H.C. WAINWRIGHT & CO.

Target Price Revision
Metals and Mining

January 18, 2024

Uranium Energy Corp. (UEC)
Rating: Buy

Heiko F. Ihle, CFA
212-356-0510
hihle@hcwresearch.com

Restart of Uranium Production at Christensen Ranch; Continued Surge of Uranium Spot Pricing; Reiterate Buy; PT Higher

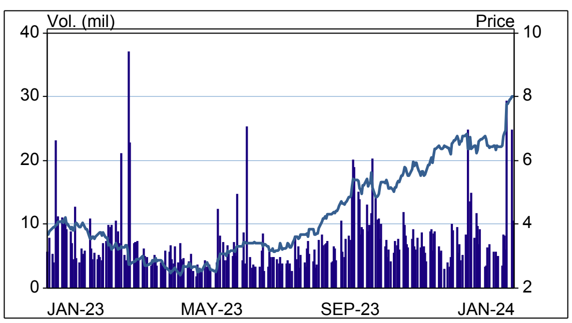
Stock Data	01/17/2024
Price	$8.00
Price Target	$9.75
52-Week High	$8.29
52-Week Low	$2.30
Enterprise Value (M)	$3,021.0
Market Cap (M)	$3,114
Shares Outstanding (M)	391.4
3 Month Avg Volume	8,056,148
Short Interest (M)	37.13
Balance Sheet Metrics	
Cash (M)	$93.2
Total Debt (M)	$0.0
Total Cash/Share	$0.24

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



Board of Directors approves restarting uranium production. On January 16, Uranium Energy Corp. (UEC) announced that first production from the Christensen Ranch In-Situ Recovery (ISR) operation in Wyoming is expected in August of this year. Notably, product from the site is expected to be processed at UEC's Irigaray Central Processing Plant (CPP). Based on UEC's longstanding commitment to being 100% unhedged, we expect the produced uranium to be sold at the prevailing spot market price, which has been surging due to producers facing a variety of challenges across the globe. Management also mentioned that initiatives are being taken to resume production at its South Texas Hub and Spoke platform, where the Hobson CPP is already fully licensed and permitted for 4M pounds (lbs) of uranium per year. In our view, UEC has a lot of potential for cash flow exceeding present expectations. This effect is likely to be quite pronounced once both central processing plants are up and running, especially if uranium prices either stay at current elevated levels or continue their recent climb.

Global uranium suppliers continue to face challenges. Kazatomprom (KAP.IL; not rated), a company that was responsible for 23% of the world's uranium supply in 2022, recently reported its expectation to miss production targets for the next two years. This was based on a sulfuric acid shortage, an important component of uranium extraction. Importantly, KAP is not the only company to revise its guidance, as Cameco (CCJ; not rated) reduced forecasts during that time as well. We also stress that entire countries are having a negative effect on the global supply chain. As an example, 2023 saw Kazakhstan and Niger face various logistical issues that hindered production. Longer-term, we believe that the persistent need for uranium should ultimately create a significant opportunity for producers over the next two years while major suppliers face continued headwinds. We believe that this offers a real opportunity for UEC to take market share as the firm begins to ramp up its production profile.

We raise our price target on UEC to $9.75 from $8.25. This increased valuation is attributable to higher prices for UEC's asset base given an increase in our valuation for the resources in our model. Our valuation for UEC remains primarily based on a DCF of future operations for the company. We continue to utilize our unchanged and increasingly conservative looking discount rate of 7.5%. We then add our revised in-situ value of $849.0M for Roughrider, $180.0M for UEC's Reno Creek assets and $180.0M for Alto Paraná. Notably, we now model a conservative value for UEC's M&I resources of $15/lb (prior: $12/lb), and an additional $12/lb (prior: $10/lb) for Inferred resources of U.S. and Canada-based assets, 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 eventually even prove to be conservative when analyzing recent market multiples amid the consistent demand growth for U.S.-based uranium that has been confirmed by recent M&A.

For definitions and the distribution of analyst ratings, analyst certifications, and other disclosures, please refer to pages 4 - 5 of this report.

Near-term catalysts. We note that UEC's management plans to grow its Irigaray CPP up to a licensed capacity of 4Mlbs of uranium (present: 2.5Mlbs). In our view, this should ultimately allow for meaningful future growth across the area. We reiterate that a variety of initiatives are being taken to restart production at the South Texas Hub & Spoke platform, which are likely to further accelerate growth for the company thanks to the Hobson CPP. We also note that the company currently has 866,000lbs of inventory on hand, which was acquired at an average cost of $49/lb, and that the company expects to purchase 1.3Mlbs of uranium at an average cost of $46/lb. Finally, we reiterate our view that UEC seems to have an opportunity for higher than expected profitability if uranium prices continue to thrive.

Risks. (1) Uranium price risk; (2) Operating and technical risk; (3) Political risk; and (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	*$38*	$ 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**	*$ 1.27 per share*	
Plus Non-Texas Projects (Including UEX)	$ 1,257,276	*$ 3.21 per share*	*0.7391 USD/CAD exchange rate as of 01/17/2024*
Plus U1A resources at $15/lb and Inferred at $12/lb	$ 616,110	*$ 1.57 per share*	
Plus Roughrider resources at $15/lb and Inferred at $12/lb	$ 849,000	*$ 2.17 per share*	
Plus Paraguay Assets	$ 100,000	*$ 0.26 per share*	
Plus Cash and purchased Inventories.	$ 93,179	*$ 0.24 per share*	*as of 10/31/23*
Plus Reno Creek/North Reno Creek	$ 180,000	*$ 0.46 per share*	
Plus Alto Parana Resources	$ 180,000	*$ 0.46 per share*	*0.1x of NAV under stretch case scenario.*
Ownership of Anfield Energy Inc. shares (AEC.V; not rated)	$ 4,910	*$ 0.01 per share*	*as of 01/17/2024*
Minus Debt	-	*0.00 per share*	*as of 10/31/23*
Total Current Value	**$ 3,806,326**		
Common Shares Outstanding	391,423	*as of 10/31/23*	
NAV Per Share	***$ 9.72***		
NPV/Share (Rounded to $0.10/share)	***$ 9.75***		
UEC Stock Price	***$ 8.00***	*as of 01/17/2024*	

Source: HC Wainwright & Co. estimates.

Important Disclaimers

This material is confidential and intended for use by Institutional Accounts as defined in FINRA Rule 4512(c). It may also be privileged or otherwise protected by work product immunity or other legal rules. If you have received it by mistake, please let us know by e-mail reply to unsubscribe@hcwresearch.com and delete it from your system; you may not copy this message or disclose its contents to anyone. The integrity and security of this message cannot be guaranteed on the Internet.

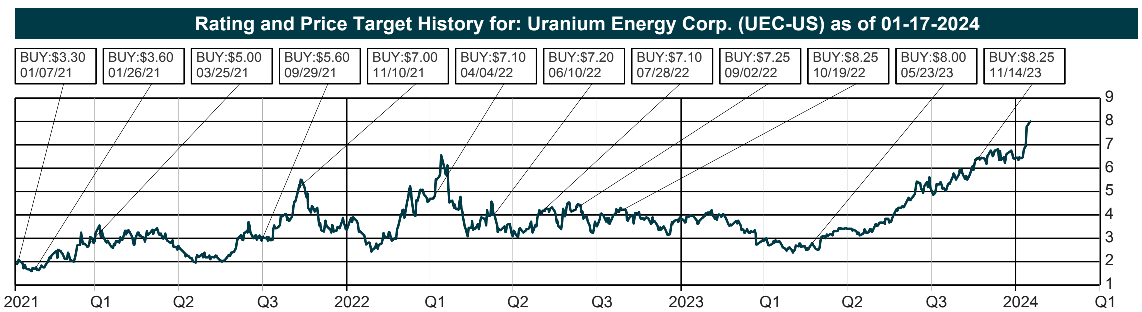
H.C. WAINWRIGHT & CO, LLC RATING SYSTEM: H.C. Wainwright employs a three tier rating system for evaluating both the potential return and risk associated with owning common equity shares of rated firms. The expected return of any given equity is measured on a RELATIVE basis of other companies in the same sector. The price objective is calculated to estimate the potential movements in price that a given equity could reach provided certain targets are met over a defined time horizon. Price objectives are subject to external factors including industry events and market volatility.

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.

Market Perform (Neutral): The common stock of the company is expected to mimic the performance of a passive index comprised of all the common stock of companies within the same sector.

Market Underperform (Sell): The common stock of the company is expected to underperform a passive index comprised of all the common stock of companies within the same sector.



Investment Banking Services include, but are not limited to, acting as a manager/co-manager in the underwriting or placement of securities, acting as financial advisor, and/or providing corporate finance or capital markets-related services to a company or one of its affiliates or subsidiaries within the past 12 months.

Distribution of Ratings Table as of January 17, 2024				
			IB Service/Past 12 Months	
Ratings	Count	Percent	Count	Percent
Buy	558	88.43%	139	24.91%
Neutral	61	9.67%	7	11.48%
Sell	0	0.00%	0	0.00%
Under Review	12	1.90%	5	41.67%

H.C. Wainwright & Co, LLC (the “Firm”) is a member of FINRA and SIPC and a registered U.S. Broker-Dealer.

I, Heiko F. Ihle, CFA , certify that 1) all of the views expressed in this report accurately reflect my personal views about any and all subject securities or issuers discussed; and 2) no part of my compensation was, is, or will be directly or indirectly related to the specific recommendation or views expressed in this research report; and 3) neither myself nor any members of my household is an officer, director or advisory board member of these companies.

None of the research analysts or the research analyst’s household has a financial interest in the securities of Uranium Energy Corp. (including, without limitation, any option, right, warrant, future, long or short position).

As of December 31, 2023 neither the Firm nor its affiliates beneficially own 1% or more of any class of common equity securities of Uranium Energy Corp..

Neither the research analyst nor the Firm knows or has reason to know of any other material conflict of interest at the time of publication of this research report.

The research analyst principally responsible for preparation of the report does not receive compensation that is based upon any specific investment banking services or transaction but is compensated based on factors including total revenue and profitability of the Firm, a substantial portion of which is derived from investment banking services.

The firm or its affiliates received compensation from Uranium Energy Corp. for non-investment banking services in the previous 12 months.

The Firm or its affiliates did receive compensation from Uranium Energy Corp. for investment banking services within twelve months before, and will seek compensation from the companies mentioned in this report for investment banking services within three months following publication of the research report.

H.C. Wainwright & Co., LLC managed or co-managed a public offering of securities for Uranium Energy Corp. during the past 12 months.

The Firm does not make a market in Uranium Energy Corp. as of the date of this research report.

The securities of the company discussed in this report may be unsuitable for investors depending on their specific investment objectives and financial position. Past performance is no guarantee of future results. This report is offered for informational purposes only, and does not constitute an offer or solicitation to buy or sell any securities discussed herein in any jurisdiction where such would be prohibited. This research report is not intended to provide tax advice or to be used to provide tax advice to any person. Electronic versions of H.C. Wainwright & Co., LLC research reports are made available to all clients simultaneously. No part of this report may be reproduced in any form without the expressed permission of H.C. Wainwright & Co., LLC. Additional information available upon request.

H.C. Wainwright & Co., LLC does not provide individually tailored investment advice in research reports. This research report is not intended to provide personal investment advice and it does not take into account the specific investment objectives, financial situation and the particular needs of any specific person. Investors should seek financial advice regarding the appropriateness of investing in financial instruments and implementing investment strategies discussed or recommended in this research report.

H.C. Wainwright & Co., LLC's and its affiliates' salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies that reflect opinions that are contrary to the opinions expressed in this research report.

H.C. Wainwright & Co., LLC and its affiliates, officers, directors, and employees, excluding its analysts, will from time to time have long or short positions in, act as principal in, and buy or sell, the securities or derivatives (including options and warrants) thereof of covered companies referred to in this research report.

The information contained herein is based on sources which we believe to be reliable but is not guaranteed by us as being accurate and does not purport to be a complete statement or summary of the available data on the company, industry or security discussed in the report. All opinions and estimates included in this report constitute the analyst's judgment as of the date of this report and are subject to change without notice.

Securities and other financial instruments discussed in this research report: may lose value; are not insured by the Federal Deposit Insurance Corporation; and are subject to investment risks, including possible loss of the principal amount invested.