



## Let's Call It A Day

The Uranium Exchange Company (Ux) began publishing the industry's first ever weekly spot price indicator in 1987. Since then, Ux, and later UxC, have been on the leading edge of price reporting in the nuclear fuel markets. Our aim has always been to provide the market with the most relevant and useful price indicators to best reflect actual market activity and to support a well-functioning nuclear fuel marketplace. Today, it is our pleasure to announce to the industry our latest iteration of this continuous improvement process as we roll out our daily Ux U<sub>3</sub>O<sub>8</sub> Price®. Until now, UxC has only published this industry-leading spot price indicator on a weekly basis (i.e., published every Monday of the year). Going forward, the frequency of the Ux U<sub>3</sub>O<sub>8</sub> Price will no longer be weekly, but instead daily (excluding weekends and certain U.S. holidays). The following provides answers to the main questions readers may have about our new daily spot price.

### Last Week's Daily Ux Prices

**Methodology** – First off, the price reporting methodology that UxC has used over many years for its weekly spot price will be the exact same methodology used to determine the spot price that we are now publishing on a daily basis. Truly, the only difference between the new daily reporting and our weekly reporting is the frequency of publication. As a reminder, the Ux U<sub>3</sub>O<sub>8</sub> Price reflects the most competitive offers available for the respective product or service of which UxC is aware, taking into consideration information on bid and transaction prices as well as the timing of bids, offers, and transactions (with a cut-off time of 2:30 p.m. Eastern Time). Moreover, the Ux U<sub>3</sub>O<sub>8</sub> Price includes conditions for delivery timeframe (= 3 months), quantity (= 100,000 pounds U<sub>3</sub>O<sub>8</sub>), and origin considerations. A key point to highlight is that the Ux U<sub>3</sub>O<sub>8</sub> Price considers market activity at all three western converter locations, which results in a “blended” price that reflects the totality of market activity at the time of publication across all three delivery locations.

**Daily Location Prices** – As we have discussed before, there have nearly always been variations in delivery prices among the three western conversion delivery locations – Cameco (CMC), ConverDyn (CVD), and Orano (ORO). While activity in the past few weeks has reflected near parity across delivery locations, we have seen variations in pricing that have ranged from just a few cents to as high as ~\$4. Due to heavy buying at CMC in 2020, premium pricing for that location created significant location differentials. Since UxC expects location-specific pricing in spot U<sub>3</sub>O<sub>8</sub> to continue to be a concern for the industry going forward, we are also announcing that beginning today, we will be publishing individual location prices for all three western conversion sites. Thus, we will no longer be reporting location differentials (i.e., premiums or discounts) for each location. These location prices will also be published on a daily basis. To be clear, the spot Ux U<sub>3</sub>O<sub>8</sub> CMC, CVD, and ORO Prices reflect UxC's determination of prices for U<sub>3</sub>O<sub>8</sub> delivery at the specified delivery location taking into consideration bids, offers, and market activity, using the same delivery time period, quantity, and origin considerations as the Ux U<sub>3</sub>O<sub>8</sub> Price indicator. The CMC, CVD, and ORO naming convention represent individual book transfer delivery locations. We should also clarify that the use of these three company names does not represent an endorsement by any of the companies.

**UxC Broker Average Price (BAP)** – Many might be asking what will become of the BAP, which was the industry's first ever daily spot U<sub>3</sub>O<sub>8</sub> price indicator when we began publishing it in 2009. The BAP has acted as UxC's daily spot uranium price indicator for over a decade, and UxC greatly values the contributions of the participating brokers that have made the BAP a success. We specifically want to thank both Evolution Markets and Numerco Limited for their efforts in making the BAP a valuable daily price resource over the past decade. Going forward, UxC will continue to collect the broker average bids, asks, and midpoint, but the daily BAP emails will cease at the end of this month. Going forward, the broker average data will remain available to all Ux Weekly subscribers at: [www.uxc.com/c/bap/BAPOverview](http://www.uxc.com/c/bap/BAPOverview).

### Daily Ux U<sub>3</sub>O<sub>8</sub> Prices

**Daily, Weekly, Monthly** – As UxC transitions to reporting the Ux U<sub>3</sub>O<sub>8</sub> Price on a daily basis, subscribers will begin to receive daily emails starting tomorrow, September 28. These daily emails will provide the current day's Ux U<sub>3</sub>O<sub>8</sub> Price as well as the daily CMC, CVD, and ORO location prices, along with the past five days' worth of data and the daily change for each price. The daily price emails are scheduled to be sent at 3:00 p.m. Eastern Time every Monday through Friday, excluding certain U.S. public holidays.

UxC will continue to publish weekly price indicators every Monday in the Ux Weekly. These include each Monday's Ux  $U_3O_8$  Price and three spot  $U_3O_8$  location prices as well as the Ux 3- and 5-Year Forward  $U_3O_8$  Prices.

The frequency and day of publication for all other Ux price indicators stays unchanged. Thus, the Ux Long-Term (LT)  $U_3O_8$  Price, spot and LT conversion prices, spot  $UF_6$  price and values, and spot and LT SWU prices will all continue to be published on a monthly basis in the Ux Weekly on the last Monday of each month.

What is Month-End? – From the above, it should be clear that UxC continues to consider its month-end as the last Monday of each month. This is true for all prices we publish, including spot  $U_3O_8$  prices. However, we acknowledge that there will also be certain months when spot  $U_3O_8$  prices are published after a month-end Monday but still in the same month. For example, if the month-end Monday (like today) falls on the 27th, there will be daily spot  $U_3O_8$  prices available to our subscribers for every day through the end of the month (i.e., through the 30th). Note, however, that when the last day of a month falls on a weekend or certain holiday, UxC will not be publishing any prices on those days.

Track Record and Testing – While daily prices were not always feasible in the past due to lack of liquidity in the market or limited data points, this is no longer the case. Thus, UxC is confident that its price indicator reporting is now verifiable on a daily basis. In fact, like with any new enhancement we make to our price reporting, we have been testing our daily price reporting capabilities for many months, and we already have historical daily Ux and location prices that go as far back as the beginning of 2021 (see chart below). Thus, the industry can be assured we are introducing a fully tested and verified daily spot price that aims to incorporate the entirety of market activity every single day.

Implications and Looking Forward – As we stated at the outset, our primary aim in publishing spot prices every day is to provide the industry with even more regular price data, which we contend is needed even more in the constantly shifting marketplace. Beyond the obvious benefits of having regular daily spot price updates, including location-specific prices, there are likely numerous other benefits from this new daily price data. For one, it offers additional market-related data points for buyers and sellers of uranium and uranium-related products to reference. The introduction of location pricing enhances this further as deliveries can now be tied directly to specific location references as opposed to just the broader blended Ux  $U_3O_8$  Price.

Of course, the spot uranium market is just one piece of the overall nuclear fuel market, but it is clearly the most liquid and active part of the market. Thus, increasing the frequency of our spot  $U_3O_8$  price reporting is a natural evolution in our long history of providing accurate price data to the industry. Ultimately, we hope this latest move shows that UxC is holding true to our promise to provide the industry with the highest quality and most relevant market price indicators. We welcome any feedback on our new daily spot  $U_3O_8$  and location prices, and our doors remain open to respond to any of your questions. Thank you as always for putting your support and trust in UxC.

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