

10th August 2018



## Yellow Cake plc (“Yellow Cake” or the “Company”)

### Purchase of additional Uranium

Yellow Cake, a specialist company operating in the uranium sector with a view to holding physical uranium (“U<sub>3</sub>O<sub>8</sub>”) for the long term, is pleased to announce the purchase of 350,000 lb of uranium from NAC Kazatomprom JSC at a price of US\$23.30 /lb. This reflects the price offered to Yellow Cake on 17<sup>th</sup> July 2018. The total cost of the U<sub>3</sub>O<sub>8</sub> amounts to US\$8,155,000 to be paid in cash. Transfer of the U<sub>3</sub>O<sub>8</sub> into Yellow Cake’s name will take place on 23<sup>rd</sup> August 2018 and the U<sub>3</sub>O<sub>8</sub> will be stored at Cameco Corporation’s Port Hope / Blind River facility in Ontario, Canada. Following completion of this transaction the Company will own 8.44 mmlb of uranium.

Including this purchase, Yellow Cake’s estimated net asset value at 31<sup>st</sup> July 2018 (on a pro-forma basis) was 227.99 p per share or US\$228.0 mm, consisting of 8,441,385 lbs of U<sub>3</sub>O<sub>8</sub> valued at a spot price of US\$25.81 /lb<sup>(1)</sup> and other net assets<sup>(2)</sup> of US\$10.1 mm.

As at close on 9<sup>th</sup> August 2018, the Company’s share price was 224.00 p per share, which represents a 1.8% discount to the above estimated pro-forma net asset value of 227.99 p per share.

- (1) Fair values are based on the spot price published by Ux Consulting Company, LLC, as at 31<sup>st</sup> July 2018.
- (2) Includes cash and cash equivalents of US\$11.0 mm after purchase of 350,000 lb of uranium.
- (3) Net asset value per share is calculated assuming 76,176,630 ordinary shares in issue and the Bank of England’s daily exchange rate of 1.31280 on 31<sup>st</sup> July 2018.

### **Andre Liebenberg, CEO of Yellow Cake, said:**

*“Market sentiment towards uranium continues to improve and after completing the current purchase, we will have acquired 8.44 mmlb of uranium at an average cost of US\$21.10 /lb against a current spot price of US\$26.11 /lb<sup>(4)</sup>. The purchase of the additional uranium is consistent with Yellow Cake’s stated intention of not holding additional cash on the balance sheet which is surplus to the company’s working capital needs. We would like to thank Kazatomprom for its continued strong support as a reliable long-term strategic supplier to Yellow Cake.”*

- (4) Spot price published by Ux Consulting Company, LLC, as at 9<sup>th</sup> August 2018.

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) no 596/2014

**ENQUIRIES:**

**Yellow Cake plc**

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## **FORWARD LOOKING STATEMENTS**

Certain statements contained herein are forward looking statements and are based on current expectations, estimates and projections about the potential returns of the Company and the industry and markets in which the Company will operate, the Directors' beliefs and assumptions made by the Directors. Words such as "expects", "anticipates", "should", "intends", "plans", "believes", "seeks", "estimates", "projects", "pipeline", "aims", "may", "targets", "would", "could" and variations of such words and similar expressions are intended to identify such forward looking statements and expectations. These statements are not guarantees of future performance or the ability to identify and consummate investments and involve certain risks, uncertainties and assumptions that are difficult to predict, qualify or quantify. Therefore, actual outcomes and results may differ materially from what is expressed in such forward looking statements or expectations. Among the factors that could cause actual results to differ materially are: uranium price volatility, difficulty in sourcing opportunities to buy or sell U<sub>3</sub>O<sub>8</sub>, foreign exchange rates, changes in political and economic conditions, competition from other energy sources, nuclear accident, loss of key personnel or termination of the services agreement with 308 Services Limited, changes in the legal or regulatory environment, insolvency of counterparties to the Company's material contracts or breach of such material contracts by such counterparties. These forward-looking statements speak only as at the date of this announcement. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules.