

Macro Voices / Uranium Insider – December 2024

Big Tech Embraces Nuclear

- Amazon supporting two SMR projects, investing in Advanced Nuclear (X-Energy)
- Microsoft entered into a 20-year PPA with Constellation Energy to restart Three Mile Island Unit 1.
- Google secures 500MW deal with Kairos Power
- Oracle to build a Gigawatt-scale nuclear powered data center w/ 3 SMRs
- Meta announced RFP for 1-4GW new nuclear by 2030

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AI & Data Center Electricity Soars

Data center power consumption, by providers/enterprises,¹ gigawatts

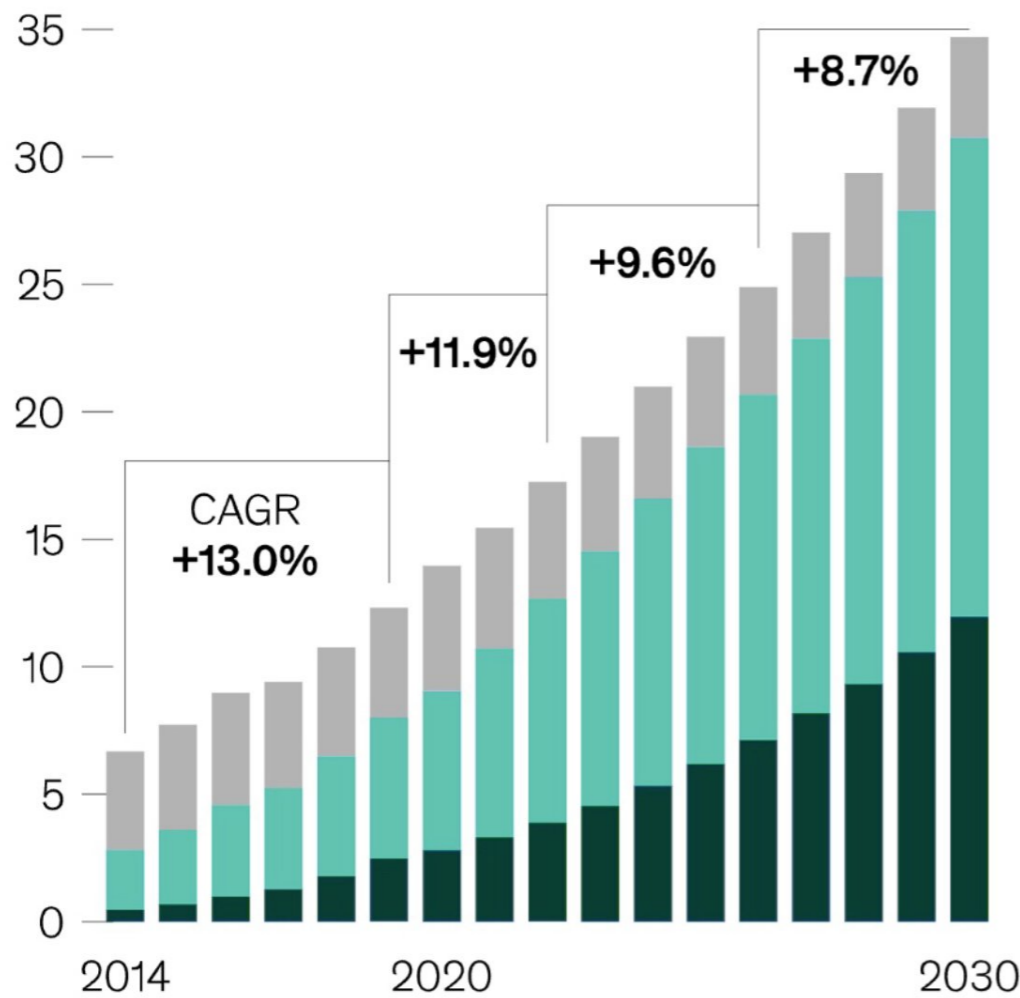
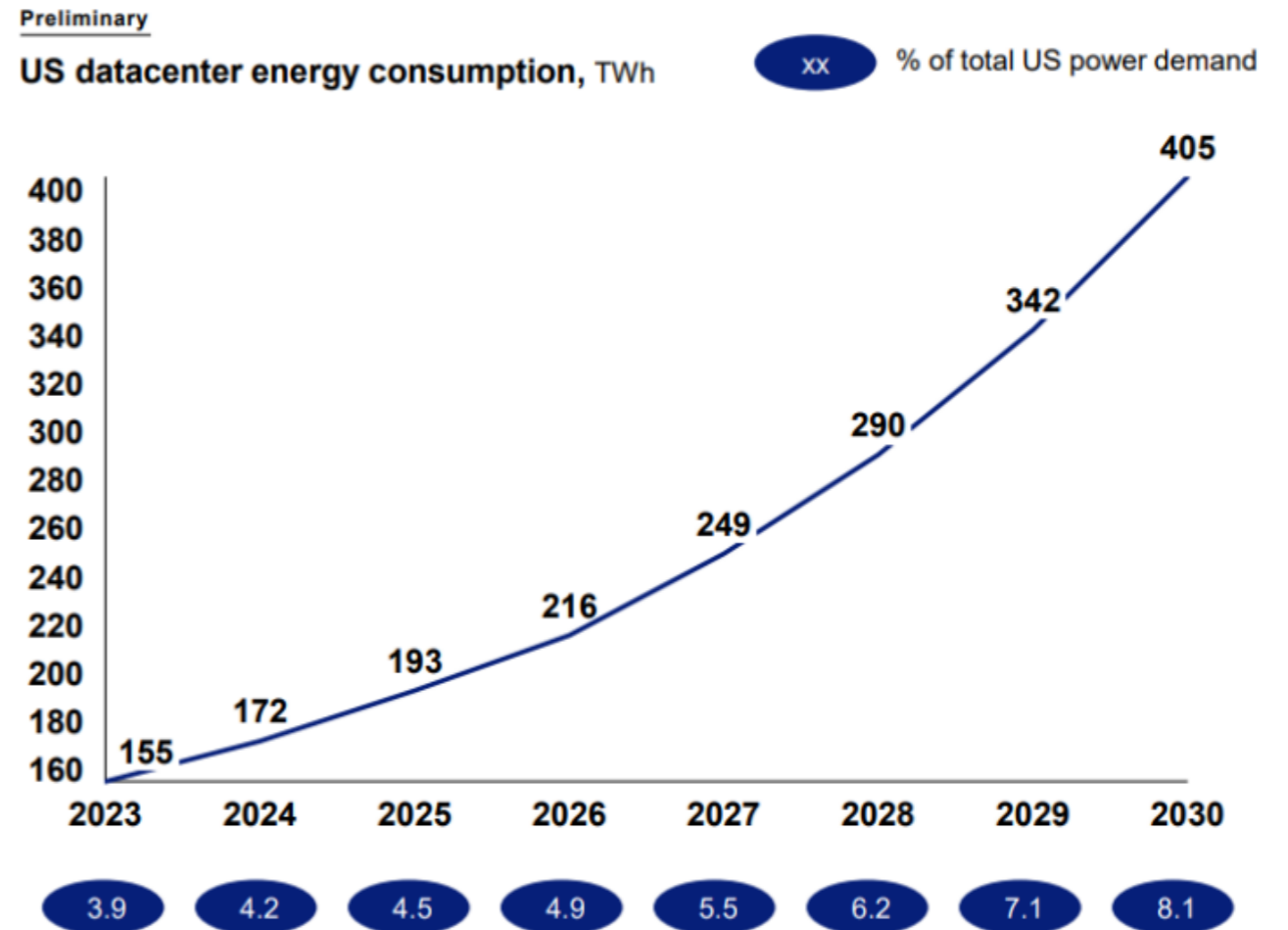


Exhibit 2: Data center power demand increasing to 8% of total US power demand by 2030
 ~250TWh of new electricity demand through 2030 driven by data centers



Source: McKinsey Energy Solutions Global Energy Perspective 2023; McKinsey datacenter demand model

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New Trump Administration – Uncertainty & Optimism

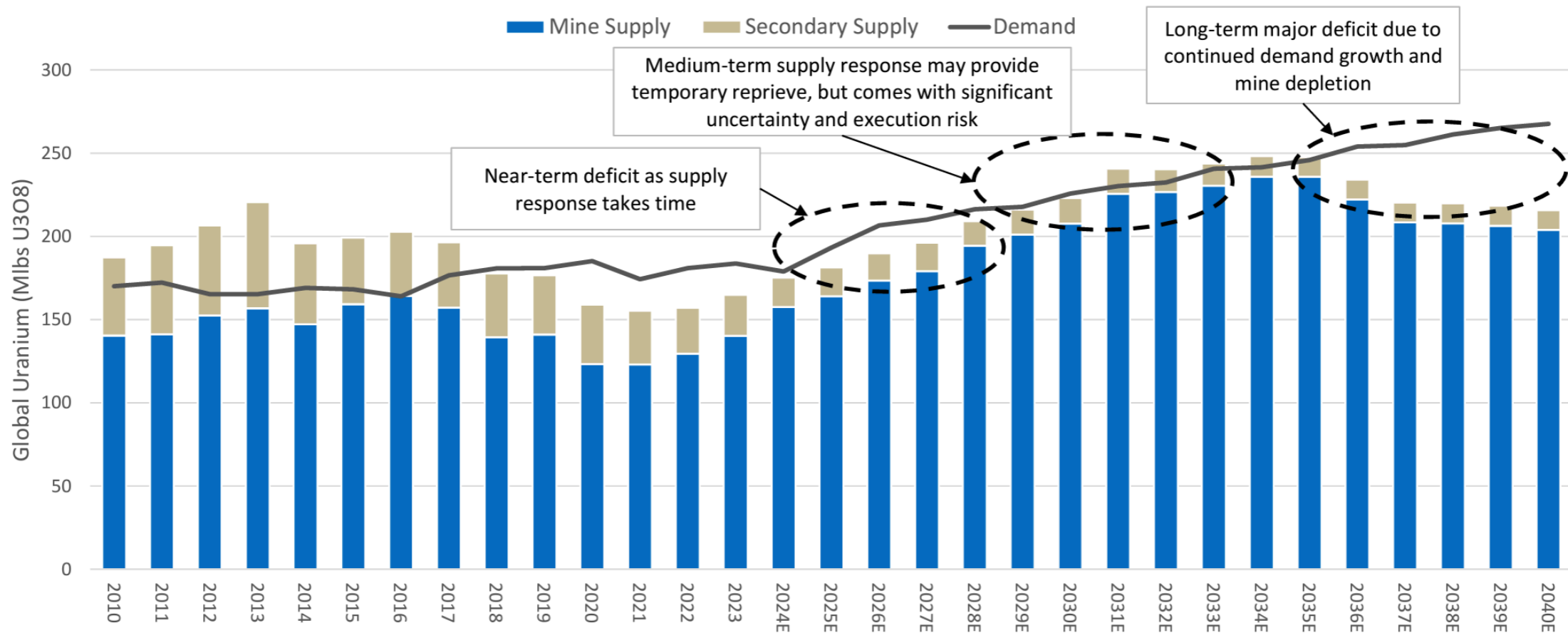
- Uncertainty causes utilities to “pause” and assess (IRA? Russian ban?)
- Trump’s Energy Secretary Cristopher Wright – “Energy Humanist,” on OKLO board...Advanced Nuclear advocate
- Trump’s first term: Section 232 / Nuclear Fuels Working Group. Keenly aware of issues of energy sovereignty and energy security. Unlikely to push for reversal of Russian uranium import ban.
- Likely to implement tariffs/restrictions on importation of Chinese EUP; Currently under NSC investigation.

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Global uranium S&D set to remain tight as demand outpaces supply

- **Near-term deficit means upside price potential in next several years:** We forecast the uranium market remaining in deficit through 2030 as supply takes time to respond to increased demand. We see this period as most vulnerable to a supply-side shock (geopolitical tensions, mine ramp-up delays), especially for Western markets, while demand is already set given a significant reactor base and long-lead times needed to bring on new nuclear reactors.
- **Medium-term late-2020s/early-2030s to see bigger supply response, but with uncertainty:** We expect stronger prices result in a supply response given attractive returns for many projects, likely by the late-2020s and into the early-2030s. However, even with this new supply, the market would at best be balanced while there is significant risk these projects are delayed, resulting in tighter-than-expected market conditions during this period.
- **Long-term severe deficit starting mid-2030s:** We project a very significant deficit forming by the mid-2030s, due to a combination of rising demand and resource depletion, with projected supply covering just 80% of forecasted demand, requiring higher prices to incentivize new supply. We also see potential for demand upside during this period due to rising clean energy demand and renewed enthusiasm for nuclear energy globally, which would result in a deficit that requires almost all advanced projects currently in development to come online.

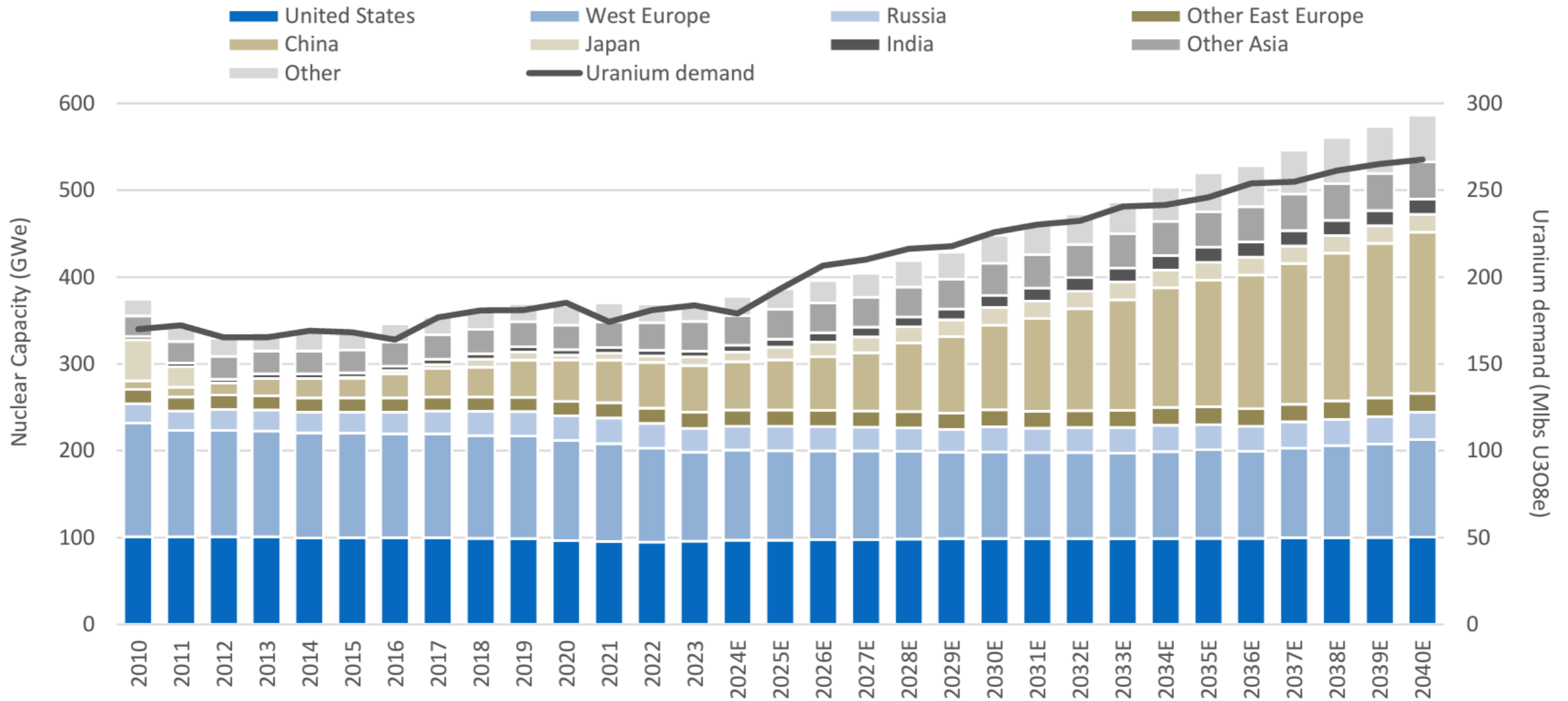
Uranium S&D to remain tight through next decade with severe deficit forming by mid-2030s



Source: UxC, WNA, IAEA, Company reports, RBC Capital Markets estimates

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Nuclear Energy is a GROWTH Industry



Source: WNA, IAEA, Company reports, RBC Capital Markets estimates

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Russia Halts Exports of LEU to U.S.

- Directive from Putin – Export of LEU halted until Dec 31, 2025
- Waivers possible only through request from TENEX
- First expected shipment since ban – waiver request NOT honored.
- Russian enrichment contracts have “return feed” requirement. Western enrichers require “up-front feed.” Implications for uranium + conversion.
- Energy sovereignty to be a major theme going forward amidst geopolitical tensions

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Enrichment and Conversion Point the Way

