

Billions approved for nuclear reactors catalyst for uranium price (and share) uptick?

No matter whether you love it or hate it, it looks like nuclear energy is here to stay. Nuclear is quite cheap, it's clean, it can help meet global energy needs, and it is supported by many governments around the globe. This is mostly because nuclear power emits no carbon. Due to climate change and harmful pollution, many countries are phasing out fossil fuels, especially coal. Since 1971 nuclear has avoided the release of an estimated 56 giga-tonnes of carbon dioxide. That's almost two years of total global emissions from fossil fuels.

This only leaves a few main energy sources such as nuclear, and renewables (solar, wind, and hydro-power). The problem is not all renewables are yet capable of carrying the entire energy demand load on their own. This is why many governments are in favour of nuclear. For example, President Trump stated: "Nuclear is a way that we get what we have to get, which is energy. I'm in favor of nuclear energy, very strongly in favor of nuclear energy."

Nuclear Power reactors – 71 under construction – China to invest US\$12 billion in new reactors

There are ~455 nuclear reactors operating around the world. On top of that, there are another 71 reactors under construction (covering 12 countries), 165 planned, and 315 proposed. Japan recently announced that they will bring back online 15 nuclear plants. China is driving much of the growth, and soon India may follow. For example just last week it was announced that China plans to invest US\$12 billion in new reactors. Then this week China announced plans to build up to 20 floating nuclear

power plants. One advantage of a floating plant is it will not be affected by earthquakes, tsunamis maybe?

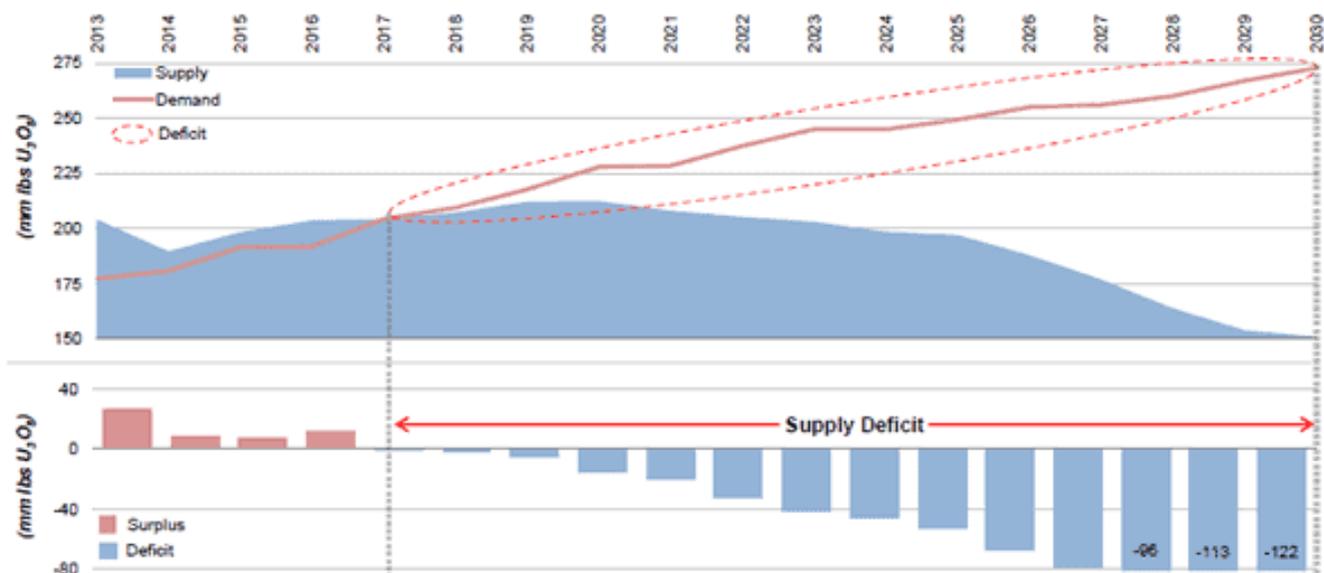


Chinese planned floating nuclear power plant (artists impression)

More than a dozen countries including the US get over 25% of their energy from nuclear power, and this is increasing. Despite having the most generators in the world, the US is expecting four to six new generators to come online by 2020.

More nuclear plants means uranium demand should be strong

The graph below forecasts uranium to go into deficit starting 2019. Recent uranium price increases are starting to support this.



Uranium supply/demand forecast as per Raymond James equity research.

Uranium demand versus supply forecast

Expect a lot more action from the Trump administration in expanding U.S. nuclear energy programs as one billion dollars has been earmarked for the development of new advanced reactors. Just this past week the Trump administration announced \$3.7 billion in new loan guarantees to support the completion of the first new U.S. commercial nuclear reactors in a generation, calling the expansion of nuclear energy “the real” Green New Deal. This will be further great news for the uranium miners.

Below are a few uranium companies that we follow.

- **Blue Sky Uranium Corp: (TSXV: BSK | OTCQB: BKUCF)** – One of Argentina’s best-positioned uranium & vanadium exploration companies with more than 4,500 km² (450,000 ha) of prospective tenements.
- **Energy Fuels Inc: (NYSE American: UUUU | TSX: EFR)** – Is a leading, US-based, integrated producer of uranium that also has a vanadium resource that recently started production.
- **United Battery Metals Corp : (CSE: UBM)** – A vanadium and uranium exploration company with 107 contiguous mining claims over 3000 acres.
- **Western Uranium & Vanadium Corp: (CSE: WUC | OTCQX:**

WSTRF) – Is a near-term producer that acquired uranium and vanadium mineral assets in western Colorado and eastern Utah.