

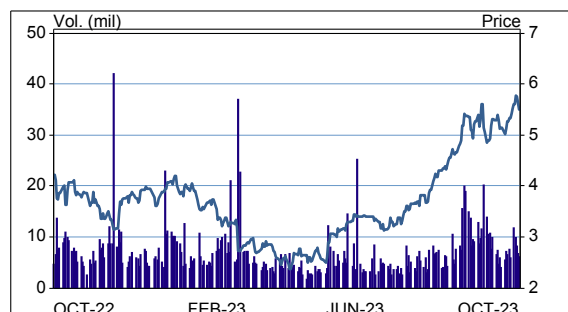
Uranium Energy Corp. (UEC)
Rating: Buy

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Site Visit to UEC's Wyoming Assets; Extensive Preparation for Operational Restart; Ongoing Work Initiatives; Reit. Buy

Stock Data		10/27/2023	
Price		\$5.50	
Price Target		\$8.00	
52-Week High		\$5.77	
52-Week Low		\$2.30	
Enterprise Value (M)		\$2,070	
Market Cap (M)		\$2,122	
Shares Outstanding (M)		385.8	
3 Month Avg Volume		7,896,909	
Short Interest (M)		39.93	
Balance Sheet Metrics			
Cash (M)		\$51.8	
Total Debt (M)		\$0.0	
Total Cash/Share		\$0.13	
Cash (M): Includes inventories.			
EPS (\$) Diluted			
Full Year - Jul	2022A	2023A	2024E
FY	0.02	(0.01)	0.05
Revenue (\$M)			
Full Year - Jul	2022A	2023A	2024E
FY	23.2	164.4	134.0

2022 Annual: Revenue assumed from uranium inventory sales



Site visit to Wyoming Hub & Spoke assets. On October 25 and 26, 2023, we had the chance to attend UEC's tour of Moore Ranch, Christensen Ranch, and Irigaray. In our view, the proximity of UEC's assets to one another is a major positive. We ultimately expect the firm to leverage these geographic synergies through its Hub & Spoke model, which utilizes the Irigaray Central Processing Plant (CPP). We also anticipate UEC to undergo a near-term and relatively smooth ramp-up of operations based on the strength of current uranium demand.

Gearing up for an operational restart. As we were able to see first hand, the firm is actively preparing for an operational restart at its Christensen Ranch project. Even though the asset was placed on care and maintenance in 2018, we recognize that UEC intends to perform various work initiatives. This work includes reattaching piping, reinstalling equipment, minor electrical work, and running various tests. Importantly, we do not expect to see any bottlenecks in terms of UEC's ramp-up work, which we attempt to display throughout this report.

Ongoing testing of wellfields. During our visit, we also had the chance to see a wellfield. Notably, UEC has already completed the testing for two modules in Mine Unit 8 and Mine Unit 10. As a result of these tests, the company has confirmed the feasibility of operations for Modules 8-7 and 10-6. In short, the firm's tests confirmed well flow rates, in addition to testing for electronic communications with the plant.

We reiterate our Buy rating on UEC and our PT of \$8.00. Our valuation for UEC remains based on a DCF of future operations for the company while utilizing our unchanged discount rate of 7.5%. We then add an *in situ* value of \$693.6M for Roughrider, \$150.0M for UEC's Reno Creek assets, \$100.0M for Alto Parana's resources, and an additional \$75.0M for Paraguay and UEC's other exploration-stage assets. Importantly, we continue to model a fairly conservative value (when considering spot pricing) for UEC's Measured and Indicated (M&I) resources of \$12 per pound (lb), \$10/lb for Inferred resources for U.S.-based assets and Roughrider, as well as an estimated value for the firm's shares in Anfield (AEC.V; not rated) based on current market prices. In our view, these figures may even prove to be somewhat conservative, given recent market multiples and continuous demand growth for U.S.-based uranium that has been affirmed by recent M&A.

Near-term catalysts. UEC ultimately intends to bring Christensen Ranch online as the first "spoke" feeding its Irigaray Central Processing Plant. In turn, we note that the firm began additional drilling and a well installation program at site in August 2023, while we also emphasize Irigaray's licensed production capacity of 2.5Mlbs of uranium per year. In short, we believe that Christensen Ranch provides a strong starting point in terms of feed for the Irigaray plant. Finally, we emphasize that UEC maintains a U.S. licensed capacity of 8.5Mlbs across its portfolio of domestic *in situ* recovery (ISR) projects, which should allow for meaningful growth in the future.

Risks. (1) Uranium price risk; (2) operating and technical risk; (3) political risk (4) financial risk.

On October 25 and 26, 2023, we attended a site visit to UEC's assets in Wyoming. The trip started with a commercial flight to Casper, WY, followed by a corporate presentation. The next day, we had a chance to tour Moore Ranch, Christensen Ranch, and Irigaray. Given the proximity of the assets, we were able to return to Casper in the afternoon and fly out the same day.

Exhibit 1: "UEC Wyoming Operations" Tanks at Irigaray



Source: H.C. Wainwright site visit to UEC's Wyoming operations on October 25 – 26, 2023.

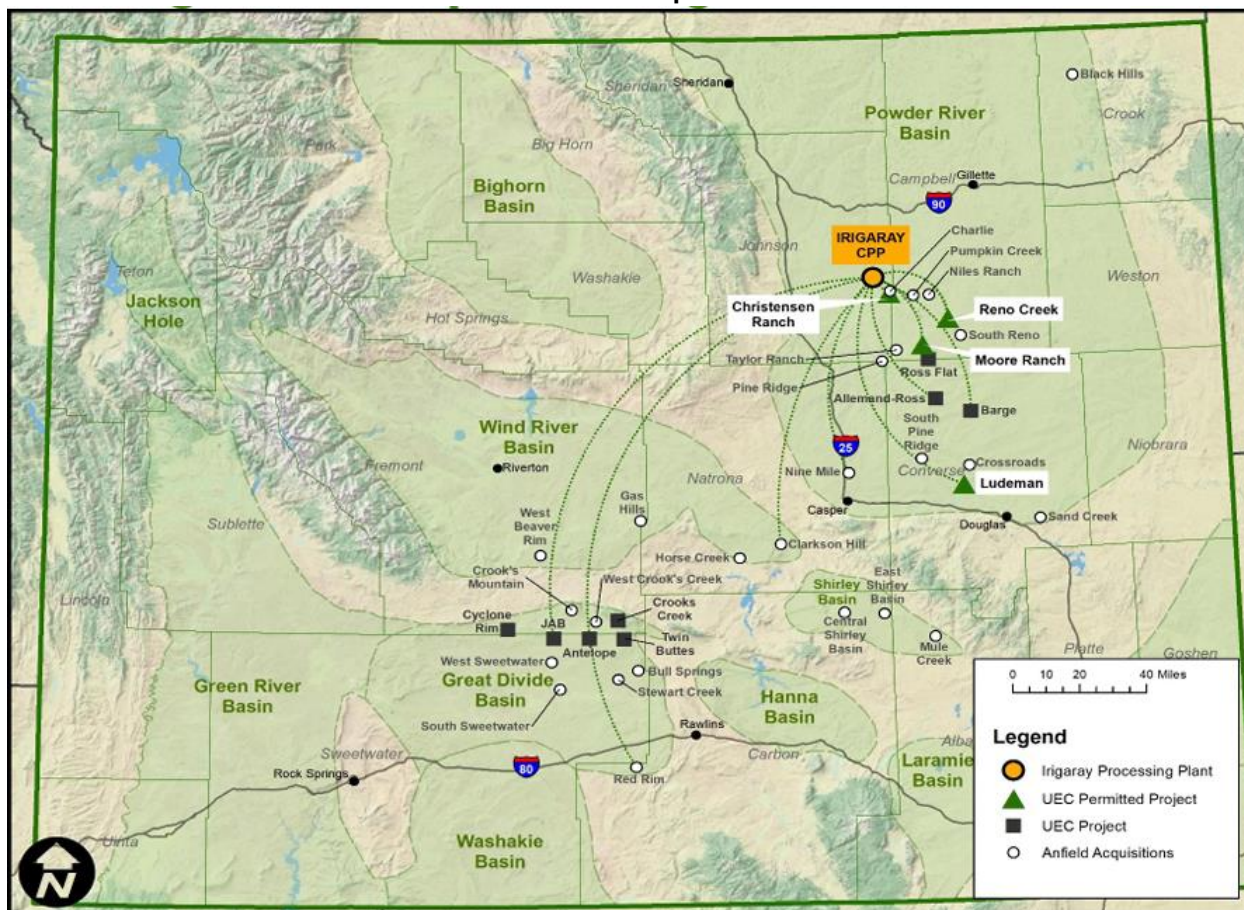
The presentation was given by Donna Wichers, UEC's VP of Wyoming Operations. She has more than 40 years of experience in the uranium industry and first started her career at Irigaray. Following some work at other assets, most of which are located throughout Wyoming, she joined Energy Metals. Energy Metals was eventually bought by Uranium One, which in turn was bought by UEC.

We reiterate that the Uranium One acquisition was quite transformative. As we previously reported in our November 10, 2021, report titled ["Definitive Share Purchase Agreement for Uranium One Investments Yield Large Historical Resource; Reit. Buy; PT Higher,"](#) the transaction aided UEC in becoming one of the leading uranium firms in the country. Not only did this transaction give the company access to a Hub & Spoke platform in Wyoming, but it also provided the company with fully permitted projects. Notably, the deal ultimately added about 100,000 acres to UEC's land package and included sites that have 6Mlbs of historic uranium production.

Hub & Spoke model yields efficiencies. UEC's Hub & Spoke model has the Irigaray Central Processing Plant located in close proximity to Willow Creek. We remind readers that the Willow Creek project consists of Irigaray, Christensen Ranch, and Charlie. The site is also near Reno Creek, Moore Ranch and Ludeman. In our view, this extensive amount of assets in close proximity to one another should ultimately allow the

firm to utilize Irigaray as the central processing site for ore originating from a variety of sites over the next several decades. This not only saves on capital, as only one plant needs to be financed, but also helps in terms of getting the projects online, as no other plant needs to be permitted.

Exhibit 2: Hub & Spoke Model



Source: Company reports.

Large-scale capacity should last for decades to come. Overall, the sites have a combined licensed capacity of 2.5Mlbs per year. This compares with a combined 66.2Mlbs of Measured & Indicated and 15.1Mlbs of Inferred resources.

We had a chance to tour the sites on October 26, 2023. We initially drove about 90 minutes from Casper to Moore Ranch, followed by a 45-minute drive to Christensen Ranch. After lunch, we drove about 13 miles to Irigaray, and then returned to Casper. Importantly, the entire trip was only about 160 miles, or three hours of driving time, thereby showing the favorable proximity of the assets to one another. In addition, we highlight that a majority of the drive was on paved highways, with some of the assets accessible by well-maintained gravel roads that still allowed for near-highway speeds.

Our first stop was at Moore Ranch. The site was easily accessible and is located only 25 miles from Irigaray. Moore Ranch has 3.21Mlbs of Measured & Indicated and 0.04Mlbs of Inferred U_3O_8 . The site is, therefore, one of the longer-term assets of the firm. We nonetheless highlight that the site is quite flat (as is most of UEC's Wyoming land package) and that Moore Ranch already has its Wyoming Department of Environmental Quality permit.

Exhibit 3: Moore Ranch

Source: H.C. Wainwright site visit to UEC's Wyoming operations on October 25 – 26, 2023.

Our next stop was at Christensen Ranch, where UEC is already preparing for the resumption of operations. We note that the wellfields and satellite processing plant at Christensen Ranch were previously placed on care and maintenance back in 2018. While some work undoubtedly needs to be done to resume operations, we stress that this work is predominantly related to reattaching piping, reinstalling equipment, minor electrical work and various testing. This is notable as none of these processes should have any meaningful bottlenecks or extensive timelines for additional permitting. We made a brief stop to look at Header House (HH) 4-3 on the way to Christensen Ranch.

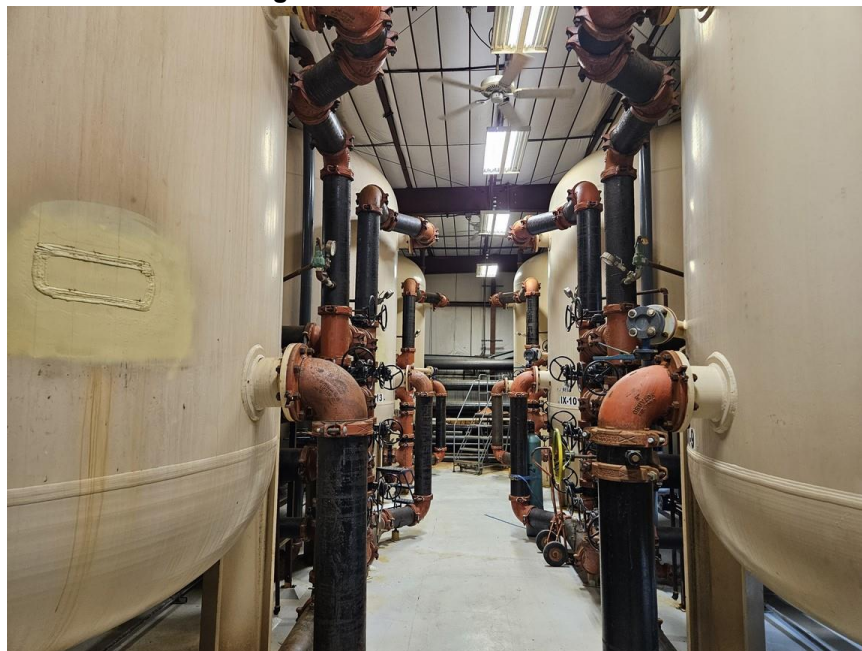
Exhibit 4: Header House 4-3

Source: H.C. Wainwright site visit to UEC's Wyoming operations on October 25 – 26, 2023.

Lots of the preparations for an operational start-up have already been completed. Some of the completed steps towards a restart of operations include testing of all electrical components and the reattachment of wellfield piping in wellfield module buildings. In addition, management has successfully completed mechanical integrity testing of all wells and the preparation of wellfield patterns for operational testing of the site.

Exhibit 5: Resin Tanks at Christensen Ranch Satellite Plant

Source: H.C. Wainwright site visit to UEC's Wyoming operations on October 25 – 26, 2023.

Exhibit 6: Ion Exchange Column at Christensen Ranch Satellite Plant

Source: H.C. Wainwright site visit to UEC's Wyoming operations on October 25 – 26, 2023.

Notably, the firm has a variety of owned equipment. This includes several resin trucks and telehandlers. The company also has an emergency power generator at the site. While some of this equipment is likely to eventually get replaced, in our view, this should allow the firm to resume operations cheaper and more efficiently.

Exhibit 7: UEC-Owned Truck at Christensen Ranch Satellite Plant

Source: H.C. Wainwright site visit to UEC's Wyoming operations on October 25 – 26, 2023.

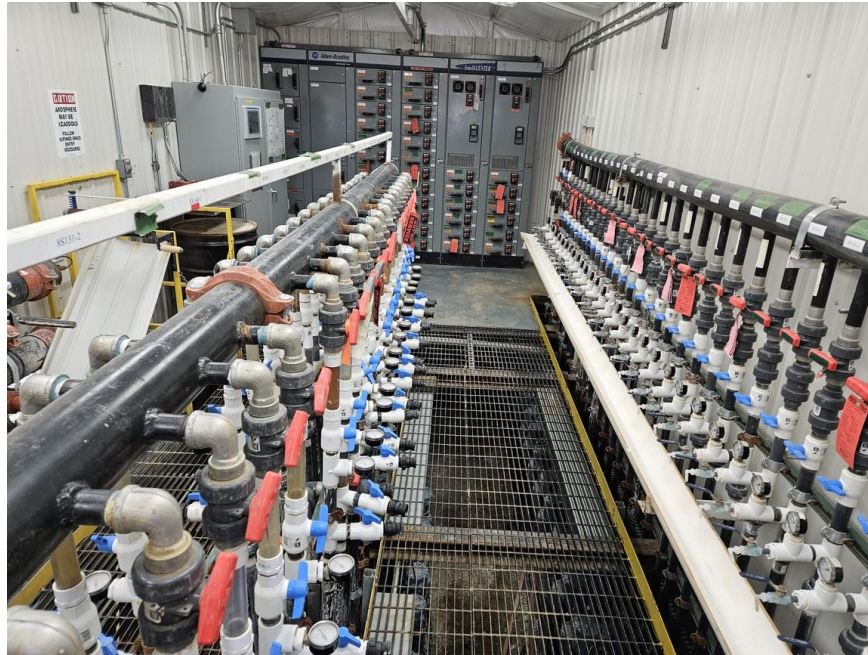
Exhibit 8: Emergency Power Generator

Source: H.C. Wainwright site visit to UEC's Wyoming operations on October 25 – 26, 2023.

Ongoing operational testing of wellfield. Following our tour of the satellite plant, we had a chance to see a wellfield. The company has already finished wellfield operations testing for two modules in Mine Unit 8 and Mine Unit 10. Notably, the firm confirmed the feasibility of operations for Modules 8-7 and 10-6 by circulating an oxygenated mining solution that has added carbon dioxide. In short, the firm tested everything from electronic communications with the plant to well flow rates.

Exhibit 9: Wells at Christensen Ranch

Source: H.C. Wainwright site visit to UEC's Wyoming operations on October 25 – 26, 2023.

Exhibit 10: Header House MOD8-9 at Christensen Ranch

Source: H.C. Wainwright site visit to UEC's Wyoming operations on October 25 – 26, 2023.

The highlight of the tour, and our last stop of the site visit, was at Irigaray. The Irigaray CPP appeared to be in good condition overall. We therefore expect the ramp-up of the site to be reasonably quick if uranium prices stay around current levels.

Exhibit 11: Irigaray CPP

Source: H.C. Wainwright site visit to UEC's Wyoming operations on October 25 – 26, 2023.

Exhibit 12: Tanks at Irigaray Central Processing Plant

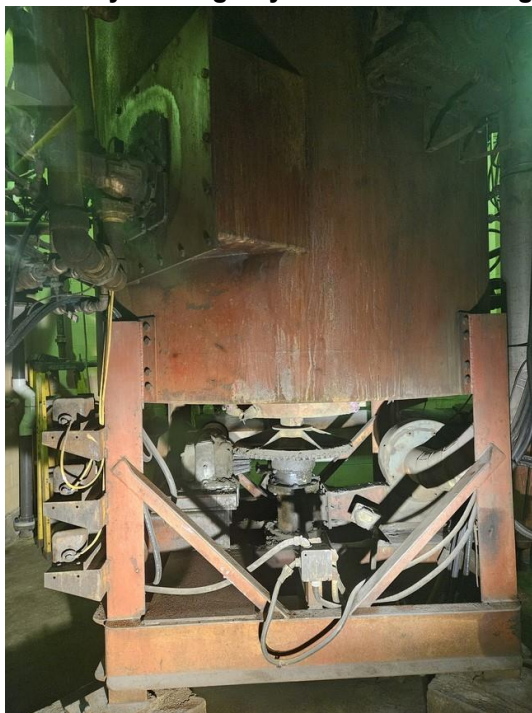


Source: H.C. Wainwright site visit to UEC's Wyoming operations on October 25 – 26, 2023.

Exhibit 13: Filter Press at Irigaray Central Processing Plant



Source: H.C. Wainwright site visit to UEC's Wyoming operations on October 25 – 26, 2023.

Exhibit 14: Dryer at Irigaray Central Processing Plant

Source: H.C. Wainwright site visit to UEC's Wyoming operations on October 25 – 26, 2023.

Safety was paramount. During our visit, we did not notice a single issue related to safety. The firm has very few lost-time incidents (LTIs), and operations tend to be quite safe. In our view, ISR mining tends to be safer than underground mining in general. The safety culture has been picked up by a variety of outside organizations, with UEC having won numerous safety awards.

Exhibit 15: Various Safety Awards

Source: H.C. Wainwright site visit to UEC's Wyoming operations on October 25 – 26, 2023.

While we were unable to tour Reno Creek due to the weather, we nonetheless stress the strong potential of the site. Reno Creek already has 26.0Mlbs of Measured and Indicated Resources. In addition, the site has 1.5Mlbs of Inferred resources. The site, which is licensed for a total of 2.0Mlbs per year, is currently the largest permitted, pre-construction ISR project in the country. As production permits are already in place, the site could theoretically come online in the near term as well.

In conclusion, we believe that UEC has strong potential in Wyoming. The firm has a cohesive management team in place. Looking ahead, we expect this to remain a major advantage when recruiting additional team members as operations continue to ramp up. At present, the firm employs about 20 people in the state, though this figure is likely to increase to 48 workers during steady-state operations. This is especially notable as UEC's workforce tends to consist of highly paid jobs.

Planned out timeline for the next decades. UEC's experienced management team has already planned out a long-term game plan to utilize its assets in the state. Notably, the CPP is expected to remain the center of the operation. For now, the plan is to start mining at Christensen Ranch, which also has the most infrastructure. Thereafter, the firm plans to mine Irigaray, Reno Creek, Ludeman, and Antelope. Finally, management expects to work on Moore Ranch and Barge. Overall, this plan should allow for mining over the next 20 – 25 years. In our view, this extensive timeline is quite impressive as the firm does not have to permit and build another processing plant.

We reiterate our Buy rating on UEC and our PT of \$8.00. Our valuation for UEC remains based on a DCF of future operations for the company while utilizing our unchanged discount rate of 7.5%. We then add an in-situ value of \$693.6M for Roughrider, \$150.0M for UEC's Reno Creek assets, \$100.0M for Alto Parana's resources, and an additional \$75.0M for Paraguay and UEC's other exploration-stage assets. Importantly, we continue to model a fairly conservative value (when considering spot pricing) for UEC's Measured and Indicated (M&I) resources of \$12 per pound (lb), \$10/lb for Inferred resources for U.S.-based assets and Roughrider, as well as an estimated value for the firm's shares in Anfield (AEC.V; not rated) based on current market prices. In our view, these figures may even prove to be somewhat conservative given recent market multiples and continuous demand growth for U.S.-based uranium that has been affirmed by recent M&A.

Risks. (1) Uranium price risk; (2) operating and technical risk; (3) political risk (4) financial risk.

Uranium Energy Corp.												
All figures in USD\$ unless otherwise noted												
			2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	
Uranium price per lb			\$ 55	\$ 60	\$ 65	\$ 65	\$ 65	\$ 65	\$ 65	\$ 65	\$ 65	
Sales from inventory			\$ 3,150	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Revenue from Inventory sales			\$ 164,000	\$ 82,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Cost of Sales from Inventory			\$ 114,719	\$ 57,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Gross Profit from Inventory Sales			\$ 47,509	\$ 25,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Palangana Production ('000s pounds)			300		340	200	50	-	-	-	-	
Total Revenue ('000s)			\$ -	\$ 18,000	\$ 22,100	\$ 13,000	\$ 3,250	\$ -	\$ -	\$ -	\$ -	
Goliad Production ('000s pounds)			150		600	600	600	600	600	600	600	
Total Revenue ('000s)			\$ -	\$ 9,000	\$ 39,000	\$ 39,000	\$ 39,000	\$ 39,000	\$ 39,000	\$ 39,000	\$ 39,000	
Burke Hollow Production ('000s pounds)			- 450		1,200	1,550	1,550	1,550	1,550	1,550	1,550	
Total Revenue ('000s)			\$ -	\$ 27,000	\$ 78,000	\$ 100,750	\$ 100,750	\$ 100,750	\$ 100,750	\$ 100,750	\$ 100,750	
Gross Revenue			\$ 167,209	\$ 136,500	\$ 139,100	\$ 152,750	\$ 143,000	\$ 139,750	\$ 139,750	\$ 139,750	\$ 139,750	
10% Royalty Palangana ('000s)			\$ -	\$ 1,800	\$ 2,210	\$ 1,300	\$ 325	\$ -	\$ -	\$ -	\$ -	
8.25% Royalty Goliad ('000s)			\$ -	\$ 743	\$ 3,218	\$ 3,218	\$ 3,218	\$ 3,218	\$ 3,218	\$ 3,218	\$ 3,218	
Net Sales ('000s)			\$ 167,209	\$ 133,958	\$ 133,673	\$ 148,233	\$ 139,458	\$ 136,533	\$ 136,533	\$ 136,533	\$ 136,533	
Operating cost per lb			\$ 18	\$ 20	\$ 16	\$ 16	\$ 16	\$ 16	\$ 16	\$ 16	\$ 16	
Total Operating Costs ('000s)			\$ 119,700	\$ 75,000	\$ 32,000	\$ 35,200	\$ 35,200	\$ 34,400	\$ 34,400	\$ 34,400	\$ 34,400	
Operating Income ('000s)			\$ 47,509	\$ 58,958	\$ 101,673	\$ 113,033	\$ 104,258	\$ 102,133	\$ 102,133	\$ 102,133	\$ 102,133	
CapEx ('000s)			\$ (5,000)	\$ (5,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	
Taxes ('000s) 35.0%			\$ -	\$ -	\$ -	\$ (19,606)	\$ (36,140)	\$ (35,396)	\$ (35,396)	\$ (35,396)	\$ (35,396)	
			Note: We assume tax loss carryforwards for FY22-25									
Total Operating Cash Flow			\$ 42,509	\$ 53,958	\$ 100,673	\$ 92,427	\$ 67,117	\$ 65,736	\$ 65,736	\$ 65,736	\$ 65,736	
Discount Rate 7.5%												
PV of Operating Cash Flows ('000s)			\$ 42,509	\$ 53,958	\$ 93,649	\$ 79,980	\$ 54,027	\$ 49,223	\$ 45,789	\$ 42,594	\$ 39,623	
NPV \$ 495,701			\$ 1.28 per share									
Plus Non-Texas Projects (Including UEX) \$ 995,676			\$ 2.58 per share 0.7208 USD/CAD exchange rate as of 10/27/23									
Plus U1A resources at \$12/lb and Inferred at \$10/lb \$ 494,600			\$ 1.28 per share									
Plus Roughrider resources at \$12/lb and Inferred at \$10/lb \$ 693,600			\$ 1.80 per share									
Plus Paraguay Assets \$ 75,000			\$ 0.19 per share									
Plus Cash and purchased Inventories. \$ 51,821			\$ 0.13 per share as of 7/31/23									
Plus Reno Creek/North Reno Creek \$ 150,000			\$ 0.39 per share									
Plus Alto Parana Resources \$ 100,000			\$ 0.26 per share									
Ownership of Anfield Energy Inc. shares (AEC.V; not rated) \$ 5,205			\$ 0.01 per share as of 10/27/2023									
Minus Debt -			\$ 0.00 per share as of 7/31/23									
Total Current Value \$ 3,091,753												
Common Shares Outstanding 385,848			as of 9/28/23									
NAV Per Share \$ 8.01												
NPV/Share (Rounded to \$0.10/share) \$ 8.00												
UEC Stock Price \$ 5.50			as of 10/27/2023									
Source: HC Wainwright & Co. estimates.												

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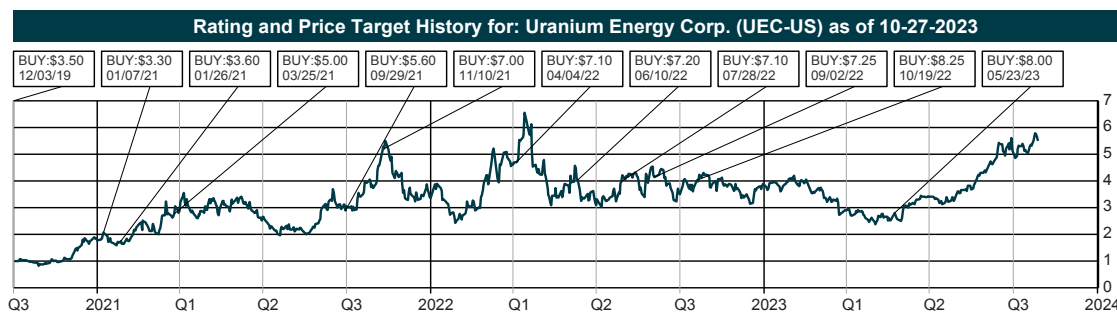
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RETURN ASSESSMENT

Market Outperform (Buy): The common stock of the company is expected to outperform a passive index comprised of all the common stock of companies within the same sector.

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Distribution of Ratings Table as of October 27, 2023				
Ratings	Count	Percent	IB Service/Past 12 Months	
			Count	Percent
Buy	565	89.40%	142	25.13%
Neutral	58	9.18%	10	17.24%
Sell	0	0.00%	0	0.00%
Under Review	9	1.42%	3	33.33%

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