



PURE EXPOSURE TO THE
URANIUM COMMODITY

INVESTOR PRESENTATION

Proactive Investor Presentation
December 2020

2020

Disclaimer

This presentation (the “Presentation”) is provided on a strictly private and confidential basis for information purposes only and does not constitute, and should not be construed as, an offer to sell or issue securities or otherwise constitute an invitation or inducement to any person to purchase, underwrite, subscribe for or otherwise acquire securities in Yellow Cake plc (the “Company”). By viewing this Presentation, you will be deemed to have agreed to the obligations and restrictions set out below.

The information contained in this Presentation is being made only to, and is only directed at, persons to whom such information may lawfully be communicated. This Presentation may not be (in whole or in part) reproduced, distributed, stored, introduced into a retrieval system of any nature or disclosed in any way to any other person without the prior written consent of the Company.

Without prejudice to the foregoing paragraph, this Presentation is being distributed only to, and is directed only at, persons who: (A) in the United Kingdom have professional experience in matters relating to investments who fall within the definition of “investment professionals” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, (the “Order”) or are high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts or other persons falling within Articles 49(2)(a)-(d) of the Order (and the contents of this Presentation have not been approved by an authorised person for the purposes of the Financial Services and Markets Act 2000) and who in each case are also Qualified Investors (as defined below); (B) in member states of the European Economic Area (“EEA”) are qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC), as amended (“Qualified Investors”); (C) are residents of Canada or otherwise subject to the securities

laws of Canada that are “permitted clients” as defined in National Instrument 31-103 – Registration Requirements, Exemptions and Ongoing Registrant Obligations; (D) in Australia, are sophisticated investors or professional investors as those terms are defined in sub-sections 708(8) and 708(11) of the Corporations Act; (E) in South Africa, are one or more of the persons or entities referred to in section 96(1) of the Companies Act; (F) in Hong Kong, are professional investors for the purposes of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); (G) in Singapore, are accredited investors or institutional investors as those terms are defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore or (H) are any other person to whom this Presentation may lawfully be provided and all such persons are “relevant persons”.

Any investment or investment activity to which this communication relates is only available to and will only be engaged in with such relevant persons and all other persons should not act on this Presentation or any of its contents. It is a condition of you receiving this Presentation that you are a person to whom the Presentation may lawfully be provided and by viewing this Presentation you warrant and represent to the Company that you are such a person.

No representations or warranties, express or implied are given in, or in respect of, this Presentation including the accuracy or completeness of the information herein and the information contained in this Presentation has not been independently verified. To the fullest extent permitted by law in no circumstances will the Company, 308 Services or any of their respective subsidiaries, shareholders, affiliates, representatives, partners, directors, officers, employees, advisers or agents be responsible or liable for any losses of any nature arising from the use of this Presentation, its contents, its omissions, reliance on the information contained within it, or

on opinions communicated in relation thereto or otherwise arising in connection therewith by any person. Recipients of this Presentation are not to construe its contents, or any prior or subsequent communications from or with the Company or its representatives as investment, legal or tax advice. In addition, this Presentation does not purport to be all-inclusive or to contain all of the information that may be required to make a full analysis of the Company. Recipients of this Presentation should each make their own evaluation of the Company and of the relevance and adequacy of the information and should make such other investigations as they deem necessary.

This Presentation contains “forward looking statements”. These statements contain the words “anticipate”, “believe”, “intend”, “estimate”, “expect”, “likely” and words of similar meaning. All statements other than statements of historical facts included in this Presentation including, without limitation, those regarding the Company’s business strategy, plans and the future market environment are forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s business strategies and the environment in which the Company will operate in the future. These forward-looking statements speak only as at the date of this presentation, and the Company, 308 Services and their shareholders, affiliates, representatives, partners, directors, officers, employees, advisers and agents, expressly disclaim any obligation or undertaking to update any forward-looking statements contained herein. No statement in this presentation is intended to constitute a profit forecast.

By participating in this Presentation or by accepting any copy of this Presentation, you agree to be bound by the foregoing limitations.

Investment case for Yellow Cake

Yellow Cake provides investors with pure exposure to the uranium commodity price

Yellow Cake holds and stores physical uranium in regulated storage facilities

The Company does not have any mining resources or operating assets

Yellow Cake does not speculate on the underlying uranium price, but creates a vehicle for investors to take their own commodity price views



Low cost structure and ability to grow

- Yellow Cake has a low cost structure by outsourcing transactional activities to specialist service providers (accounting, IT, secretarial)
- The company has a strategic contract with Kazatomprom which allows it to significantly grow its physical holdings of uranium
 - Kazatomprom is the world's largest and lowest cost producer of uranium⁽¹⁾
 - The contract allows Yellow Cake to purchase up to US\$100m p.a. until 2027
 - Purchases under the contract are transacted at the spot price

Source

- (1) World Nuclear Association, World Uranium Mining Production (August 2019)
- (2) All photos courtesy of Kazatomprom



Yellow Cake's inventory is stored in regulated facilities in Canada and France



Storage contracts

Supply framework agreement



Cameco

- BLIND RIVER, CANADA



orano

- MALVÉSI, FRANCE



KAZATOMPROM
NATIONAL ATOMIC COMPANY

- KAZAKHSTAN

Yellow Cake operating history

Strategy

To buy and hold physical uranium and to deliver maximum exposure to expected resurgence in the uranium market



IPO: July 2018

Raised US\$200m
Purchased 8.1Mlb U_3O_8
at US\$21.01 /lb

August 2018

Purchased 350klb U_3O_8
at US\$23.30 /lb

April 2019

Raised US\$33.9m

June 2019

Purchased 1.175Mlb U_3O_8
at US\$25.88 /lb

January 2020

Yellow Cake announces
share buyback programme

July 2020

Yellow Cake sells 300klb U_3O_8
for US\$33.20/ lb
Announces larger US\$10m
share buyback programme
Yellow Cake earns US\$1m
for location swap

Current total holding of U_3O_8
– 9.32Mlb acquired at an average price of US\$21.71 /lb

Yellow Cake's balance sheet and net asset value

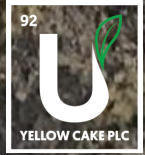
On 30 November 2020, the ordinary shares of Yellow Cake closed on the LSE at a price of GBP1.95 per share, which represents a 21% discount to net asset value of GBP2.47 per share

Investment in Uranium		Units	
Uranium oxide in concentrates ("U ₃ O ₈ ")	(A)	lbs	9,316,385
U ₃ O ₈ fair value per pound ⁽¹⁾	(B)	US\$/lb	29.45
U ₃ O ₈ fair value	(A) x (B) = (C)	US\$ m	274.4
Derivative financial liability	(D)	US\$ m	(3.1)
Cash and other net current assets/(liabilities) as at 30 September 2020	(E)	US\$ m	5.9
Cash utilised for share purchases since 30 September 2020	(F)	US\$ m	(0.8)
Net asset value in US\$ m	(C) + (D) + (E) + (F) = (G)	US\$ m	276.1
Exchange Rate	(H)	USD/GBP	1.3323
Net asset value in £ m	(G) / (H) = (I)	£ m	207.2
Number of shares in issue less shares held in treasury	(J)		84,059,331
Net asset value per share	(I) / (J)	£/share	2.47

Source:

(1) Fair value is based on the weekly price published by UxC, LLC on 30 November 2020

Industry context supporting the Yellow Cake investment thesis



Nuclear power is a reliable base load source of electricity

Nuclear power is increasingly being recognised as a contributing technology to a low-carbon future

Uranium demand is growing, driven by the global nuclear build programme

A sustained period of low prices has resulted in supply cuts, which has been exacerbated by the onset of COVID-19

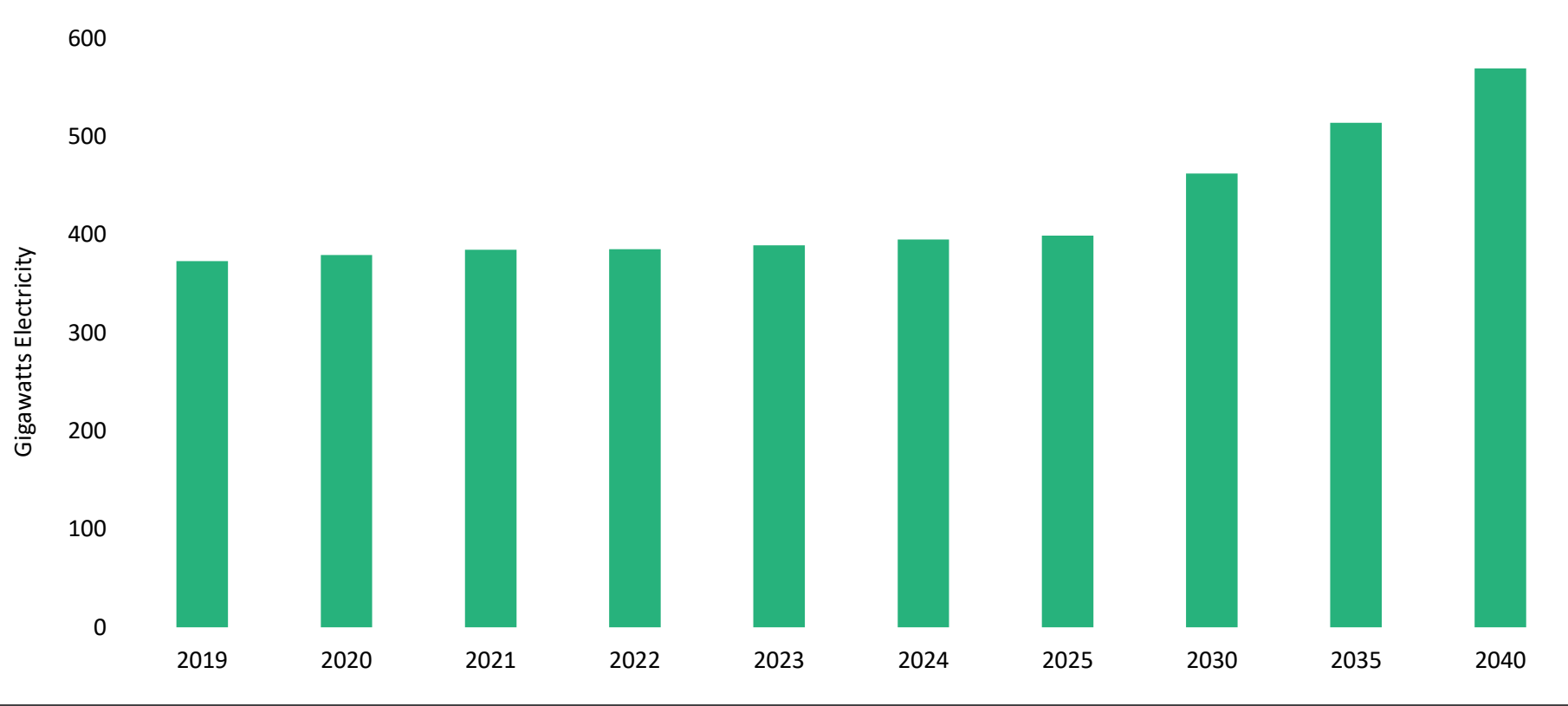
The long period of low prices has also resulted in little investment going into future new production

The supply side is very concentrated making global supply vulnerable to shock such as the COVID-19 pandemic



Nuclear demand growth

Global nuclear generating capacity to 2040⁽¹⁾



Source
(1) World Nuclear Association Fuel Report 2019. Reference case projections to 2040

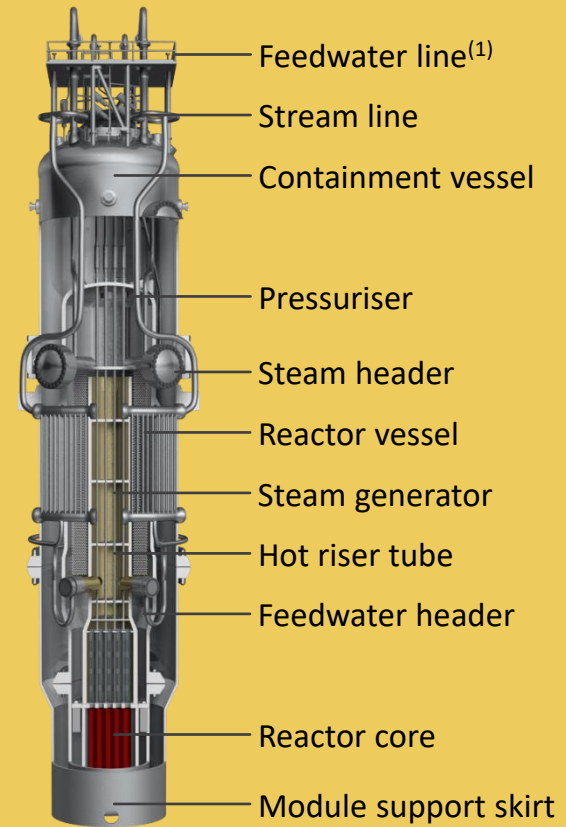
Growing interest in small modular reactors

SMRs generate up to 300MW of electricity and are more flexible and more affordable than large reactors

SMRs are ideal for smaller grids and remote locations

Significant investment is going into SMRs from national governments such as US, Canada, China and UK as well as from global companies

There are currently 4 SMRs operating in 9 countries, 3 SMRs under construction and 14 SMRs that are well developed nearing deployment⁽²⁾

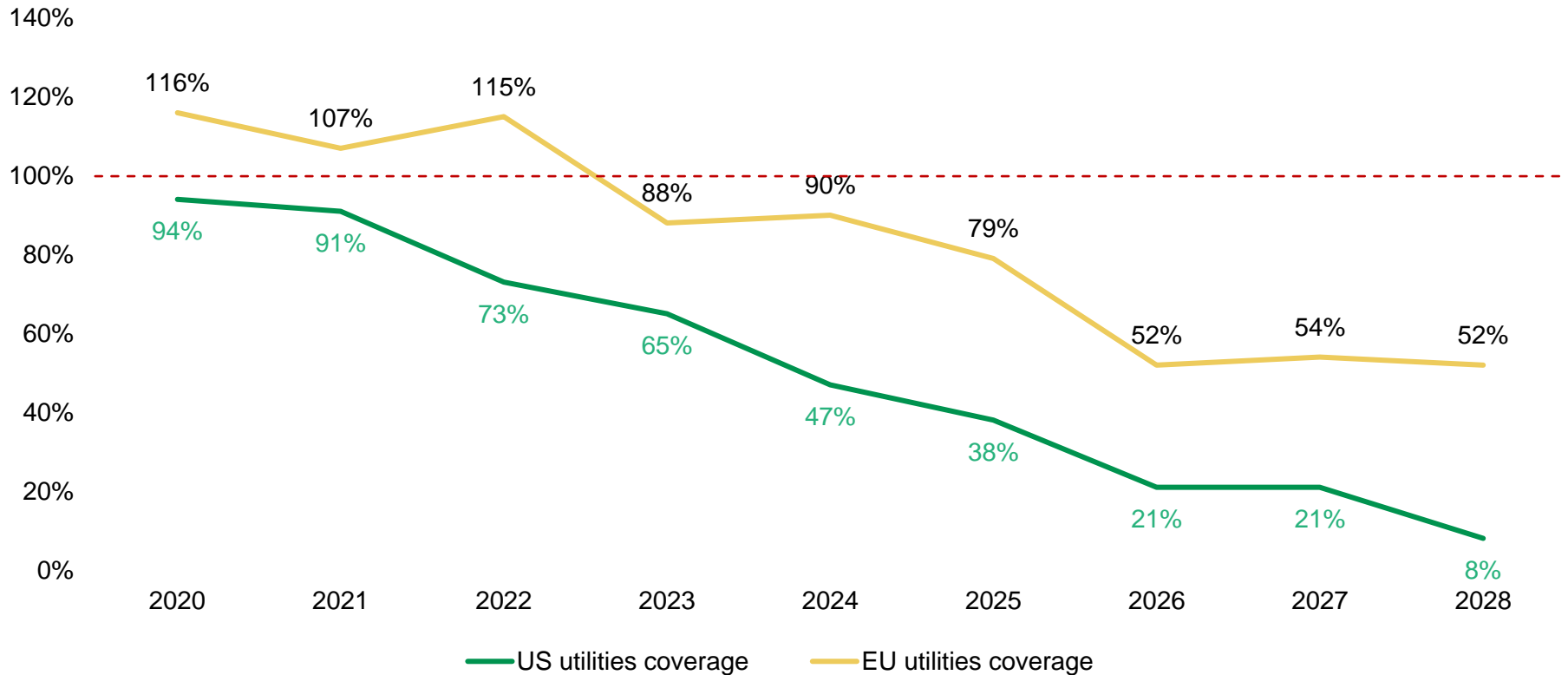


Source:
(1) Nuscale
(2) WNA, Small Nuclear Reactors October 2020

Long-term contracts need to be replaced

Contract covering has the potential to create a rapid tightening of the spot market

Future contracted coverage rates of US and European utilities



Source

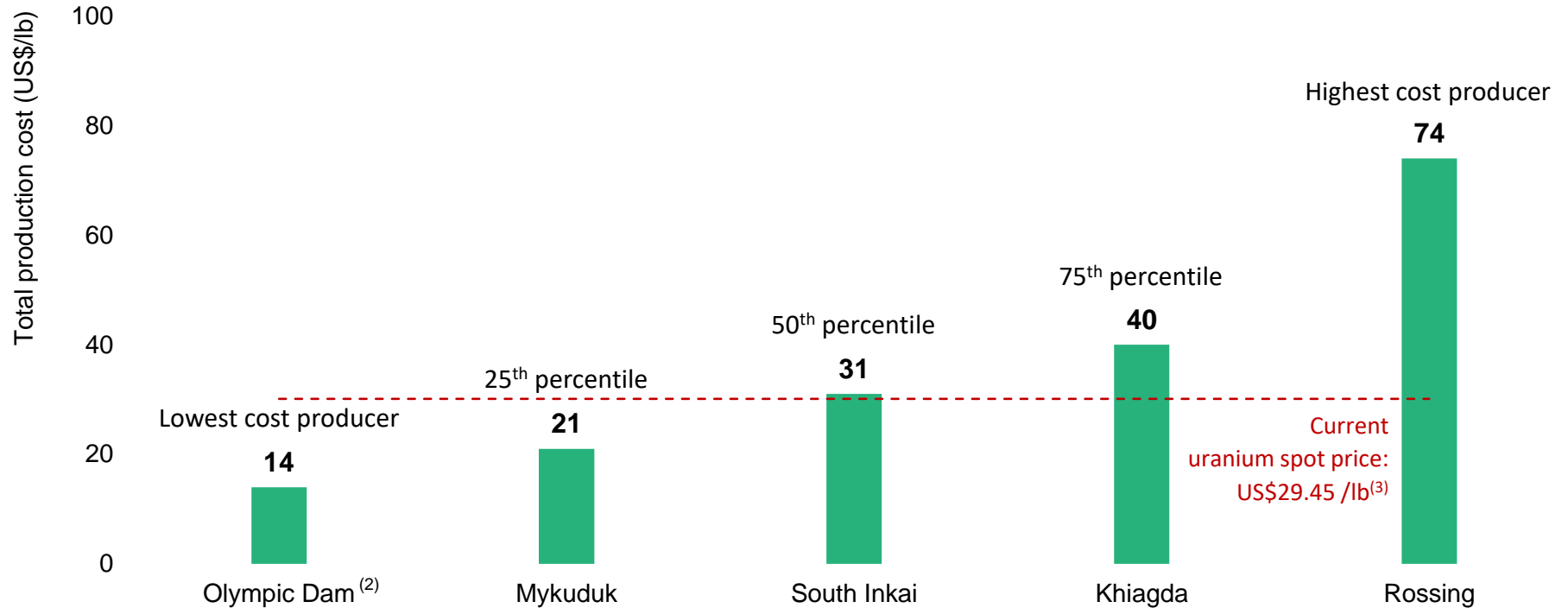
(1) US Energy Information Administration: 2019 Uranium Marketing Annual Report (May 2020)

(2) Euratom Supply Agency Annual Report 2019 (30 June 2020)

Supply

Significant portion of supply is loss making at current spot price

2018 estimated total production costs⁽¹⁾ (US\$/lb)



Source
 (1) Company analysis based on SRK Consulting Global Operating Cost Curve for Primary Uranium Production, Section 232 Investigation of Uranium Imports dated 16 January 2018
 (2) Low cost due to uranium being a by-product of copper production
 (3) UxC LLC price 30 November 2020

Global supply cuts

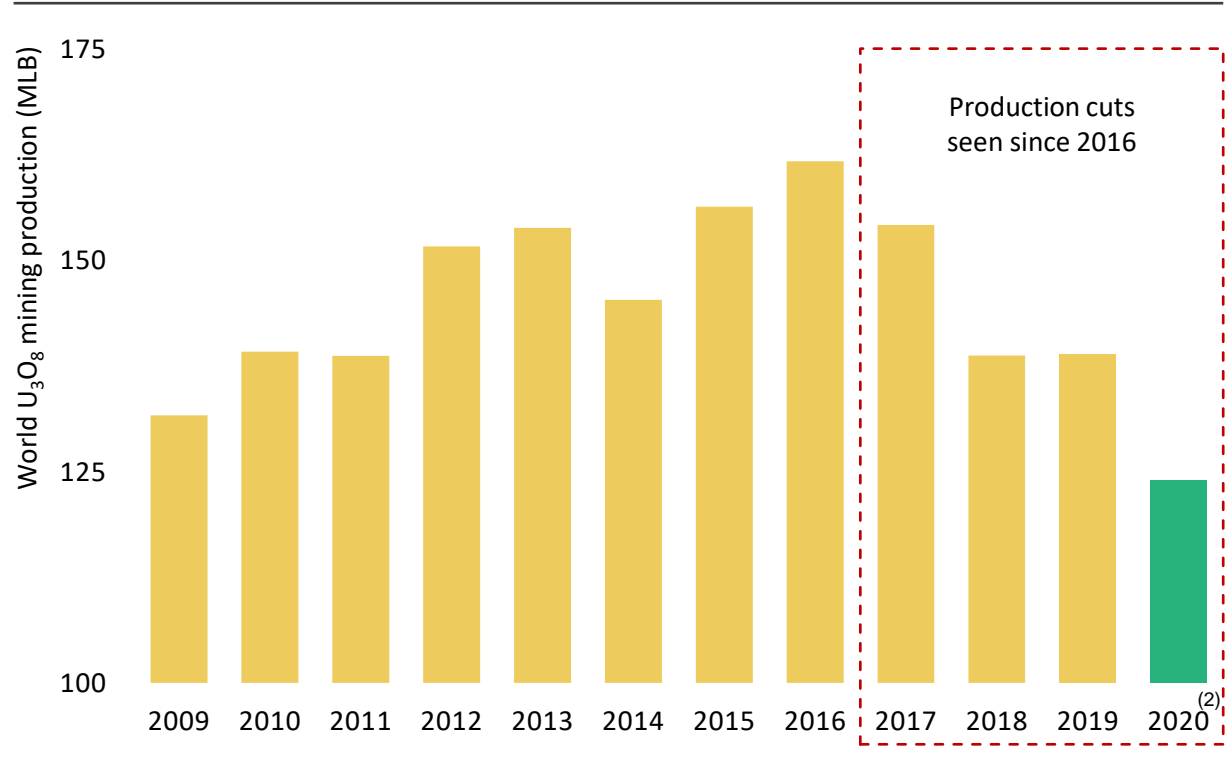
Producers have made significant supply cuts, exacerbated by COVID-19

Supply side responses have been the major theme of the market since 2016

- Cameco’s shut down of Rabbit Lake in 2016, and suspension at McArthur River in 2018
- Kazatomprom’s announcement in 2017 of a 20% production reduction for three years
- Paladin suspension at Langer Heinrich in May 2018

Recent announcements of Cigar Lake suspension and Kazatomprom production curtailments related to COVID-19

Primary Production⁽¹⁾



Source

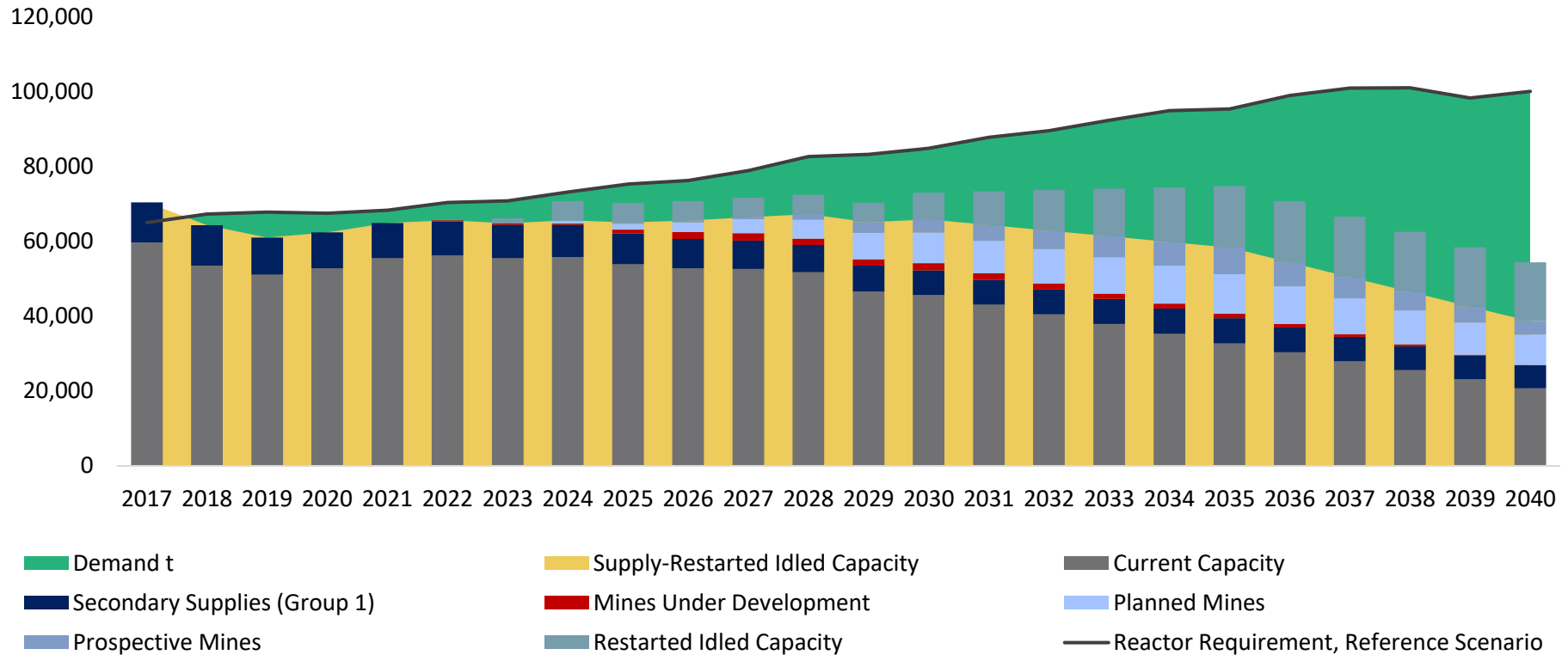
(1) World Nuclear Association, World Uranium Mining Production (August 2019)

(2) UxC LLC – 2020 uranium production guidance. 2019 U₃O₈ Production Review, May 2020

Growing future supply gap

Underinvestment in exploration and development is leading to a potential future supply gap⁽¹⁾

Supply/demand imbalance (U₃O₈ tU)



Source
 Company estimate, analyst research
 (1) "The Nuclear Fuel Report - Global Scenarios for Demand and Supply Availability 2019-2040 (September 2019)"

Yellow Cake

Investment highlights and outlook

Yellow Cake

- Yellow Cake provides pure exposure to the uranium price, without any operating or technical risks
- The Company has a low cost structure
- Yellow Cake has access to significant quantities of uranium at the spot price

Market Outlook

- The uranium spot price has performed strongly year-to-date on the back of COVID-19 related supply impacts
- Uranium contract coverage in the US declines markedly from 2022-2023, down to less than 50% by 2024
- Immediately prior to the COVID 19 pandemic, US utilities were entering the long term market and we expect utilities to re-enter the term market in the near term
- We continue to see more risk to the uranium supply side than the demand side

