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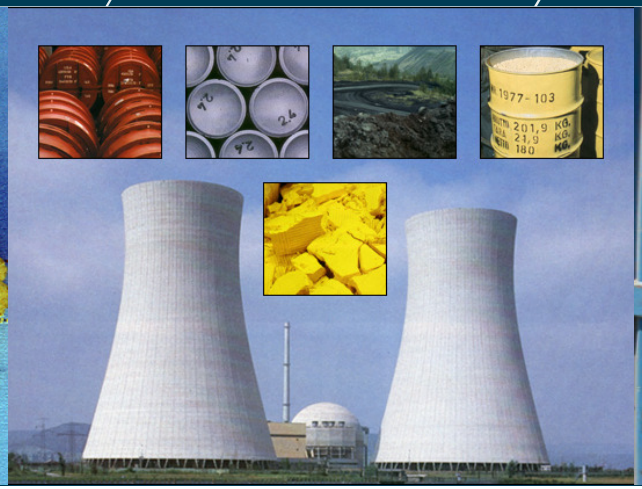
Market Presentation:
Uranium, Conversion, SWU

Alzenau, March 2016



Overview

NUKEM's Business

- NUKEM at a Glance

The International Uranium Market

- Historical Uranium Production
- Supply and Demand
- Spot and Medium-/Long-term Market

Conversion & Enrichment

NUKEM at a Glance (1)
Over 50 Years Experience in the Nuclear Sector

Offices:

- NUKEM GmbH, Alzenau (Germany)
- NUKEM Inc., Danbury (USA)
  - relocating to Westport, CT in March 2016

Germany Office, Alzenau

USA Office, Danbury

NUKEM at a Glance (2)
Position & Business

One of the top five providers of uranium to nuclear power plants worldwide:

- Contracts with almost all nuclear utility in the world
- Delivering 11 m lbs U_3O_8 annually
- Trading in the spot and medium-/long-term markets (U3O8, UF6, Conversion, EUP, SWU)
- Strong partnership with major uranium mining enterprises
- Recovery/recycling of non-standard uranium products

NUKEM at a Glance (3)
Active in the Entire Front-end of the Nuclear Fuel Cycle

1 Products / Services
- Natural uranium (U_3O_8, UF_6)
- Conversion
- Enrichment (< 5%)
- Residue recovery

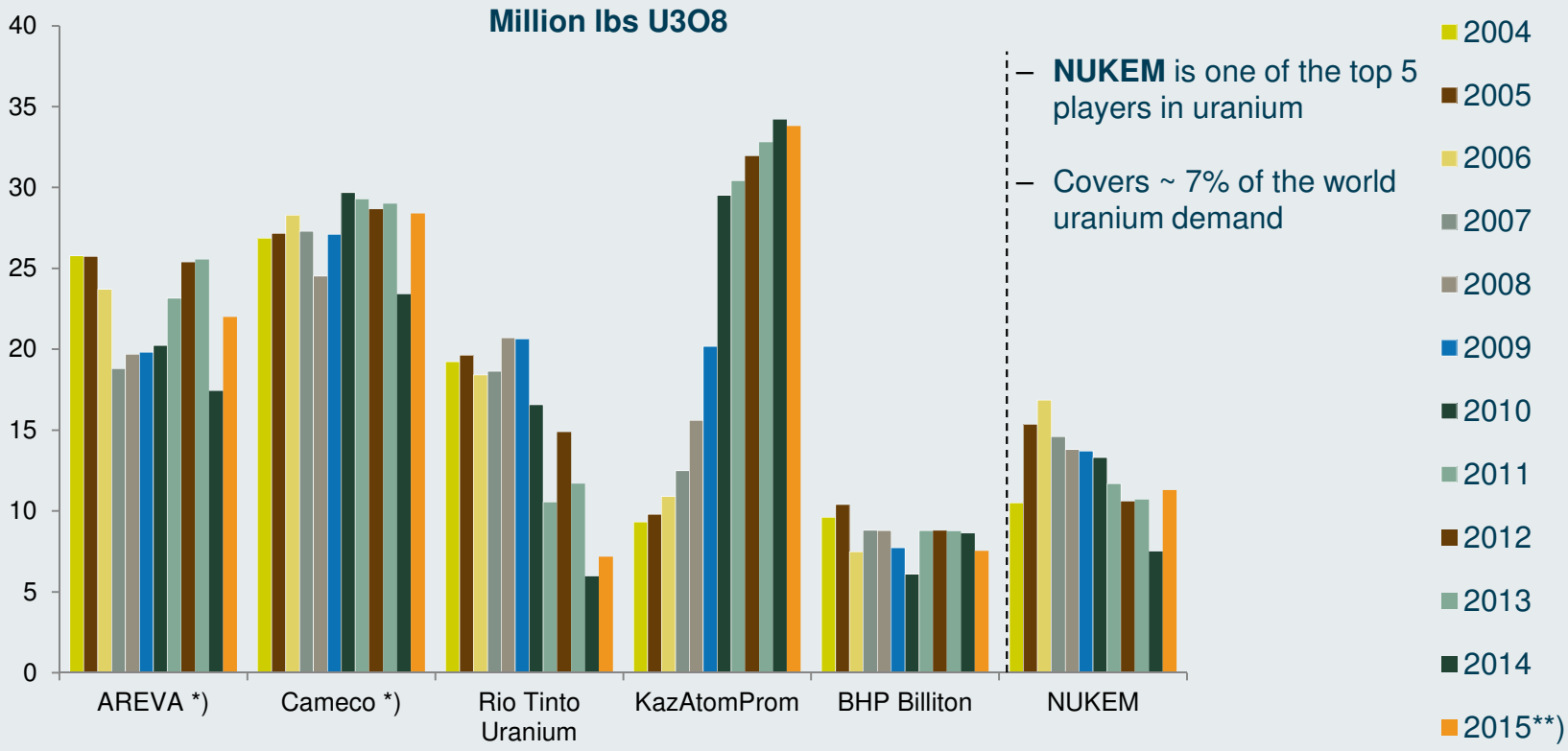
2 Suppliers
- Producers
- Intermediaries
- Utilities
- Governments

3 Buyers
- Utilities
- Intermediaries
- Funds / Banks
- Producers

4 Type of Transactions
- Sales / Purchases (Spot / Long-term)
- Sale/Buy-back
- Derivative trading
- Swaps
- Uranium Loans

5 Finance
- Forfaiting / Warehousing
- Price hedging (Fix-for-Float)
- Off-book inventory financing

NUKEM Delivery Commitments vs. Uranium Production of the Major Producers

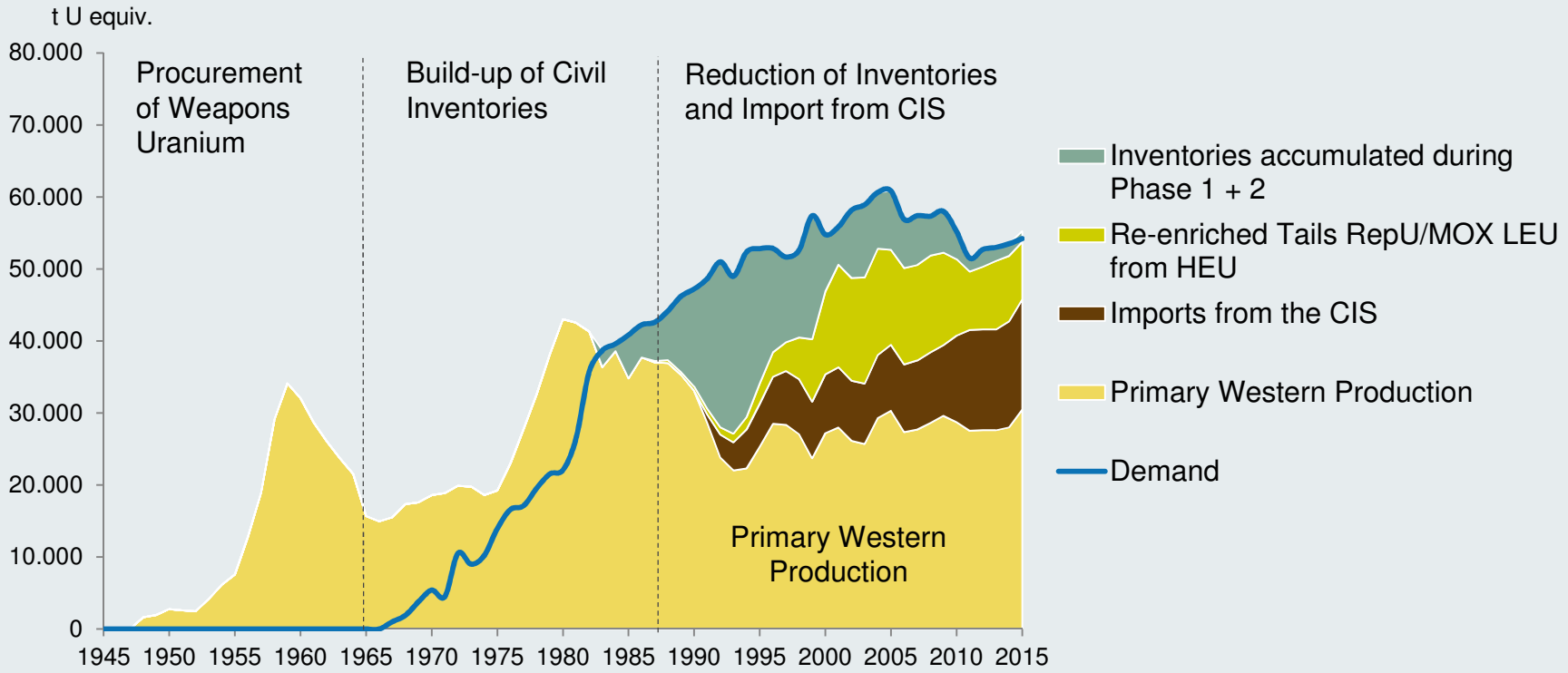


*) HEU Feed included as “production”

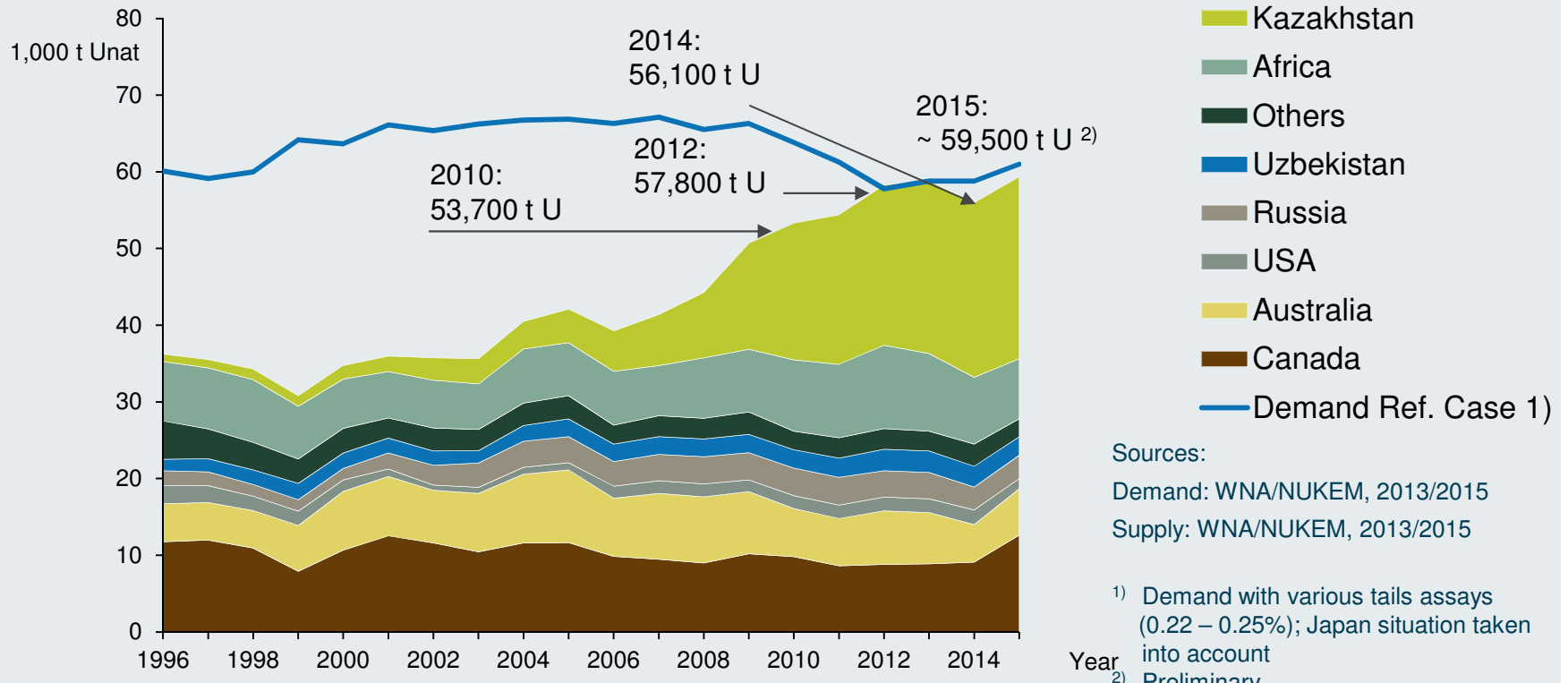
**) Preliminary data

The International Uranium Market

Western World Natural Uranium Production
Coverage of the Gap



World Uranium Production by Country/Region
1996-2015



Sources:

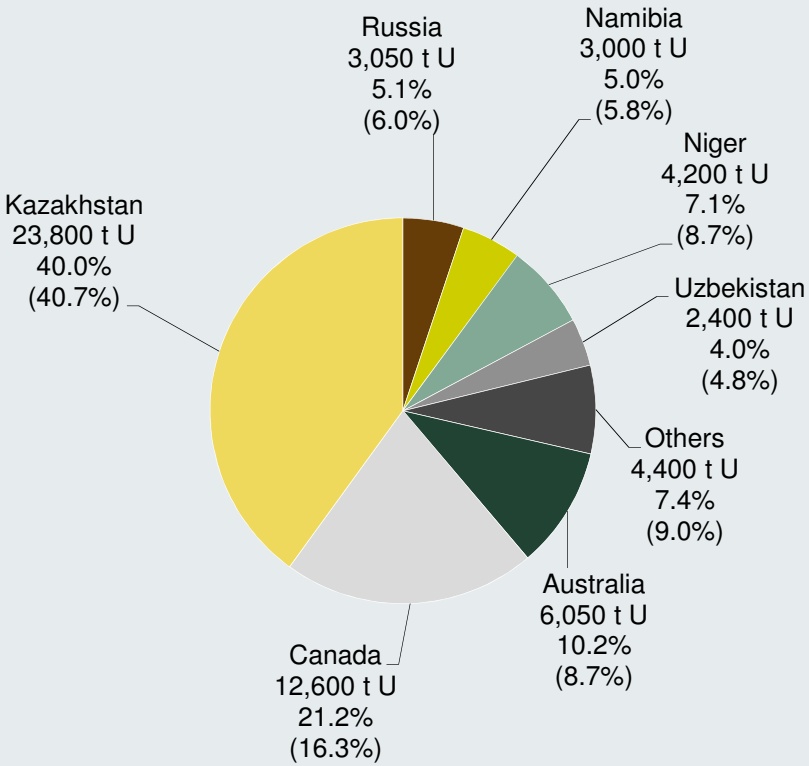
Demand: WNA/NUKEM, 2013/2015

Supply: WNA/NUKEM, 2013/2015

1) Demand with various tails assays (0.22 – 0.25%); Japan situation taken into account

2) Preliminary

World Uranium Production in 2015 by Country

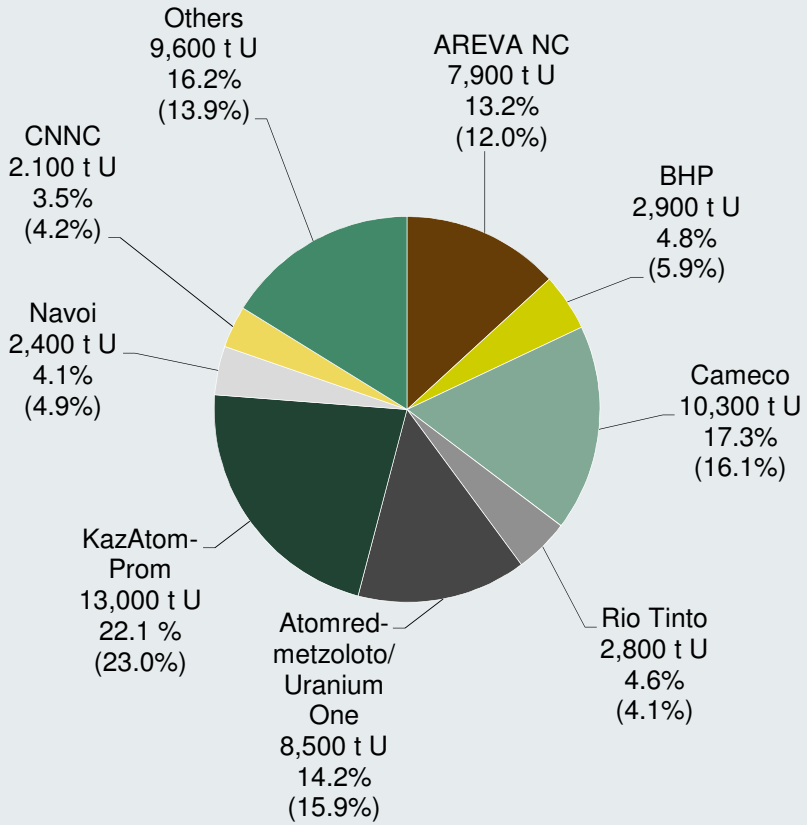


Total:
59,500 t U (56,000 t U)

- „Eastern“ production*): ~ 30,000 t U
- „Big 3“ (Aus, Can, USA): 20,000 t U
- Production Africa: 8,000 t U

*) Including Ukraine
2014 data in ()

World Uranium Production in 2015 Shareholder



Total:
59,500 t U (56,000 t U)

*2014 data in ()

Uranium Supply & Demand

Market Fundamentals at a Glance (1)
Major demand/supply characteristics

Demand

- 442 operating*) nuclear reactors worldwide in 2016 (~ 380 GWe)
- 64 reactors currently under construction (~ 70 Gwe)
- Start-up of 113 reactors by 2025, with major new-build in China, Russia and India
- 55 reactors to be shut down, particularly in Asia, Russia, Europe
- ~ 500 reactors expected to operate by 2025

Supply

- Secondary supplies continuing on lower level beyond 2014
- New (big) uranium production projects suspended/postponed

Source: Cameco 2016, WNA 2015
*) Operating = connected to the grid; including 43 Japan reactors

Market Fundamentals at a Glance (2)
Major challenges

Fukushima Impact

- Japan situation
  - Two reactors operating yet
  - Further restarts in 2016 likely
  - Still lack of reactor re-start schedule
  - Slow restart pace of Japanese reactors expected
- Public still wary of nuclear (Germany, Switzerland, Japan)

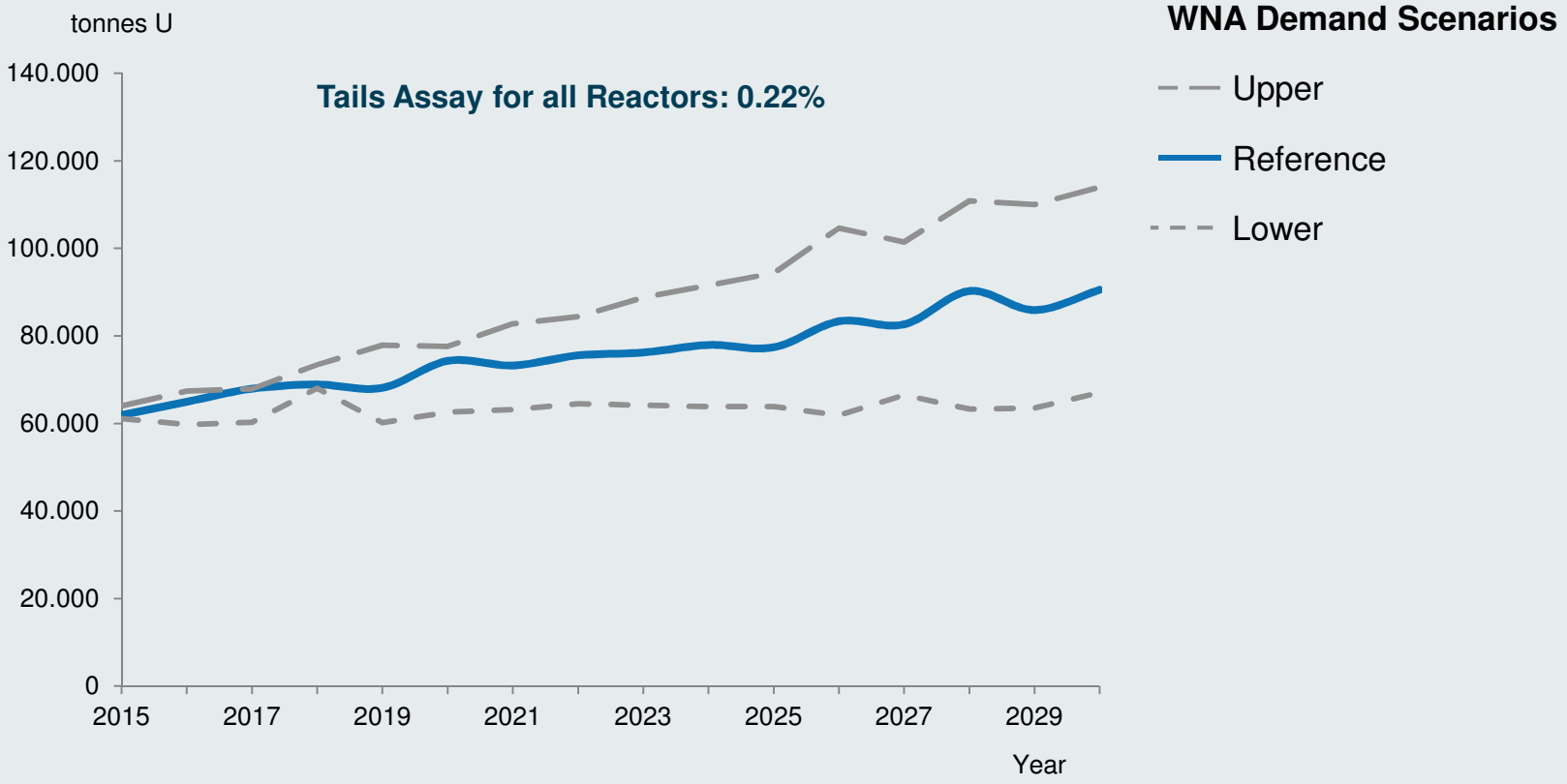
Uncertainties in the uranium market

- Spot price developments
- Excess inventory
- Future production
- Excess enrichment capacity used for underfeeding & tails re-enrichment

Other

- New nuclear generation less competitive due to new gas fracking
- Nuclear production costs boosted by new safety regulations

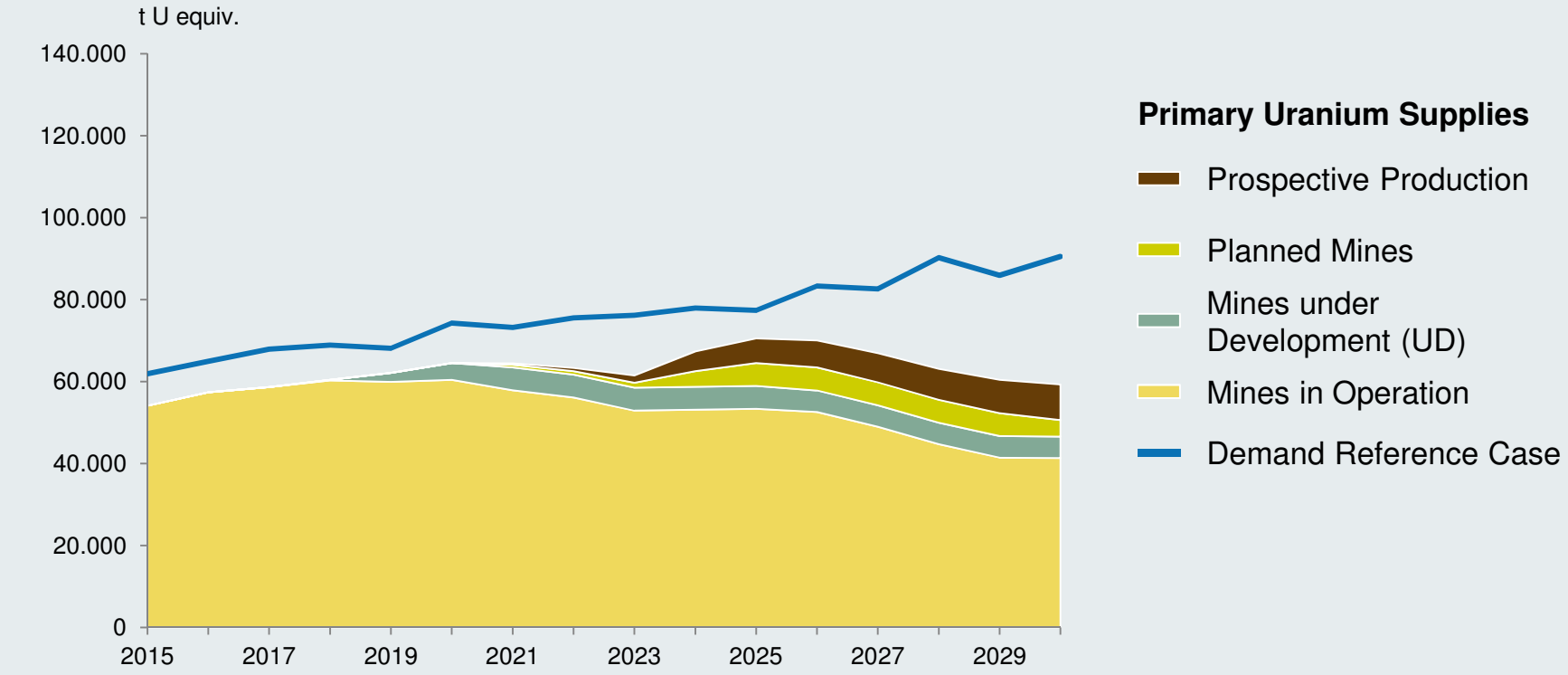
World Uranium Demand & Supply (1)
WNA Demand – Three Scenarios



Source: WNA Fuel Report Sep 2015

World Uranium Supply & Demand (2)

Primary Uranium Supply in line with WNA Reference Scenario

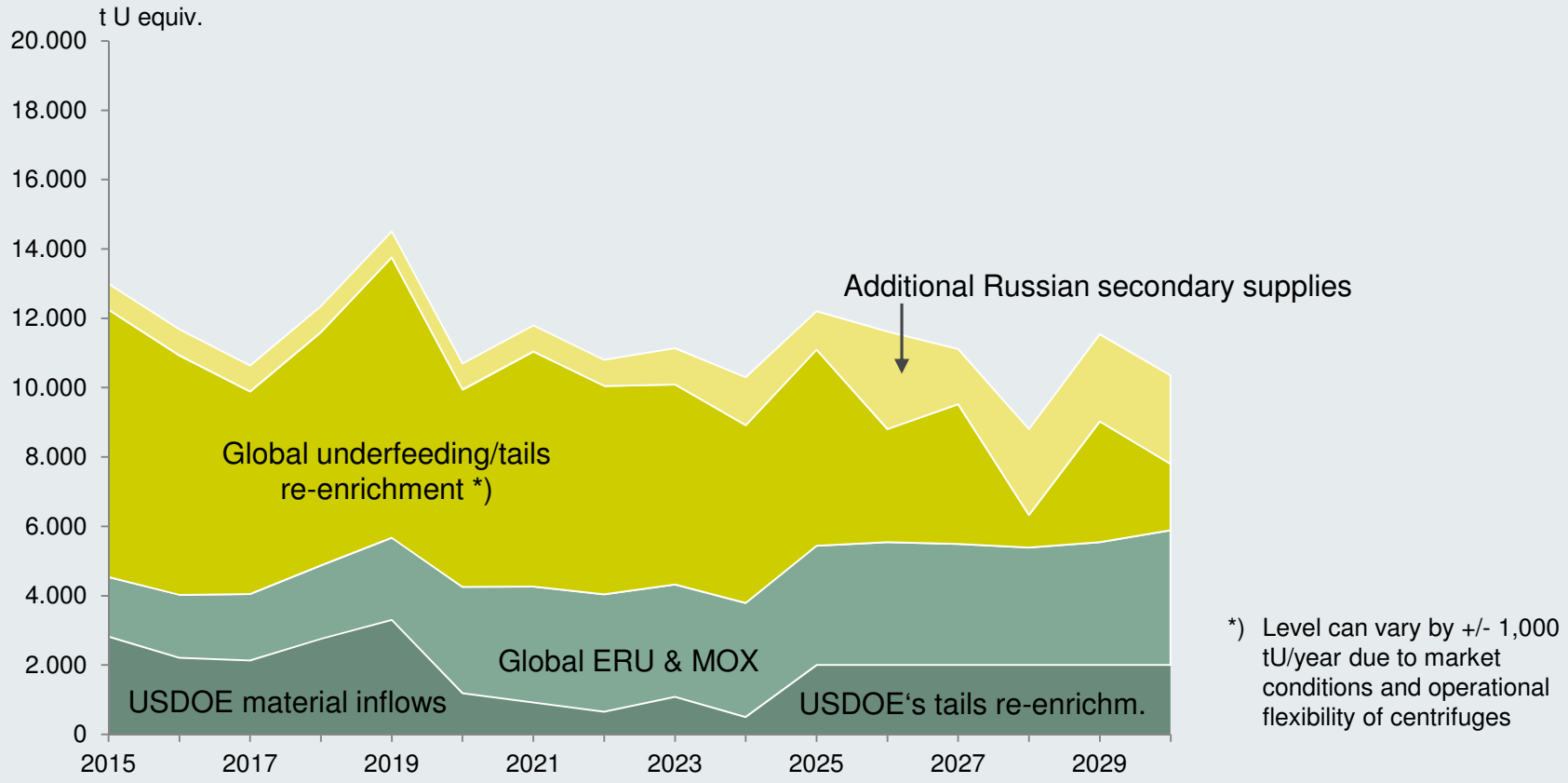


Major assumptions: Trekkopje/Areva; Bakouma/Areva; Yeelirrie, Kintyre/Cameco; Imouraren suspended or postponed

Source:
WNA Fuel Report Sep 2015

World Uranium Supply & Demand (5)

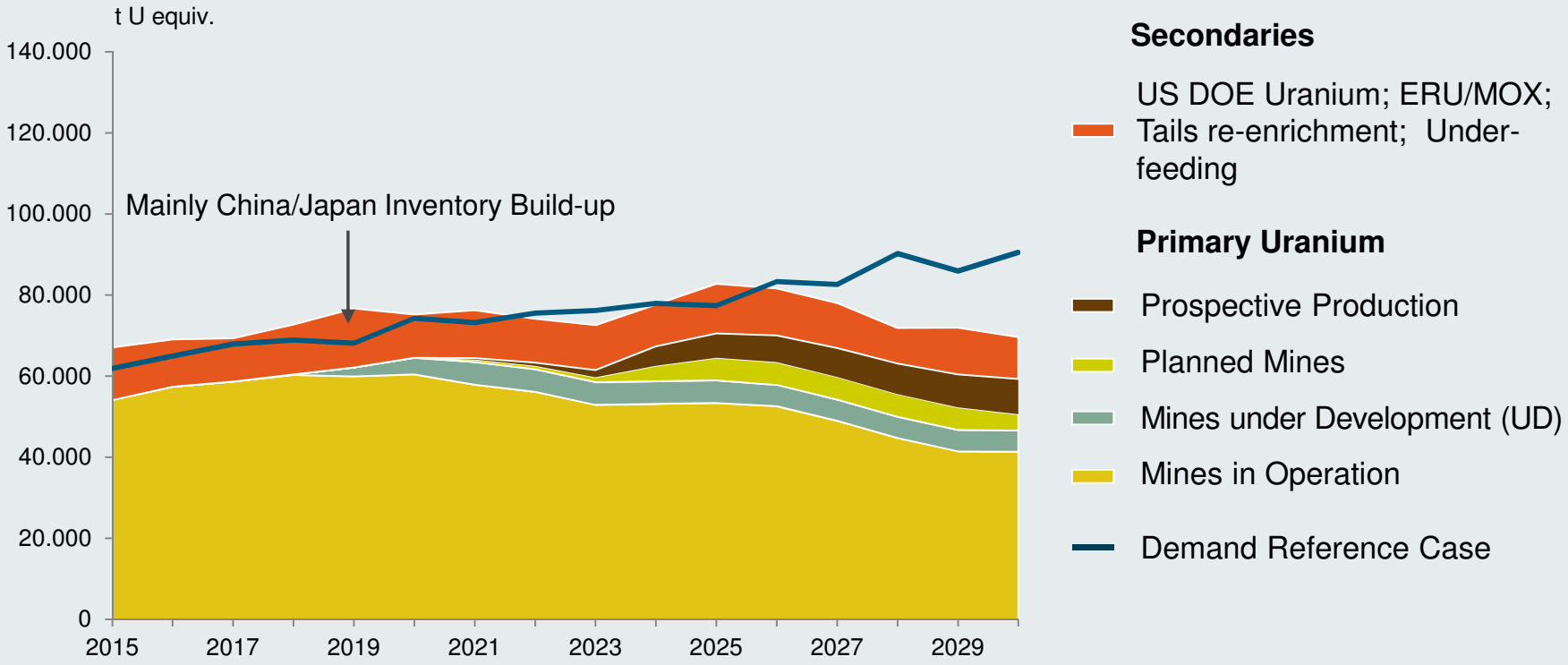
Secondary Supply Sources (U_3O_8) – Breakdown of Reference Scenario



*) Level can vary by +/- 1,000 tU/year due to market conditions and operational flexibility of centrifuges

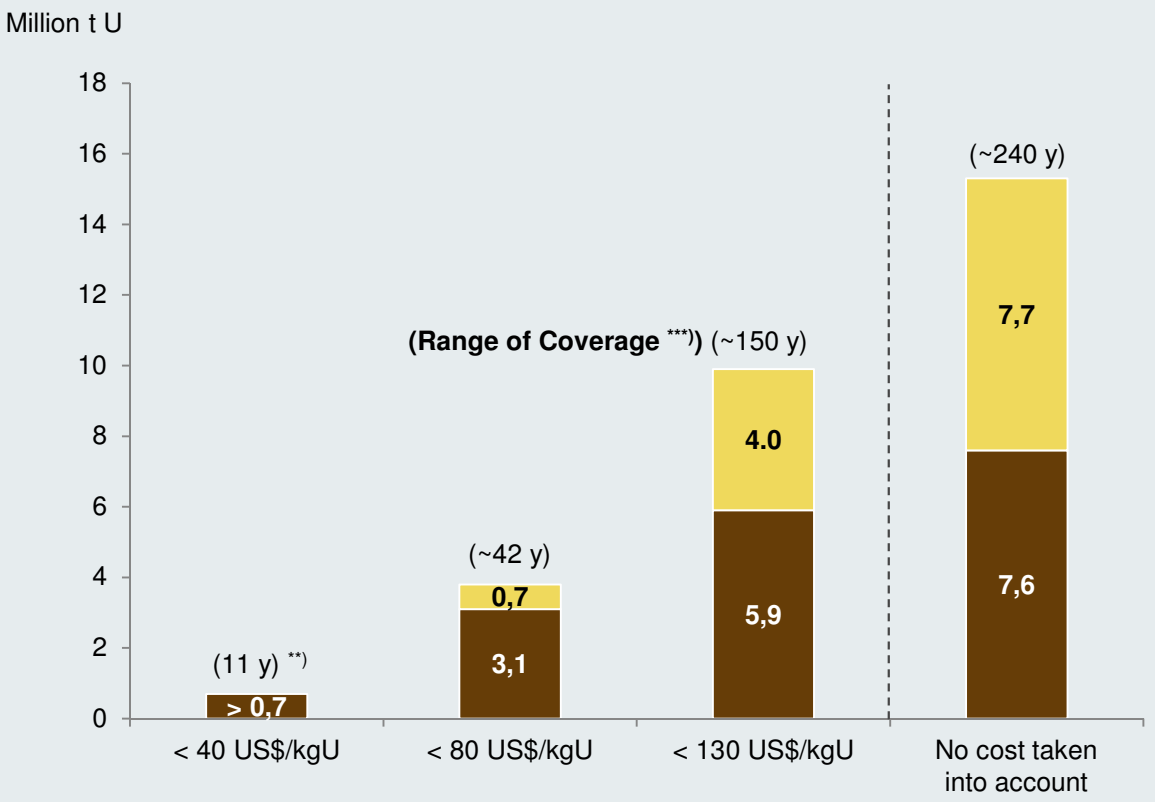
Source: WNA Fuel Report, Sep 2015

World Uranium Supply & Demand (7)
Global Supply/Demand – WNA Reference Scenario



Source: WNA Fuel Report, Sep 2015

Uranium Resources Worldwide by Production Cost
Range of Coverage



Conventional Resources:

- Prognosticated/ Speculative Resources *)
- Identified Resources

*) Expected to occur based on geological knowledge; partly not updated since years

**) Probably higher, as data withheld due to confidentiality/ availability reasons

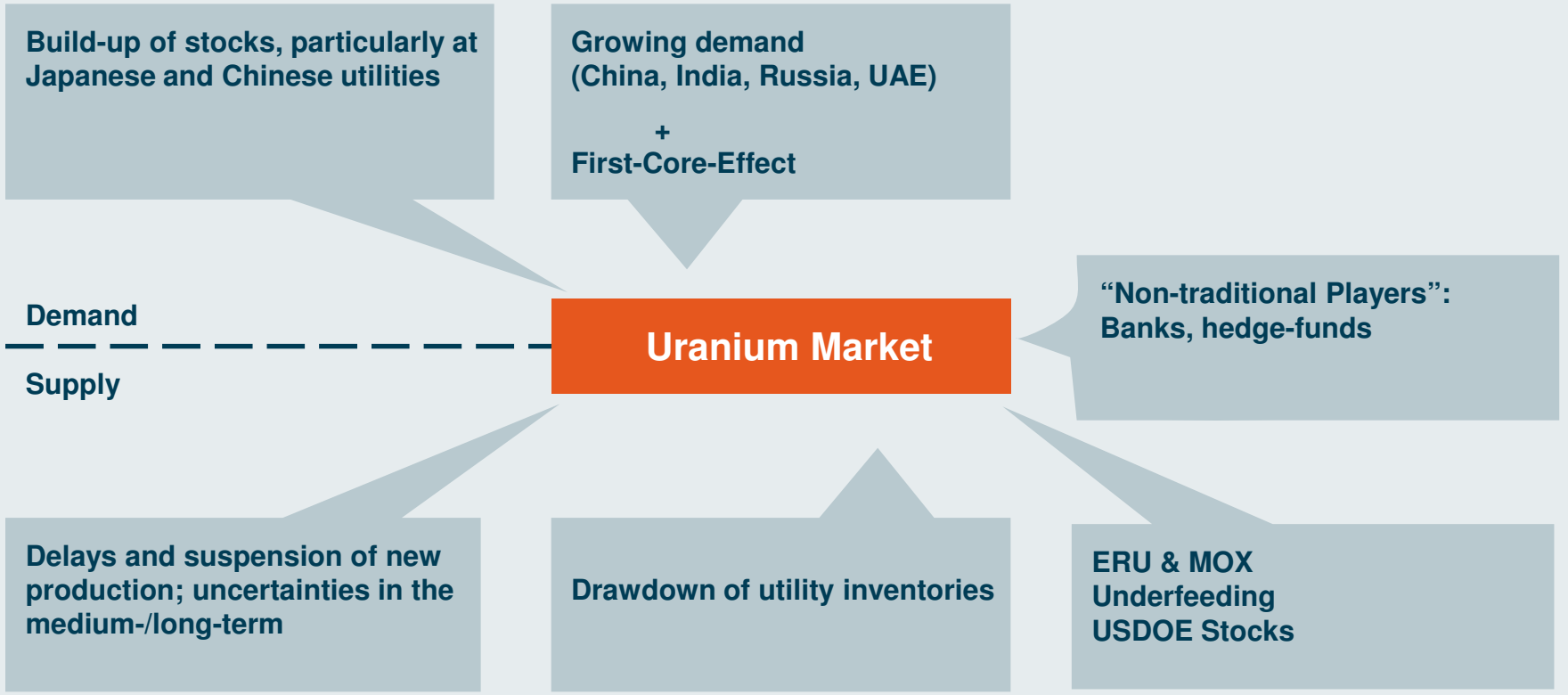
***) Assumed demand for calculation: 65,000 t U/y

Source:

NEA “Uranium 2013 Resources, Production and Demand“ (Red Book 2013)

Uranium Spot and Long-term Market

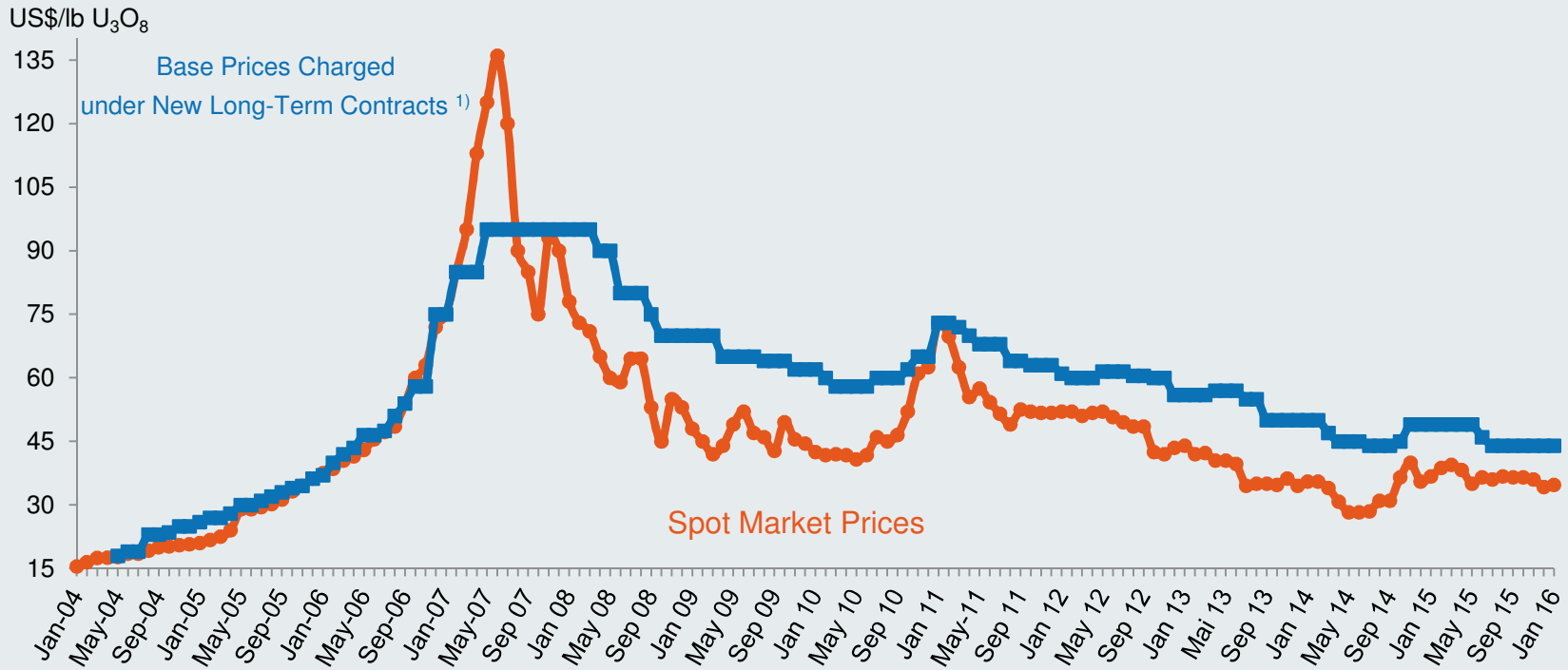
Uranium Market Today and in Future:
Main Influences



Uranium Spot Market Prices

Source: UxC Weekly Reports

Uranium Base Prices for New Long-Term Contracts

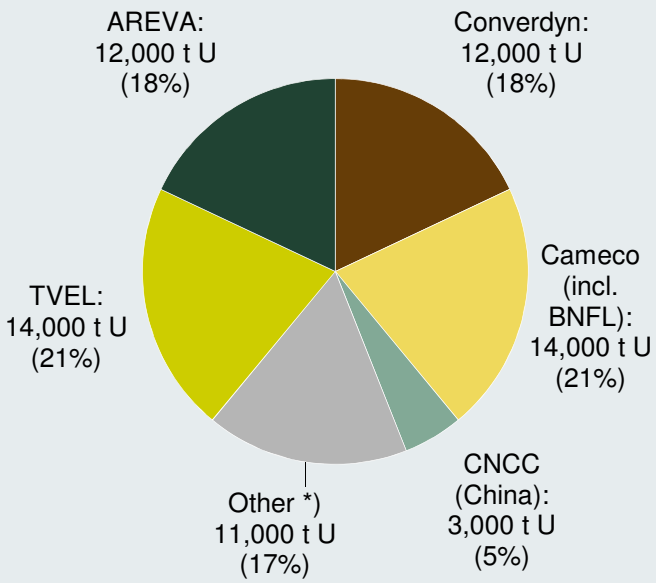


Source: UxC Weekly Reports

1) Base prices are given for the month of contract conclusion

Conversion

Conversion Market in 2014
Sources of Conversion – Best Estimate

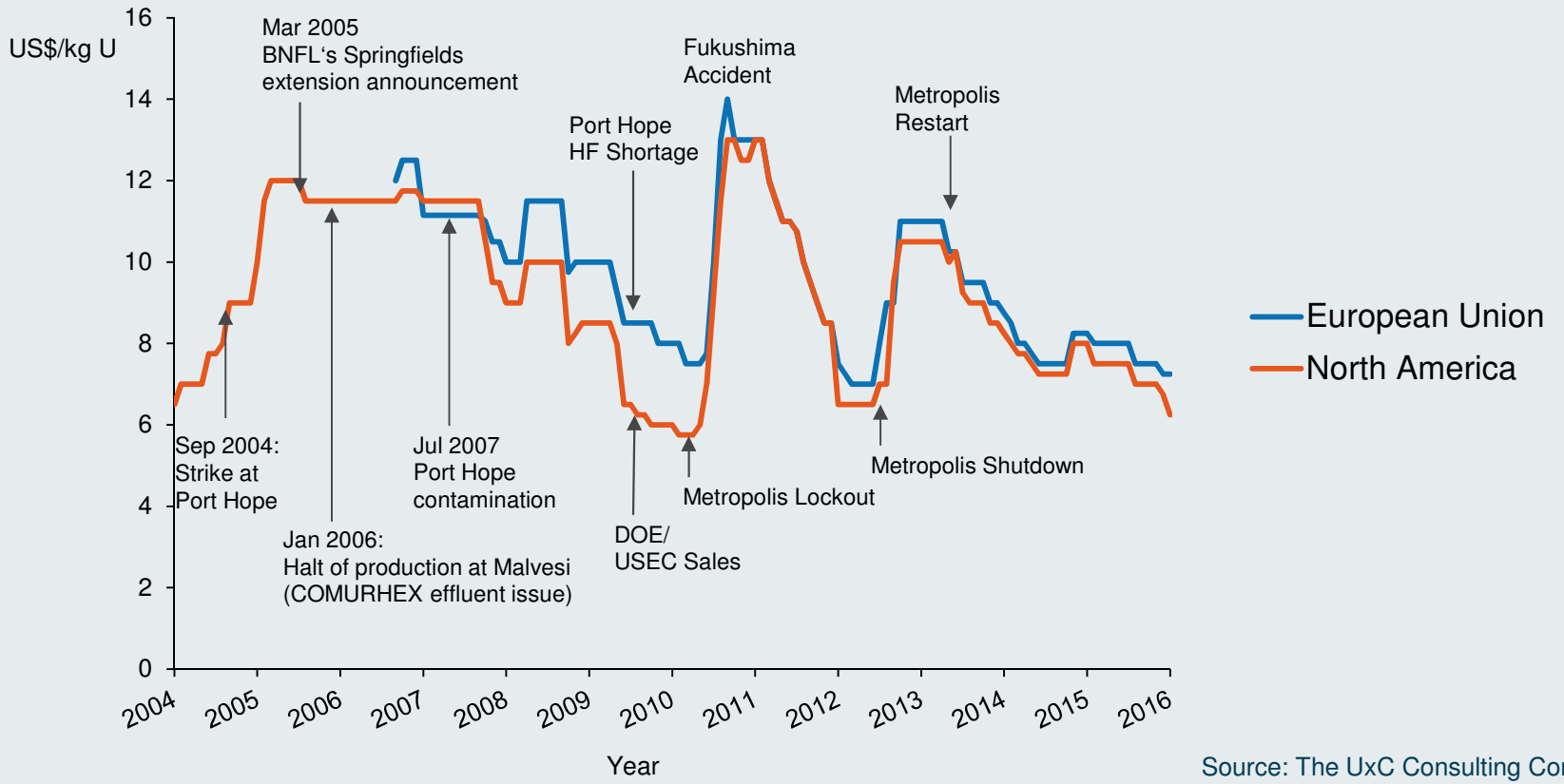


Demand:
~ 60,000 t U/UF_6

Installed Capacity:
~ 65,000 t U/UF_6

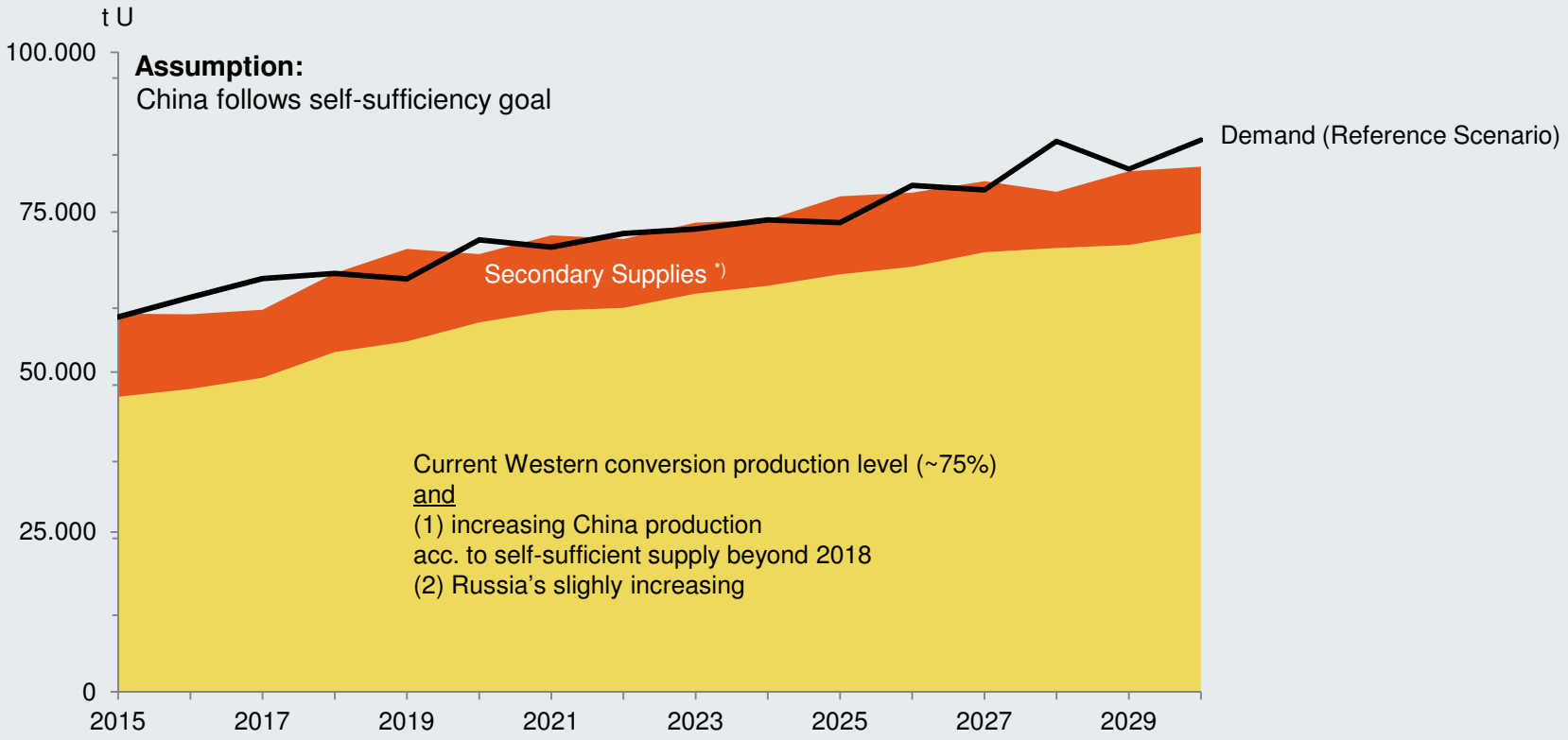
*) LEU/HEU; ERU/MOX; USDOE stocksl

Ux Month-End Spot Conversion Price
2004 onwards



Source: The UxC Consulting Company

World Conversion Demand & Supply (2)
Existing Supplies vs. Demand

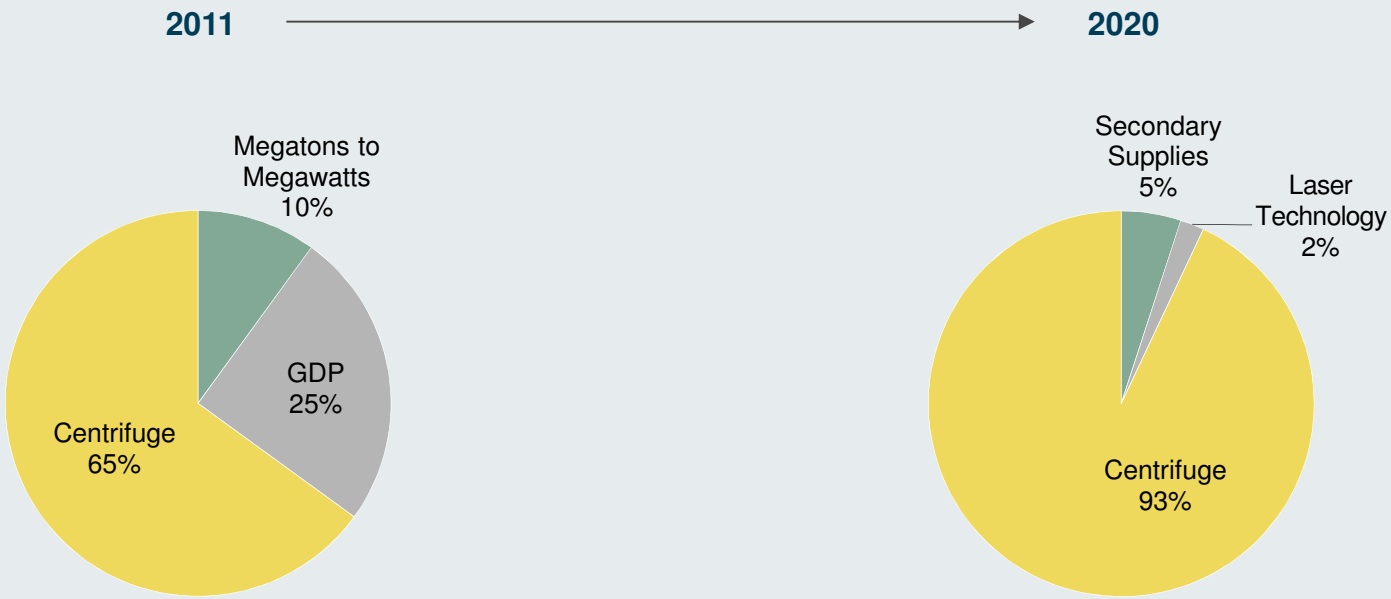


Sources:
Demand, secondary supplies: WNA Fuel Report 2015

*) USDOE UF6; ERU & MOX (incl. US weapons-grade Pu); underfeeding; tails re-enrichment

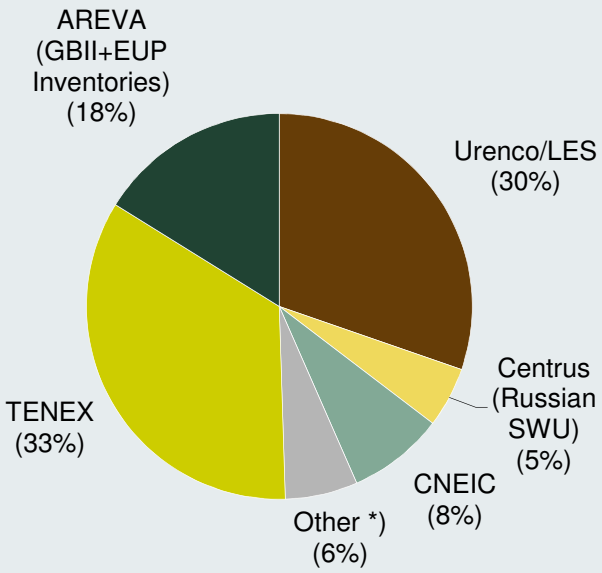
Enrichment

Enrichment Capacity by Technology
Diffusion Phased out in 2013



Source: The Ux Consulting Company

SWU World Market in 2014
Market Shares by Enricher

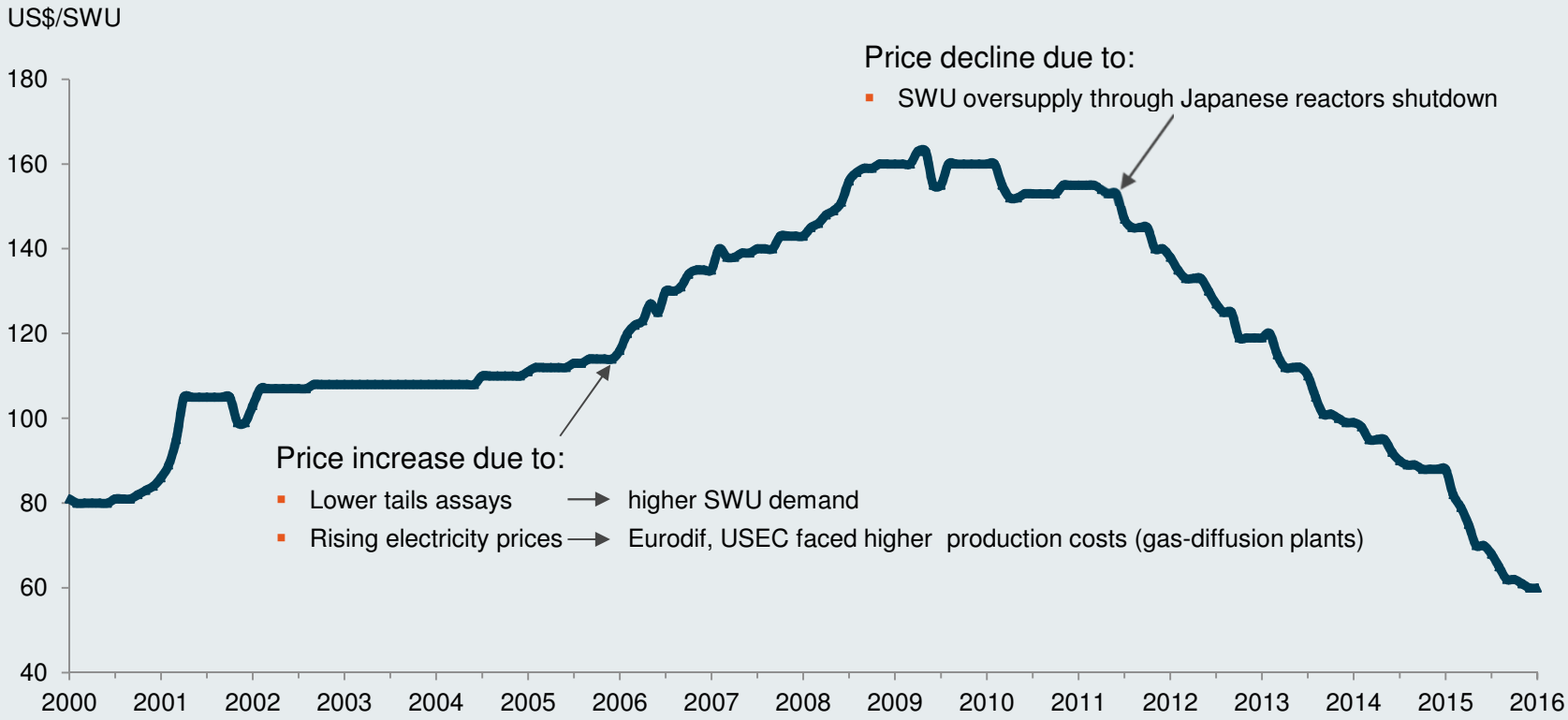


Demand:
~ 50 mill SWU

Installed Capacity:
~ 60 mill SWU

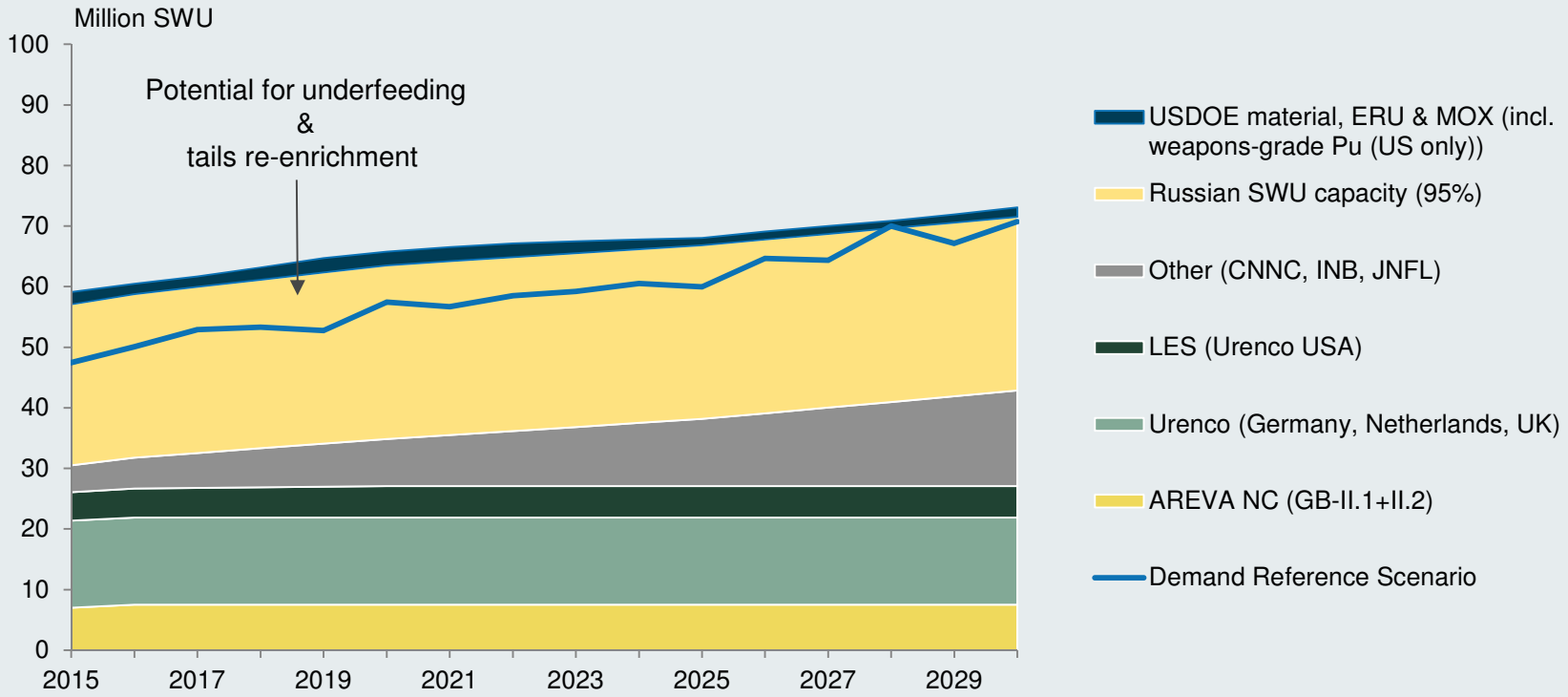
*) Secondary supplies: USDOE stocks; MOX & ERU

Ux Month-end SWU Spot Price



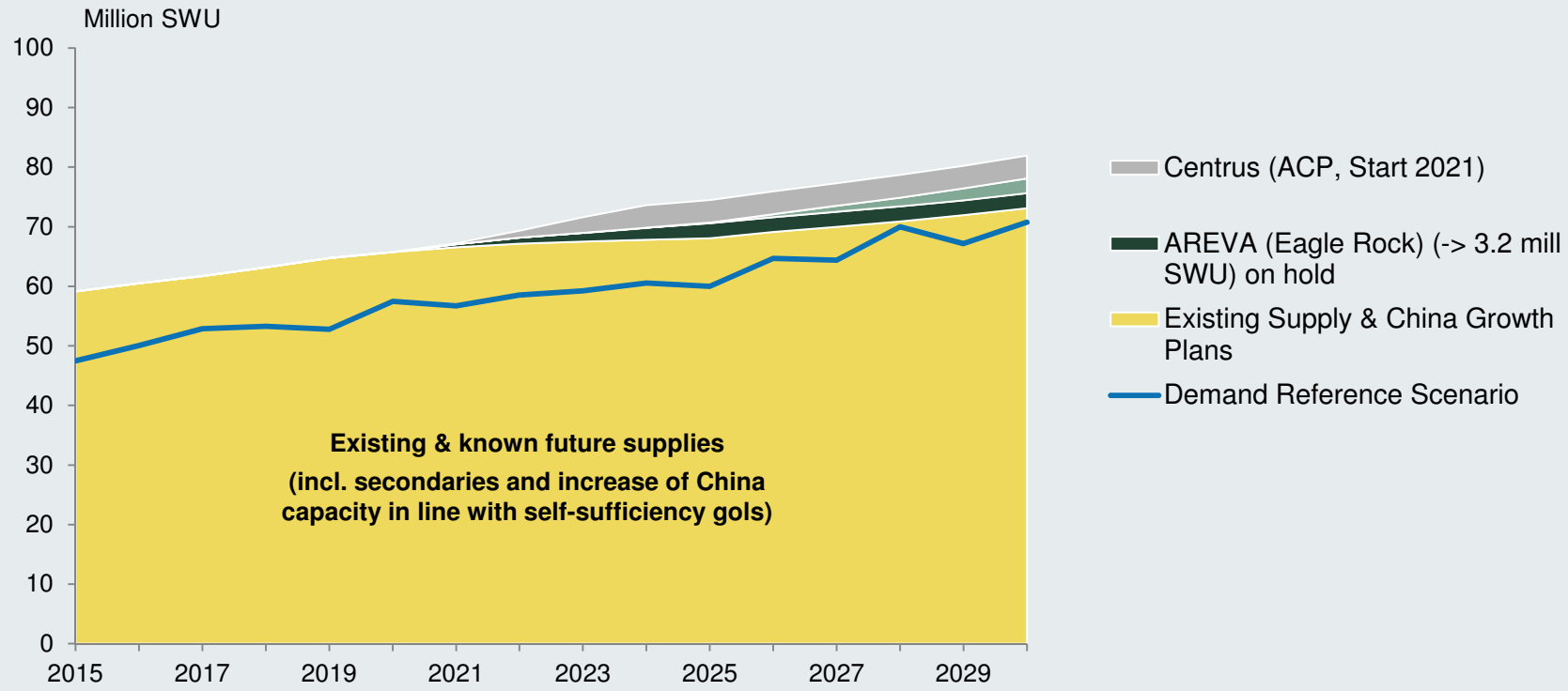
Source: The Ux Consulting Company

World SWU Demand & Supply (1)
Existing Supplies



Sources:
Demand - WNA Fuel Report 2015

World SWU Demand & Supply (2)
Prospective Supplies



Sources:
Demand - WNA Fuel Report 2015