

# GLOBAL ATOMIC CORP.

## Second Letter of Intent Signed with Major Western Utility

### EVENT

Yesterday at the close Global Atomic announced the signing of a second Letter of Intent (LOI) with a major western utility to supply uranium from its 80%-owned Dasa project in Niger, West Africa.

### BOTTOM LINE

**Positive** – Up to 2.4 MMlb U<sub>3</sub>O<sub>8</sub> will be supplied over a multi-year delivery window beginning in 2025, constituting ~7% of Dasa’s annual Phase 1 production of ~4 MMlb U<sub>3</sub>O<sub>8</sub>/year. The LOI is valued at up to \$140 MM, equating to an average contract price of up to +\$58/lb U<sub>3</sub>O<sub>8</sub>.

### FOCUS POINTS

- **Second Letter of Intent Signed** – The LOI announced yesterday follows an LOI signed on June 15 with a major North American utility to supply 2.1 MMlb U<sub>3</sub>O<sub>8</sub> over a six-year period beginning in 2025, valued at up to \$110 MM, equating to an average contract price of up to +\$52/lb U<sub>3</sub>O<sub>8</sub>. Both LOIs are subject to the successful completion of a purchase-sale contract.
- **Contracts Critical to Underpin Debt Financing** – The Company continues to execute its strategy of establishing sales contracts with Tier 1 global utilities, and the combined volumes of both LOIs represent ~14% of Phase 1 production at Dasa that is now potentially under long-term contracts. The LOIs are critical to underpinning the debt component of project financing that is on target for Q1/23. This will lower the risk of significant equity dilution.
- **Maintaining Speculative Buy Rating and Price Target** – We are maintaining our Speculative Buy rating and target price of C\$6.00/share on Global Atomic based on a multiple of 1.0x NAVPS<sub>7.5%</sub>, 10.0% (rounded).

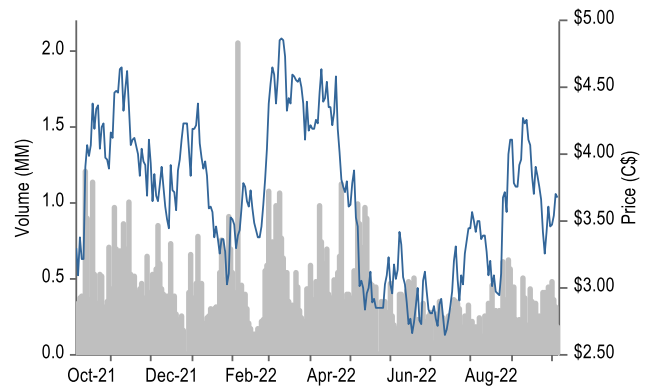
### Recommendation:

**Speculative BUY**

Symbol/Exchange: GLO-TSX  
Sector: Metals & Mining  
*All dollar values in US\$ unless otherwise noted.*  
Current price: C\$3.68  
One-year target: C\$6.00  
Return to target: 63.0%  
Cash on hand: C\$15.0 MM

### Financial Summary:

Shares O/S (MM)	177.8	52-week range	C\$2.58 - C\$5.10
Market cap (MM\$)	C\$654.2	30D avg vol. ('000)	359.5
Market float (MM\$)	C\$564.6	Fiscal year-end	31-Dec
<b>Dasa (80%)</b>	<b>Tonnes</b>	<b>U<sub>3</sub>O<sub>8</sub> Grade</b>	<b>Resource (100%)</b>
P&P Reserve (2,074ppm cut-off)	4.1 MMt	0.53%	47.2 MMlb
M&I Resource	3.6 MMt	0.78%	61.9 MMlb
Inferred Resource	3.4 MMt	0.68%	51.4 MMlb
<b>Total Resource (2,500ppm cut-off)</b>	<b>7.0 MMt</b>	<b>0.74%</b>	<b>113.3 MMlb</b>



**Company profile:** Global Atomic is advancing its 80%-owned Dasa uranium project in the Republic of Niger, home to some of the cornerstone uranium operations owned by Orano and China National Nuclear (CNNC). Dasa is a tier-one project in terms of size/grade and is fully permitted. Construction is underway, with initial production on target for H2/25.

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See disclosure and a description of our recommendation structure at the end of this report.

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The analysts responsible for this research report *do not have*, either directly or indirectly, a long or short position in the shares or options of Global Atomic Corp.

The analyst responsible for this report *has not* visited the material operations of Global Atomic Corp. No payment or reimbursement was received for related travel costs.

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**BUY (Speculative):** The stock is attractively priced relative to the company’s fundamentals, however investment in the security carries a higher degree of risk.

**HOLD:** The stock is fairly valued, lacks a near term catalyst, or its execution risk is such that we expect it to trade within a narrow range of the current price in the next 6 to 12 months. The longer term fundamental value of the company may be materially higher, but certain milestones/catalysts have yet to be fully realized.

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