

23 March 2020



Yellow Cake plc ("Yellow Cake" or the "Company")

COVID-19 and NAV discount

Yellow Cake ("Yellow Cake" or the "Company"), a specialist company operating in the uranium sector with a view to holding physical uranium for the long term, today makes a statement regarding the impact of COVID - 19 on its business activities and NAV.

Yellow Cake is mindful of the huge impact COVID-19 is having on relatives, friends and colleagues around the world and would like to express its thanks to all those who are working to keep us safe and well.

Yellow Cake wishes to reassure the company's shareholders that it is currently unaffected by COVID-19 both operationally and financially and notes that the uranium price has remained resilient.

Given its focus on maintaining a minimal cost base, Yellow Cake's executive team are already home-based and it has no physical operations. Yellow Cake also benefits from an extremely strong capital position. It has sufficient working capital for at least two years before the need to raise any additional funds and it has no debt or hedges on the balance sheet.

Yellow Cake's estimated net asset value as at 29 February 2020 was £2.15 per share¹ or US\$241.6 million, consisting of 9,616,385 lbs of U₃O₈ valued at a spot price of US\$24.70/ lb², a derivative liability of US\$2.7 million and other net assets of US\$6.8 million.

Yellow Cake's estimated net asset value as at 20 March 2020 was £2.31 per share³.

As at close on 20 March 2020, the Company's share price was £1.60 per share, which represents a 31% discount to the above estimated net asset value of £2.31 per share.

Uranium market update – supply risks support resilient uranium price

The spot uranium price has traded in the range of US\$24.00-26.00 per lb. since March 2019 and remains generally unaffected by the current global situation.

¹ Yellow Cake's net asset value per share on 29 February 2020 is calculated assuming 88,215,716 ordinary shares in issue less 155,467 held in treasury on that date and the Bank of England's daily exchange rate of 1.2776 on 28 February 2020.

² Month-end spot price published by UxC LLC on 24 February 2020.

³ Yellow Cake's estimated net asset value as at 20 March 2020 was US\$235.9 million, consisting of 9,616,385 lbs of U₃O₈ valued at the weekly price of US\$24.10/ lb published by UxC LLC on 16 March 2020, a derivative liability of US\$2.7 million and other net assets of US\$6.8 million as at 29 February 2020 and a GBP / USD exchange rate of 1.1629. The estimated net asset value per share as at 20 March 2020 is calculated assuming 88,215,716 ordinary shares in issue less 281,586 held in treasury on that date.

As recently reported by the International Atomic Energy Agency (IAEA), nuclear power generated around 10% of global electricity during 2019 representing almost one-third of all low carbon electricity second only to hydroelectric power production.

As the World addresses the COVID-19 pandemic, we see minimal risk in the uranium demand arena as reactor operations are expected to continue at a high level supplying reliable base load electricity.

The near-term industry risk profile remains focused on the nuclear fuel supply side due to a high degree of concentration throughout uranium production, conversion services and enrichment facilities. Furthermore, transportation and logistics requirements inject increased delivery risks. These factors are likely to support the uranium price.

Andre Liebenberg, Chief Executive, stated:

“The uncertainty created by COVID-19 has weighed heavily on the share price and consequently the company is trading at a very substantial discount to net asset value. Though the impact on the global economy has been extreme and there is no way of forecasting how long it will take to recover, Yellow Cake is in a very robust financial position and we have been able to safely continue the effective stewardship of the business.

“The price of uranium has remained remarkably resilient and we see far more risk on the supply side than the demand side, which we expect will support, or more likely put upward pressure on the uranium price over the medium term. Given our clear financial strength and the solid outlook for the uranium market, we believe the current discount to NAV is excessive. Our share buyback programme has allowed us to acquire further uranium exposure at a discount to the spot price at a time when the longer-term supply and demand characteristics of uranium make the commodity a compelling investment opportunity.”

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ABOUT YELLOW CAKE

Yellow Cake is a London-listed company, headquartered in Jersey, which offers exposure to the uranium spot price. This is achieved through its strategy of buying and holding physical triuranium octoxide ("U₃O₈"). It may also seek to add value through the acquisition of uranium royalties and streams or other uranium related activities. Yellow Cake seeks to generate returns for shareholders through the appreciation of the value of its holding of U₃O₈ and its other uranium related activities in a rising uranium price environment. The business is differentiated from its peers by its lower cost base and ten-year Framework Agreement for the supply of U₃O₈ with Kazatomprom, the world's largest uranium producer. Yellow Cake currently holds 9.62 million lb of U₃O₈, all of which is held in storage in North America.

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 U₃O₈, 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.