# Uranium Energy Corp. Haywood Capital Markets broker note issued

**Uranium Energy Corp. (NYSE: UEC)**

Has been the subject of a new broker note issued by Haywood Capital Markets, of Canada.

They set a new target price and risk assessment

# Haywood capital Markets has released a new broker note for UEC.

It’s been a while since UEC generated any news, due to the

main project being mothballed as a result of the low uranium price that would result in producing at a loss.

That is changing now as the USA becomes aware of the need to source critical commodities rather than rely on imports from countries that may not remain friendly, which could result in supply disruption.

UEC recently raised $15 million in a heavily oversubscribed financing.

The broker note is produced below, with a link to the full note at the bottom of the page highlighted in red.

***The opinions expressed in the note below are those of Haywood Capital Markets, and not of this website.***

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# ‘Top-Pick’ UEC Cashed-up & Leveraged to Perform

# HAYWOOD CAPITAL MARKETS

September 24, 2020

**Uranium Energy Corp.**
(UEC-US, $0.96)

RATING: **BUY**
TARGET: **$2.60**
RISK: **Very High**

# OUR TAKE

Uranium Energy Corp. announced the closing of its underwritten public offering for gross proceeds of $15M (upsized from $8M). The over-subscribed offering consisted of 12,500,000 units at a price of $1.20 per unit. Each unit comprised 1 common share and ½ common share purchase warrant with an exercise price of $1.80 for 2 years. UEC will use the proceeds to help fund further exploration and development and general working capital purposes.

With a cash balance of ~$22M upon close and uranium sector demand/supply fundamentals the best we've seen since pre-Fukushima, UEC remains well positioned to take advantage of the improving fundamentals of the sector in general. With multiple fully-permitted production-ready assets, UEC is also in a top position in the U.S. to take advantage of any actions taken by the U.S. Government to stimulate the domestic uranium market following the positive conclusions and recommendations of the U.S. Nuclear Fuel Working Group earlier this year.

# OUTLOOK

UEC is in the enviable position of controlling multiple

permitted, near production-ready uranium ISR assets in the U.S., where fundamental and Government driven catalysts are expected to push uranium prices higher. Completely unhedged, UEC provides maximum leverage to both catalysts.

# RECOMMENDED ACTION

***We recommend accumulating shares at the current price for maximum leverage***

**We maintain our $2.60 target, BUY rating and 'Very High' risk rating, and assign UEC 'Top-Pick' status following the integration of the financing and model adjustments noted above.**

We see the quick discount in the market to the oversubscribed and up-sized financing price as a great opportunity for entry. The demand for the recent deal highlights investor appetite for UEC shares and leverage to the uranium space. UEC has production-ready assets within reach of its South Texas CPP and could rapidly respond to an improving uranium price.

# VALUATION

We value UEC using a 1.0x corporate NAV multiple based on our fully-financed DCF8% on the Hobson ISR Uranium portfolio + Reno Creek ($518M NPV), combined with our fully-financed DCF10% of the Yuty project ($64.6M NPV). After corporate adjustments, this yields a NAV of $580M or $2.55/share.

Analyst: Colin Healey chealey@haywood.com Associate: Emma Boggio eboggio@haywood.com

**To view the full report, please click here.**

*Please note that the statements and opinions contained in this third-party report are being provided for informational purposes only and are not adopted by UEC.*

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