



# **PURE EXPOSURE TO THE URANIUM COMMODITY**

IPO Management Roadshow Presentation

June 2018

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# Presentation Team



**Andre Liebenberg**  
CEO, Yellow Cake

- Most recently CFO at QKR, a Qatar backed mining fund
- Former Acting President and CFO, BHP Billiton Energy Coal Division
- Previous roles with BHP Billiton included: CFO, Diamonds and Specialty Products Division and Head of Group Investor Relations
- Formerly held investment banking roles with UBS in London and Standard Bank in Johannesburg



**Dustin Garrow**  
CCO, 308 Services Limited

- Significant experience in uranium marketing and trading over several decades
- Former VP for ConverDyn (sole US provider of uranium conversion services)
- Previously held senior management / marketing positions with Rocky Mountain Energy (natural resource subsidiary of Union Pacific Corporation), Everest Minerals, Energy Fuels Nuclear, World Wide Minerals and Paladin Energy
- Served as Anti-Submarine Warfare / Nuclear Weapons Officer on USS Shelton (DD-790)



**Peter Bacchus**  
Director, 308 Services Limited

- Chairman and Chief Executive, Bacchus Capital Advisers
- Non-executive Director of Gold Fields, Galaxy Resources and Kenmare Resources
- Formerly Global Head of Mining & Metals Investment Banking at Morgan Stanley
- Previous roles included European Head of Investment Banking at Jefferies and Asia-Pacific Head of Industrials and Natural Resources Investment Banking at Citigroup



# Executive Summary

## Listed vehicle designed to deliver maximum exposure to expected resurgence in uranium market

- Yellow Cake plc (the “Company”) will be a publicly listed vehicle focused on buying and holding physical uranium in North America or Western Europe, with the intent of realising return on investment from the appreciation in the value of its uranium holdings
  - In addition to owning physical uranium, the Company will have the ability to generate value for shareholders through trading uranium in both the spot market and via long-term contracts
  - Further, the Company intends to seek additional positive exposure to the uranium price via uranium based financing initiatives, including the acquisition of production or synthetic production via streaming, royalties or similar mechanisms
- The Company has signed a purchase agreement with Kazatomprom, the National Atomic Company of Kazakhstan, to purchase up to US\$170 million of uranium at a price of US\$21.01 /lb (the “Initial Uranium Purchase”), with the further right to purchase up to US\$100 million of uranium, each year, for the next nine years (the “Uranium Purchase Contract”)
  - The agreed purchase price of US\$21.01 /lb represents a 10% discount to the Ux Consulting Company, LLC (“UxC”) published spot price of US\$23.35/lb as of 4 June 2018
  - The initial purchase agreement for up to US\$170 million represents a contract to acquire up to 8.1 million pounds of U<sub>3</sub>O<sub>8</sub>
  - This agreement with Kazatomprom established the purchase price for the Initial Uranium Purchase prior to announcing the IPO, and at a discount to spot, thereby ensuring the purchase would take place at an undisturbed price and that the Company’s shareholders will benefit in full from any uranium price uplift
- Yellow Cake’s Initial Uranium Purchase would represent approximately one quarter of Kazatomprom’s annual production (2016 marketed production, prior to Kazatomprom’s recently announced production cuts as reported by the World Nuclear Association) and c. 5% of 2016 global marketed production
- Low cost corporate structure, supported by experienced adviser (308 Services Limited (“308 Services”)) on competitive terms. On behalf of the Company, 308 Services has:
  - Secured the Uranium Purchase Contract
  - Obtained a storage contract for the Company’s U<sub>3</sub>O<sub>8</sub> at commercially attractive rates
  - Negotiated a strategic relationship with the uranium royalty and streaming company URC, and secured URC as a cornerstone investor
- Governance overseen by a strong, independent board of directors



# 1. URANIUM MARKET OVERVIEW



# Highly Opportune Time to Seek Exposure to Resurgent Uranium Market

Multiple external catalysts with potential to dramatically impact uranium

## A Key, and Growing, Element of Global Supply

- Nuclear power remains the least expensive non-carbon power option - on par with the lowest CO<sub>2</sub> emitting renewables
- Favoured by emerging markets as clean, reliable baseload energy supply in era of rising global power consumption
- 2016 saw the largest commissioning of new capacity in over 25 years, while additional reactors equivalent to almost 47% of current operating reactor fleet are either planned or under construction
- National Grid estimates that by 2030 electric vehicles (“EV”s) could require 3.5 - 8 GW of additional capacity in the UK alone, equal to 6% - 13% of current capacity

## B Majority of Current Production Loss Making

- The current spot price of US\$23.35 /lb <sup>(1)</sup> results in up to 75% of production operations being loss making in 2018E on an estimated total cost basis <sup>(2)</sup>
- This is bringing about increased supplier discipline as selected operations have been shut in (e.g. Rabbit Lake, Kayelekera, Langer Heinrich)
- Incentive price for the majority of new projects is estimated to be well above the current spot price
  - As a result, significant production cuts are being effected by major producers



## C Growing Mine Supply Gap

- Over a decade of declining uranium prices has seen little investment in uranium mining
- As a result, projected supply deficits are expected to arise absent of material increases in the uranium price
- The supply gap is currently being covered by secondary supply, largely from enrichment providers underfeeding. However, secondary supplies are declining and may not be sufficient to fill the supply deficit while new mines are developed

## D Tightening Supply Encourages Return to Contracted Volumes

- Given the currently thin nature of the uranium spot market, and China’s aggressive planned build-out programme, together with expected significant volumes of uncontracted usage up to 2025, US and European utilities are likely to be focused on securing contracted supply
- Due to the thinness of the spot market, any material contract covering has the potential to create a rapid tightening of the spot market, rebalancing towards the current contract price and potentially leading to pricing spikes as seen in 2006 - 2007



Green energy sources not capable of carrying the baseload on their own

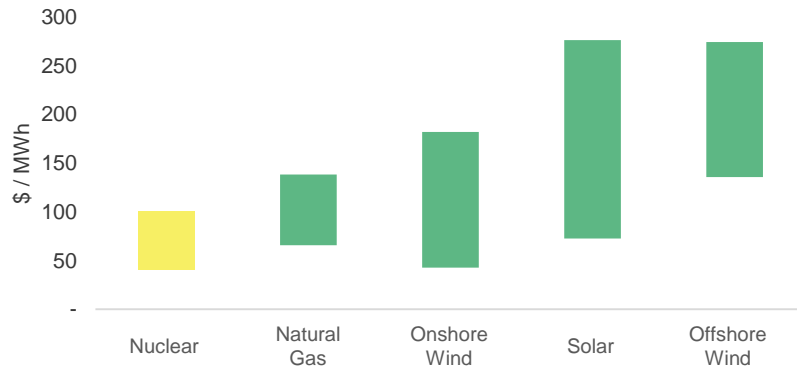
(1) UxC price as of 4 June 2018

(2) Company analysis based upon its review of SRK Consulting's report on estimated total production costs, for mines producing more than 100,000 pounds of uranium per year

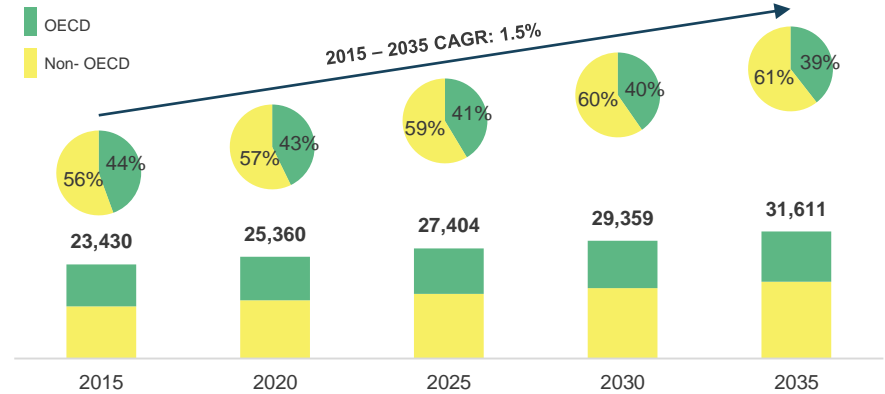
# A Key, and Growing, Element of Global Energy Supply

Nuclear power's low operating cost and carbon emissions likely to ensure it is a strategic element of the global power supply

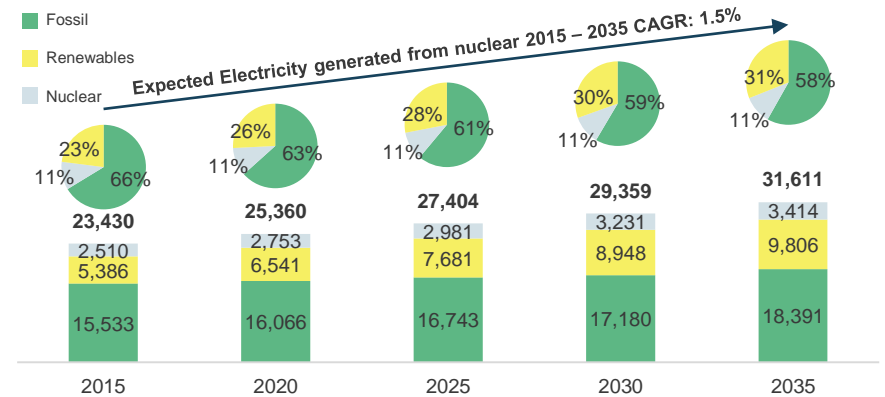
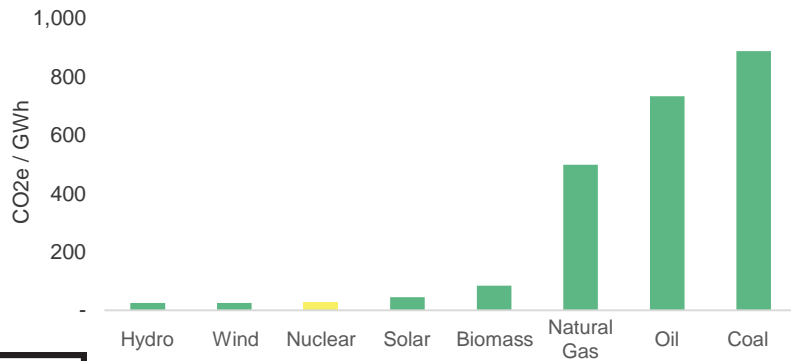
### Cost of Power Generation (\$/MWh) (1)



### Expected Growth in Energy Demand (TkwH) (2)



### Carbon Emissions Per Unit of Power

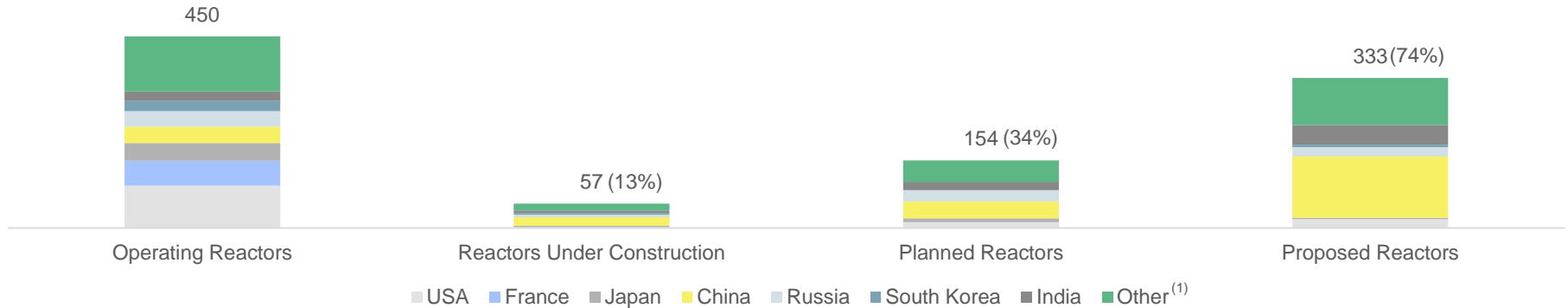


Source: EIA International Energy Outlook, National Energy Association, World Nuclear Association  
 (1) Cost includes both investment cost and O&M, including overnight cost (with contingency) as well as implied IDC, discounted at 7%  
 (2) Numbers may not sum due to rounding

# A Key, and Growing, Element of Global Energy Supply

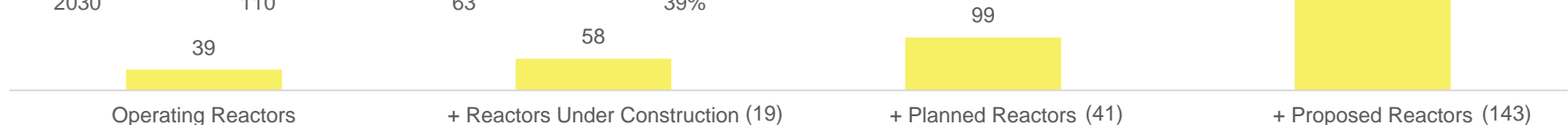
Global nuclear reactor fleet continuing to grow, especially in China, India and the Middle East

## World Nuclear Reactor Fleet: Operating Through to Proposed



## China Reactor Build Out

Year	Installed Capacity (GWe) <sup>(2)</sup>	Required Uranium (mmlb) <sup>(2)</sup>	% of Global Uranium Production <sup>(3)</sup>
2015	27	21	13%
2020	45	26	16%
2025	72	42	26%
2030	110	63	39%



Source: World Nuclear Association

(1) Notable inclusions in other are Saudi Arabia: 16 proposed reactors, Ukraine: 11 proposed reactors, UAE: 10 proposed reactors, and Turkey: 8 proposed reactors

(2) Installed capacity and uranium usage based upon World Nuclear Association World Nuclear Report 2017 Reference Case

(3) Based upon current global production capacity



## B Uranium Price Near Historic Lows

Uranium price is near record lows, and uranium remains one of few commodities not yet to have risen strongly since 2016

### Commentary

- Current spot uranium price of US\$23.35 /lb <sup>(1)</sup> sees the uranium spot market near its lowest levels since the early 2000s
- The uranium spot price has yet to respond to the turning commodity cycle, lagging most other commodities

### Commodity

Since  
1/1/2016 <sup>(2)</sup>

Zinc	89%
Nickel	81%
Copper	57%
Aluminium	49%
Gold	21%
Silver	21%
Platinum	3%
<b>Uranium</b>	<b>(31%)</b>

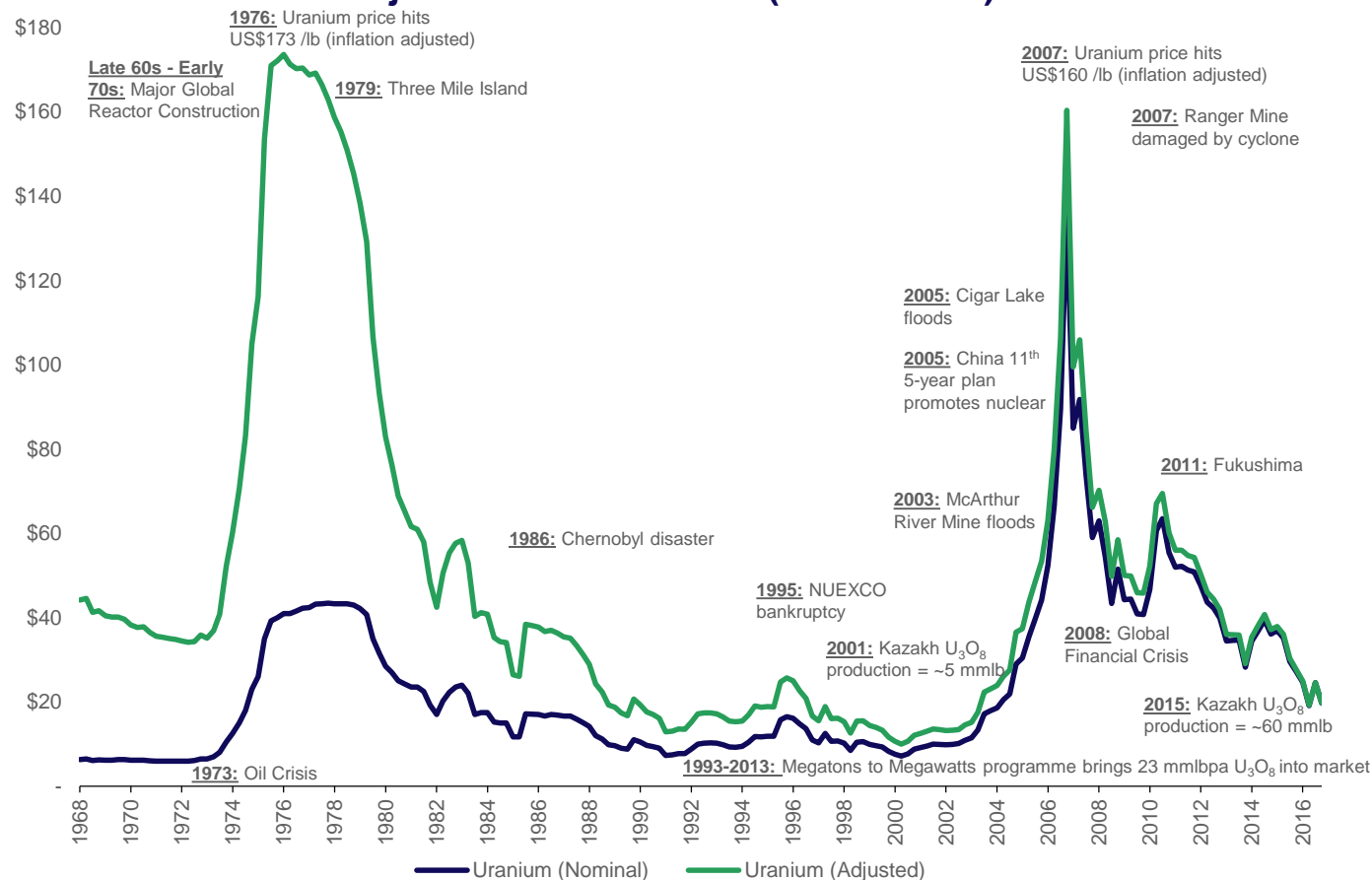


Source: CapIQ, Energy Fuels, Bloomberg, NUEXCO

(1) UxC price as of 4 June 2018

(2) Commodity price change as of 6 June 2018

### Historical Inflation Adjusted Uranium Price (1968 – 2016)



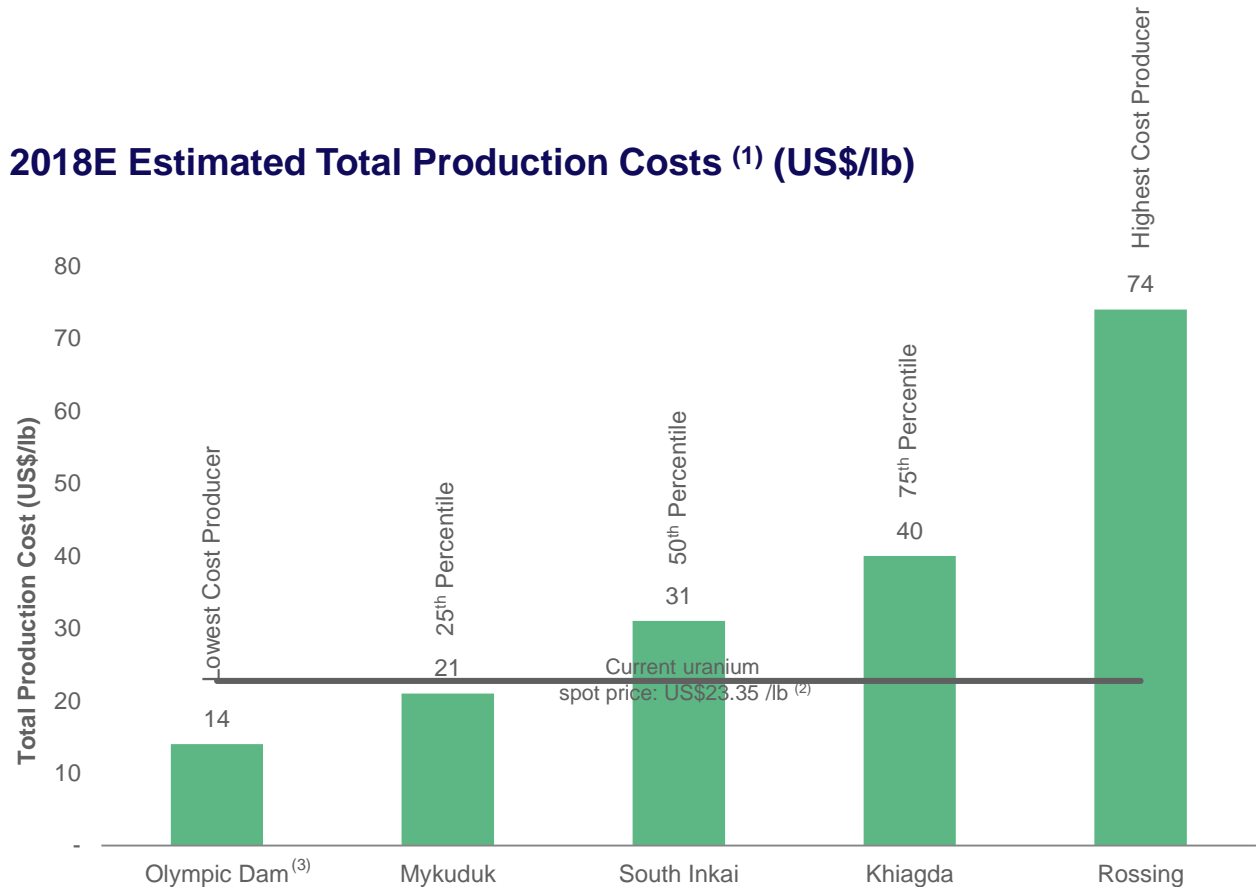
## B Majority of Current Production Loss Making

Up to 75% of global productions' total costs above current spot price

### Commentary

- Only c. 40 mmlb of 2018 expected global production (c. 25%) covers total cost at current spot prices <sup>(2)</sup>
- Supply side responses and disruption have been the major theme of the market
  - Cameco's shut in of Rabbit Lake, and suspension at McArthur River
  - Kazatomprom's announcement of a 20% production reduction for three years

2018E Estimated Total Production Costs <sup>(1)</sup> (US\$/lb)

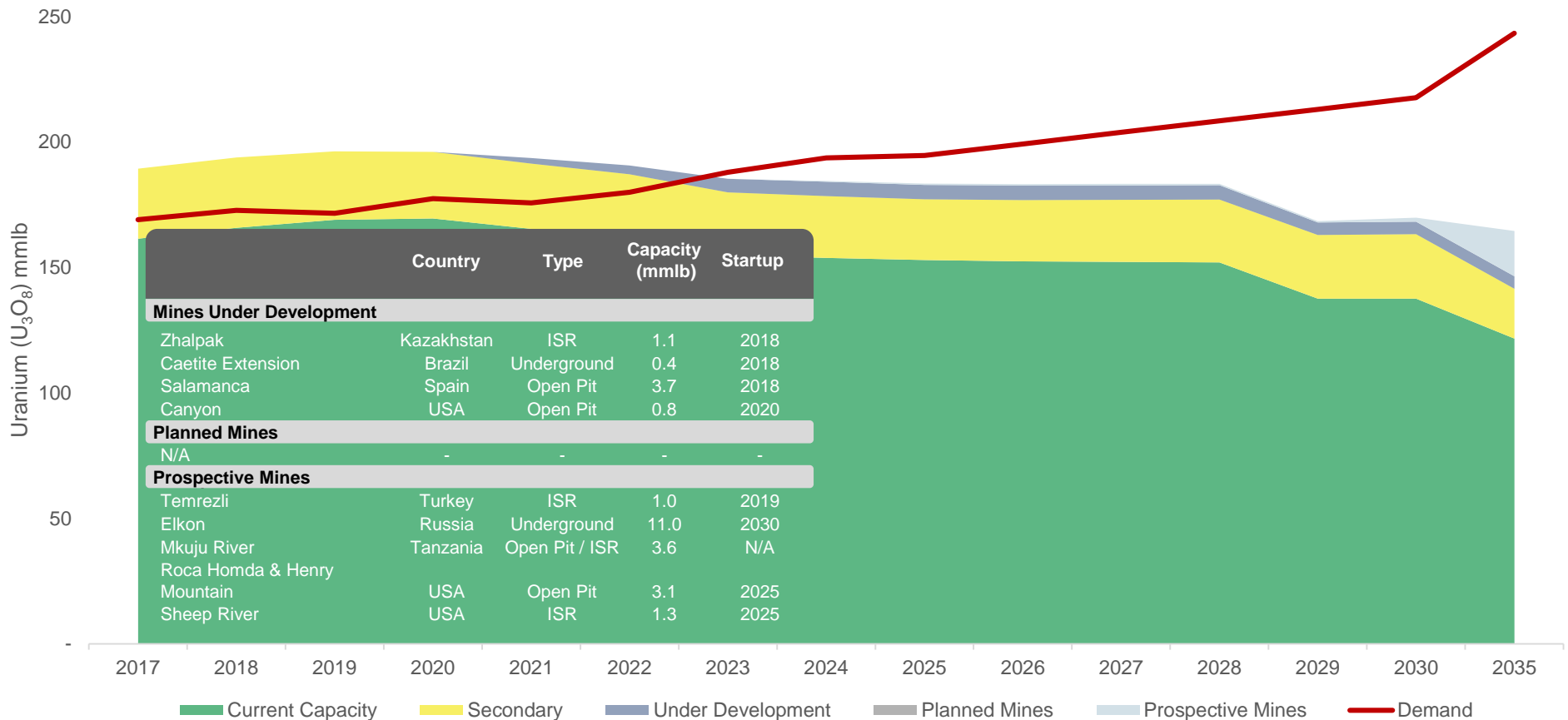


(1) SRK Consulting dated 16 January 2018  
 (2) UxC price as of 4 June 2018  
 (3) Low cost due to uranium being a by product of copper production

# © Growing Mine Supply Gap

Underinvestment in exploration and development is leading to a potential near term supply gap

## Supply / Demand Imbalance (U<sub>3</sub>O<sub>8</sub> mmlb)

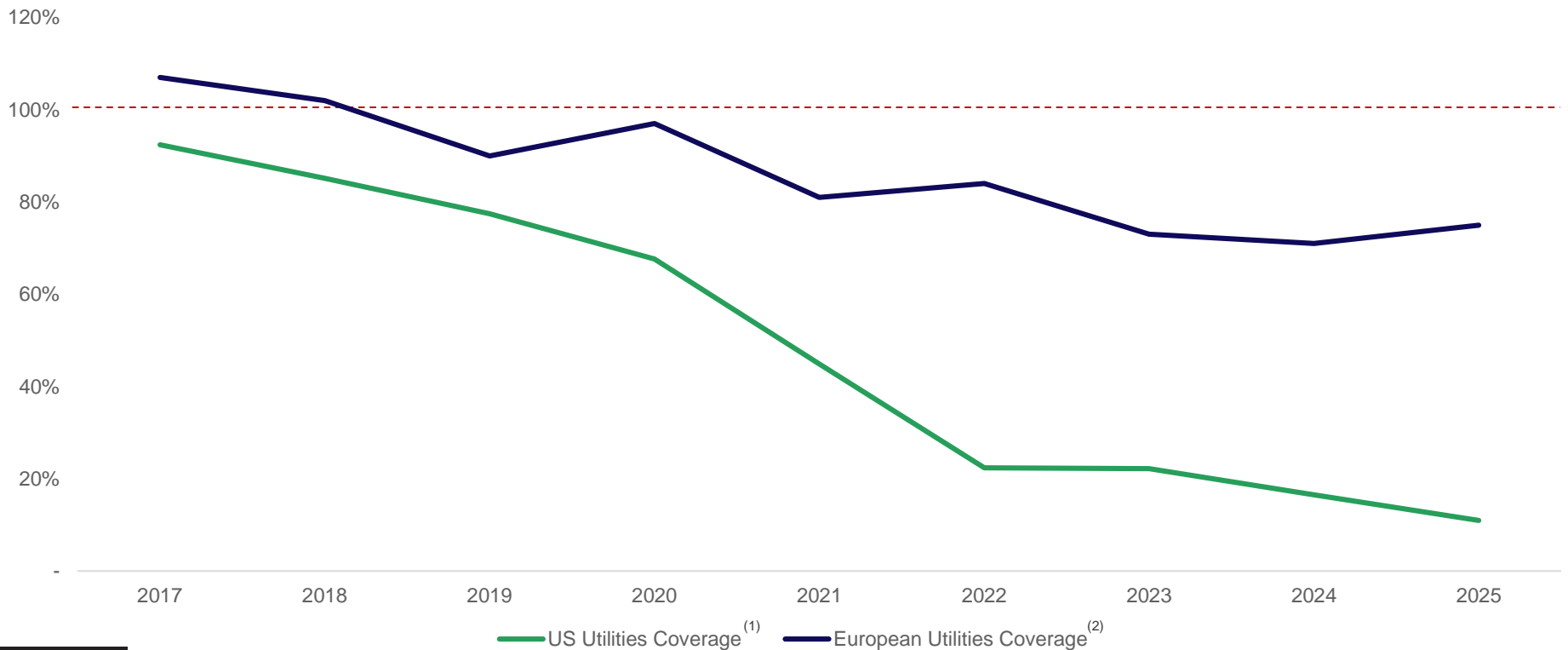


Source: World Nuclear Association 2017 Reference Case  
 Annual values for secondary supply between 2020, 2025 and 2030 extrapolated based upon 2020, 2025 and 2030 values  
 Annual values for demand between 2025 and 2030, extrapolated based upon 2025 and 2030 values

# Ⓧ Tightened Supply Encourages Return to Contracted Volumes

Contract covering has the potential to create a rapid tightening of the spot market

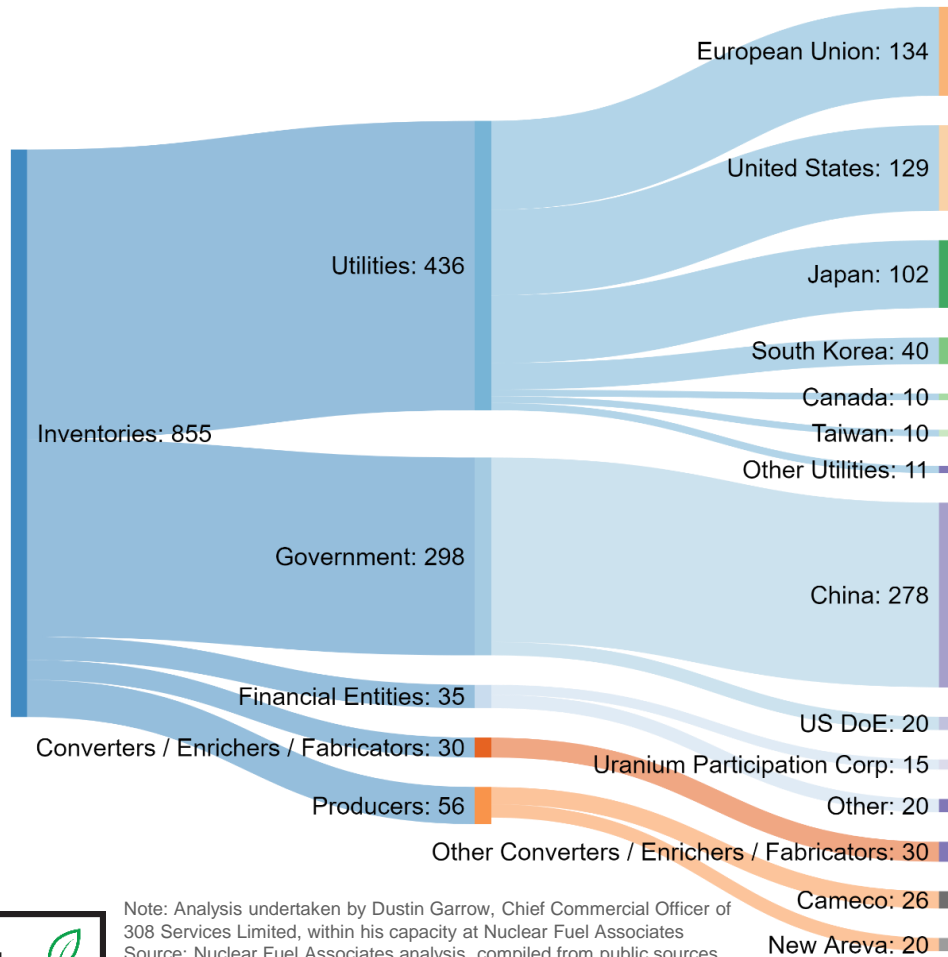
## Future Contracted Coverage Rates of US & European Utilities



(1) EIA 2016 Uranium Marketing Annual Report  
(2) Euratom Supply Agency

# D Estimated Global Inventories Reducing

## Estimated Global U<sub>3</sub>O<sub>8</sub> Equivalent Inventories (mmlb)



- Estimated aggregate volumes of c. 854 mmlb of U<sub>3</sub>O<sub>8</sub> equivalent - important to consider the ownership / control of these inventories
  - Volumes represent c. five year forward uranium requirements based upon WNA estimates
  - Large segments of inventories not readily available for use or sale; analysis of the US Utilities' 129 mmlb segment reveals:
    - c. 60 mmlb included in pipeline inventory - classified as working inventory as is being enriched, or fabricated into fuel
    - c. 50 mmlb is strategic inventory, or one year of forward requirements and held in event of supply disruption
  - Similar analysis can be conducted for EU Utilities which face a similar pipeline inventory requirement but tend to hold strategic inventories equivalent to about 1.5 - 2.0 years of forward uranium needs
  - Assuming 50% of Japan's reactor fleet at the time of the Fukushima disaster is operational by the early 2020's, any Japanese excess inventory is expected to be depleted by 2024



Note: Analysis undertaken by Dustin Garrow, Chief Commercial Officer of 308 Services Limited, within his capacity at Nuclear Fuel Associates  
 Source: Nuclear Fuel Associates analysis, compiled from public sources, excludes Russia, **Utilities:** US: US DoE as of 31 December 2016, Canada assumption based upon two years of reactor requirements, South America (Argentina / Brazil) based upon three years of expected reactor requirements, EU ESA as of 31 December 2016, Switzerland based upon three years of expected reactor requirements, Japan, Nuclear Fuel Associates estimate, South Korea WNA (adjusted) 3.5 years of estimated reactor requirements, Taiwan WNA (adjusted) four years of estimated reactor requirements  
**Government:** China based upon import data and estimated fuel cycle requirements, US DoE  
**Financial Entities:** company disclosure, includes MacQuarie inventory from Deutsche Bank  
**Converters / Enrichers / Fabricators:** US DoE, EIA and WNA

# U<sub>3</sub>O<sub>8</sub> – In Summary: Right Asset Class at the Right Time

Remarkable confluence of events leading to potentially dramatic resurgence in the uranium market and the uranium price

## Uranium Price at Historic Lows

- Current price environment believed to be unsustainable
  - Up to 75% of global production has total costs above current spot price
- Current price of US\$23.35 /lb <sup>(1)</sup> is close to the lowest point since 2005. Supply cuts from Kazatomprom and Cameco indicative of long awaited discipline entering the market

## Structural Demand Developments

- Nuclear power a growing source of energy
  - 450 reactors in global fleet, with 57 reactor projects under construction, 154 planned additional reactor and 333 proposed reactor projects <sup>(2)</sup>
  - The number of reactors currently under construction is at one of the highest points in the past two decades, with reactors being built or planned in new jurisdictions such as: Bangladesh, Belarus, Egypt, Jordan, Poland, Saudi Arabia, Turkey and the UAE
- The US Energy Information Administration (“EIA”) reference case expects nuclear power to remain a key element in future power markets, and forecasts a 29% increase in nuclear power by 2030
- Typically, 80% of utilities’ fuel purchases are covered by long-term contracts. Currently only c. 73% of European, and c. 22% of US Utilities’ 2023 uranium requirements contracted, indicating a near term requirement for utilities to engage in fresh long-term contracts

## Structural Supply Developments

- Decade of low uranium prices resulting in underinvestment – incentive price for majority of new projects estimated to be well above the current spot price
  - Higher cost producers have been protected by long-term contracts, which are now expiring
- Significant supply side discipline emerging from major producers, including:
  - Kazatomprom – Announced in December 2017 production reductions of 20% for three years commencing in 2018, created a Zug based trading arm, and negotiated a contract to sell the Company US\$170 million of uranium to go into storage
  - Cameco – Announced in November 2017: suspending production at McArthur River mining and Key Lake milling operations; announced in April 2016: suspending production at Rabbit Lake, curtailing production at its US operations, and reducing production at McArthur River / Key Lake in response to market conditions
  - Orano (previously, Areva) – Reducing production at facilities such as Somair
  - Paladin – Announced in May 2018 plans to place Langer Heinrich on care and maintenance



(1) UxC price as of 4 June 2018

(2) World Nuclear Association as of May 2018

## 2. YELLOW CAKE PLC



# Yellow Cake – Investment Highlights

## 1 Direct Investment in Uranium

- An investment in the Company represents an investment in the Company's owned U<sub>3</sub>O<sub>8</sub> exposure
  - No exposure to risks associated with exploration, development, mining or processing
  - Upside exposure to a uranium price not capped by long-term contracts

## 2 Strategy Supports Emerging Supply Side Discipline

- Yellow Cake has been created to purchase and hold physical U<sub>3</sub>O<sub>8</sub>, which reinforces the emerging supply side discipline recently exhibited in the uranium market, and to realise return on investment from any increase in the uranium price
- Yellow Cake initial purchase to be equivalent to approximately one quarter of 2016 annual production from world's largest, and one of the world's lowest cost producers, or approximately 5% of global 2016 marketed production
- With Yellow Cake's and its adviser's expertise and market knowledge, Yellow Cake will seek to generate additional value through the purchase, sale, or trading of uranium in both the spot market and via long-term contracts

## 3 Strong Board and Management, with Dedicated Advisers

- Board of directors includes experienced team committed to ensuring high standards of corporate governance, with a focus on creating and protecting value for shareholders
- Yellow Cake's executive management, supported by 308 Services, possess significant expertise and market knowledge to enable Yellow Cake to pursue its strategy
- Focused adviser in 308 Services, which has employees and consultants with considerable experience in the uranium market

## 4 Provides Liquidity

- Publicly traded company on the London Stock Exchange - investors will have the ability to buy and sell shares in Yellow Cake, providing liquidity to a commodity which was not previously available in the London market

## 5 Low Cost Exposure

- Yellow Cake business model designed to minimise cost leakage, through outsourcing of expertise and industry knowledge
  - Negotiated purchase and storage contracts support low cost structure

## 6 Strategic Relationship with Kazatomprom

- Agreement with Kazatomprom enables the Initial Uranium Purchase of up to US\$170 million of uranium, on an undisturbed price basis, a volume that would otherwise be difficult to source within the confines of a tight spot market for uranium
  - The Kazatomprom Contract enables the Company to acquire an additional US\$100 million of U<sub>3</sub>O<sub>8</sub> per year, for nine years following the IPO, also on an undisturbed price basis
  - The initial purchase will be undertaken at US\$21.01 /lb, allowing Yellow Cake to benefit from a price that is 10% lower than the publicly reported spot price as of 4 June 2018





# Yellow Cake – Designed to Deliver Maximum Exposure to Resurgent Uranium Market

## Overview

### 1 Yellow Cake plc

- Publicly listed company registered in Jersey
- Will own physical uranium and any uranium linked contracts
- Corporate governance provided by CEO / CFO and strong, independent, board of directors

### 2 Shareholders

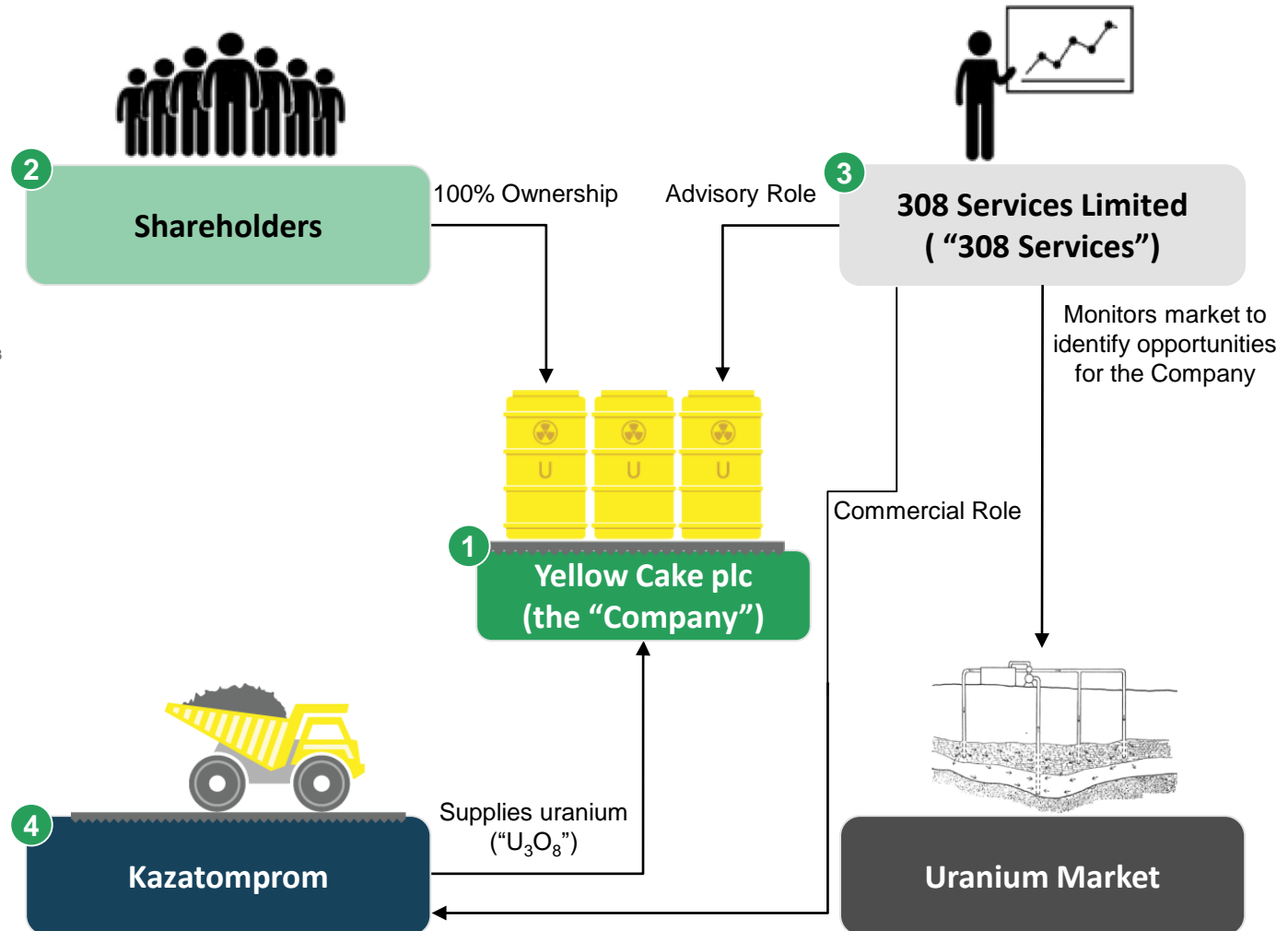
- Ownership of the Company's shares represents investment in underlying  $U_3O_8$  assets – London listing provides liquidity
- When share price > NAV, Company has discretion to undertake additional uranium purchases – if share price < NAV, Company may selectively repurchase shares

### 3 308 Services

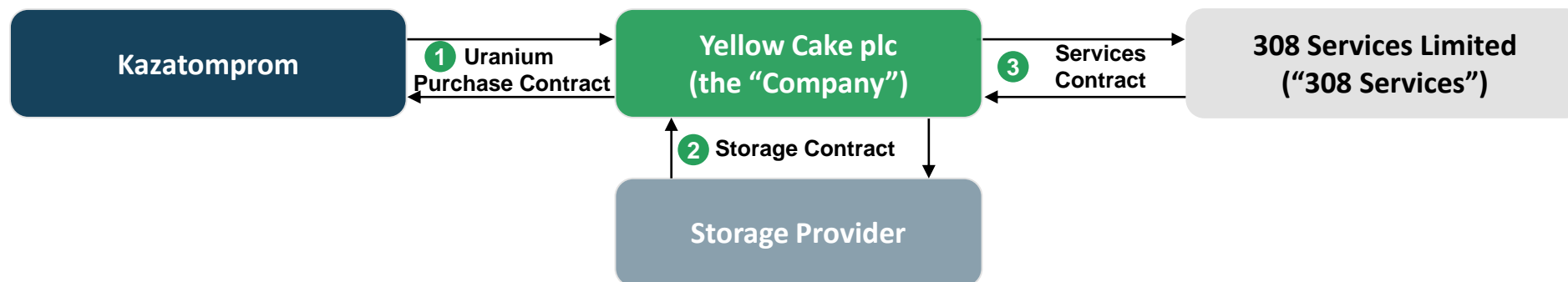
- Registered in Jersey
- Reports to Company management and board of directors
- Advises on and administrates  $U_3O_8$  acquisitions, storage contracts and other transactions

### 4 Kazatomprom

- World's largest uranium producer
- Direct supply agreement with the Company



# Key Contracts



## 1 Uranium Purchase Contract

- Uranium Purchase Rights
  - Right to buy up to US\$170 million of uranium at a price of US\$21.01 /lb, subject to successful IPO
  - Right to purchase additional US\$100 million of uranium annually for a further nine years
- Undisturbed Price
  - Initial price is fixed for seven weeks ahead of IPO, and will be fixed for two weeks prior to follow on financings
- Kazatomprom option to repurchase up to 25% of the Initial Uranium Purchase after three years, if the price of uranium is greater than US\$37.50 /lb, at spot price less a discount equivalent to 1.5x the initial purchase discount granted to Yellow Cake during the Initial Uranium Purchase

## 2 Storage Contract

- Initial storage contract in Canada
- Cost of storage commercially sensitive, however the 308 Services anticipates achieving significant cost savings versus the industry norm of CAD 16 – 17 cents /lb (US 12 – 13 cents /lb) <sup>(1)</sup>
  - Five year initial term

## 3 Services Contract

- Fees payable to 308 Services
  - Holding Fee
    - Base annual fee of US\$275,000
    - Variable fee of 0.275% on AUM over US\$100 million
  - Purchasing Commission
    - 1.0% of the consideration paid on the first purchase under the Uranium Purchase Contract
    - 0.50% of the consideration paid or received on any subsequent purchases or sales of uranium
  - Incentive fees payable on the achievement of selected KPIs
    - 33% of savings on storage costs below US 12 cents /lb
    - Up to 0.50% incentive commission when uranium purchased (sold) at bottom (top) quartile of annual listed price <sup>(2)</sup>



(1) Average 2017 CAD / USD\$ exchange rate of 0.7704  
 (2) Incentive commission only payable on subsequent purchases or sales of uranium, and not the first purchase under the Uranium Supply Contract

# Yellow Cake – Cornerstone Strategic Relationship with URC

(“Uranium Royalty Corporation”) / Uranium Energy Corporation

## URC

- Canadian based uranium specialist, 15% owned by NYSE listed Uranium Energy Corporation
- Significant industry expertise
- Focused on the evaluation and implementation of uranium related financing and structuring transactions

## Strategic Relationship

- Synergistic and mutually beneficial strategic relationship based on value creation for Yellow Cake and URC shareholders
  - Yellow Cake to show URC opportunities arising in relation to uranium based royalties and streams; URC key focus area – URC has the right to up to 50% participation
  - URC to show Yellow Cake opportunities for accessing physical uranium, including those pursuant to physical settlement of structured transactions; Yellow Cake key focus area
  - Provides Yellow Cake potential opportunity to diversify sources of physical uranium supply, and access to the North American market

## Key Terms

- URC has irrevocably subscribed for US\$25 million investment into the IPO – equating to 15.6% assuming a US\$160 million IPO and 12.5% assuming a US\$200 million IPO, conditional on admission
- URC and Yellow Cake have agreed to pursue mutually beneficial sharing of opportunities in the uranium value chain
- URC has right to purchase up to a maximum aggregate of c. US\$31 million of physical uranium pursuant to Yellow Cake’s aggregate US\$900 million uranium follow-on option with Kazatomprom, on equivalent terms, over the next nine years
- URC has the right to appoint a non-executive director and participate in future voting equity offerings so long as it holds 10% or more of the outstanding voting equity of Yellow Cake



# Yellow Cake Versus UPC

## Yellow Cake plc

### 1 Best Value Exposure to Uranium

- Issuing at NAV (uranium purchase price at a 10% discount to spot price of US\$23.35 /lb as of 4 June 2018)
- Contracted long-term supply from world's largest and lowest cost producer, initially purchased at a discount to spot

### 2 Security of Uranium Supply

- Strong, independent corporate governance
- Balanced and experienced board with majority independent non-executive directors
- CEO and CFO independent of 308 Services
- UK Listed

### 3 Corporate Governance

### 4 Maximising Exposure to Uranium Price

- More competitive structure in terms of minimising leakage
- Holding Fee
  - Base annual fee of US\$275,000
  - Variable fee of 0.275% on AUM over US\$100 million
- Purchasing Commission
  - 1.0% of the consideration paid on the first purchase under the Uranium Purchase Contract
  - 0.50% of the consideration paid or received on any subsequent purchases or sales of  $U_3O_8$
- Incentive fees payable on the achievement of selected KPIs

## Uranium Participation Corporation ("UPC")

- Trading at c. 17% premium to NAV (as at 6 June 2018)

- Difficult to acquire uranium at size, without disturbing the market

- CEO seconded by Manager
- TSX listed

### Charges to Manager:

- Holding Fee
  - Base annual fee of CAD\$400,000
  - Variable fee to the Manager of 0.3% on AUM over CAD\$100 million and up to CAD\$500 million
  - Variable fee to the Manager of 0.2% on AUM over CAD\$500 million
- Purchasing Commission
  - Commission payable to the Manager of 1.0% on all uranium purchased or sold



# Strong, Independent and Experienced Board and Executive Management Team

## Yellow Cake Executive Directors



- **Andre Liebenberg – CEO, Yellow Cake plc**
- Previously CFO of QKR, a Qatar backed mining fund
- Former roles at BHP: Acting President Energy Coal; CFO Energy Coal; Head of Group Investor Relations and Chief Financial Officer, Diamonds and Specialty Products
- Formerly held investment banking roles with UBS in London and Standard Bank in Johannesburg



- **Carole Whittall – CFO, Yellow Cake plc**
- Formerly Vice President, Head of M&A and member of the Mining Executive Team, ArcelorMittal Mining
- Previous role with Rio Tinto in project evaluation, business development and M&A

## 308 Services Limited Key Personnel



- **Dustin Garrow – CCO, 308 Services Limited**
- Significant experience in uranium marketing and trading over several decades
- Former VP for ConverDyn (sole US provider of uranium conversion services)
- Served as Anti-Submarine Warfare / Nuclear Weapons Officer on USS Shelton (DD-790)
- Previously held senior management / marketing positions with Rocky Mountain Energy (natural resource subsidiary of Union Pacific Corporation), Everest Minerals, Energy Fuels Nuclear, World Wide Minerals and Paladin Energy



- **Peter Bacchus – Director, 308 Services Limited**
- CEO Bacchus Capital Advisers
- Non-executive Director of Gold Fields, Kenmare Resources and Galaxy Resources
- Former Global Head of Mining & Metals Investment Banking at Morgan Stanley



## Yellow Cake Independent Non Executive Directors



- **The Lord St John of Bletso, Chairman**
- Cross-bench peer; member Select Committee on Communications, Vice Chairman of All Party Parliamentary South Africa Group
- Currently non-executive director of Albion Ventures LLP, Chairman of the Governing Board of Certification International and Chairman of Strand Hanson
- Previously: Chairman of Spiritel; non-executive director of Regal Petroleum, Sharp Interpak and Pecaso Group; served on advisory boards of Infinity SDC, Chayton Capital and Ariya Capital



- **Alexander Downer**
- Served as the Australian High Commissioner to the UK, a post which he held since 2014
- Following retirement from politics in 2008, appointed Special Adviser to the UN Secretary-General on Cyprus
- Longest serving Minister for Foreign Affairs in Australian history
- Leader of the Opposition in the Australian Parliament 1994-1995



- **Alan Rule**
- CFO of Galaxy Resources, Australia's largest lithium producer
- Formerly CFO and director of Sundance Resources
- Previously a director of Paladin Energy, Mount Gibson, Western Metals and St Barbara Mines



- **Sofia Bianchi**
- Serves as a Portfolio Manager of BlueCrest Capital Management
- Formerly Managing Director of Standard Bank Emerging Africa Infrastructure Fund and Senior Executive at EBRD
- Previously a director with Kenmare Resources



- **James Keating**
- Serves as a Client Director at Langham Hall Fund Management (Jersey)
- Presently a director on a number of boards which invest in a variety of underlying assets, notably commercial and residential real estate predominantly in the UK.

# Yellow Cake Proposed Offer Summary

<b>Issuer</b>	Yellow Cake plc, a company registered in Jersey and to be listed on the London Stock Exchange
<b>Host Exchange</b>	AIM
<b>Ticker</b>	YCA
<b>Offering Size</b>	US\$160 million - US\$200 million
<b>Use of Proceeds</b>	Yellow Cake intends to utilise between 90% and 95% of the net proceeds from the Placing and the Subscription to purchase U3O8. The remainder of the net proceeds are to be used for exploiting other commercial opportunities and for general corporate purposes
<b>Nomad</b>	Numis Securities
<b>Global Coordinators &amp; Joint Bookrunners</b>	Numis Securities & Berenberg
<b>Selling Agents</b>	Olivetree Financial & Scott Harris
<b>Expected Timetable</b>	Pathfinder Publication: On or about 12 <sup>th</sup> June Management Roadshow: 11 <sup>th</sup> June to 25 <sup>th</sup> June Books Closing: 25 <sup>th</sup> June, 12:00 pm Allocation and Pricing: 26 <sup>th</sup> June Admission to Trading: 5 <sup>th</sup> July



# APPENDIX



# Kazatomprom Overview

## Business Overview

- Kazatomprom is a Kazakhstan-based company primarily focusing on the extraction of uranium in deposits located in Kazakhstan
- Kazatomprom's activities include the production of natural uranium, reconversion and production of uranium dioxide fuel pellets, as well as production of tantalum-niobium and beryllium
- Kazatomprom operates through a number of subsidiaries, operating 17 uranium mines both independently and in joint venture
- According to the Nuclear Energy Agency Kazakhstan holds c.13% of the world's uranium resources <sup>(1)</sup> of which Kazatomprom has:
  - Reserves: 682 mmlb <sup>(2)</sup>
  - Resources: 203 mmlb <sup>(2)</sup>
- Kazatomprom discloses that it works under long-term agreements with the leading international companies in the energy sector, and states that throughout the company's history it has never failed to fulfil product delivery

## Financials

	2014	2015	2016
Revenue (US\$mm)	1,768.6	1,165.5	1,256.7
EBITDA (US\$mm)	116.3	43.6	217.8
PAT (US\$mm)	83.6	106.9	334.7
Net Debt / (Cash) (US\$mm)	589.9	342.1	158.6

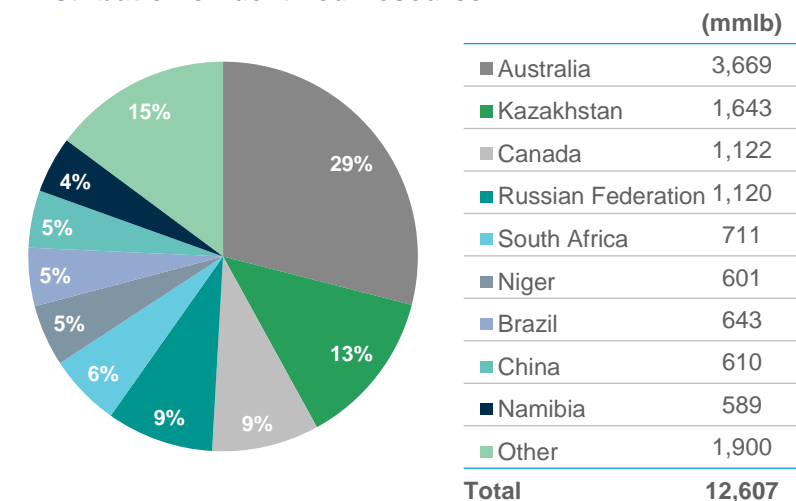


Source: Company filings and annual reports, World Nuclear Association

(1) Nuclear Energy Agency, Uranium 2016: Resources, Production and Demand  
Values as of 1 January 2015

(2) Values as at 1 January, 2017

## Distribution of Identified Resource <sup>(1)</sup>



## 2016 Production

