MACRO Voices
with hosts Erik Townsend and Patrick Ceresna

# Guy Keller: The Nuclear Story Has Never Been Better

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***Erik:*** Joining me now is Tribeca Investment Partners fund manager, Guy Keller. Guy, it's great to get you back in the show. I can't believe it's been, wow, almost five years. I want to start with a chart that I know you're familiar with. Listeners, you'll find it in this week's uranium section of the postgame chart deck. That is Ocean Wall's chart comparing the price appreciation of yellow cake uranium versus UF6 versus enriched uranium products. Guy, what this shows us is that the bull market in uranium that you and I, and a lot of other people predicted is on. It's on in spades. It's a raging bull market in enriched uranium nuclear reactor fuel, which is up 506% in the last three years. The price of it more than doubled in calendar year 2024 alone. The thing is, we can't invest in enriched uranium. We can only invest in the uranium feed stock that it's made from that's down on the year in 2024, despite the fact that I think there's an argument to be made that 2024 might just be the biggest bowl year ever in terms of news flow for the nuclear industry. Guy, what's going on? How is this possible?

***Guy:*** Yeah, thanks, Erik, and great to be back on your show again. Been very excited about this. It is a head scratcher, and I think it comes down to just simple capacity. The end user for uranium and nuclear utilities, most of them are not just nuclear. They live in companies that are also producing electricity from a number of other sources. The nuclear fuel buyer is also the same team, or sometimes individual, that is responsible for refueling and maintenance and a whole bunch of other things. And so, I just think it's just, they just lack the capacity to look across the whole fuel cycle. You've seen some very, obviously, changes from the US government, with the Russian import ban of enriched product, and then the Russian retaliation in restricting exports of enriched product to the US. There's lots of back and forth as to further sanctions from Europe and other parts of the world on enriched product from Russia. And as you know, and your listeners know, a large part of the enriched uranium that's required to make nuclear fuel rods comes from Russia. It's one part of the nuclear fuel cycle. And so, I think, because you've had all of that uncertainty, and you've had, especially US utilities having to scramble to ensure that they can replace that Russian material. They've kind of just been forced to ignore the uranium upstream side of the equation, because the EUP, the enrich uranium product, is much more near term for them. We used to take sort of two years from mine mouth to reactor core for the yellow cake to move through the fuel cycle with the Russian sanctions, that can now be closer to three years. So, the uranium required for tomorrow's enriched uranium product is three years away. So, as I said, I think it's just that they've been forced to focus further downstream to solve a near term problem, and assuming that they'll eventually have to come back to the uranium, and I think they will. I mean, last year was surprising in how little

uranium was contracted, given that the term price of uranium appreciated throughout the year and held at that $82, $83 level, despite the volatility and in the much less traded spot price.

***Erik:*** Well, I agree with you that the spot price seems to perhaps have been manipulated lower, but it certainly is not reflecting the more accurate term price, which did grow in 2024, but boy, nothing close to what we saw in terms of appreciation in the enriched product. Now, the next thing that's confusing to me, if you listen to the narratives from analysts and you talk about a bottleneck in conversion and enrichment, most of them will tell you, yeah, the problem is really in the conversion, more so than the enrichment. That's where we really have a little bit of a supply bottleneck, not quite enough conversion capacity. But Guy, if I look at this chart from Ocean Wall, what this is screaming out is that the problem is in enrichment, because that price divergence between U308, which is the yellow cake raw uranium, and UF6, which is the output from the conversion process, that's not where the big divergence is. The big divergence is between the output from convergence and the output from enrichment that would suggest, at least, from the signal, that the price signal that the market is giving us, it seems to be indicating that the problem is some kind of bottleneck in enrichment capacity. So, which is it actually, and why would the price be indicating something other than what the narrative is that all the analysts seem to agree on?

***Guy:*** Well, I think the answer to that is the bottlenecks are in both. It was just the motivation of the converters and the enrichers to build more capacity required, a commitment from those utilities to lock in contracts to guarantee that, because building enrichment is a pretty large CapEx. It can be complicated, it requires some precision engineering. Building conversion is not as complex. But on both occasions, you've seen the facilities say, we can expand capacity and conversion, or we can restart capacity and conversion. However, we don't want you running back to the cheaper Russian supply, if, for example, Donald Trump decides to make peace with the Russians and all that goes away, because we've got to go and find that money, and went with enrichment. That was, there was a little bit more of a standoff, because the nearer term, again, the Russians were providing a full service. So, you're getting enriched product at the end of it, as opposed to having to push it through converter and then enricher. And so, there was a bit more of a standoff there, because the dollar amounts were, as I said, in the billions to expand this. And that seems to have solved, and that capacity will be built. But again, from the uranium perspective, if you're sourcing uranium now in 2025, you're actually solving for a 2027, 2028 delivery of your enriched product. So in fact, you're pricing it now to put into that expanded capacity, and I think that's what you're going to see this year, is looking through that where the utilities say, well, the price of conversion and enrichment has not come down, so therefore, we probably need to just lock this in and make sure we can get it, because there's no guarantee that peace is made with Russia. And even if it is, do we want that risk of a future conflict resulting in exactly the same problem?

***Erik:*** Could it be that what's going on here is people are looking at this and saying, okay, there's only so much conversion and enrichment capacity, particularly enrichment capacity, as we look longer term, available in the West. Why would I want to continue to build up my U308 yellow cake stockpiles? If what's about to happen might be that I'm going to be forced to buy

EUP from Russia because there won't be enough enrichment capacity, therefore I'm not going to be able to use my feed stock that I have here, so I'm not buying. I'm just trying to understand why in the world with this, you know, this chart is so obvious. It's so glaring. The fuel buyers have seen this chart, but they're not responding, saying, I better take advantage of these low prices. And I think that despite the fact that it's historically not a low price, I think these $80 prices for yellow cake uranium are low prices in the face of what's going on here, nobody's rushing to buy anything. So, what's going on here?

***Guy:*** If you flip it to their view of the upstream, utilities are still of the belief that every promoter of a development site of uranium who tells them that they're going to be a viable mine, a lot of these utilities are still believing that that's going to happen. So, they're all kind of sitting there saying, the market's going to solve this. I've got 12 development projects all telling me they're going to be on, and I've got the WNA telling me that these are planned and prospective projects, and I've got the price reporters also telling me that these projects are going to come on, and so therefore, I'm not going to have to chase the Iranian price, because they're all going to come to me, hat in hand, saying, please write me a contract so I can get the funding for it. And I think that's a really dangerous and wrong assumption, because, as we've seen in 2024 from restart projects, I think almost all of those have had some stumbles. Most of them have got through it, and most of them will get through it. But these are uranium projects that used to produce them. We're just turning them back on again. God knows what's going to happen when we get these green field sites and how these utilities of the belief that just because there's a well-paid promoter telling you that they're going to turn their mine on and wherever in the next two years, I guarantee you that they're going to be slipping on that. So, I think there's a little bit of an apathy there from the utilities on the uranium side. However, they're looking at that conversion and enrichment, hearing the bottlenecks all the time, because, as you said, there's plenty of people saying there's bottlenecks and telling them there's bottlenecks. So, they're a little bit more panic to chase that, because at the end of the day, if you don't have enriched uranium product, you don't have fuel rods and you don't have electricity, and that's going to cause you a number of problems, not only with your customers, but also the governments. So, the governments are really, really pushing the new nuclear fuel cycle to these utilities as well, and saying, make sure you got that sorted out. So, I think there's a little bit of, as I said, stuff going on at both ends that are just based on wrong assumptions.

***Erik:*** Now, your name was in the news a few weeks ago when you made a prediction that the tech boys would get involved in the nuclear fuel cycle, not just in the nuclear reactor companies. Just a couple weeks after you made that prediction, we got news that Peter Thiel's fund was investing in one of the fuel cycle companies. So, congratulations on getting the call right. But let's go a little deeper. What did you mean when you say the tech bros are going to get involved in the fuel cycle? Get involved in what way, doing what, having what influence?

***Guy:*** So, what I've been referring back to has been the battery electric vehicle build out, where a lot of these disruptors came in, the Teslas, the Chinese companies, that had never built automobiles before, came in and were able to get a foothold in that sector and compete against the old world ICE manufacturers, who were then scrambling to change. What then happened

was, you saw an almost uniform panic move towards, oh, my Lord, if we're building these and the old guys are building these as well, where are we going to get the raw materials from? So, you started to see OEMs and gigafactories and things really scrambling to try to secure a supply of the raw materials, and in some cases, write checks to developers up front to get these mines built so that they could guarantee that. I don't think that's necessarily going to happen in this first wave of tech bros in that way, because most of the electron securement through nuclear is going to current nuclear power plants operators and getting them to restart or rewrite or rebuild idle projects, or even start building new gigawatt scale. But I think it would be naive to assume that these tech companies aren't aware of the whole nuclear fuel cycle and the precarious state around the supply of uranium and the rest of that fuel cycle. So, I think they're going to be in the background to these utilities and saying to them, show us that you have contracted uranium supply, because we're paying you two times wholesale prices to secure these electrons. We don't want you turning around saying we don't have enough fuel and we're going to have to divert the electricity we can produce to our retail grid and to keep moms' and dads' lights on, but you're not getting any, so I suspect they're going to be in there behind, if not already. It would surprise me a lot if these guys, you know, they're committing to hundreds of millions, if not billions, of dollars of electricity contracts. They want to make sure that the fuel is accounted for. When we progress to the next stage that Trump alluded to, I think, around Stargate, where these guys will be building electricity generation on their own sites, you'll definitely see tech companies come in stage two saying, right, we're contracted to go and build these SMRs or advanced reactors, and by the way, we've just gone and secured 20 years worth of fuel, and booked the HALEU and everything else we need, because we don't want to be caught short. They're spending billions of dollars on data centers, they're going to want to make sure that their power providers don't run out of uranium.

***Erik:*** Now, you just alluded to HALEU fuel. Let's talk a little bit more about that. Some of the advanced reactors, in fact, I'd say most of the generation for advanced designs that the tech bros are focusing on are sodium fast reactors, that have to use, essentially a high test petrol, which is the HALEU fuel. It's enriched not to 3% or 4%, but to almost 20% U235, what that means is a couple of things. One is, the ratio of yellow cake uranium is much higher. You need about 50 pounds of yellow cake uranium to make one pound of HALEU. And of course, the exact amount depends on over feeding and under feeding and some details of the production process, but it's about a 50 to one. It's a really big demand in terms of that U308, but it also means a lot more enrichment capacity, more SWUs are needed. It seems to me like a lot of this excitement around all of these sodium fast reactors and how cool they are technologically has occurred without a lot of discussion of where all the HALEU is going to come from, because they're talking about building a lot of these things, and that's a lot of SWUs, a lot of enrichment facilities that don't exist yet. As far as I can tell, it seems to me that favoring those reactor designs, if you don't build the enrichment capacity to go with it, it's going to put us in a situation where you're backed into, okay, now we're forced to buy our EUP from Russia again, because they've got maybe not a corner on the uranium market in terms of yellow cake, but they do kind of have a corner on spare enrichment capacity. Am I right to think that's a risk? And what are people doing about it?

***Guy:*** Well, I think this is exactly why you've seen the US Department of Energy be a real leader in this respect, with a couple of billion dollars of grants towards progressing HALEU in the US. And I think when you peel back the layers, you'd also find that France and the UK and Korea and other countries, and potentially Canada, although some of their designs don't necessarily need HALEU, but it's government's driving that now, which is, again, probably why there's so much focus on the fuel cycle. Because you're seeing those headlines, you're seeing Department of Energy come out with massive, massive grants, and people are saying, how do I invest in that? That looks interesting. Oh, I can't really. So yeah, it's going to require more work, especially from the US government, which seems to be leading this. And, look, I honestly believe that, yes, there's a risk. And as you and I have discussed many times, there are a huge amount of competing designs, and not all of them are going to get past the post. There's probably going to be a few winners that each government sort of adopts as their mascot design, if you like, so that you can get those synergies. And if they can't solve a HALEU supply problem, then they obviously want it going to one or two developers who are actually going to build them. But there's a lot of work to be done. And you could probably argue that once Trump 2.0 was done, pushing up tariff headlines every second, and they focus on their mantra of making America great again, you could probably argue that the whole drive to reduce bureaucracy and push innovation maybe brings this along a little bit quicker than the previous administration. But you're right. There's still a lot of work to do, and you can't just make your bet on those, that one technology design.

***Erik:*** Let's come back to the tariffs that you mentioned. I should disclose to our listeners, we're recording this interview on Monday afternoon, about three days before our listeners will hear it. Now, just eight hours ago, as we were recording, basically the sky was falling. 100 point gap down open on the S&P futures. The world's coming to an end because Trump put these tariffs on both Canada and Mexico. Eight hours later, as we're recording, the tariffs on Mexico have already been lifted. The Mexican president came to the negotiating table. I guess they've actually been put on pause for a month, and the President Trump has given Mexico that amount of time to get their national guard on the border, doing more to thwart the drug traffic into the United States. I wouldn't be surprised if this deal has been worked out with Canada by the time that our listeners hear this interview, although that certainly is not the case as of this moment, what do we make of the tariff situation? On the face of it, it would seem that the US importing its, it has to import almost all of its uranium, it doesn't produce very much inside the United States. A lot of it comes from Canada. Is this going to have a big impact if the Canadian tariffs stay in place? And what will it mean?

***Guy:*** Look, as you said, I mean, the one thing I was kind of hoping that all these global word predicting algo bots that push around these markets and indices, I was hoping that Trump 2.0, they dial their sensitivity meter down a little bit, because, as you said, we're going headline to headline. And, I mean, the good thing about Trump 2.0 is that this time, the countries that are in the firing line are much better prepared for a response than last time, so the responses are coming within hours, as opposed to Trump 1.0 when it was days or weeks, as they all had to scramble. So, who knows where this ends, you know, as we've seen, he loves to throw the net out and really sort of put that threat out there that I'm going to enact it, and then that causes the

negotiating to happen. When you look at uranium, specifically in the United States, I mean, for the points earlier, you would think that you'd be trying to exempt Canadian uranium because of its strategically so important to the United States, especially given that Russia's off the cards and the Kazakhstan seem to be pushing further and further away from the west and towards Russia and China, which means you basically got what the Uzbeks, a little bit of American and some African and Australian. But I mean, again, the one great thing about nuclear power is that the fuel cost of generating nuclear power is very small as a total percentage of the operating costs, because all of the cost has gone into building the things. And, I think uranium is sub 10% of the total cost when you add in the whole sort of fuel cycle, it's under 20. But so, a tariff passed on to a US utility, it's not really going to, I mean, the press is saying, oh, your electricity price is going to go up next week. That's not true, unless, of course, there's a utility really trying to push over political angle. It's not going to, for example, the gas cost, the price of gas is 90% of the cost of gas generation, coal, it's 80%, nuclear, it's, as I said, very, very small. And plus, as well, the converted fuel coming in from Canada, or the yellow cake, again, it's not going to be anywhere near a nuclear power plant for a number of years now. So, what we're burning in the US today was priced in 2022, so the longer it goes on, obviously, the more uncertainty it will breed. And potentially, if you are a US utility and you've got a list of non-Canadian and non-Russian uranium developers, you're probably wanting to push that up the priority list for your conversations, because if you're not, somebody else is going to. Because, again, even a US utility wants security of supply and wants to smooth out geopolitical risk. And Canada is now a geopolitical risk as a result of all this.

***Erik:*** You mentioned that time lag and how long it takes between the production and getting to the actual nuclear reactor. This is something I've always been puzzled by about the way this market works. Maybe you can help me understand it. If I buy an automobile that runs on gasoline, or petrol, as you call it in Australia, nobody expects me to go buy crude oil and then contract with somebody to refine it for me and contract with someone else to deliver it to where I can get it. There's a market, and there are refiners and producers that sell to me, I go to a filling station and I buy some petrol. Why do we have this model where the utilities buy their own yellow cake feedstock and contract with someone to do conversion and contract with someone else to do enrichment? Why isn't there just a nuclear fuel industry that sells EUP to utilities, so they just buy fuel for their reactors from somebody who's in the business of selling it to them. It seems to me that that would concentrate the skill and knowledge of the market, instead of having, as you said, the guy from the utility who's responsible for buying natural gas on the futures market is also the guy who's buying some yellow cake, and then he's going to come to contract with somebody to convert it and somebody else to enrich it. Wouldn't those utilities be better off to just efficiently buy reactor fuel from a reactor fuel company that does all of that for them? Why doesn't the market work that way?

***Guy:*** It's a good question, and I think it probably stems from the perspective of when civilian nuclear power was rolling out in all these countries, they were state or government owned entities. You know, utilities were largely all public, and so it was the state or the government, basically that was doing that. Potentially, now that it's deregulated and there's a lot more sort of private or publicly listed companies, nothing really changed there. I mean, you could argue that

because of the radioactivity and the risks around security and everything else, that chain of custody and one entity from yellow cake all the way through the fabricator fuel rods, is easier to prosecute if something goes wrong, as opposed to 100 middle men all running around with no security clearances saying, whoopsy daisy, sorry, I lost some yellow cake along the road there. Don't worry about it. You know, maybe it was easier to regulate. I don't know the answer to that. But you're right. I mean, it is kind of unique to nuclear how they do that. I mean, I guess, car companies are sourcing metals, to then put through, as opposed to buying, to try to hedge out that price. Yeah, but you're right, it could be a little bit more efficient if there was somebody controlling that sort of whole process. But, I mean, I guess also enrichment generally was always government owned, and in many cases, still is. Whereas conversion, Cameco does it, Arano does it. So, maybe again, there was that sort of, that blurring between ownership. Now, somebody, which I'm sure somebody out there would know the answer to that.

***Erik:*** Let me hit you with another question, because I know you've been trading commodities for a long time, long before you got into Uranium, you traded other commodities. As you know, the commodity futures market is what commodity traders have always favored, and once you have a deep and liquid commodity futures market, it's really powerful, because the term structure of those markets give us things like forward curve analysis that really help us to analyze what's happening with the commodity, what signals the markets giving us, it really makes a lot of sense. It's proven to work, yet, for some reason, although there is a uranium commodity futures contract, basically nobody uses it and it has no liquidity in it. What's the story there?

***Guy:*** So that commodity futures contract was launched in the last cycle when you had a huge amount of financial players were wanting to get involved and it started, I mean, it was still a small contract back then. There's no way it was ever going to be like a crude oil or anything like that. But, yeah, it traded a lot more, and there's a few more banks that were trading it. I mean, again, we're very early in the cycle. If anything, it's got harder now to trade physical uranium, compared to eight years ago when I first looked at doing it. And also, I think the players in the physical spot market, they don't want a futures contract, because they're able to push this thing around $2 or $3 without trading to meet whatever short term axe they have to grind. You know, as you said, a futures contract brings more transparency and it makes it harder to keep things manipulated. And I'm not, for anything, any moment saying these guys are doing bad things, but they're using the market to their advantage. It's quite possibly the worst commodity market I've ever seen. And I've traded some bad ones over my time. And that's because it comes down to the same thing. The actual end user. You probably have to take off your shoes and socks to count them globally, but you don't need a second person to help you count them out. There's not many of them. So, you end up with all of these traders in the middle just churning stuff around until a utility or, as we've seen over the last few years, a producer comes in to buy things. So, it remains a dysfunctional market. I mean, even if the futures contract was to pick up again, I still wouldn't place a huge amount of faith in what it does, because 99% of the business goes on in the term market, and that doesn't happen fast. It's a slow moving beast.

***Erik:*** Let's talk about the longer term outlook. I think most of the credible analysts can understand, we've got a major nuclear renaissance that's underway. It's going to lead to a massive demand for more uranium in future years. Where is it all going to come from? Where's the growth and supply going to come from? Well, 1/3 of the global supply of uranium reserves, or resource, I should say, is in your country, Australia, except for one little problem, which is it's illegal to mine it there because, because why again? Because Jane Fonda was in a movie in the 1970s, I think that's the reason. It seems like there might be hope, though. Nobody was listening to you, nobody was listening to me, but now Miss America is touring over around Australia to sold out audiences who want to hear her talk about nuclear energy. So Grace, fantastic job, keep up the good work. They're starting to listen, I think, in Australia.

What if they opened up? Let's take the question a different way. What would it take to open up mining of uranium all across Australia, where it's prohibited across most of the country right now. Is that something that the new national government, if Peter Dutton were to, if his party were to get in and take over the national government, can they, at the stroke of a pen, say, okay, we're opening up the whole country for uranium mining? Or is that something that happens at a state level, where each state would have to pass its own opening of uranium mining through its own state legislature?

***Guy:*** So, the very short answer is, state governments control uranium mining policies. So, if or when Peter Dutton gets into federal parliament, he's got a Liberal Party running Queensland, although, as far as I'm aware, there's nobody with projects in Queensland who are lobbying that party to remove their moratorium. So that requires a vote in Parliament. However, you would probably argue that there would be pressure from the federal government on its own party, state level, there to choose change things there. South Australia would benefit probably almost immediately, because they're the only state that has three operating uranium mines, being Olympic Dam, Beverley's Heathgate operations there, and obviously Boss with Honeymoon. So, they would benefit immediately, although it's not clear what other near term production capabilities there are there. Northern Territory, there's plenty of prospectivity, but that needs a lot of exploration. The real elephant in the room is Western Australia. There are some good, defined projects there. There is a Labor government in place. There is an election coming up there in March, it probably doesn't change color in Western Australia, however, there's potentially an economic argument to make to the government and the trade unions, on the basis of the West has had mining job losses for the first time since the GFC, because lithium, nickel, gold, hasn't necessarily been employing too many people, despite the Aussie gold price being at all-time highs and iron ores automating. And so, there's potential there. And there are those companies that are lobbying into the government and the trade union saying, hey, guys, get over the fact it's uranium, it's actually jobs, and it's mining jobs. And if you really spin this the right way, we're exporting carbon neutral. So, you can put that in your net equation, off you go. So, a change in federal government will definitely push momentum. But yeah, things need to happen at a state level. New South Wales, you can explore for uranium. You can't mine uranium, but there's nobody been claiming they found any. And Victoria, forget about it.

***Erik:*** How much uranium? How many metric tons of uranium does Australia produce with the few mines that are allowed to produce it today? And if you had a nationwide opening where everybody's allowed to mine uranium any place they want to in Australia, let's say, within 10 years, what could that number grow to?

***Guy:*** So, Olympic Dam does about 8 million pounds per year. It's unsure whether an Olympic Dam expansion would include a uranium circuit. Because the mining techniques on an expansion there would be slightly different. Potentially, they leave the uranium behind and just take out the copper and gold. Again, if you had a pro nuclear uranium government and prices were the right way, it would be silly of BHP not to do that. Boss is obviously ramping up. So, they'll get up to two and a half million pounds out with their bid air run rate, and then Heathgate, don't really disclose, but it's around, sort of 4 million pounds. If you suddenly had a change, and you know, it's not going to be immediate, things get switched on. It's a three to five, to six year process, probably. But there's at least three projects in Western Australia that would be able to respond. There's probably one, definitely one in South Australia that would respond. Boss would obviously think about bringing forward their expansion into their satellite deposits to get themselves up to about 3 million. So, there's things that can happen, but unless you go and put Jabaluka back on the table, you're not solving deficits from a few extra projects in Australia coming on, because, there are a couple of million pounds at best each, whereas the market really needs some more, sort of 10, 20 million pound monsters to properly solve the deficit.

***Erik:*** Well, those, I mean, you've got a third of the world's Uranium reserves under your soil. Why wouldn't you, if you opened up the rules, be able to build those 20 million pound kind of monsters?

***Guy:*** Well, you need to find them, and you need to properly prove them out. You know, we've had more than 20 years of very little activity, exploration activity, and very little project development. And even the some of the projects that some of these companies are sitting on, they're still going to require a lot of work and a lot of capital to draw them out to prove up their resource to redo mine plans, to redo studies, to get environmental base loads studies and things like that. So, there is absolutely a huge amount of potential, but it's going to take a lot of time and a lot of money to progress, and properly. Unless we get a kind of bureaucratic change in the federal government where, you know, “drill, baby drill,” or, “dig, baby, dig,” type things.

***Erik:*** Let's move on now to a completely different topic. Most of the nuclear funds that I'm aware of are almost exclusively focused on uranium and the uranium fuel cycle, as we've been talking about. I think your fund is a little bit different in that you have expanded into nuclear innovation, nuclear technology, Generation IV reactor companies and so forth. I shouldn't even assume that you're expanding into other stuff besides uranium. So, let me pose that as a question. What kind of stuff, and why are you picking the things that you're picking?

***Guy:*** When I first looked at this sort of thesis 8 to 10 years ago, I work for global natural resources business, and mining is our specialty, so it would have been really easy to call ourselves a uranium mining fund. But when I was looking at, is there technology out there that's

going to disrupt my demand thesis for uranium? Because, it's important when you're thinking long term for a product like this that's so specialized. You don't want to be caught out because fusion or something kicks in and suddenly, you're dead in the water. So, I did a lot of work on that and what I came to understand was, yes, there are threats around making renewable sources more like base load. Yes, there are threats to solving long duration energy storage, that's not just two to four hours, that's days, and also the capacity to charge that. And yes, there's technologies like fusion and, you know, discussions that we've had as well around thorium based reactors as well. But there was also a demand driver in the middle of all that, being small, modular and advanced modular reactors, where, none of that technology is, as you know, none of that technology is new. There's been various governments looking at it since the Manhattan Project in the 1950s, it's just always been the problem of, the demand has always been gigawatt scale, and you could never make smaller scale work commercially. But we've seen companies like Tesla, where that first vehicle they put out was almost luxury car prices, just eye watering. And now you can pick these things up for the same as you can pick up a nice sedan somewhere. So, I think that was always going to be the big driver, and so that's why we called it Nuclear Energy Opportunities Fund. So last year, when we started hearing about data centers, and our mate, Craig Scroggie, over at NEXTDC, who we've both had interactions with over the times, guys like that started talking about that. That was when I started to flex up what we call our nuclear innovation exposure tag. And I think, April, May last year was about 3% of the fund. It's been as much as 35%, 40% of the fund since then. Because, you know, that was the sector that was in the nuclear thesis that was really going to be interesting to all those tech investors, to maybe divert a few of their Magnificent 7 dollars into something slightly off pieced, very innovative, with a tech angle to it, but also directly related to the nuclear and uranium thesis. So, yeah, I mean, as I said, we've done very well. Out of that, uranium has been behaving just, I don't understand the behavior, but it's been terrible for the last six months. Some of these stocks are at just bargain basement prices and that, but the nuclear innovation side has been a real savior for our performance since then, because there's been a huge pool of capital running in. And some of it doesn't make sense, and if you try to do it on valuations, it's a real head scratcher, but you just got to understand. And the problem is, when you see, like deep, I'm always going to call it deep fake or deep heat, but at DeepSeek, when you see headlines like that, you can see how much speculative money is in this, in the way they sell off. But yeah, there's some interesting stories coming up, and a lot more are being listed now. So, I don't have to sit in private stuff like we would have three years ago. I've got a little bit more liquidity in that space.

***Erik:*** So, it sounds like your thesis is, what are the tech bros going to get excited about? Because they're technology thinkers. It seems like most of them have a love affair that I don't quite understand with fast sodium reactors. Is that the kind of area that you're investing in, is in reactor technologies? I mean, there's also companies like Lightbridge that are doing interesting things with the fuel cycle. Are you following all those things? Is it mostly about the reactor technology? What kinds of nuclear innovation do you follow?

***Guy:*** Following all of them, all of them. From anything innovative around the fuel cycle, to looking at medical isotopes, to looking at different technologies. The ones that are listed,

obviously, are a little bit more of the traditional technologies. Most of the other stuff are still private. And, I've looked at a lot of them and looked at opportunities to invest in a lot of them, but for me, at the moment, having an illiquid position where I can't get an exit necessarily, is a trade-off for what could my money be doing. You know, in some of these other opportunities, even though there's stories that I really, really like and really believe in, for me, it's like if they were to have a liquidity event and list somewhere, I'd be falling over myself to get into some of them. But you know, as I said, it's liquidity, as you know from your experience, liquidity is king, and when you're running funds, especially volatile ones. So, there's a time and a place for liquid stuff. But I've been trying to minimize that at the moment.

***Erik:*** Well, I couldn't agree more that most of the exciting nuclear technology is still private, and I fear it's going to stay that way. It seems like some of the best projects, like TerraPower, is Bill Gates' personal, little pet project. When you get to public listings of those things, they're already so well known and so well understood that you're paying up for it. You're not getting in on the ground floor. You don't have that opportunity to get in on the ground floor of anything nuclear in public markets, unfortunately. Guy, I can't thank you enough for a terrific interview, but before I let you go, tell us a little bit more about Nuclear Energy Opportunity Fund. I assume it's only available to accredited investors. I think you call them wholesale investors in Australia. What's the structure of the fund, and for people who are qualified to invest in it, how can they contact you for a tear sheet?

***Guy:*** Yeah, thanks, Erik. So, we're a global fund set up as an Aussie Unit Trust here in Australia, it's open for wholesale investors. We run quarterly liquidity. And as you know, we're long-short. So, I do use some hedging strategies on occasion to try to cushion some of the drawdown. It's very focused. I mean, the reality is, it is a long focused vehicle because of the investment thematic. And we invest in anything from explorers for uranium through to bright, shiny new technologies that are going to come in and take the world by storm. On the nuclear generation front, we've been around for eight years now, I think the current returns are about 440% net of fees since inception. And I think it's a really interesting time in the sector, because, as I alluded to before, most of the uranium stocks are on sale due to just silliness around spot prices and short interest, especially here in the ASX, and it's just going to be a matter of time before the utilities wake up and realize that they need to play catch up. And this sector moves extraordinarily fast. As you know, anybody that's looked at the price action can see that the drawdowns can be a little bit painful, but you just have to trust the thesis and look to add to the quality names, because when it moves, you can't chase it. It's just too fast. And I believe that was set up for a good year. So, as I said, if you're looking to have a discussion around investment in the fund, you can contact us by our website, www.tribecaip.com and there'll be a little 'Contact Us' button there, in which you can come through.

***Erik:*** Patrick Ceresna and I will be back as MacroVoices continues right here, at macrovoices.com.