZZ Comments on President Trump's New Working Group Focused on Reviving And Expanding U.S. Nuclear Fuel Production](#)
July 15, 2019

[UEC Comments on the Presidential Memoranda Issued on Uranium and Establishment of the U.S. Nuclear Fuel Working Group](#)
July 15, 2019

[T.CCO pleased with section 232 decision on US uranium imports](#)
July 15, 2019

[T.EFR commends President Trump on his decision to reinvigorate the nuclear fuel supply chain](#)
July 15, 2019

[Kazatomprom JSC welcomes Trump's refusal from restrictions on uranium import](#)
July 16, 2019

[V.PLU Announces Successful Metallurgical Program Results at its Falchani Lithium Project](#)
July 18, 2019

[V.GLO Announces Significant Resource Upgrade at DASA Project](#)
July 18, 2019

[V.GXU and Niger government to develop Madaouela](#)
July 19, 2019

URANIUM PRICES	SPOT PRICE US\$/lb U ₃ O ₈	LONG TERM PRICE US\$/lb U ₃ O ₈
UC PRICES		
July 31, 2019	\$25.41 ↑	\$32.00 ●

TOP EQUITIES NEWS (CONT'D)

[T.FCU Commences Prefeasibility Study for Underground-Only Option at PLS](#)
July 23, 2019

[T.CCO Reports Second Quarter Results](#)
July 25, 2019

[V.PLU provides an update on concessions under administrative procedure](#)
July 31, 2019

TOP POLITICS NEWS

[Increase in uranium stockpile due to US ban on exports](#)
July 7, 2019

[Uranium in the US: a domestic market on the rise or an industry in trouble?](#)
July 9, 2019

[Australian uranium exporters winners as Trump dumps quota plans](#)
July 12, 2019

[Trump finds a trade fight he doesn't like in uranium imports](#)
July 13, 2019

[Memorandum on the Effect of Uranium Imports on the National Security and Establishment of the US Nuclear Fuel Working Group](#)
July 13, 2019

[Why the world need more nuclear power](#)
July 16, 2019

[Parties must close gap with reality in talks on nuclear power](#)
July 16, 2019

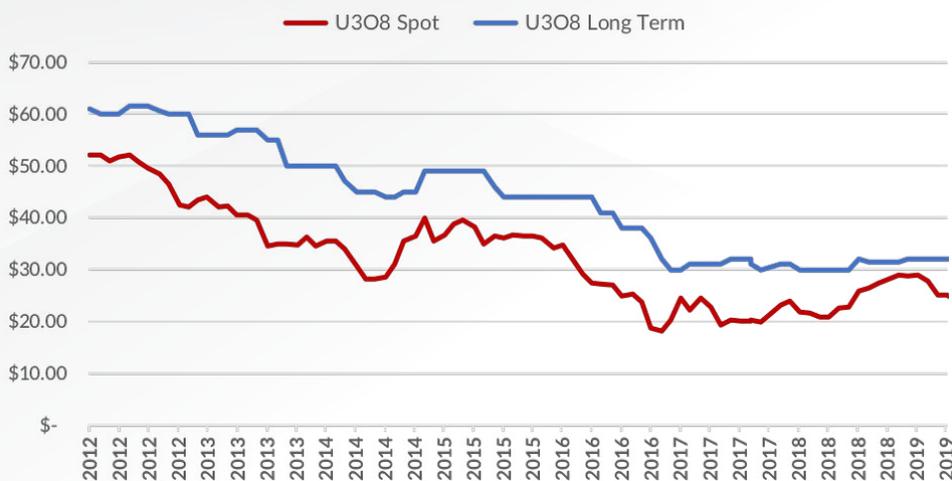
[US regulators seeks to improve efficiency](#)
July 19, 2019

[Trump's Section 232 refusal activates institutional investors on uranium upside](#)
July 23, 2019

[UK's new premier promises boost for nuclear power](#)
July 26, 2019

[Nuclear power should be considered for Australia](#)
July 29, 2019

U₃O₈ PRICES - HISTORIC



SLU₃O₈ EQUITY INDEX



SLUC UEQUITIES

PRODUCING COMPANIES		COUNTRY FOCUS	PRICE AS OF 07/31/2019	52 WEEK HIGH	52 WEEK LOW	MARKET CAP (MILLIONS)
T.CCO	Cameco Corp	Canada	\$12.15	\$17.12	\$11.64	\$4,646.66
T.DML	Denison Mines Corp	Canada	\$0.615	\$0.89	\$0.57	\$365.93
T.EFR	Energy Fuels Inc	United States	\$2.35	\$5.38	\$2.24	\$216.64
A.ERA	Energy Resources of Australia Limited	Australia	\$0.23	\$0.44	\$0.19	\$98.43
A.PDN	Paladin Energy Ltd	Namibia	\$0.16	\$0.22	\$0.11	\$210.25
A.PEN	Peninsula Energy Limited	United States	\$0.195	\$0.34	\$0.16	\$76.62
T.URE	Ur-Energy Inc	United States	\$0.75	\$1.30	\$0.72	\$124.69
U.UEC	Uranium Energy Corp	United States	\$0.98	\$1.89	\$0.91	\$166.75
DEVELOPMENT COMPANIES						
V.AEC	Anfield Energy Inc	United States	\$0.19	\$0.59	\$0.14	\$14.79
L.BKY	Berkeley Energia Ltd	Spain	\$5.75	\$45.00	\$7.70	\$39.41
T.FCU	Fission Uranium Corp	Canada	\$0.37	\$0.75	\$0.355	\$184.69
T.FSY	Forsys Metals Corp	Namibia	\$0.155	\$0.32	\$0.145	\$25.35
V.GLO	Global Atomic Corporation	Niger	\$0.53	\$0.56	\$0.405	\$71.73
V.GXU	Goviex Uranium Inc	Niger	\$0.17	\$0.25	\$0.12	\$71.95
T.LAM	Laramide Resources Ltd	United States	\$0.24	\$0.52	\$0.205	\$31.22
T.NXE	NexGen Energy Ltd	Canada	\$1.89	\$3.31	\$1.69	\$643.93
V.PLU	Plateau Energy Metals Inc	Peru	\$0.48	\$1.59	\$0.26	\$23.07
A.TOE	Toro Energy Limited	Australia	\$0.022	\$0.035	\$0.019	\$43.45
T.UEX	UEX Corporation	Canada	\$0.17	\$0.35	\$0.135	\$61.02
A.VMY	Vimy Resources Ltd	Australia	\$0.076	\$0.13	\$0.046	\$25.20
C.WUC	Western Uranium and Vanadium	United States	\$0.89	\$3.32	\$0.83	\$30.08
EXPLORATION COMPANIES						
A.AEE	Aura Energy Limited	Sweden, Maritania	\$0.012	\$0.025	\$0.008	\$13.46
T.AZZ	Azarga Uranium Corp	United States	\$0.21	\$0.295	\$0.195	\$37.85
A.BMN	Bannerman Resources Limited	Namibia	\$0.045	\$0.077	\$0.034	\$46.87
A.DYL	Deep Yellow Limited	Namibia	\$0.325	\$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	\$0.065	\$0.105	\$0.06	\$12.88
V.SYH	Skyharbour Resources Ltd	Canada	\$0.30	\$0.57	\$0.27	\$19.52
OTHERS						
T.U	Uranium Participation Corp	Canada	\$4.33	\$5.14	\$3.99	\$583.99
L.GCL	Geiger Counter Ltd	UK	\$17.60	\$24.70	\$18.00	\$15.77
U.URA	Global X Uranium ETF	US	\$11.03	\$13.67	\$10.36	\$190.32
LYCA	Yellow Cake Plc	UK	\$205.00	\$260.00	\$193.00	\$181.72
T.HURA	Horizon Global Uranium ETF	Canada	\$9.38	\$11.01	\$9.20	\$2.76

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