



Capital  
Markets

November 11, 2020

## Uranium Participation Corporation

### Model update

**Our view:** We are updating our UPC model to account for uranium sales and share buybacks, as well as to roll forward price assumptions used in our valuation. We value UPC based on our forecast of \$30/lb U3O8 in 2021 and maintain our price target at \$5/sh. We maintain our Sector Perform rating.

#### Key points:

**Uranium market balanced through mid-2020s before entering significant deficit:** We forecast a relatively balanced market through the mid-2020s as growing demand is met by increased supply. As we enter the late-2020s, we expect a growing deficit as supply decreases due to mine depletion and a reduction in secondary supply. We expect prices to increase gradually through mid-2020's into the \$35-40/lb range, from ~\$30/lb currently, supported by the uranium cost curve. As the market moves into deficit, we expect prices to increase more significantly and forecast a long-term uranium price at \$50/lb which we view as the necessary incentive price for new mine supply. Please see [RBCCM Uranium Outlook: Recovery in progress as balance set to turn into L-T deficit](#) for more details.

**Uranium sales fund share buybacks:** Since February 2020, UPC has sold 225Klbs U3O8 at an average price of \$33.02/lb, which was primarily used to repurchase 2,053,002 shares at an average price of \$4.94/share.

**Rolling forward price assumptions, increase NAV forecast:** We have moved forward our price assumptions used in our valuation for UPC shares. We use our FY2021 price forecast of US\$30/lb U3O8 and \$1.33 USD/ CAD exchange rate to set our 1-yr price target. As a result, our forecast net asset value increases to \$5.02/sh, from \$4.98/sh, previously.

**Maintain Sector Perform, \$5.00 price target:** We are maintaining our price target to reflect our NAV forecast. The shares are currently trading at 17.3% discount to current spot price implied NAV (\$4.98/sh at \$29.70/lb U3O8 spot price), which historically reflects a rising uranium price environment.

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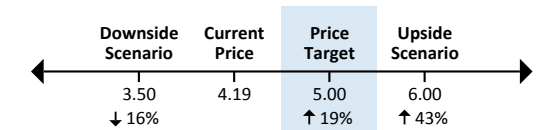
### Sector Perform

TSX: U; CAD 4.19

### Price Target CAD 5.00

| WHAT'S INSIDE                               |   |
|---|---|
| <input type="checkbox"/> Rating/Risk Change | <input type="checkbox"/> Price Target Change      |
| <input type="checkbox"/> In-Depth Report    | <input checked="" type="checkbox"/> Est. Change   |
| <input type="checkbox"/> Preview            | <input checked="" type="checkbox"/> News Analysis |

### Scenario Analysis\*



\*Implied Total Returns

### Key Statistics

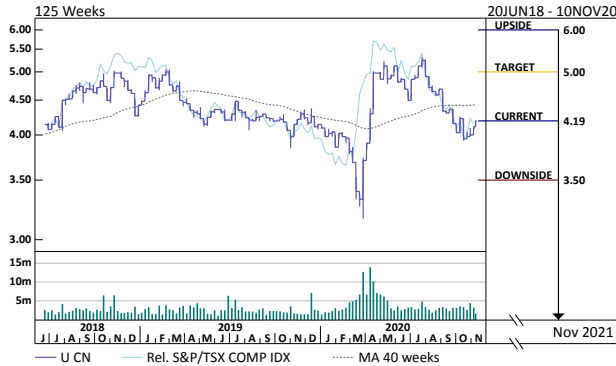
|                  |       |                    |         |
|------------------|-------|--------------------|---------|
| Shares O/S (MM): | 136.0 | Market Cap (MM):   | 570     |
| Dividend:        | 0.00  | Yield:             | 0.0%    |
| NAVPS:           | 5.17  | P/NAVPS:           | 0.81x   |
|                  |       | Avg. Daily Volume: | 705,814 |

All market data in CAD; all financial data in USD; dividends paid in CAD.



### Target/Upside/Downside Scenarios

Exhibit 1: Uranium Participation Corporation



Source: Bloomberg and RBC Capital Markets estimates for Upside/Downside/Target

#### Price target/base case

**We rate UPC shares Sector Perform, with a \$5.00 price target.** We value the company by attributing 100% to our net asset value calculation, which is calculated using the current inventory of uranium and applying our 2021 forecasts: \$30.00/lb U<sub>3</sub>O<sub>8</sub>, \$21.00/kg conversion, and \$1.33 CAD\$ per US\$. We also adjust for changes to non-investment net assets including income tax asset or liability.

#### Upside scenario

**Our upside scenario generates a \$6.00 price.** We assume that uranium prices recover more quickly than expected due to strong demand, and higher prices are required to incentivize new mine supply. We increase our uranium price forecast to \$35/lb U<sub>3</sub>O<sub>8</sub> and arrive at \$6.02 NAV per share.

#### Downside scenario

**Our downside scenario generates a \$3.50 price.** We assume that uranium prices take longer than expected to recover due to weak demand and new mine supply is not required until later years. We decrease our uranium price forecast to \$20.00/lb U<sub>3</sub>O<sub>8</sub> and arrive at \$3.48 NAV per share.

### Investment summary

We believe that UPC provides investors the most readily accessible means to gain exposure to the uranium spot price with very limited company-specific risks. The company's share price and equity value have an excellent track record of being a strong proxy for uranium spot prices.

### Potential catalysts

We see a relatively balanced market through the mid-2020's as growing demand is met by increased supply. As we enter the late-2020's, we expect a growing deficit as supply decreases due to mine depletion and a reduction in secondary supply. As a result, we expect prices to increase gradually through mid-2020's into the \$35-40/lb range, and forecast a long-term uranium price at \$50/lb which we view as the necessary incentive price for new mine supply.

Japanese reactor restarts are starting to gain traction as companies work through the regulatory approval process and upgrade reactor facilities. As reactors come on-line, that should increase uranium demand and alleviate some supply-side pressure from Japanese inventories.

Any additional mine closures caused by low uranium prices would be considered positive for uranium prices.

### Risks to our investment thesis

We highlight the following key risks and sensitivities that could be potentially material to our thesis on UPC: 1) weaker-than-expected uranium prices; 2) currency volatility, primarily CAD/USD; 3) changing premium or discount of UPC's net asset value vs. the share price; and 4) potential value dilution from operating costs.



Exhibit 2: RBC Uranium Supply & Demand Forecast

| S&D (Mlbs U3O8)                  | 2015        | 2016        | 2017        | 2018        | 2019        | 2020E       | 2021E       | 2022E       | 2023E       | 2024E       | 2025E       | 2026E       | 2027E       | 2028E       | 2029E       | 2030E       | CAGR<br>20-30E | CAGR<br>20-35E |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|----------------|
| <b>Generating Capacity (GWe)</b> | <b>338</b>  | <b>346</b>  | <b>358</b>  | <b>362</b>  | <b>371</b>  | <b>370</b>  | <b>367</b>  | <b>370</b>  | <b>370</b>  | <b>380</b>  | <b>381</b>  | <b>384</b>  | <b>398</b>  | <b>405</b>  | <b>407</b>  | <b>417</b>  | <b>1%</b>      | <b>1%</b>      |
| North America                    | 52          | 53          | 54          | 55          | 54          | 52          | 52          | 50          | 50          | 49          | 49          | 48          | 48          | 48          | 48          | 48          | -1%            | 0%             |
| South America                    | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 3           | 2           | 3           | 7%             | 3%             |
| West & Central Europe            | 52          | 50          | 50          | 47          | 48          | 50          | 48          | 45          | 43          | 45          | 44          | 43          | 43          | 42          | 40          | 41          | -2%            | -2%            |
| East Europe                      | 19          | 20          | 22          | 21          | 25          | 24          | 23          | 23          | 24          | 23          | 23          | 23          | 22          | 24          | 25          | 25          | 0%             | 0%             |
| Africa                           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 2           | 9%             | 3%             |
| Central Asia & Middle East       | 1           | 1           | 1           | 4           | 2           | 1           | 3           | 2           | 3           | 4           | 8           | 5           | 6           | 5           | 6           | 7           | 17%            | 10%            |
| East Asia                        | 41          | 37          | 49          | 53          | 49          | 39          | 40          | 41          | 43          | 50          | 52          | 53          | 52          | 54          | 54          | 57          | 4%             | 2%             |
| Other Asia                       | 4           | 4           | 3           | 3           | 4           | 4           | 6           | 8           | 8           | 10          | 10          | 8           | 9           | 9           | 11          | 9           | 8%             | 6%             |
| <b>Demand</b>                    | <b>171</b>  | <b>167</b>  | <b>181</b>  | <b>186</b>  | <b>183</b>  | <b>172</b>  | <b>175</b>  | <b>173</b>  | <b>173</b>  | <b>183</b>  | <b>188</b>  | <b>181</b>  | <b>182</b>  | <b>185</b>  | <b>187</b>  | <b>191</b>  | <b>1%</b>      | <b>0%</b>      |
| Africa                           | 20          | 19          | 20          | 23          | 23          | 21          | 20          | 19          | 19          | 19          | 18          | 18          | 18          | 18          | 18          | 18          | -1%            | -4%            |
| Australia                        | 15          | 16          | 14          | 17          | 16          | 16          | 12          | 12          | 12          | 12          | 12          | 13          | 14          | 15          | 16          | 16          | 0%             | -2%            |
| Canada                           | 34          | 36          | 34          | 18          | 18          | 10          | 17          | 18          | 27          | 36          | 36          | 36          | 36          | 24          | 18          | 18          | 5%             | 4%             |
| Kazakhstan                       | 61          | 64          | 61          | 56          | 59          | 47          | 59          | 59          | 62          | 63          | 62          | 62          | 60          | 60          | 60          | 60          | 2%             | 1%             |
| Russia                           | 8           | 8           | 8           | 8           | 9           | 9           | 9           | 9           | 9           | 9           | 9           | 9           | 9           | 9           | 9           | 9           | 0%             | 0%             |
| Ukraine                          | 3           | 3           | 3           | 3           | 3           | 3           | 3           | 3           | 3           | 3           | 3           | 3           | 3           | 3           | 3           | 3           | 0%             | 0%             |
| Uzbekistan                       | 8           | 9           | 9           | 9           | 9           | 9           | 9           | 9           | 9           | 9           | 9           | 9           | 9           | 9           | 9           | 9           | 0%             | 0%             |
| United States                    | 3           | 3           | 3           | 1           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | 0           | NA             | NA             |
| Other                            | 7           | 7           | 6           | 6           | 6           | 7           | 7           | 7           | 7           | 7           | 7           | 7           | 7           | 7           | 7           | 7           | 0%             | 0%             |
| <b>Mine Supply</b>               | <b>159</b>  | <b>164</b>  | <b>157</b>  | <b>141</b>  | <b>143</b>  | <b>122</b>  | <b>137</b>  | <b>137</b>  | <b>149</b>  | <b>158</b>  | <b>156</b>  | <b>157</b>  | <b>156</b>  | <b>145</b>  | <b>140</b>  | <b>140</b>  | <b>1%</b>      | <b>0%</b>      |
| Russia                           | 14          | 16          | 18          | 16          | 16          | 15          | 15          | 15          | 15          | 15          | 14          | 13          | 11          | 11          | 11          | 9           | -5%            | -4%            |
| United States                    | 8           | 6           | 5           | 4           | 3           | 3           | 1           | 1           | 2           | 1           | 2           | 1           | 2           | 2           | 3           | 1           | -11%           | -8%            |
| Other                            | 18          | 17          | 17          | 19          | 18          | 15          | 14          | 12          | 11          | 10          | 9           | 9           | 8           | 9           | 8           | 8           | -6%            | -5%            |
| <b>Secondary Supply</b>          | <b>40</b>   | <b>39</b>   | <b>39</b>   | <b>38</b>   | <b>36</b>   | <b>33</b>   | <b>29</b>   | <b>29</b>   | <b>28</b>   | <b>26</b>   | <b>25</b>   | <b>23</b>   | <b>21</b>   | <b>21</b>   | <b>22</b>   | <b>17</b>   | <b>-6%</b>     | <b>-5%</b>     |
| Mine Supply                      | 159         | 164         | 157         | 141         | 143         | 122         | 137         | 137         | 149         | 158         | 156         | 157         | 156         | 145         | 140         | 140         | 1%             | 0%             |
| Secondary Supply                 | 40          | 39          | 39          | 38          | 36          | 33          | 29          | 29          | 28          | 26          | 25          | 23          | 21          | 21          | 22          | 17          | -6%            | -5%            |
| <b>Total Supply</b>              | <b>199</b>  | <b>203</b>  | <b>196</b>  | <b>180</b>  | <b>180</b>  | <b>156</b>  | <b>166</b>  | <b>166</b>  | <b>177</b>  | <b>184</b>  | <b>181</b>  | <b>180</b>  | <b>177</b>  | <b>166</b>  | <b>162</b>  | <b>157</b>  | <b>0%</b>      | <b>-1%</b>     |
| <b>Surplus/Deficit</b>           | <b>29</b>   | <b>36</b>   | <b>16</b>   | <b>-6</b>   | <b>-3</b>   | <b>-16</b>  | <b>-9</b>   | <b>-7</b>   | <b>4</b>    | <b>2</b>    | <b>-6</b>   | <b>-1</b>   | <b>-5</b>   | <b>-19</b>  | <b>-25</b>  | <b>-34</b>  |                |                |
| Supply as % of demand            | 117%        | 121%        | 109%        | 97%         | 98%         | 90%         | 95%         | 96%         | 102%        | 101%        | 97%         | 99%         | 97%         | 90%         | 87%         | 82%         |                |                |
| <b>Spot Price (US\$/lb)</b>      | <b>\$37</b> | <b>\$26</b> | <b>\$22</b> | <b>\$25</b> | <b>\$26</b> | <b>\$29</b> | <b>\$30</b> | <b>\$33</b> | <b>\$33</b> | <b>\$35</b> | <b>\$35</b> | <b>\$35</b> | <b>\$40</b> | <b>\$40</b> | <b>\$40</b> | <b>\$50</b> | <b>5%</b>      | <b>6%</b>      |
| <b>Term Price (US\$/lb)</b>      | <b>\$47</b> | <b>\$40</b> | <b>\$31</b> | <b>\$31</b> | <b>\$32</b> | <b>\$32</b> | <b>\$34</b> | <b>\$35</b> | <b>\$38</b> | <b>\$40</b> | <b>\$40</b> | <b>\$40</b> | <b>\$50</b> | <b>\$50</b> | <b>\$50</b> | <b>\$50</b> | <b>5%</b>      | <b>4%</b>      |

Source: RBC Capital Markets estimates



Exhibit 3: UPC valuation summary



RBC Capital Markets®  
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Uranium Participation Corporation  
(U - TSX)

|   |                |
|---|----------------|
| <b>Current UPC Implied U<sub>3</sub>O<sub>8</sub> Price (US\$/lb)</b> | <b>\$24.41</b> |
| Premium/(Discount) to Recent Uranium Spot Price                       | (17.8%)        |
| <b>Current UPC Implied NAV (CAD\$/sh)</b>                             | <b>\$4.98</b>  |
| Premium/(Discount) to Current Share Price                             | (17.3%)        |

Current Price (from Ux Consulting), November 9, 2020

|  |         |         |
|--|---------|---------|
| U <sub>3</sub> O <sub>8</sub> Spot Price | US\$/lb | \$29.70 |
| Conversion Price                         | US\$/kg | \$21.00 |
| CAD\$ per US\$                           | CAD\$   | \$1.30  |

RBC Model Assumptions

|  |         |         |
|--|---------|---------|
| U <sub>3</sub> O <sub>8</sub> Spot Price | US\$/lb | \$30.00 |
| Conversion Price                         | US\$/kg | \$21.00 |
| CAD\$ per US\$                           | CAD\$   | \$1.33  |

Current Holdings, Costs and Market Values (CAD\$)

|  | Volume Held<br>(lbs/kgU) | Cost Base<br>(C\$ 000) | Market Value<br>(C\$ 000) |
|--|--------------------------|------------------------|---------------------------|
| U <sub>3</sub> O <sub>8</sub> (lbs)                      | 16,058,373               | 171,592                | 618,583                   |
| UF <sub>6</sub> (kg)                                     | 400,000                  | 641,309                | 51,155                    |
| <b>U<sub>3</sub>O<sub>8</sub> Equivalent Total (lbs)</b> | <b>17,103,513</b>        | <b>812,901</b>         | <b>669,738</b>            |
| Per Share  | 0.13                     | \$5.98                 | \$4.92                    |
| Other Net Assets   |                          |                        | \$0.06                    |
| <b>NAV (at spot prices and exchange rates)</b>           |                          |                        | <b>\$4.98</b>             |
| Prem/(Disc.) to Current Price                            |                          |                        | (17.3%)                   |

Net Asset Value Forecast (CAD\$ 000 or per share)

|                                     | Base    | Upside  | Downside |
|-------------------------------------|---------|---------|----------|
| U <sub>3</sub> O <sub>8</sub> Price | \$30.00 | \$35.00 | \$20.00  |
| Conversion price                    | \$21.00 | \$24.00 | \$18.00  |
| CAD\$ per US\$                      | \$1.33  | \$1.33  | \$1.33   |

Assets

|                             | Base           | Upside         | Downside       |
|-----------------------------|----------------|----------------|----------------|
| Investments at Market Value | 695,341        | 810,964        | 465,694        |
| Cash and equivalents        | 4,089          | 4,089          | 4,089          |
| Sundry receivables          | 4,496          | 4,496          | 4,496          |
| Future income tax asset     | 0              | 0              | 0              |
| <b>Total Assets</b>         | <b>703,926</b> | <b>819,549</b> | <b>474,279</b> |

Liabilities

|                               | Base       | Upside     | Downside   |
|-------------------------------|------------|------------|------------|
| Accounts payable and accruals | 544        | 544        | 544        |
| Other liabilities             | 0          | 0          | 0          |
| Future income tax liability   | 0          | 0          | 0          |
| <b>Total Liabilities</b>      | <b>544</b> | <b>544</b> | <b>544</b> |

|                                  |               |               |               |
|----------------------------------|---------------|---------------|---------------|
| Net Asset Value                  | 703,382       | 819,005       | 473,735       |
| <b>Net Asset Value per Share</b> | <b>\$5.17</b> | <b>\$6.02</b> | <b>\$3.48</b> |
| Target NAV Multiple              | 1.0x          | 1.0x          | 1.0x          |

|                               |               |               |               |
|-------------------------------|---------------|---------------|---------------|
| <b>Target Price</b>           | <b>\$5.00</b> | <b>\$6.00</b> | <b>\$3.50</b> |
| Prem/(Disc.) to Current Price | 21.4%         | 45.6%         | (15.0%)       |

Target Price Sensitivities

|  |        |
|--|--------|
| US\$5/lb Change in U <sub>3</sub> O <sub>8</sub> Price | \$0.82 |
| \$0.05 Change in CAD\$ per US\$                        | \$0.22 |

Priced as of November 9<sup>th</sup> 2020 market close

Source: Company reports, RBC Capital Markets estimates

Rating

12-Month Target

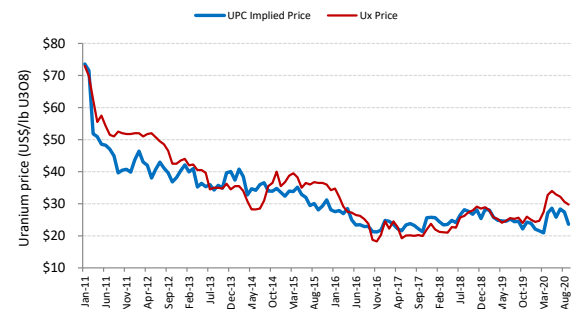
Current Share Price  
52-Week High  
52-Week Low  
Market Capitalization (M)  
Shares Outstanding (M)  
Year-end  
Reporting Currency

Sector Perform

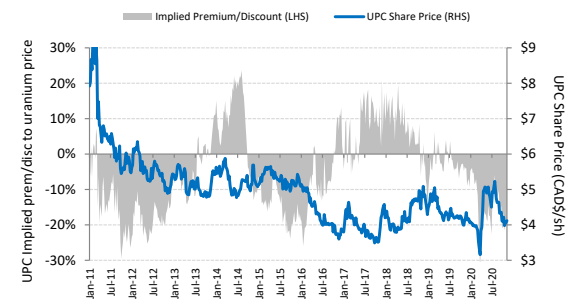
C\$5.00

C\$4.12  
C\$5.39  
C\$3.12  
C\$560  
136  
28-Feb  
CAD\$

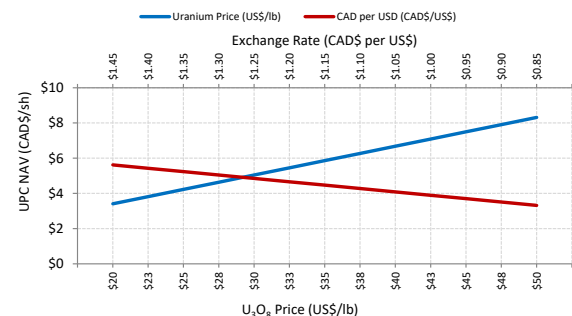
UPC Implied Uranium Price vs. Ux Reported Spot Price



UPC Implied Premium/Discount vs. Share Price



UPC NAV Sensitivity to Uranium Price and Currency





## Valuation

We value the company by attributing 100% to our net asset value calculation, which is calculated using the current inventory of uranium and applying our 2021 forecasts: \$30.00/lb U<sub>3</sub>O<sub>8</sub>, \$21.00/kg conversion, and \$1.33 CAD\$ per US\$. We also adjust for changes to non-investment net assets including income tax asset or liability. Our price target of \$5 supports our Sector Perform rating.

## Risks to rating and price target

We highlight several key risks and sensitivities that could be potentially material to our thesis on UPC: 1) weaker-than-expected uranium prices; 2) currency volatility, primarily CAD/USD; and 3) changing premium or discount of UPC's net asset value vs. the share price.

## Company description

Uranium Participation Corporation (UPC) is an investment holding company based in Toronto, Canada, focused exclusively on investing in uranium. The company raises capital by issuing equity and/or warrants and invests at least 85% of the proceeds in uranium that can be in the form of uranium oxide concentrates (U<sub>3</sub>O<sub>8</sub>) or converted uranium hexafluoride (UF<sub>6</sub>). UPC also generates income to help offset operating costs through uranium lending and interest from cash.

## Required disclosures

### Non-U.S. analyst disclosure

Andrew D. Wong and Stephen Morton (i) are not registered/qualified as research analysts with the NYSE and/or FINRA and (ii) may not be associated persons of the RBC Capital Markets, LLC and therefore may not be subject to FINRA Rule 2241 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

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The analyst(s) responsible for preparing this research report received compensation that is based upon various factors, including total revenues of the member companies of RBC Capital Markets and its affiliates, a portion of which are or have been generated by investment banking activities of the member companies of RBC Capital Markets and its affiliates.

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### Explanation of RBC Capital Markets Equity rating system

An analyst's 'sector' is the universe of companies for which the analyst provides research coverage. Accordingly, the rating assigned to a particular stock represents solely the analyst's view of how that stock will perform over the next 12 months relative to the analyst's sector average.

#### Ratings

**Outperform (O):** Expected to materially outperform sector average over 12 months.

**Sector Perform (SP):** Returns expected to be in line with sector average over 12 months.

**Underperform (U):** Returns expected to be materially below sector average over 12 months.

**Restricted (R):** RBC policy precludes certain types of communications, including an investment recommendation, when RBC is acting as an advisor in certain merger or other strategic transactions and in certain other circumstances.

**Not Rated (NR):** The rating, price targets and estimates have been removed due to applicable legal, regulatory or policy constraints which may include when RBC Capital Markets is acting in an advisory capacity involving the company.

As of March 31, 2020, RBC Capital Markets discontinued its Top Pick rating. Top Pick rated securities represented an analysts best idea in the sector; expected to provide significant absolute returns over 12 months with a favorable risk-reward ratio. Top Pick rated securities have been reassigned to our Outperform rated securities category, which are securities expected to materially outperform sector average over 12 months.

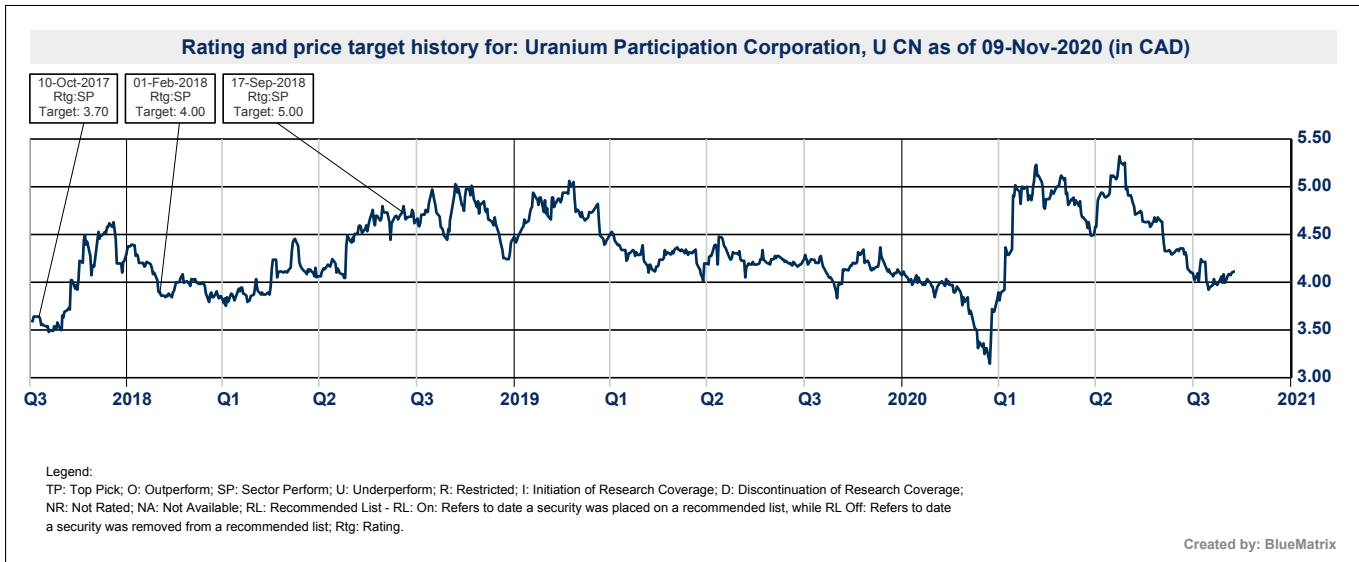
#### Risk Rating

The **Speculative** risk rating reflects a security's lower level of financial or operating predictability, illiquid share trading volumes, high balance sheet leverage, or limited operating history that result in a higher expectation of financial and/or stock price volatility.

### Distribution of ratings

For the purpose of ratings distributions, regulatory rules require member firms to assign ratings to one of three rating categories - Buy, Hold/Neutral, or Sell - regardless of a firm's own rating categories. Although RBC Capital Markets' ratings of Outperform (O), Sector Perform (SP), and Underperform (U) most closely correspond to Buy, Hold/Neutral and Sell, respectively, the meanings are not the same because our ratings are determined on a relative basis.

| Distribution of ratings<br>RBC Capital Markets, Equity Research<br>As of 30-Sep-2020 |       |         |  |         |
|--|-------|---------|--|---------|
| Rating   | Count | Percent | Investment Banking<br>Serv./Past 12 Mos. |         |
|  |       |         | Count                                    | Percent |
| BUY [Outperform]   | 788   | 52.96   | 248                                      | 31.47   |
| HOLD [Sector Perform]  | 619   | 41.60   | 135                                      | 21.81   |
| SELL [Underperform]  | 81    | 5.44    | 11                                       | 13.58   |



References to a Recommended List in the recommendation history chart may include one or more recommended lists or model portfolios maintained by RBC Wealth Management or one of its affiliates. RBC Wealth Management recommended lists include the Guided Portfolio: Prime Income (RL 6), the Guided Portfolio: Dividend Growth (RL 8), the Guided Portfolio: ADR (RL 10), and the Guided Portfolio: All Cap Growth (RL 12). RBC Capital Markets recommended lists include the Strategy Focus List and the Fundamental Equity Weightings (FEW) portfolios. The abbreviation 'RL On' means the date a security was placed on a Recommended List. The abbreviation 'RL Off' means the date a security was removed from a Recommended List.

## Equity valuation and risks

For valuation methods used to determine, and risks that may impede achievement of, price targets for covered companies, please see the most recent company-specific research report at <https://www.rbcinsightresearch.com> or send a request to RBC Capital Markets Research Publishing, P.O. Box 50, 200 Bay Street, Royal Bank Plaza, 29th Floor, South Tower, Toronto, Ontario M5J 2W7.

### Uranium Participation Corporation

#### Valuation

We value the company by attributing 100% to our net asset value calculation, which is calculated using the current inventory of uranium and applying our 2021 forecasts: \$30.00/lb U<sub>3</sub>O<sub>8</sub>, \$21.00/kg conversion, and \$1.33 CAD\$ per US\$. We also adjust for changes to non-investment net assets including income tax asset or liability. Our price target of \$5 supports our Sector Perform rating.

#### Risks to rating and price target

We highlight several key risks and sensitivities that could be potentially material to our thesis on UPC: 1) weaker-than-expected uranium prices; 2) currency volatility, primarily CAD/USD; and 3) changing premium or discount of UPC's net asset value vs. the share price.

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