



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

Unaudited Interim Financial Report for the six-month period ended 30 September 2021

Yellow Cake, a specialist company operating in the uranium sector with a view to holding physical uranium for the long term, is pleased to announce its unaudited interim financial report for the six-month period ended 30 September 2021 (“half-year”).

Highlights

- Net asset value as at 30 September 2021 of GBP3.26 per share¹ or USD675.2 million, comprising 13.86 million lb of physical uranium (“U₃O₈”) valued at a spot price of USD43.00/lb² and other net assets.
- 97% increase in the value of the Company’s uranium holding during the half-year by from USD302.1 million³ as at 31 March 2021 to USD595.8 million⁴ as at 30 September 2021, as a result of the appreciation in the uranium price and a net increase in the volume of uranium held. This compares to an acquisition cost of USD337.8 million, or USD24.38/lb⁵, representing an increase in value of 76% as at 30 September 2021.
- Total comprehensive income after tax of USD169.1 million for the six-month period ended 30 September 2021.
- Following the completion of an upsized share placing and retail offer in March 2021 (which raised gross proceeds of approximately GBP99.3 million (USD138.5 million)) and an oversubscribed share placing and retail offer in June 2021(which raised gross proceeds of approximately GBP62.5 million (USD86.9 million)), the Company:
 - Purchased and took delivery of 3.45 million lb of U₃O₈ through the full exercise of the Company’s option for 2021 under its Framework Agreement with JSC National Atomic Company Kazatomprom (“Kazatomprom”) at a price of USD28.95/lb, for a total consideration of USD100.0 million;
 - Purchased in the spot market and took delivery of 893,053 lb of additional U₃O₈ at an average price of USD31.12/lb, for a total consideration of USD27.8 million;

1 Net asset value per share on 30 September 2021 is calculated assuming 157,740,730 ordinary shares in issue, less 4,069,498 shares held in treasury, the Bank of England’s daily USD/ GBP exchange rate of 1.3484 on 30 September 2021 and the daily spot price published by UxC, LLC on 30 September 2021

2 Daily spot price of USD43.00/ lb published by UxC, LLC on 30 September 2021

3 Based on the month-end spot price of USD30.65/lb published by UxC, LLC on 29 March 2021 and 9,856,385 lb of U₃O₈ held by the company as at 31 March 2021

4 Based on the daily spot price of USD43.00/lb published by UxC, LLC on 30 September 2021 and 13,855,601 lb of U₃O₈ held by the company as at 30 September 2021

5 Calculated based on a first in, first out methodology

- Sold 348,068 lb of U₃O₈ to Uranium Royalty Corp. (“**URC**”) at a price of USD28.73/lb, for a total consideration of USD10.0 million following the exercise of URC’s purchase option, bringing the Company’s holdings to 13.86 million lb of U₃O₈ as at 30 September 2021; and
- Signed an agreement with Kazatomprom on 26 August 2021 to purchase a further 2.0 million lb of U₃O₈ at a price of USD32.23/lb, for a total consideration of USD64.5 million.

Post period end updates

- In October 2021, Yellow Cake successfully completed another oversubscribed share placing (the third placing in the calendar year), which raised gross proceeds of approximately GBP109.2 million (USD149.7 million) (the “**October Placing**”).
- Following the period end, Yellow Cake took delivery of a further 4.0 million lb of U₃O₈:
 - Applied part of the proceeds of the October Placing to fund the purchase of 2.0 million lb of U₃O₈ from Curzon Uranium Limited (“**Curzon**”) at a price of USD46.32/lb, and took title to this uranium in November 2021; and
 - Took delivery of 2.0 million lb of U₃O₈ from Kazatomprom on 4 December 2021, pursuant to the agreement of 26 August 2021 mentioned above.
- The Company intends to use part of the remaining proceeds of the October Placing to fund the purchase of 0.95 million lb of U₃O₈ from Kazatomprom, pursuant to Kazatomprom’s offer of 26 October 2021 and subject to contract, at a price of USD47.58/lb, with delivery expected to take place by June 2022.
- Under an existing arrangement (as previously disclosed in the Company's admission document, annual reports and recent press releases), Kazatomprom has an option to repurchase, at the uranium spot price less an aggregate discount of USD6.6 million, up to 25% of the initial purchase volume which the Company purchased from Kazatomprom in July 2018 under the Framework Agreement (the “**Repurchase Option**”). The Company has a corresponding buyback option to purchase from Kazatomprom, at the prevailing spot price, all or a portion of the volume repurchased by Kazatomprom under its Repurchase Option (the “**Buyback Option**”). Kazatomprom’s right to exercise the Repurchase Option arises only once during the term of the Framework Agreement, for a period of 60 days, when certain conditions are met.
- Following the conditions being met for Kazatomprom to exercise its Repurchase Option:
 - Kazatomprom exercised its Repurchase Option at a price of USD43.25/lb less an aggregate discount of USD6.6 million, and took delivery of 2,022,846 lb of U₃O₈ from Yellow Cake on 22 November 2021; and
 - Yellow Cake exercised its Buyback Option for the same quantity of uranium at a price of USD43.25/lb and is expected to take delivery of the 2,022,846 lb of U₃O₈ from Kazatomprom between March 2022 and April 2022.
 - The net impact of the Repurchase Option and Buyback Option transactions is expected to be a pay-out by the Company to Kazatomprom of USD6.6 million. Further details on these arrangements can be found in note 5 of the financial statements.
- Following completion of the transactions with Kazatomprom described above (whereby the Company expects to acquire 0.95 million lb of U₃O₈ from Kazatomprom and following the completion of the Repurchase Option and Buyback Option transactions with Kazatomprom), Yellow Cake’s holdings of U₃O₈ are expected to increase to 18.81 million lb.
- Estimated proforma net asset value on 7 December 2021 was GBP3.55 per share or USD864.3 million, assuming 18.81 million lb of U₃O₈⁶ valued at a spot price of USD44.75/lb⁷.

6 Comprises 13.9 million lb of U₃O₈ held on 30 September 2021, plus 2.0 million lb of U₃O₈ purchased from Curzon and delivered in November 2021, plus 2.0 million lb of U₃O₈ purchased from Kazatomprom and delivered on 4 December 2021, plus 0.95 million lb of U₃O₈ to be purchased from Kazatomprom, subject to contract, for delivery in June 2022

7 Daily spot price published by UxC, LLC on 7 December 2021

Yellow Cake Estimated Proforma Net Asset Value as at 7 December 2021			
		Units	
Investment in Uranium			
Uranium oxide in concentrates (“U ₃ O ₈ ”) ⁽⁶⁾	(A)	lb	18,805,601
U ₃ O ₈ fair value per pound ⁽⁷⁾	(B)	US\$/lb	44.75
U ₃ O ₈ fair value	(A) x (B) = (C)	US\$ m	841.6
Uranium derivative liability ⁽⁸⁾	(D)	US\$ m	(6.6)
Cash and other net current assets/(liabilities) ⁽⁹⁾	(E)	US\$ m	29.3
Net asset value in US\$ m	(C) + (D) + (E) = (F)	US\$ m	864.3
Exchange Rate	(G)	US\$/GBP	1.3244
Net asset value in £ m	(F) / (G) = (H)	£ m	652.6
Number of shares in issue less shares held in treasury ⁽¹⁰⁾	(I)		183,671,232
Net asset value per share	(H) / (I)	£/share	3.55

Andre Liebenberg, CEO of Yellow Cake, said:

“We continue to meet our stated objectives, delivering considerable returns for our shareholders, justifying the confidence in our strategy and investment thesis as set out at the time of our IPO. That strategy is centred on the purchase and storage of U₃O₈, providing investors with exposure to the uranium price without the associated mining risk, with the aim of realising a return on investment from an increase in uranium prices over the long term.

“Since March, we’ve conducted another two successful share placings raising a further c. USD237 million. These will enable us to acquire more uranium, bringing our total holdings to nearly 19 million pounds once these transactions and deliveries are complete, more than double our holdings since the start of the year.

“Our view is the outlook for the uranium price remains strong, with the factors that have driven the higher spot price still very much prevalent, being the combination of supply demand characteristics and the growing appreciation of the role of nuclear in our clean energy future. We believe COP26, while rightly highlighting the need to increase investment in renewables, has once again shone a light on the vital role nuclear energy will play in helping us all meet the ambitious climate goals set out last month. The demand side of uranium is strong and growing, yet considerable supply constraints remain. We continue to have real confidence in our business model, our strategy and our investment case.”

⁸ Expected pay-out by the Company to Kazatomprom following the exercise of the Repurchase Option and Buyback Option, as described in note 5 of the financial statements

⁹ Includes cash and other current assets and liabilities of US\$85.9 million as at 30 September 2021, plus net October Placing proceeds of USD145.7, less a cash consideration of USD92.6 million paid to Curzon in respect of 2.0 million lb of U₃O₈ delivered in November 2021, less a cash consideration of USD64.5 m paid to Kazatomprom in respect of 2.0 million lb of U₃O₈ delivered on 4 December 2021, less a cash consideration of USD45.2 m to be paid to Kazatomprom (subject to contract) in respect of 0.95 million lb of U₃O₈ to be delivered in 2022

¹⁰ Net asset value per share on 7 December 2021 is calculated assuming 157,740,730 ordinary shares in issue, including 30,000,000 shares issued on 29 October 2021, less 4,069,498 shares held in treasury

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) no 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018.

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ABOUT YELLOW CAKE

Yellow Cake is a London-quoted 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”). The Company 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 ten-year Framework Agreement for the supply of U₃O₈ with Kazatomprom, the world’s largest uranium producer. Yellow Cake currently holds 15.83 million pounds of U₃O₈, all of which is held in storage in Canada and France.

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 it is required to do so by applicable law or the AIM Rules.

Chief Executive's Statement

Overview

The global uranium market experienced significant changes over the past six months after the spot price traded in a very narrow range during 2020 and into early 2021. The turning point was in February/March of this year when Yellow Cake came to the market to raise approximately USD140 million to exercise its 2021 option with Kazatomprom. In a very short space of time, we saw a number of uranium companies taking advantage of the improved investor sentiment towards the commodity with over USD 1 billion raised in the short period that followed. A number of these companies utilised the funds raised to purchase physical uranium in the spot market.

In July, the Sprott Physical Uranium Trust ("SPUT") completed the takeover of Uranium Participation Corporation and, along with the launch of its At-The-Market ("ATM") funding programme, began significant spot market purchases, driving the spot price up to USD50/lb. The spot uranium market entered a period of unprecedented volatility and transactional volumes, due in part to SPUT's activity.

Against this backdrop, Yellow Cake completed two further oversubscribed share placings in 2021, raising approximately USD87 million in June and approximately USD150 million in October. With the proceeds from these raises, we secured additional uranium and expect to increase our holdings from c.9 million lb of U₃O₈ at the beginning of the 2021 calendar year to c.19 million lb of U₃O₈ when the purchase transactions complete.

On the demand side, forecasted installed nuclear generating capacity continued to improve, as national programmes to meet "net zero" carbon goals recognised the role of nuclear power as a contributing technology. This sentiment carried through to the COP 26 meeting with Mariano Grossi, head of the International Atomic Energy Agency, noting that "This COP is perhaps the first where nuclear energy has a chair at the table, where it has been considered and has been able to exchange without the ideological burden that existed before".

Uranium Market Developments

During the quarter to 30 June 2021, the UxC U₃O₈ Price (spot)¹¹ traded within a narrow range of USD28.65/lb up to USD32.10/lb, reaching USD32.30/lb in the week of 21 June. Transactional spot volumes were modest in April, reporting a total of 2.4 million lb¹², but increased to 6.6 million lb¹³ in May. The aggregate quantity for June was 6.4 million lb, resulting in a total spot market volume of 15.4 million lb for the quarter, above the ten-year average for the June quarter of 11 million lb¹³.

Following the establishment of an initial USD300 million ATM funding facility by the newly-formed SPUT, August spot market volumes totalled 13.0 million lb U₃O₈¹⁴, more than double the July aggregate of 5.6 million lb. On 13 September 2021, SPUT announced a USD1 billion upsizing of the ATM funding facility to allow the trust to issue new units and accumulate physical uranium¹⁵. In a presentation given on 9 November, WMC Energy (SPUT's technical advisor) reported that SPUT had purchased a total of 18.3 million lb¹⁶ since its launch.

Further near-term purchases drove the September 2021 spot market volume to 18.0 million lb, with the high level of market activity being reflected in the intra-month (16-17 September 2021) price peak of USD50.50/lb

11 Weekly price published by UxC LLC

12 UxC Weekly, Vol 35, no 18, 3 May 2021

13 UxC Weekly, Vol 35, No 30, 26 July 2021

14 UxC Weekly, Vol 35, no 36, 6 September 2021

15 Sprott press release: SPROTT PHYSICAL URANIUM TRUST ANNOUNCES FILING OF AMENDED AND RESTATED BASE SHELF PROSPECTUS, 10 September 2021

16 "The SPUT Price," WMC Energy, NEI International Uranium Fuel Seminar, 9 November 2021

U₃O₈, before the price declined to USD43.00/lb by the end of September 2021¹⁷, a percentage increase of over 27% for the month.

Prices in the forward market, as reported by UxC, remained relatively stable through July and August 2021, having ended June 2021 at a long-term price of USD32.00/lb, a 3-year forward price of USD34.00/lb, and a 5-year forward price of USD38.00/lb with slight increases by the end of August 2021 (USD33.50/lb, USD35.75/lb and USD39.50/lb respectively). However, the unprecedented rise in the spot market price, beginning in August 2021, led to upward price pressure in the forward market, resulting in end of September 2021 forward prices reaching USD40.00/lb, USD43.00/lb and USD47.00/lb, respectively. UxC reported that as of the end of September 2021, more than 52.6 million lb had been contracted in the term market thus far in 2021¹⁸.

The World Nuclear Association annual report, “World Nuclear Performance Report”, published in September 2021, reflected the decrease in nuclear-generated electricity during the pandemic year of 2020. Global nuclear generation was down by almost 4%, with the average capacity factor declining to 80.3% from the 2019 level of 83.1%. A total of six nuclear reactors (5,165 Mwe net) were permanently shut down during 2020 for a variety of reasons, including for policy reasons (Fessenheim 1 & 2 in France) and due to market conditions (Duane Arnold in the US). Five new reactors (5,521 Mwe net) entered commercial operations including units in China (2 reactors), Russia, Belarus and the United Arab Emirates¹⁹.

The US Department of Energy, Energy Information Administration (“USDOE/EIA”) released its “2020 Uranium Marketing Annual Report,”²⁰ which documents nuclear fuel activities by US nuclear utilities as well as provides data for the 2021-2030 time period. US nuclear utilities took delivery of 48.9 million lb U₃O₈ (equivalent) during the year at a weighted-average price of USD33.27/lb. While the aggregate volume closely tracked the total 2019 purchases of 48.3 million lb, the weighted-average price paid declined from USD35.59/lb. By the end of 2020, uranium inventory owned by US utilities declined to 107.2 million lb. Those inventories had been as high as 128 million lb as recently as 2016. The USDOE/EIA reported that maximum anticipated uranium market requirements totalled 381.2 million lb (2021-2030) while almost 50% (187.5 million lb) were yet to be filled by the utilities. As a percentage of maximum market requirements, unfilled needs are 28% in 2023, reaching 45% by 2025 and aggregate over 88% in 2030.

The EURATOM Supply Agency (ESA) released its “Annual Report – 2020”²¹ which, similar to the USDOE/EIA annual uranium marketing report, documents nuclear fuel activities by the commercial nuclear power industry within the European Union and the United Kingdom. Gross uranium requirements totalled 41.1 million lb in 2020, with utilities purchasing 32.7 million lb (97% under multi-year/term uranium agreements). The five principal uranium suppliers included Niger, Russia, Kazakhstan, Canada and Australia, which in aggregate provided 91.3% of the total uranium acquired during the year. Uranium inventories fell slightly from their 2019 level to 110.2 million lb, which is down considerably from the 2016 inventory level which totalled 133.9 million lb. Forward uranium coverage ranges from 116% in 2024 declining to 57% by 2029.

UxC released its 2020 U₃O₈ Production Review²², reporting 2020 global U₃O₈ production of 125 million lb U₃O₈ in aggregate, a significant decline from the 2019 figure of 141 million lb U₃O₈ (representing a reduction of 17 million lb U₃O₈, or 12% year-on-year), principally driven by reductions in operations due to the COVID-19 pandemic in Kazakhstan and Canada. Kazakhstan experienced an annual decline in total output of 8 million lb U₃O₈ or 15% year-on-year, while Canada’s total output declined 8 million lb U₃O₈, or 44% year-on-year. Australian production declined by less than 1 million lb U₃O₈ compared to 2019, with 2020 production reported at 16 million lb U₃O₈, while uranium output in Namibia and Russia remained relatively stable. Uranium

17 UxC Weekly, Vol. 35 No. 39, 27 September 2021

18 UxC Weekly, Vol. 35 No. 40, 4 October 2021

19 World Nuclear Association, “World Nuclear Performance Report 2021,” September 2021

20 US Energy Information Administration 2020 Uranium Marketing Annual Report (May 2021)

21 Euratom Supply Agency Annual Report 2020

22 UxC Weekly “2020 U₃O₈ Production Review, 26 April 2021

production in the Republic of Niger rose from its 2019 level of 7.8 million lb U₃O₈, to 9.5 million lb U₃O₈ in 2020, a 23% year-on-year increase.

Cameco Corporation announced the planned restart of the Cigar Lake Uranium Mine (9 April 2021)²³ which had initially been placed on care and maintenance effective 13 April 2020, in response to the COVID-19 pandemic. The company reported total 2020 uranium production of 5.0 million lb U₃O₈ from the facility. Cameco stated that “the timing of production restart and the production rate at Cigar Lake will be dependent on how quickly we are able to remobilize the workforce.”

In its 28 July 2021 Second Quarter Result Conference Call, Cameco reported that Cigar Lake production could be as high as 12.0 million lb in 2021 (subject to any further disruptions due to Covid-19 or forest fires in the area) with Cameco receiving “up to 6.0 million lb”. Regarding 2021 market purchases, the company is forecasting 11 – 13 million lb, which includes volumes that have already been delivered, those that are already under contract for 2021 delivery, its purchase entitlement from JV Inkai (Kazakhstan) (expected to be 5.3 million lb, based on Inkai’s 2021 planned production)²⁴ as well as “purchase of excess inventory from (nuclear fuels trader) NUKEM.” Regarding the term market, the company reported that an additional 7.0 million lb had been added to their contract portfolio, supplementing the 9.0 million lb secured earlier in the year and bringing the aggregate of new term contracts executed since 2019 to “over 60 million pounds.”

In its announcement of 2 July 2021²⁵, Kazatomprom advised that uranium production during 2023 would remain at the planned 2022 level of 22,500-23,000 tU (58.5-59.8 million lb), which is approximately 20% below the expected production rate under the Subsoil Use Contracts (27,500-28,00 tU; 71.5-72.8 million lb). Full implementation of the production restraint plan would remove 5000 tU (13.0 million lb) from the previously anticipated global primary supply in 2023. Kazatomprom’s CEO, Galymzhan Pirmatov, stated that, “the Company does not expect to return to full Subsoil Use Contract production levels until a sustained market recovery is evident, supply and demand conditions signal a need for more uranium, and the Company’s pipeline of mid-to-long-term contract negotiations implies that there is a low risk of produced volumes further delaying the recovery.”

The International Atomic Energy Agency (IAEA) distributed its annual outlook for nuclear power and, for the first time since the Fukushima Daiichi accident in March 2011, forecasted a potential increase in nuclear power capacity during the coming decades. In the High Case scenario, the IAEA now anticipates world nuclear generating capacity to double to 792 Gwe by 2050 (up from 393 Gwe in 2020), representing a more than 10% increase from the 2020 forecast. The IAEA Low Case scenario indicates that world nuclear capacity by 2050 would remain essentially the same as the current capacity²⁶.

On 8 September 2021, the World Nuclear Association released the latest edition of its biennial nuclear fuel cycle assessment and forecast²⁷. The industry trade association noted that “*world uranium production dropped considerably from 63,207 tonnes of uranium (tU) in 2016 to 47,731 tU in 2020. Unfavorable market conditions, compounded by the Covid-19 pandemic, led to a sharp decrease in investment in the development of new and existing mines.*” Looking to the future uranium needs of the anticipated increase in commercial nuclear power, the report states “*intense development of new projects will be needed in the current decade to avoid potential supply disruptions.*” Furthermore, “*there will have to be a doubling in the development pipeline for new projects by 2040. There are more than adequate project extensions, uranium resources and other projects in the pipeline*”

23 Cameo Press Release, “Cameco Restarting Cigar Lake Mine in April”, 9 April 2021 (www.cameco.com)

24 Cameco Quarterly Report- 2021 -Q2 (www.cameco.com)

25 Kazatomprom Press Release, “Kazatomprom Announces 2023 Production Plans, Ortalyk Transaction Update.”, 2 July 2021 (kazatomprom.com)

26 IAEA press release, “IAEA Increases Projections for Nuclear Power Use in 2050,” 16 September 2021

27 World Nuclear Association press release, “World Nuclear Association launches The Nuclear Fuel Report 2021” (8 September 2021)

*to accomplish this need, but it is essential for the market to send the signals needed to launch the development of these projects.”*²⁸

Uranium Market Outlook

The Nuclear Energy Institute (NEI) convened the annual International Uranium Fuel Seminar from 7-9 November 2021. This was the first industry in-person conference in 22 months, and the principal focus was the current and future global uranium market.

Jonathan Hinze, President of UxC, LLC, provided the group’s observations on the direction of the uranium market. Annual spot market volumes averaged 54.5 million lb during the period 2010-2019, but over the past two years (2020-2021), that yearly transactional volume had risen to 90.5 million lb as the global market entered “the 2nd Era of Financials” (the “1st Era of financials having taken place in 2005-2009). Investor interest in uranium appears to be at its highest levels ever, with SPUT being a leading market factor. Hinze observed “*High levels of secondary buying is leading to rapid price swings, greater market unpredictability, and accelerated market rebalancing as inventories are removed,*” and concluded, “*SPUT and other investor activity will fundamentally change the uranium market in ways we are yet to fully appreciate.*”²⁹

In Yellow Cake’s opinion, the future market trend will continue to be characterised by an upward price trendline, with periods of price volatility. Uranium prices at or above USD50.00/lb can be reasonably expected, certainly as the industry enters the 2022 calendar year. Furthermore, long-term uranium contracting, especially by nuclear utilities located in the United States, can also be anticipated.

Andre Liebenberg

Chief Executive Officer

²⁸ World Nuclear Association, “The Nuclear Fuel Report – 2021 Edition,” 8 September 2021

²⁹ UxC Daily Spot Price Reporting in Response to an Evolving Market,” NEI IUFS, 9 November 2021

Chief Financial Officer's Report

It is my pleasure to report a number of highlights for the half-year:

- Increase in the value of the Company's uranium holding by 97% from USD302.1 million to USD595.8 million, as a result of the appreciation in the uranium price and a net increase in the volume of uranium held.
- Increase in the Company's holdings from 9.86 million lb of U₃O₈ to 13.86 million lb of U₃O₈.
- During the half-year, USD117.8 million of the proceeds of the March and June placings were applied to complete the purchase of a net 4.0 million lb of U₃O₈ at an average price of USD29.45/lb, and USD64.5 million of the proceeds of the placings were utilised to purchase of a further 2.0 million lb of U₃O₈ from Kazatomprom at price of USD32.23/lb.
- Profit after tax of USD169.1 million (30 September 2020: USD21.7 million).

Yellow Cake completed an oversubscribed share placing and retail offer in June 2021, raising gross proceeds of approximately GBP62.5 million (USD86.9 million). This followed an upsized share placing and retail offer in March 2021, raising gross proceeds of approximately GBP99.3 million (USD138.5 million).

During the half-year, the proceeds from the March and June placings were applied to fully exercise the Company's 2021 option to purchase USD100 million of U₃O₈ from Kazatomprom under the Framework Agreement, and an additional 2.5 million lb of U₃O₈ from Kazatomprom and the spot market, securing net additional purchases of 6.0 million lb of U₃O₈ and funding related expenses and working capital.

Subsequent to the period-end, the Company successfully completed an oversubscribed share placing in October 2021, raising gross proceeds of approximately GBP109.2 million (USD149.7 million). The Company has applied part of the proceeds of the October Placing to the purchase of 2.0 million lb of U₃O₈ from Curzon and expects to purchase a further 0.95 million lb of U₃O₈ from Kazatomprom for delivery in June 2022, subject to contract.

In November 2021, after the period-end, the Company agreed the arrangements for the exercise of Kazatomprom's Repurchase Option and the Company's Buyback Option under the Framework Agreement. Kazatomprom exercised its Repurchase Option at a price of USD43.25/lb less an aggregate discount of USD6.6 million, and Kazatomprom took delivery of 2,022,846 lb of U₃O₈ from Yellow Cake on 22 November 2021. Yellow Cake exercised its Buyback Option for the same quantity at a price of USD43.25/lb, and is expecting to take delivery of the 2,022,846 lb of U₃O₈ from Kazatomprom between March 2022 and April 2022. The net impact of these transactions is expected to be a pay-out by the Company to Kazatomprom of USD6.6 million.

The above transactions, when completed, are expected to bring Yellow Cake's holdings of U₃O₈ to 18.8 million lb.

Uranium transactions

- Yellow Cake began the period with a holding of 9.86 million lb of U₃O₈ and took delivery of an additional net 4.0 million lb of U₃O₈ to end the half-year with a total holding of 13.86 million lb of U₃O₈.
- On 3 March 2021, Yellow Cake exercised its option under the Framework Agreement with Kazatomprom to acquire a further 3.45 million lb of U₃O₈ for an aggregate cash consideration of USD100.0 million. The Kazatomprom purchase completed during the half-year and the Company took delivery of the uranium on 21 June 2021.
- As part of the subscription agreement entered into at the time of the Company's IPO in July 2018, the Company granted Uranium Royalty Corp. an option to acquire between USD2.5 million and USD10.0 million worth of U₃O₈ per year in each of the nine calendar years commencing on 1 January 2019, up to a maximum aggregate amount over such nine-year period of USD31.25 million worth of U₃O₈. On 30 March 2021, Yellow

Cake accepted Uranium Royalty Corp's option exercise notice to purchase 348,068 lb of U₃O₈ from Yellow Cake at USD28.73/lb for an aggregate consideration of USD10.0 million. The sale to Uranium Royalty Corp. completed on 28 April 2021. For illustrative purposes, the Company realised a gain of USD2.7 million on the disposal using a first in first out methodology.

- On 20 May 2021, Yellow Cake completed the purchase of 343,053 lb of U₃O₈ in the spot market at a price of USD29.15/lb for total consideration of USD10.0 million.
- In July 2021, the Company concluded agreements to purchase a further 550,000 lb of U₃O₈ in the spot market at an average price of USD32.35/lb for a total consideration of USD17.8 million and took delivery of this uranium between July and August 2021.
- The Company concluded an agreement with Kazatomprom to purchase a further 2.0 million lb of U₃O₈ for delivery between October and December 2021 at a price of USD32.23/lb for a total consideration of USD64.5 million.

Uranium-related profit

- Yellow Cake made a total uranium-related profit of USD172.8 million in the half-year to 30 September 2021 (30 September 2020: USD23.5 million). This comprised an increase in the fair value of the Company's uranium investment of USD175.9 million (30 September 2020: USD23.5 million) and location swap fees of USD0.1 million (30 September 2020: USD0.4 million). These gains were partially offset by an increase in the fair value of a uranium derivative liability related to the Kazatomprom repurchase option of USD3.2 million (30 September 2020: USD0.6 million) (detailed in note 5 of this report).

Operating performance

- Yellow Cake delivered profit after tax for the half-year of USD169.1 million (30 September 2020: USD21.7 million).
- Expenses for the half-year were USD3.4 million (September 2020: USD1.7 million) recognised in the Statement of Comprehensive Income and included the following costs:
 - USD0.1 million in costs related to Yellow Cake's June share placing (30 September 2020: nil).
 - USD1.2 million in commissions payable to 308 Services Limited in relation to the purchase by Yellow Cake of U₃O₈ (30 September 2020: USD0.1 million).
 - The remaining expenses were of a recurring nature and amounted to USD2.1 million (30 September 2020: USD1.6 million).
- Operating expenses of a recurring nature of USD2.1 million represent approximately 0.3% of the Company's net asset value as at 30 September or 0.6% on an annualised basis (30 September 2020: 0.6% or 1.1% on an annualised basis).

Share placings

- On 21 June 2021, the Company issued 23,947,009 new ordinary shares to existing and new institutional investors and 1,052,991 new ordinary shares to retail investors, at a price of GBP2.50 per share, equal to a 1% premium to the Company's estimated net asset value at the date of the offering. The Company raised net proceeds of GBP60.6 million (USD equivalent: 84.0 million net of costs of USD2.9 million).
- On 29 October 2021, after the period-end, the Company issued a total of 30,000,000 new ordinary shares to existing and new institutional investors, at a price of GBP3.64 per share, equal to a 1% premium to the Company's estimated net asset value per share at the date of the offering. The Company raised net proceeds of GBP106.0 million (USD equivalent: 145.7 million net of costs of USD4.0 million).

Balance sheet and cash flow

- The value of Yellow Cake's investment in U₃O₈ increased by 97% during the half-year from USD302.1 million as at 31 March 2021 to USD595.8 million as at 30 September 2021, as a result of the appreciation in the uranium price and a net increase in the volume of uranium held.
- At the beginning of the period, Yellow Cake had cash and cash equivalents of USD126.2 million, largely from the then-unutilised net proceeds of the March share placing and retail offer of USD134.4 million. The Company raised a further USD84.0 million during the half-year in the June placing. During the half-year, the Company applied USD117.8 million to completing net purchases of 4.4 million lb of U₃O₈.
- As at 30 September 2021, Yellow Cake had cash and cash equivalents of USD87.3 million (30 September 2020 USD6.4 million) of which USD64.5 million was earmarked to finance the purchase of 2.0 million lb of U₃O₈ from Kazatomprom later in 2021.
- The Company does not propose to declare a dividend for the period.

Net Asset Value

Yellow Cake's net asset value on 30 September 2021 was GBP3.26 per share or USD675.2 million, comprising 13.86 million lb of U₃O₈ valued at a spot price of USD43.00/lb³⁰, a uranium derivative liability of USD6.6 million³¹, and cash and other current assets and liabilities of USD85.9 million as at 30 September 2021.

Yellow Cake Net Asset Value as at 30 September 2021			
		Units	
Investment in Uranium			
Uranium oxide in concentrates ("U ₃ O ₈ ")	(A)	lb	13,855,601
U ₃ O ₈ fair value per pound ⁽³⁰⁾	(B)	US\$/lb	43.00
U ₃ O ₈ fair value	(A) x (B) = (C)	US\$ m	595.8
Uranium derivative liability ⁽³¹⁾	(D)	US\$ m	(6.6)
Cash and other net current assets/(liabilities)	(E)	US\$ m	85.9
Net asset value in US\$ m	(C) + (D) + (E) = (F)	US\$ m	675.2
Exchange Rate ⁽³²⁾	(G)	US\$/GBP	1.3484
Net asset value in £ m	(F) / (G) = (H)	£ m	500.7
Number of shares in issue less shares held in treasury ⁽³³⁾	(I)		153,671,232
Net asset value per share	(H) / (I)	£/share	3.26

³⁰ Daily spot price published by UxC, LLC on 30 September 2021

³¹ Expected pay-out by the Company to Kazatomprom following the exercise of the Repurchase Option and Buyback Option, as described in note 5 of the financial statements

³² Bank of England's daily USD/GBP exchange rate of 1.3484 on 30 September 2021

³³ Net asset value per share on 30 September 2021 is calculated assuming 157,740,730 ordinary shares in issue less 4,069,498 shares held in treasury

Estimated proforma net asset value on 7 December 2021 was GBP3.55 per share or USD864.3 million, assuming 18.81 million lb of U₃O₈³⁴ valued at a spot price of USD44.75/lb³⁵, a uranium derivative liability of USD6.6 million³⁶ and cash and other current assets and liabilities of USD85.9 million as at 30 September 2021, plus net proceeds from the October Placing of USD145.7 million less an estimated USD202.3 million applied, or to be applied, to uranium purchases.

Yellow Cake Estimated Proforma Net Asset Value as at 7 December 2021			
		Units	
Investment in Uranium			
Uranium oxide in concentrates ("U ₃ O ₈ ") ⁽³⁴⁾	(A)	lb	18,805,601
U ₃ O ₈ fair value per pound ⁽³⁵⁾	(B)	US\$/lb	44.75
U ₃ O ₈ fair value	(A) x (B) = (C)	US\$ m	841.6
Uranium derivative liability ⁽³⁶⁾	(D)	US\$ m	(6.6)
Cash and other net current assets/(liabilities) ⁽³⁷⁾	(E)	US\$ m	29.3
Net asset value in US\$ m	(C) + (D) + (E) = (F)	US\$ m	864.3
Exchange Rate	(G)	US\$/GBP	1.3244
Net asset value in £ m	(F) / (G) = (H)	£ m	652.6
Number of shares in issue less shares held in treasury ⁽³⁸⁾	(I)		183,671,232
Net asset value per share	(H) / (I)	£/share	3.55

Carole Whittall
Chief Financial Officer

34 Comprises 13.9 million lb of U₃O₈ held on 30 September 2021, plus 2.0 million lb of U₃O₈ purchased from Curzon and delivered in November 2021, plus 2.0 million lb of U₃O₈ purchased from Kazatomprom and delivered on 4 December 2021, plus 0.95 million lb of U₃O₈ to be purchased from Kazatomprom, subject to contract, for delivery in June 2022

35 Daily spot price published by UxC, LLC on 7 December 2021

36 Expected pay-out by the Company to Kazatomprom following the exercise of the Repurchase Option and Buyback Option, as described in note 5 of the financial statements

37 Includes cash and other current assets and liabilities of US\$85.9 million as at 30 September 2021, plus net October Placing proceeds of USD145.7, less a cash consideration of USD92.6 million paid to Curzon in respect of 2.0 million lb of U₃O₈ delivered in November 2021, less a cash consideration of USD64.5 m paid to Kazatomprom in respect of 2.0 million lb of U₃O₈ delivered on 4 December 2021, less a cash consideration of USD45.2 m to be paid to Kazatomprom (subject to contract) in respect of 0.95 million lb of U₃O₈ to be delivered in 2022

38 Net asset value per share on 7 December 2021 is calculated assuming 157,740,730 ordinary shares in issue, including 30,000,000 shares issued on 29 October 2021, less 4,069,498 shares held in treasury

Independent Review Report to Yellow Cake Plc

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2021, which comprises the Condensed Statement of Financial Position, the Condensed Statement of Comprehensive Income, the Condensed Statement of Changes in Equity, the Condensed Statement of Cash Flows and the related explanatory notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' Responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing and presenting the half-yearly financial report in accordance with the AIM Rules for Companies.

As disclosed in note 2, the annual financial statements of the Company will be prepared in accordance with UK-adopted International Accounting Standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as contained in UK-adopted International Accounting Standards.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2021 is not prepared, in all material respects, in accordance with International Accounting Standard 34, "Interim Financial Reporting" as contained in UK-adopted International Accounting Standards, and the AIM Rules for Companies.

Use of our report

This report is made solely to the Company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 “Review of Interim Financial Information performed by the Independent Auditor of the Entity” issued by the Auditing Practices Board. Our review work has been undertaken so that we might state to the Company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

RSM UK Audit LLP
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

Date: 8 December 2021

Condensed Statement of Financial Position

	Notes	As at 30 September 2021 (unaudited) USD '000	As at 31 March 2021 (audited) USD '000
ASSETS:			
<u>Non-current assets</u>			
Investment in uranium	3	595,791	302,098
Total non-current assets		595,791	302,098
<u>Current assets</u>			
Cash and cash equivalents	4	87,302	126,159
Trade and other receivables		169	119
Total current assets		87,471	126,278
Total assets		683,262	428,376
LIABILITIES:			
<u>Current liabilities</u>			
Trade and other payables		(1,549)	(3,621)
Uranium derivative liability	5	(6,554)	(3,361)
Total current liabilities		(8,103)	(6,982)
Total liabilities		(8,103)	(6,982)
NET ASSETS		675,159	421,394
<u>Equity</u>			
<i>Attributable to the equity owners of the Company</i>			
Share capital	6	2,133	1,785
Share premium	6	442,913	358,812
Share based payment reserve	7	106	141
Treasury shares	8	(11,219)	(11,458)
Retained earnings		241,226	72,114
TOTAL EQUITY		675,159	421,394

Condensed Statement of Comprehensive Income

		1 April 2021 to 30 September 2021 (unaudited) USD '000	1 April 2020 to 30 September 2020 (unaudited) USD '000
	<i>Notes</i>		
Uranium related profit			
Fair value movement of investment in uranium	3	175,892	23,453
Uranium swap income	3	100	409
Premium to spot price on disposal of uranium	3	10	180
Fair value movement of uranium derivative liability	5	(3,193)	(561)
Total uranium related profit		172,809	23,481
Expenses			
Share based payments	7	(204)	(46)
Commission on uranium transactions	9	(1,188)	(132)
Procurement and market consultancy fees	9	(777)	(597)
Other operating expenses		(1,116)	(940)
Equity offering expenses		(149)	-
Total expenses		(3,434)	(1,715)
Bank interest income		11	-
Loss on foreign exchange		(274)	(42)
Profit before tax attributable to the equity owners of the Company		169,112	21,724
Tax expense		-	-
Profit and total comprehensive income for the period after tax attributable to the equity owners of the Company		169,112	21,724
<i>Basic earnings per share attributable to the equity owners of the Company (USD)</i>	11	1.19	0.25
<i>Diluted earnings per share attributable to the equity owners of the Company (USD)</i>	11	1.18	0.25

Condensed Statement of Changes in Equity

Attributable to the equity owners of the Company

	Notes	Share capital USD '000	Share premium USD '000	Share based payment reserve USD'000	Treasury Shares USD'000	Retained earnings USD '000	Total equity USD '000
As at 31 March 2020 (audited)		1,164	224,437	2	(726)	42,203	267,080
Total comprehensive income after tax for the period		-	-	-	-	21,724	21,724
Transactions with owners:							
Share based payments	6	-	-	46	-	-	46
Purchase of own shares	8	-	-	-	(9,698)	-	(9,698)
As at 30 September 2020 (unaudited)		1,164	224,437	48	(10,424)	63,927	279,152
As at 31 March 2021 (audited)		1,785	358,812	141	(11,458)	72,114	421,394
Total comprehensive income after tax for the period		-	-	-	-	169,112	169,112
Transactions with owners:							
Shares issued	6	348	86,558	-	-	-	86,906
Share issue costs	6	-	(2,457)	-	-	-	(2,457)
Share based payments	7	-	-	204	-	-	204
Exercise of bonus options	8	-	-	(239)	239	-	-
As at 30 September 2021 (unaudited)		2,133	442,913	106	(11,219)	241,226	675,159

Condensed Statement of Cash Flows

		1 April 2021 to 30 September 2021 (unaudited) USD '000	1 April 2020 to 30 September 2020 (unaudited) USD '000
	<i>Notes</i>		
Cash flows from operating activities			
Profit for the financial period		169,112	21,724
<i>Adjustments for:</i>			
Change in fair value of investment in uranium	3	(175,892)	(23,453)
Change in fair value of uranium derivative liability	5	3,193	561
Premium to spot price on disposal of uranium	3	(10)	(180)
Share based payments	7	204	46
Loss on foreign exchange		273	42
Interest income		(11)	-
Operating cash flows before changes in working capital		(3,131)	(1,260)
<i>Changes in working capital:</i>			
Increase in trade and other receivables		(52)	(81)
Increase in trade and other payables		(2,070)	304
Increase in deferred contract income	3	-	736
Interest received		11	-
Net cash flows used in operating activities		(5,242)	(300)
Cash flows from investing activities			
Purchase of uranium	3	(127,791)	-
Proceeds of sale of uranium during the period	3	10,000	9,960
Net cash (used in)/generated from investing activities		(117,791)	9,960
Cash flows from financing activities			
Proceeds from issue of shares	6	86,906	-
Issue costs paid	6	(2,457)	-
Proceeds from bonus issue		1	-
Share buyback programme		-	(9,698)
Net cash generated/(used in) financing activities		84,450	(9,698)
Net decrease in cash and cash equivalents during the period		(38,583)	(39)
Cash and cash equivalents at the beginning of the period		126,159	6,481
Effect of exchange rate changes		(274)	(35)
Cash and cash equivalents at the end of the period		87,302	6,407

Notes to the Condensed Interim Financial Statements

For the period from 1 April 2021 to 30 September 2021

1. General information

Yellow Cake plc (the “**Company**”) was incorporated in Jersey, Channel Islands on 18 January 2018. The address of the registered office is Liberation House, Castle Street, St Helier, Jersey, JE1 2LH.

The Company operates in the uranium sector and was created to purchase and hold U₃O₈. The strategy of the Company is to invest in long-term holdings of U₃O₈ and not to actively speculate with regards to short-term changes in the price of U₃O₈.

The Company was admitted to list on the London Stock Exchange AIM market (“**AIM**”) on 5 July 2018.

2. Summary of significant accounting policies

Basis of preparation

The unaudited condensed interim financial statements for the six months ended 30 September 2021 have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” as contained in UK-adopted International Accounting Standards. This report should be read in conjunction with the Company’s annual financial statements for the period ended 31 March 2021, available on the Company’s website (www.yellowcakeplc.com), which were prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006. The audited financial information for the year ended 31 March 2021 is based on the statutory accounts for the financial year ended 31 March 2021. The auditors reported on those accounts: their report was unqualified and did not contain statements where the auditor is required to report by exception.

The accounting policies adopted and methods of computation followed in the condensed interim financial statements are consistent with those applied in the preparation of the Company’s annual financial statements for the year ended 31 March 2021 and are expected to be applied to the Company’s annual financial statements for the year ending 31 March 2022.

The unaudited condensed interim financial statements do not constitute statutory accounts within the meaning of Section 105 of the Companies (Jersey) Law 1991.

New and revised standards

At the date of approval of these condensed interim financial statements, there are no new or revised standards that are in issue but not yet effective and are relevant to the financial statements of the Company.

Going concern

The Directors, having considered the Company’s objectives and available resources along with its projected income and expenditure for at least 12 months from the date of approval of the condensed interim financial statements, are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors have adopted the going concern basis in preparing these condensed interim financial statements.

The Board continues to monitor the ongoing impact of the COVID-19 pandemic on Yellow Cake's activities, the uranium industry and the world economy. The Company's operations were not significantly affected during the first and second waves of the pandemic as the Company has no physical operations and the executive team was already home-based. The business continuity plans implemented at the Company's key business partners have to date been effective in enabling them to continue to provide all key support services that were provided to the Company prior to the pandemic outbreak. To date, Yellow Cake's suppliers and other counterparties have been able to meet their obligations to the Company.

As at 30 September 2021, Yellow Cake had sufficient cash balances to meet approximately three years of working capital requirements, after taking into account the following:

- On 29 October 2021, the Company issued 30,000,000 new Ordinary Shares at a price of GBP3.64 per share, raising GBP109.2 million (approx. USD149.7 million). The Company intends to use the proceeds of the placing to fund approximately 3.0 million lb of U₃O₈ purchases, as well as for general purposes and to fund working capital; and
- Committed transactions that completed or are expected to complete after the period end, including the purchase 2.0 million lb of U₃O₈ from Kazatomprom for a total consideration of USD64.5 million, to which the Company took title on 4 December, and the Kazatomprom option transactions described in note 5.

The Company aims to retain approximately three years of working capital requirements following an equity issuance. The Company has no debt or hedge liabilities on its balance sheet. In the absence of other sources of capital, the Company can reasonably be expected to realise a portion of its investment in uranium to raise working capital if required.

Critical accounting judgements and estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The resulting accounting estimates will, by definition, seldom equate to the related actual results.

Accounting estimates

The key accounting estimates in prior periods were the assumptions made in valuing the uranium derivative liability. As at 30 September 2021, the option in favour of Kazatomprom was exercisable although not yet exercised. Refer to note 5 that contains details of the derivative liability and the exercise by Kazatomprom of the option on 22 November 2021.

Judgements

The Directors have considered the tax implications of the Company's operations and have reached judgement that no tax liability has arisen during the period which is consistent with the external advice received.

3. Investment in uranium

	Fair Value USD '000
As at 31 March 2020 (audited)	263,489
Change in fair value	23,453
Sale of U ₃ O ₈	(9,780)
As at 30 September 2020 (unaudited)	277,162
Acquisition of U ₃ O ₈	15,024
Change in fair value	9,912
As at 31 March 2021 (audited)	302,098
Acquisition of U ₃ O ₈	127,791
Change in fair value	175,892
Sale of U ₃ O ₈	(9,990)
As at 30 September 2021 (unaudited)	595,791

The value of the Company's investment in U₃O₈ is based on the daily spot price for U₃O₈ of USD43.00/lb as published by UxC LLC on 30 September 2021 (31 March 2021: USD30.65/lb).

The value of the Company's investment in U₃O₈ in prior periods was based on the month-end spot price for U₃O₈ which was published by UxC LLC on the last Monday of each calendar month. With increasing liquidity in the uranium spot market and greater availability of daily pricing data, UxC LLC has commenced the publication of a daily U₃O₈ spot price, which the Company believes more accurately represents the period end market price of the Company's uranium investment.

As at 30 September 2021, the Company:

- Had purchased a total of 14,503,669 lb of U₃O₈ at an average price of USD24.23/lb;
- Had disposed of 648,068 lb of U₃O₈ at an average price of USD30.80/lb that had been acquired at an average price of USD21.01/lb assuming a first in first out methodology; and
- Held a total of 13,855,601 lb of U₃O₈ at an average price of USD24.38/lb for a net total cash consideration of USD337,763,174, assuming a first in first out methodology.

Acquisition of uranium

The Company completed the following purchase transactions during the period:

- On 20 May 2021, the Company purchased 343,053 lb of U₃O₈ in the spot market for a cash consideration of USD9,999,995.
- On 21 June 2021, the Company purchased 3,454,231 lb of U₃O₈ from Kazatomprom for a cash consideration of USD99,999,987, following the exercise of the 2021 option under the Kazatomprom Framework Agreement.
- On 21 July 2021, the Company purchased 250,000 lb of U₃O₈ in the spot market for a cash consideration of USD8,097,500.

- On 27 July 2021, the Company purchased 100,000 lb of U₃O₈ in the spot market for a cash consideration of USD3,237,000.
- On 3 August 2021, the Company purchased 200,000 lb of U₃O₈ in the spot market for a cash consideration of USD6,456,000.

Location swaps

Since May 2018, Yellow Cake has held an account with Cameco Corporation (“**Cameco**”) for the storage of uranium owned by the Company at Cameco’s facilities at Blind River and Port Hope, Ontario in Canada.

On 15 November 2019, the Company entered into an agreement with Orano Cycle (“**Orano**”) to open a holding account for the storage of uranium owned by the Company at Orano’s conversion facility at the Malvesi and Tricastin sites in France.

The Company entered into the following two location swap transactions:

- 1) On 3 April 2020, a location swap agreement was entered into to exchange 100,000 lb of U₃O₈, earning an exchange fee of USD20,000. On 20 April 2020, the Company transferred 100,000 lb of U₃O₈ from the Cameco facility to the Orano facility in satisfaction of its obligations under this location swap agreement.
- 2) On 24 July 2020, a series of location swap agreements were entered into to exchange 500,000 lb U₃O₈ located at Cameco’s storage facility in Canada for an equal volume of U₃O₈ located at Orano’s storage facility in France for a period of six months. At the end of the term, the U₃O₈ was swapped back to its original location. In consideration, Yellow Cake received proceeds of USD1.0 million, net of costs and commissions (gross proceeds of USD1,125,000). As a consequence of the swap reversal transaction, the income was recognised over the 6-month life of the location swap agreement.

The date of the reverse location swap date was extended by four months. This location swap was reversed in May 2021 and the Company received the same volume of uranium in Canada in exchange for uranium held in France. In consideration for the extension of the reverse swap transaction, the Company received an additional fee of USD90,000 net of costs and commissions (gross proceeds of USD100,000).

Sale of uranium

On 30 March 2021, the Company accepted Uranium Royalty Corp’s option exercise notice to purchase 348,068 lb of U₃O₈ from the Company at a price of USD28.73/lb for a total consideration of USD10,000,000. The transaction completed on 28 April 2021. In respect of the above disposal, a premium of USD0.03/lb to the prevailing 28 April 2021 daily spot price of USD28.70/lb (as published by UxC, LLC), or USD10,442, has been recognised in the condensed statement of comprehensive income. This premium represents the cumulative disposal proceeds of USD10,000,000 less the carrying value at the date of disposal of USD9,989,558, being the premium to the spot price (and therefore to the carrying value) that was realised on disposal.

For illustrative purposes, the above sale of uranium resulted in an effective “realised gain” of USD2,687,091, being the total sales proceeds of USD10,000,000 less the “acquisition cost” of USD7,312,909, where the “acquisition cost” is estimated by applying a “first in first out” methodology to the cost of all uranium purchases made by the Company.

The following table provides a summary of the Company's investment in U₃O₈ as at 30 September 2021:

Location	Quantity <i>lb</i>	Fair Value <i>USD '000</i>
Canada	13,555,601	582,891
France	300,000	12,900
Total as at 30 September 2021	13,855,601	595,791

As at 30 March 2021:

Location	Quantity <i>lb</i>	Fair Value <i>USD '000</i>
Canada	9,256,385	283,708
France	600,000	18,390
Total as at 31 March 2021	9,856,385	302,098

4. Cash and cash equivalents

Cash and cash equivalents as at 30 September 2021 were banked with Citi Bank Europe plc in a variable interest account with full access. Balances at the end of the period were USD87,020,036 and GBP209,386, a total of USD87,302,371 equivalent (31 March 2021: USD125,685,404 and GBP337,918, a total of USD126,159,065 equivalent).

5. Uranium derivative liability

As part of the initial purchase on 5 July 2018 of 8,091,385 lb of U₃O₈ from Kazatomprom under a ten-year Framework Agreement with Kazatomprom, the Company benefited from a purchase price which was 2.5% below the spot price, resulting in the Company receiving an aggregate discount of approximately USD4.3 million. In exchange for this discount, the Company provided to Kazatomprom an option to repurchase up to 25% of the Initial Purchase volume of 8,091,385 lb U₃O₈ at the prevailing uranium spot price less an aggregate discount of approximately USD6.55 million (the "**Repurchase Option**"). The Repurchase Option could only be exercised if the U₃O₈ spot price exceeded USD37.50 /lb for a period of 14 consecutive days (the "**Pricing Condition**"), starting three years from 5 July 2018 and expiring on 30 June 2027 and was exercisable within 60 days of the Pricing Condition being met. The Company had a corresponding option (the "**Buyback Option**") to purchase from Kazatomprom all or a portion of the volume repurchased by Kazatomprom under the Repurchase Option at the prevailing spot price.

The Pricing Condition was met in September 2021 and the following transactions were agreed post period-end in satisfaction of Repurchase Option and Buyback Option rights and obligations:

- Purchase by Kazatomprom from Yellow Cake of 2,022,846 lb of U₃O₈ at USD43.25/lb, less an aggregate discount of USD6.55 million, for delivery on or before 20 November 2021; and
- Repurchase by Yellow Cake from Kazatomprom of the 2,022,846 of U₃O₈ at USD43.25/lb, for delivery between March and April 2022.

The fair value of the Repurchase Option granted to Kazatomprom has been determined at USD6.55 million as at 30 September 2021 (31 March 2021: USD3,361,000), being the expected option payoff at that date, when the option was in the money but unexercised. In prior periods, the fair value of the Repurchase Option was determined based on the expected option payoff using a Monte Carlo simulation produced by an independent financial valuer.

6. Share capital

Authorised:

10,000,000,000 ordinary shares of GBP0.01

Issued and fully paid:

Ordinary shares

	<i>Number</i>	<i>GBP '000</i>	<i>USD '000</i>
Share capital as at 31 March 2020 (audited)	88,215,716	882	1,164
Share capital as at 30 September 2020 (unaudited)	88,215,716	882	1,164
Issued 2 March 2021	44,525,014	445	621
Share capital as at 31 March 2021 (audited)	132,740,730	1,327	1,785
Issued 21 June 2021	25,000,000	250	348
Share capital as at 30 September 2021 (unaudited)	157,740,730	1,577	2,133

The number of shares on issue above includes the 4,069,498 Treasury shares – refer to Note 8.

Share premium

	<i>GBP '000</i>	<i>USD '000</i>
Share premium as at 31 March 2020 (audited)	169,956	224,437
Share premium as at 30 September 2020 (unaudited)	169,956	224,437
Proceeds of issue of shares	98,846	137,879
Share issue costs	(2,512)	(3,504)
Share premium as at 31 March 2021 (audited)	266,290	358,812
Proceeds of issue of shares	62,250	86,558
Share issue costs	(1,771)	(2,457)
Share premium as at 30 September 2021 (unaudited)	326,769	442,913

The Company has one class of shares which carry no right to fixed income.

7. Share-based payments

The Company implemented an equity-settled share-based compensation plan in 2019 which provides for the award of long-term incentives and an annual bonus to management personnel.

During the period, USD204,000 was recognised in the statement of comprehensive income, in relation to share-based payments (30 September 2020: USD46,000).

8. Treasury shares

	<i>Number</i>	<i>GBP'000</i>	<i>USD'000</i>
Treasury shares as at 31 March 2020 (audited)	309,788	565	726
Purchased in the period	3,443,597	7,504	9,698
Treasury shares as 30 September 2020 (unaudited)	3,753,385	8,069	10,424
Purchased in the period	403,000	797	1,034
Treasury shares as 31 March 2021 (audited)	4,156,385	8,866	11,458
Exercise of bonus options	(86,887)	(185)	(239)
Treasury shares as at 30 September 2021 (unaudited)	4,069,498	8,681	11,219

During the period, options granted to executive management were exercised on 26 July 2021 and settled with 86,887 shares held in treasury. The reduction in the value of treasury shares resulting from the exercise of bonus options has been calculated based on the weighted average acquisition cost of the treasury shares.

9. Commission, procurement and consultancy fees

308 Services Limited (“**308 Services**”) provides procurement services to the Company relating to the sourcing of U₃O₈ and other uranium transactions and in securing competitively priced converter storage services.

In terms of the agreement entered into between the Company and 308 Services on 30 May 2018, 308 Services is entitled to receive (i) a Holding Fee comprised of a Fixed Fee of USD275,000 per calendar year plus a Variable Fee equal to 0.275% per annum of the amount by which the value of the Company’s holdings of U₃O₈ exceeds USD100 million and (ii) an Annual Storage Incentive Fee equal to 33% of the difference between the amount obtained by multiplying the Target Storage Cost (initially set at USD0.12 /lb per year) by the volume of U₃O₈ (in pounds) owned by the Company on 31 December of each respective year and the total converter storage fees paid by the Company in the preceding calendar year.

The Company considers Holding Fees and Storage Incentive Fees to be costs of an ongoing nature. During the period, the Company paid Holding Fees and Storage Incentive Fees of USD776,828 (30 September 2020: USD597,158) to 308 Services.

308 Services is also entitled to receive commissions equivalent to 0.5% of the transaction value in respect of uranium sale and purchase transactions completed at the request of the Yellow Cake Board.

In addition, if the purchase price paid by the Company in respect of such a purchase transaction is in the lowest quartile of the range of reported uranium spot prices in the calendar year in which the transaction completed,

308 Services is entitled to receive, at the beginning of the following calendar year, an additional commission of 0.5% of the value of the uranium transacted. If the purchase price paid by the Company in respect of such a purchase transaction is in the second lowest quartile of the range of reported uranium spot prices in the calendar year in which the transaction completed, 308 Services is entitled to receive, at the beginning of the following calendar year, an additional commission of 0.25% of the value of the uranium transacted. If the purchase price is in the top half of the range for the calendar year in which the transaction completed, no additional commission will be payable to 308 Services.

Based on broker and industry expert uranium price forecasts and the Company's own views, the Company considers it reasonably likely that the purchase prices paid by the Company during the period will be in the lowest quartile of the range of reported uranium spot prices in the 2021 calendar year. The Company has therefore elected to include a provisional commission of USD558,953 within these financial statements in respect of the uranium purchase transactions completed by the Company during the period equal to 0.5% of the value transacted.

During the period, commissions and provisional commissions payable to 308 Services totalled USD1,187,906 (30 September 2020: USD132,050).

10. Related party transactions

During the period, the Company incurred USD88,071 (30 September 2020: USD91,040) of administration fees payable to Langham Hall Fund Management (Jersey) Limited ("**Langham Hall**"). Emily Manning is an employee of Langham Hall and has served as a Non-Executive Director of the Company since 31 March 2021, for which she has received no Directors' fees. As at 30 September 2021, there were no amounts due to Langham Hall (31 March 2020: USD nil).

The key management personnel are the directors and as there are no other employees, their remuneration in the period was USD570,458 (30 September 2020:USD324,525).

The following Directors own ordinary shares in the Company:

Name	Number of ordinary shares	% of share capital*
The Lord St John of Bletso**	26,302	0.02%
Sofia Bianchi	13,186	0.01%
The Hon Alexander Downer	29,925	0.02%
Emily Manning	-	0.00%
Alan Rule	18,837	0.01%
Andre Liebenberg	121,478	0.08%
Carole Whittall	49,918	0.03%
Total	259,646	0.17%

* As at 30 September 2021

** The Lord St John of Bletso's shares are held through African Business Solutions Limited, in which he holds 100% of the Ordinary Shares.

While the Non-Executive Directors hold shares in the Company, the holdings are considered sufficiently small so as not to impinge on their independence.

11. Earnings per share

	1 April 2021 to 30 September 2021 (unaudited) USD '000	1 April 2020 to 30 September 2020 (unaudited) USD '000
Profit for the period (USD '000)	169,112	21,724
Weighted average number of shares during the period - Basic*	142,491,867	86,855,567
Weighted average number of shares during the period - Diluted*	142,784,802	86,975,157
Earnings per share attributable to the equity owners of the Company (USD):		
Basic	1.19	0.25
Diluted	1.18	0.25

*The weighted average number of shares excludes treasury shares.

12. Events after the period end

The Company concluded an agreement with Kazatomprom on 25 August 2021 to purchase 2.0 million lb of U₃O₈ at a price of USD32.23/lb for a total consideration of USD64.5 million. This transaction completed after the period end and the Company took title to the uranium on 4 December 2021.

On 29 October 2021 the Company successfully placed 30,000,000 new Ordinary Shares at a price of GBP3.64 per share, raising GBP109.2 million (approx. USD149.7 million).

The Company applied part of the proceeds of the October Placing to fund purchases of physical uranium of 2.0 million lb of U₃O₈ from Curzon Uranium Limited ("**Curzon**") at a price of USD46.32/lb, and took title to this uranium in November 2021.

The Company intends to use part of the remaining proceeds of the October Placing to fund the purchase of 0.95 million lb of U₃O₈ from Kazatomprom, pursuant to Kazatomprom's offer of 26 October 2021 and subject to contract, at a price of USD47.58/lb, with delivery expected to take place by June 2022.

As set out in note 3, the Pricing Condition in respect of the Kazatomprom Repurchase Option was met and on 22 November 2021 the Company announced the following transactions in full satisfaction of the Repurchase Option:

- Purchase by Kazatomprom from Yellow Cake of 2,022,846 lb of U₃O₈ at USD43.25/lb, less an aggregate discount of USD6.55 million, for delivery on or before 20 November 2021; and
- Repurchase by Yellow Cake from Kazatomprom of the 2,022,846 of U₃O₈ at USD43.25/lb, for delivery between March and April 2022.

Post period-end uranium transactions

Transaction and delivery date	Quantity <i>lb</i>
As at 30 September 2021	13,855,601
Purchased from Curzon, completed November 2021	2,000,000
Exercise of Kazatomprom Repurchase Option, completed November 2021	(2,022,846)
Purchased from Kazatomprom, completed December 2021	2,000,000
Exercise of Buyback Option, expected March – April 2022	2,022,846
Purchase from Kazatomprom (subject to contract), expected June 2022	950,000
Total	18,805,601