

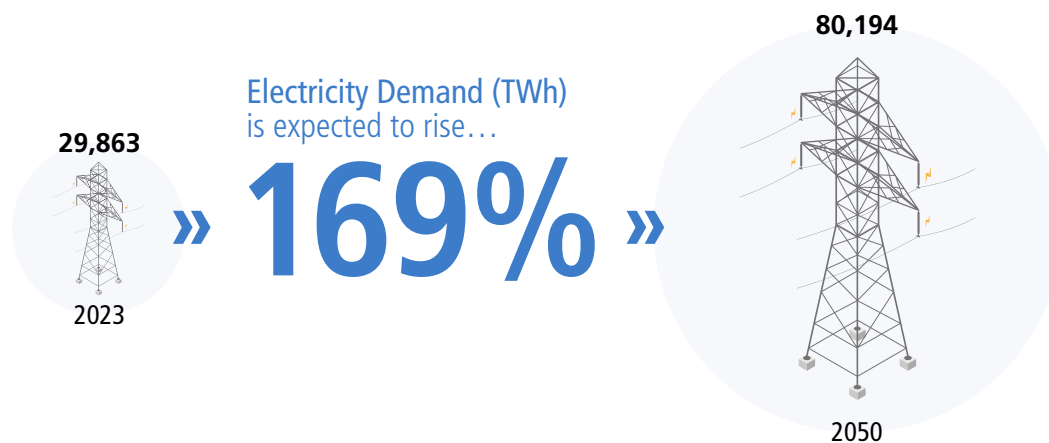
Sprott | 10 Reasons to Invest in Uranium

JANUARY 2025

As the demand for reliable and sustainable energy sources grows, uranium and nuclear power are gaining momentum as efficient, long-term solutions. With the increasing global need for critical materials and nuclear energy, we have outlined 10 reasons why you should consider adding uranium to your investment portfolio.

1 Rising Electricity Demand and the Nuclear Revival

Global electricity demand is expected to soar 169% by 2050. Energy consumption has surged in the East, driven by rapid urbanization and industrialization, while in the West, the rise of artificial intelligence (AI), data centers, electrification and reshoring are fueling demand. Meeting these growing energy needs will rely heavily on critical materials like uranium. With more nuclear reactors coming online, the world is entering a new era of nuclear energy, poised to generate a record level of electricity by 2025.¹



Source: IEA World Energy Outlook 2024 Net Zero Emissions Scenario.

2 Uranium Supply and Demand Imbalance Creates Investment Opportunities

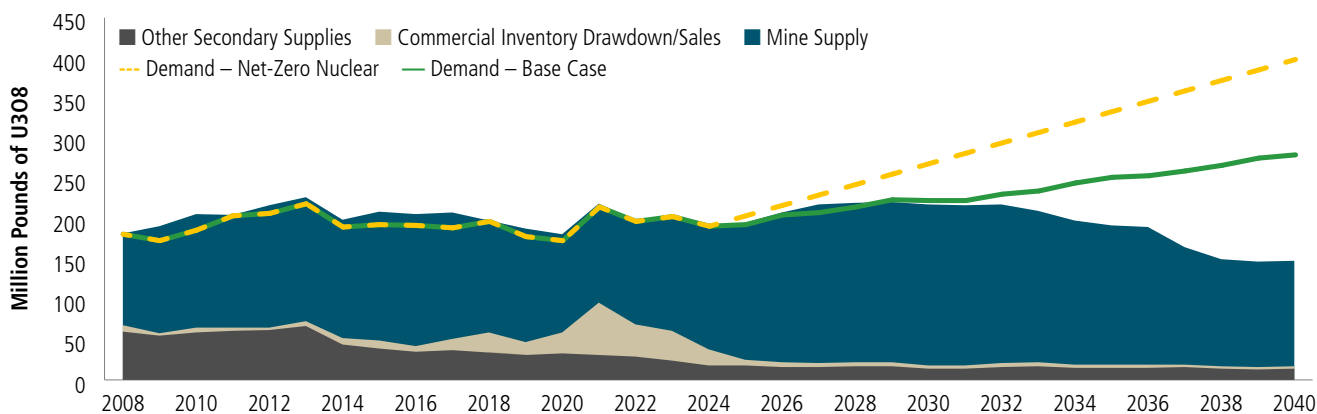
The surge in nuclear plant restarts, lifespan extensions and new reactor builds is driving unprecedented demand for uranium. However, even at peak historical production levels, existing and committed uranium mines are not expected to meet reactor demand through 2040.²

Projections indicate a supply shortfall of nearly 700 million pounds of uranium by 2040, with an even greater deficit of 1.7 billion pounds if global nuclear capacity triples by 2050, as pledged. This growing imbalance may present significant opportunities for investors in the uranium market.

¹ Source: IEA.org, 1/16/2025; A New Era for Nuclear Energy Beckons as Projects, Policies and Investments Increase. <https://www.iea.org/news/a-new-era-for-nuclear-energy-beckons-as-projects-policies-and-investments-increase>

² Source: UxC LLC. Data as of Q3 2024.

Uranium Supply and Demand Imbalance May Likely Grow



Sources: UxC LLC. and Cameco Corp. Data as of 12/31/2024.

3 Government Support is Driving a Nuclear Power Renaissance

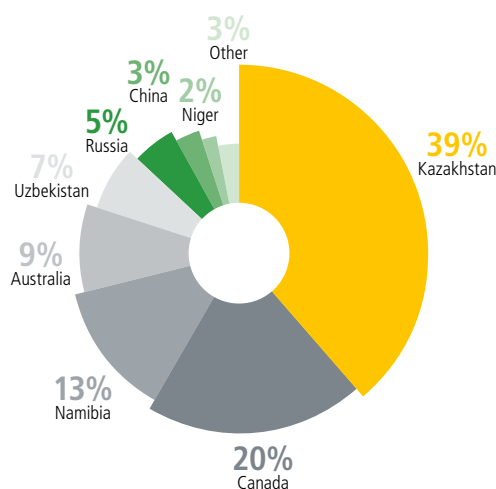
Governments worldwide—including the U.S., China and the EU—are backing nuclear energy through subsidies, policy incentives and regulatory support, reinforcing long-term growth in the sector. Countries like Japan and South Korea, which once moved away from nuclear power, are now reversing course, extending reactor lifespans to address energy security concerns and climate goals. Currently, 440 nuclear reactors are in operation globally, with 151 more under construction or planned.³

4 Global Geopolitical Tensions Underscore the Need for Energy Security

Rising geopolitical tensions are disrupting supply chains critical to global energy stability, prompting nations to prioritize energy security. Nuclear power plays a vital role in ensuring reliable electricity, making a secure supply of nuclear fuel more important than ever.

Governments are responding by reshaping nuclear energy policies and increasing support for domestic uranium production, including the U.S.—the world’s largest consumer of energy. The G7 has committed to ending reliance on Russian uranium and fuel services, while efforts to resolve bottlenecks in conversion and enrichment are underway. As a result, the industry’s shift toward overfeeding could drive increased near-term demand for uranium.

Largest Uranium-Producing Countries



The U.S. produces less than 1% of the world’s uranium. It supplies just 5% of what’s needed for U.S. nuclear reactors. The rest is imported.

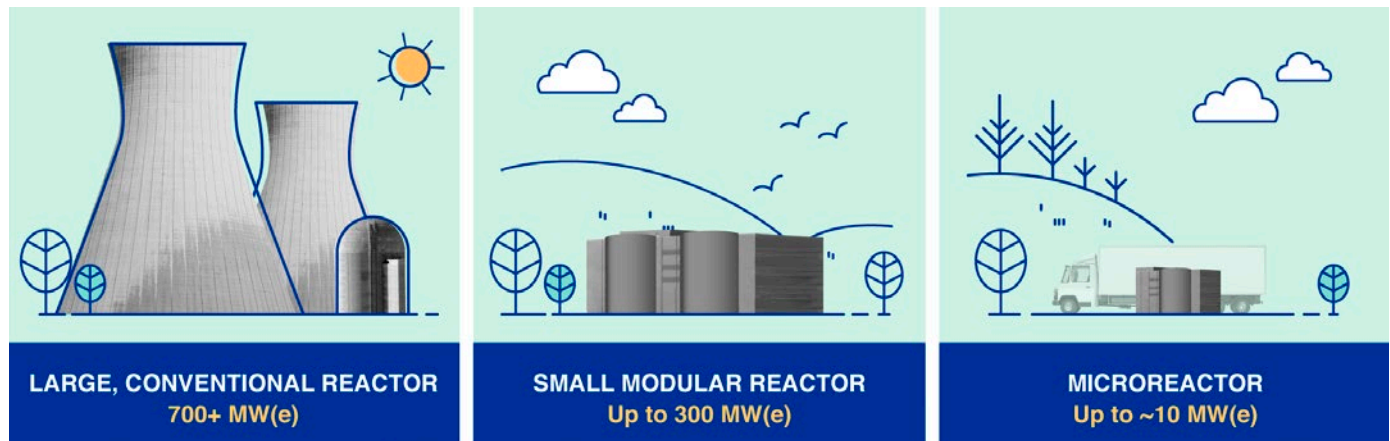
Source: UxC LLC as of 12/31/2023.

³ Source: World Nuclear Association as of 1/15/2025.

5 Big Tech has Embraced Nuclear Power and is Pushing Innovation

Major leading tech giants—including Microsoft, Meta, Google and Amazon—are investing heavily in nuclear energy to meet the soaring power demands of AI-driven data centers. Microsoft’s deal to restart the Three Mile Island reactor underscores its commitment to securing reliable energy. Google and Amazon are advancing agreements for small modular reactors (SMRs), signaling a strong future for uranium demand and clean energy production.

Next-generation nuclear technologies, such as SMRs and advanced breeder reactors, can revolutionize the industry with cost efficiency, enhanced safety and faster deployment. These innovations are unlocking new markets and expanding nuclear power’s role in meeting global energy demand.

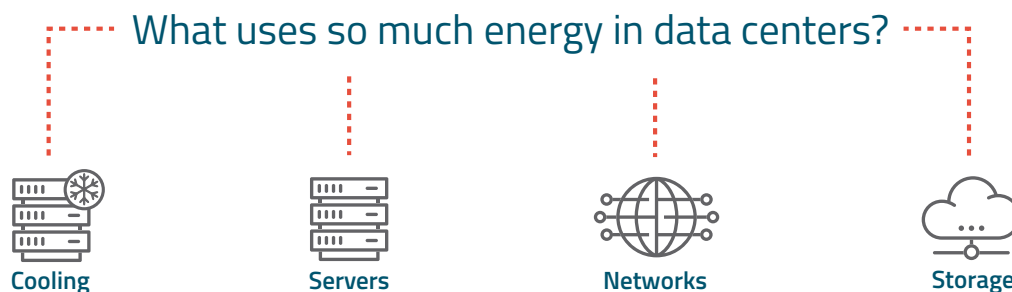


Source: International Atomic Energy Agency. <https://www.iaea.org/newscenter/news/what-are-small-modular-reactors-smrs>

6 Energy-Hungry Data Centers that Fuel AI are Growing Rapidly

As data centers expand to support AI and cloud computing, nuclear power is becoming a critical energy source to meet their rising electricity needs. In the U.S., data center energy consumption is expected to triple from 2023 levels, reaching up to 580 terawatt hours (TWh) by 2028.⁴

Globally, electricity demand from data centers is projected to surge by 258% between 2023 and 2030, increasing their share of global electricity consumption from 1.2% to 4.1%.⁵ With this rapid growth, reliable and carbon-free energy sources like nuclear will play a pivotal role in sustaining the digital economy.

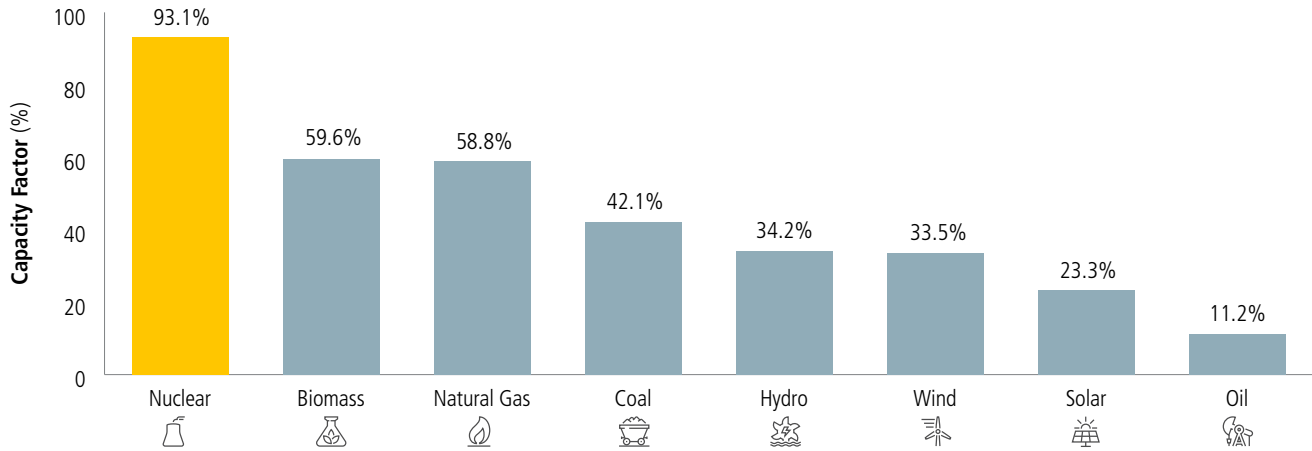


⁴ Source: Lawrence Berkeley National Laboratory: Berkeley Lab Report Evaluates Increase in Electricity Demand from Data Centers. <https://newscenter.lbl.gov/2025/01/15/berkeley-lab-report-evaluates-increase-in-electricity-demand-from-data-centers/>

⁵ Source: International Energy Agency, World Energy Outlook 2024; <https://www.iaea.org/reports/world-energy-outlook-2024>

7 Nuclear Power is Reliable

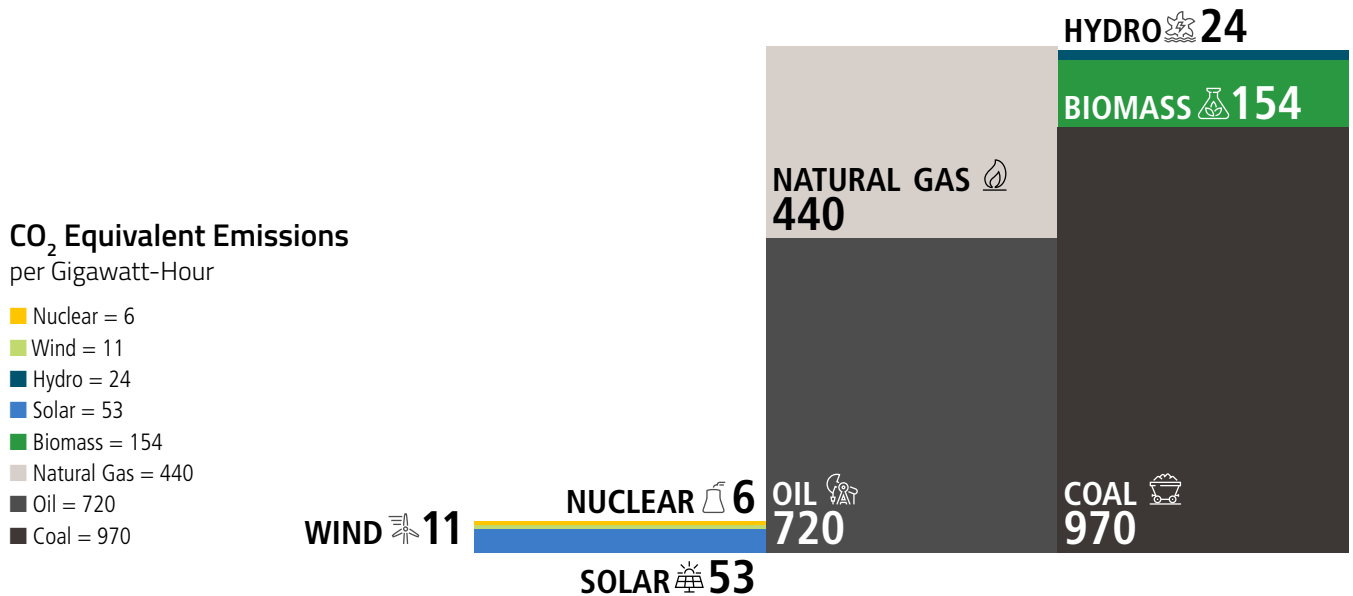
Nuclear power stands out as one of the most reliable energy sources, offering a consistent baseload supply unaffected by weather conditions—unlike wind and solar. With the highest capacity factor⁶ among all energy sources, nuclear plants operate more efficiently and with fewer interruptions. Designed for long operational cycles without frequent refueling and requiring minimal maintenance, nuclear power ensures stable, long-term energy generation, making it a critical solution for powering global growth.



Source: U.S. Energy Information Administration and energy.gov. Data as of 12/31/2023.

8 Nuclear Power is Clean and Efficient

Nuclear energy is one of the most efficient electricity sources, delivering high output with minimal environmental impact. It ranks among the cleanest energy options, producing near-zero CO₂ emissions. Beyond its efficiency, nuclear power is also one of the safest energy sources, operating under rigorous international safety regulations. With the lowest mortality rate per terawatt hour of energy produced,⁷ nuclear power is a proven, reliable solution for a sustainable future.



Source: <https://ourworldindata.org/nuclear-energy> as of April 2024; measured in emissions of CO₂-equivalent per gigawatt-hour of electricity over the life cycle of the power plant.

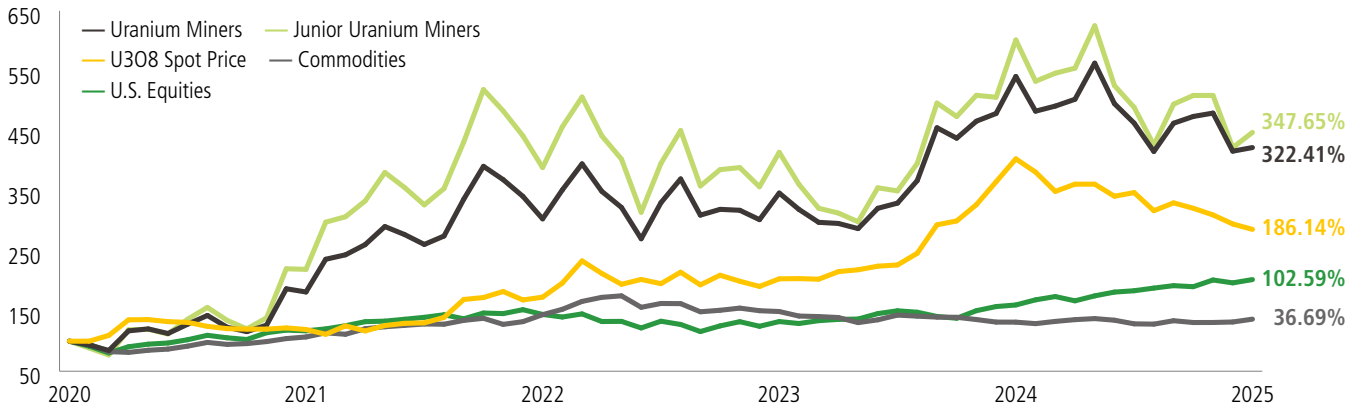
⁶ Capacity factor measures the total amount of energy produced during a period of time divided by the amount of energy the plant would have produced at full capacity.

⁷ Source: Markandya & Wilkinson (2007) in The Lancet, and Sovacool et al. (2016) in Journal of Cleaner Production. Death rate for nuclear energy includes deaths from Fukushima and Chernobyl disasters and the deaths from occupational accidents (largely mining and milling). Death rates from fossil fuels and biomass are based on state-of-the-art plants with pollution controls in Europe and are based on older models of the impacts of air pollution on health. This means these death rates are likely to be very conservative.

9 Uranium Bull Market Remains Intact

Despite a dip from record highs in early 2024, we believe uranium prices offer significant upside potential. Long-term contracts at higher prices are fueling this trend, supported by growing demand and geopolitical instability.

Nuclear energy benefits from bipartisan support and increased interest from Big Tech for AI energy needs. With mine supply falling short of global reactor requirements, uranium demand remains robust, unaffected by price fluctuations. The era of destocking is over, and utilities are expected to secure more uranium for energy security.



Source: Bloomberg and Spratt Asset Management. Data as of 1/31/2025. Uranium Miners are measured by the Northshore Global Uranium Mining Index (URNMX index); Junior Uranium Miners are measured by the Nasdaq Spratt Junior Uranium Miners™ Index (NSURNJT™ Index); U.S. Equities are measured by the S&P 500 TR Index; the U308 Spot Price is from TradeTech; and Commodities are measured by the Bloomberg Commodity Index (BCOM). Definitions of the indices are provided in the footnotes. You cannot invest directly in an index. Included for illustrative purposes only. **Past performance is no guarantee of future results.**

10 Diversify your Portfolio with Physical Uranium and Miners

We believe diversification is key to a balanced portfolio. Uranium—along with other critical materials—may offer unique opportunities. With a low to moderate correlation to major asset classes, uranium may provide valuable diversification benefits.

Investing in both physical uranium and uranium miners offers possible exposure, as their performance does not always align. This dual approach could enhance portfolio stability and growth potential by tapping into different aspects of the uranium market.

Own Uranium with Spratt

Spratt offers investors access to physical uranium and the stocks of senior and junior uranium mining companies. We offer investors the world's largest physical uranium fund in the marketplace, as well as the largest exposure to uranium mining stocks.

Spratt is a global leader in precious metals and critical materials investments. We manage more than \$6.7 billion in physical uranium and uranium equities (as of 12/31/2024). Spratt has a decades-long foundation in physical metals and minerals, with deep relationships and expertise in the mining industry.





Visit [Spratt Education](#)

Spratt Inc.
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2600
Toronto, Ontario M5J 2J1, Canada
Toll Free: 888.622.1813
www.spratt.com

Spratt

IMPORTANT DISCLOSURE

Relative to other sectors, precious metals and natural resources investments have higher headline risk and are more sensitive to changes in economic data, political or regulatory events, and underlying commodity price fluctuations. Risks related to extraction, storage and liquidity should also be considered.

Gold and precious metals are referred to with terms of art like store of value, safe haven and safe asset. These terms should not be construed to guarantee any form of investment safety. While "safe" assets like gold, Treasuries, money market funds and cash generally do not carry a high risk of loss relative to other asset classes, any asset may lose value, which may involve the complete loss of invested principal.

Past performance is no guarantee of future results. You cannot invest directly in an index. Investments, commentary, and opinions are unique and may not be reflective of any other Spratt entity or affiliate. Forward-looking language should not be construed as predictive. While third-party sources are believed to be reliable, Spratt makes no guarantee as to their accuracy or timeliness. This information does not constitute an offer or solicitation and may not be relied upon or considered to be the rendering of tax, legal, accounting or professional advice.

© 2025 Spratt Inc. All rights reserved.