Uranium & Nuclear Power: Critical to the Clean Energy Transition

Webcast: February 22, 2022

Sprott

V12_02.21.2022

Featured Speakers

Per Jander, Director, Nuclear, Renewables and Battery Materials, WMC Energy

Per joined WMC Energy with a broad background in the energy sector spanning 22 years. Most recently, Per spent over a decade in uranium sales and trading in various roles at the marketing division of Cameco Corporation. Prior to his employment with Cameco, Per worked with nuclear power plant fleet management, investment planning and new build programs at utilities in Sweden and Switzerland. During an employment with the World Nuclear Association in London, Per worked on international trade and policy negotiations. Earlier in his career, Per spent several years in energy trading in various European markets. At WMC Energy, Per is leading the advisory work with Sprott, and also focuses on commercial engagement with the investment community, as well as key customers in Europe and Asia. Per has a Master of Science degree in Industrial Engineering and Management from Linkoping Institute of Technology in Sweden.

John Ciampaglia, Chief Executive Officer, Sprott Asset Management; Senior Managing Director, Sprott Inc.

John Ciampaglia has more than 26 years of investment industry experience and serves as Chief Executive Officer of Sprott Asset Management and as Senior Managing Director of Sprott Inc. Previously, he was the Chief Operating Officer of Sprott Asset Management and Executive Vice President of Sprott Inc. Before joining Sprott in 2010, he was a Senior Executive at Invesco Canada and held the position of Senior Vice President, Product Development, responsible for strategic initiatives and for overseeing the product development function across multiple product lines and distribution channels. Prior to joining Invesco Canada, he spent more than four years at TD Asset Management, where he held progressively senior product management and research roles. Mr. Ciampaglia earned a Bachelor of Arts in Economics from York University, is a CFA® charterholder and a Fellow of the Canadian Securities Institute.

Edward C. Coyne, Senior Managing Director, Global Sales, Sprott Inc.

Ed Coyne joined Sprott in January 2016 and has more than 26 years of investment management and sales experience. Previously, he was a Principal and Investment Specialist for 18 years at Royce & Associates, a small-cap value manager located in New York City and the investment adviser to The Royce Funds. Before joining Royce, Mr. Coyne worked with Zweig Mutual Funds and Neuberger Berman as a Regional Sales Director. He began his career at Reich & Tang, a provider of deposit, liquidity and cash management solutions for banks, broker-dealers, investment advisors, institutional investors and public entities. Mr. Coyne worked in the firm's key account sales division servicing institutional clients.

Mr. Coyne earned his Bachelor of Science in Architectural Studies from the University of Missouri. He also holds a Series 7 license, administered by Financial Industry Regulatory Authority (FINRA).

Webcast Outline

Per Jander
Director, Nuclear, Renewables and Battery Materials, WMC Energy

The Shifting Sentiment toward Nuclear Energy

- How government policies are shifting in favor of nuclear energy
- What impact could these policies have on uranium demand

John Ciampaglia, CFA
Chief Executive Officer, Sprott Asset Management; Senior Managing Director, Sprott Inc.

A Uranium Bull Market is Underway

- Why a growing number of investors are investing in physical uranium and uranium miners
- Will a higher price of uranium act as the catalyst to address the structural supply deficit
- Why invest in uranium now

Ed Coyne
Senior Managing Director, Sprott Asset Management

- Sprott’s capabilities and credentials managing physical commodities

A Global Leader in Precious Metals and Real Assets Investments

Sprott

US$19.0B in AUM[1]

Sprott Inc. (SII) is publicly listed on the NYSE and TSX

Exchange Listed Products	Managed Equities	Lending	Brokerage
~$13.8B AUM	~$2.4B AUM	~$1.4B AUM	
• Physical Bullion Trusts (NYSE Arca Listed) • Physical Commodity Trusts (TSX Listed) • Gold Mining Equity ETFs (NYSE Arca Listed)	• Flagship U.S. gold equity mutual fund • Closed-End Value Strategy (NASDAQ Listed)	• Bespoke credit investments to mining and resource companies • Cohesive team of credit and financing experts • Long dated streams and royalties	• Capital raising and advisory services to natural resource companies • Wealth management services for individual investors in the U.S. and Canada

[1] Sprott Inc. AUM as of September 30, 2021. Includes other assets of $1.4B.

The Shifting Sentiment towards Nuclear Energy

Per Jander
WMC Energy

What is the Clean Energy Transition?

"The clean energy transition means shifting energy production away from sources that release a lot of greenhouse gases, such as fossil fuels, to those that release little to no greenhouse gases. Nuclear power, hydro, wind and solar are some of these clean sources."

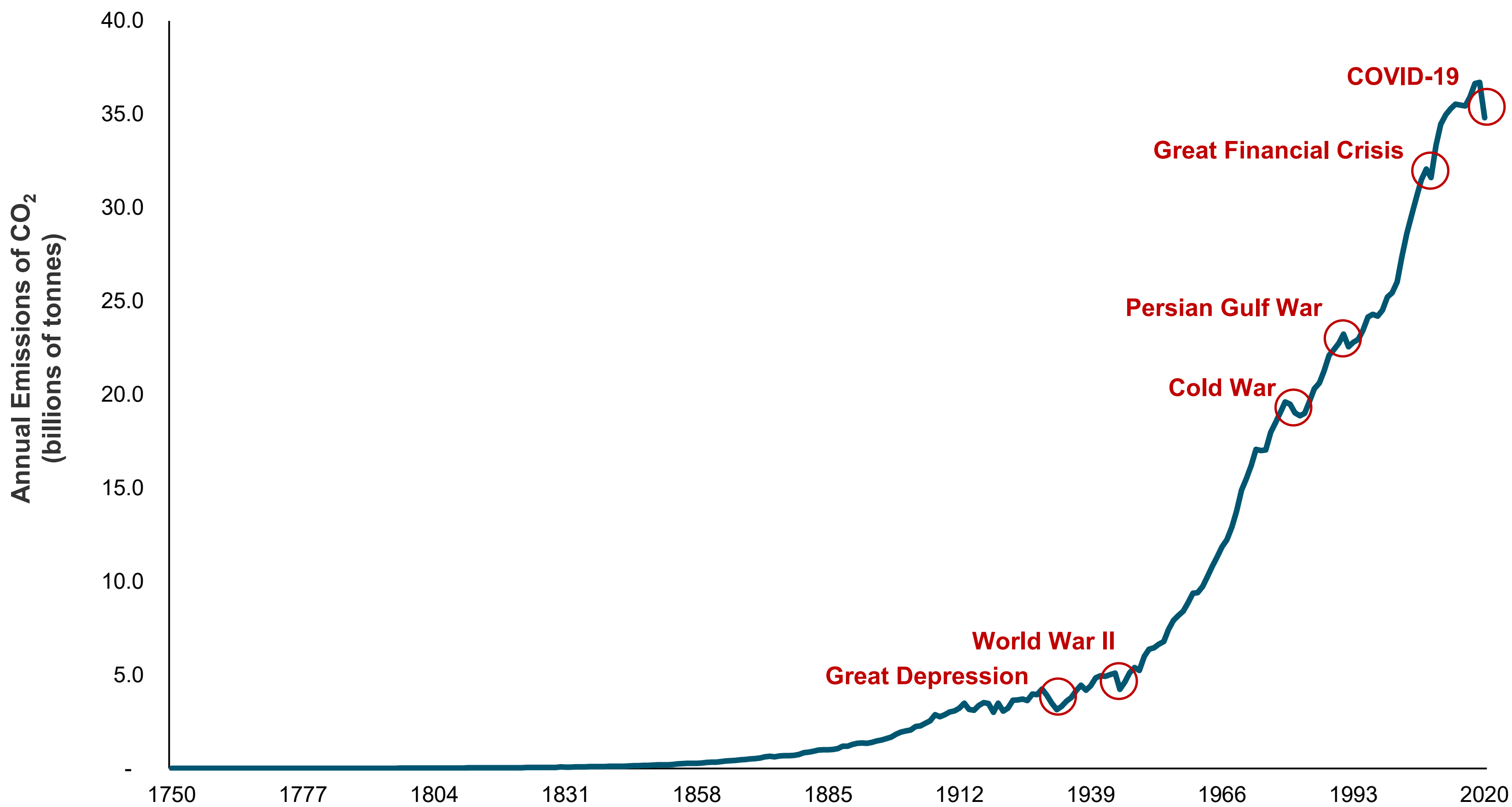
"The direction of the global transition to clean energy was agreed in the ***Paris Agreement****, an international deal between over 180 countries that are part of the United Nations Framework Convention on Climate Change (UNFCCC). The agreement's central aim is to limit the increase in global average temperatures to well below 2°C relative to pre-industrial levels by encouraging the use of low carbon energy sources to reduce greenhouse gas emissions."*

"With around two thirds of the world's electricity still coming from burning fossil fuels, reaching these climate goals by 2050 will require at least 80% of electricity to be shifted to low carbon sources, according to the International Energy Agency (IEA)."

Source: International Atomic Energy Agency.

Global Annual CO_2 Emissions

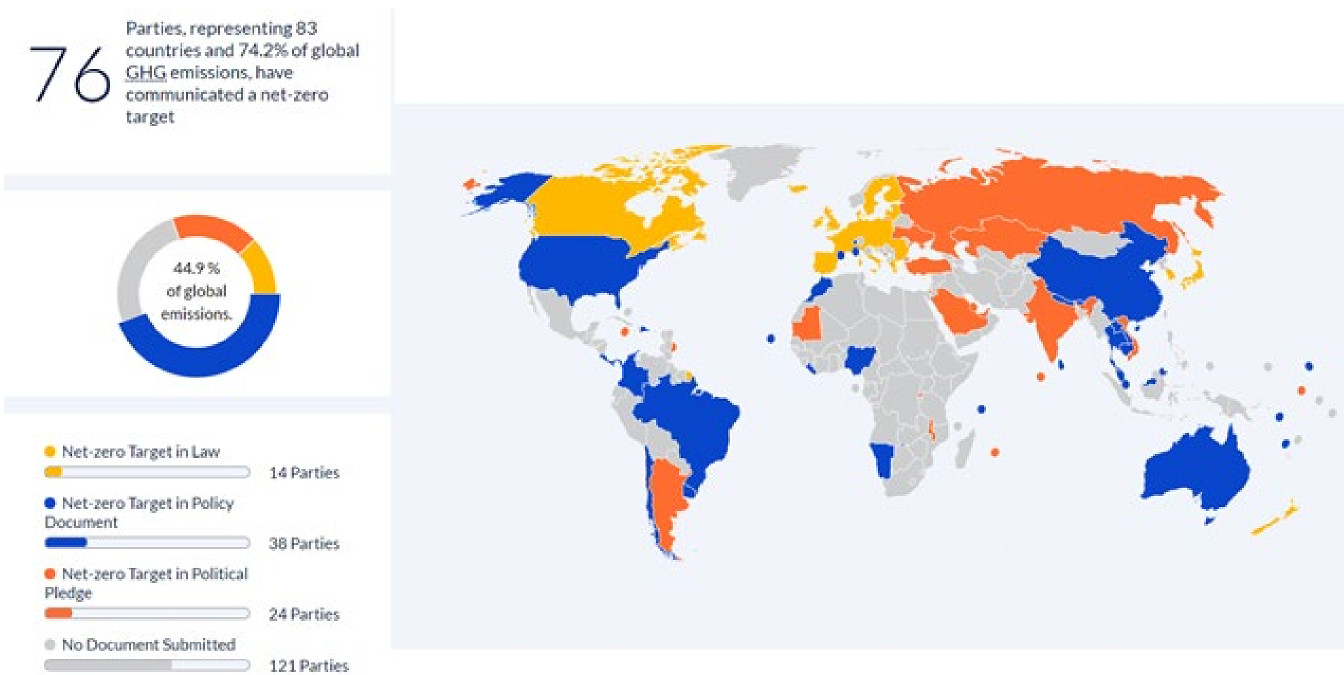
- Carbon emissions from CO_2 continues to rise exponentially each calendar year
- Large geopolitical events had only minimal impacts on annual emissions



Source: Global Carbon Project as of 12/31/2020.

Major Nations are Committing to Net-Zero Targets

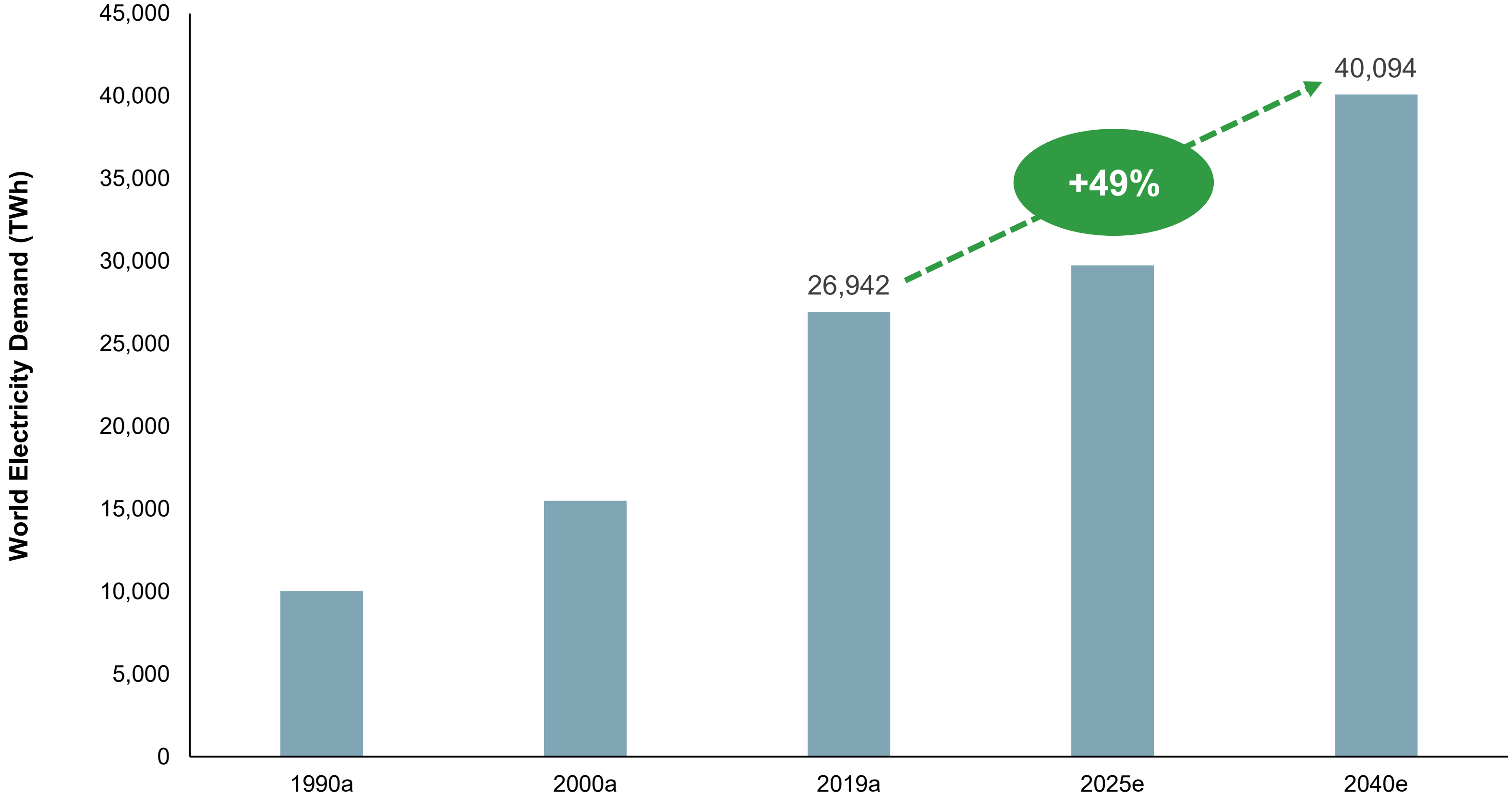
- **Carbon neutral**: any CO_2 released into the atmosphere from a company's activities is balanced by an equivalent amount being removed through offsets
- **Net-Zero carbon emissions**: activity or practice which minimizes CO_2 release to achieve net-zero carbon emissions
- **76 parties, representing 83 countries** and 74.2% of global GHG emissions have communicated a net-zero target



Source: Climatewatchdata.org as of 2/7/2022.

Global Demand for Electricity Estimated to Increase

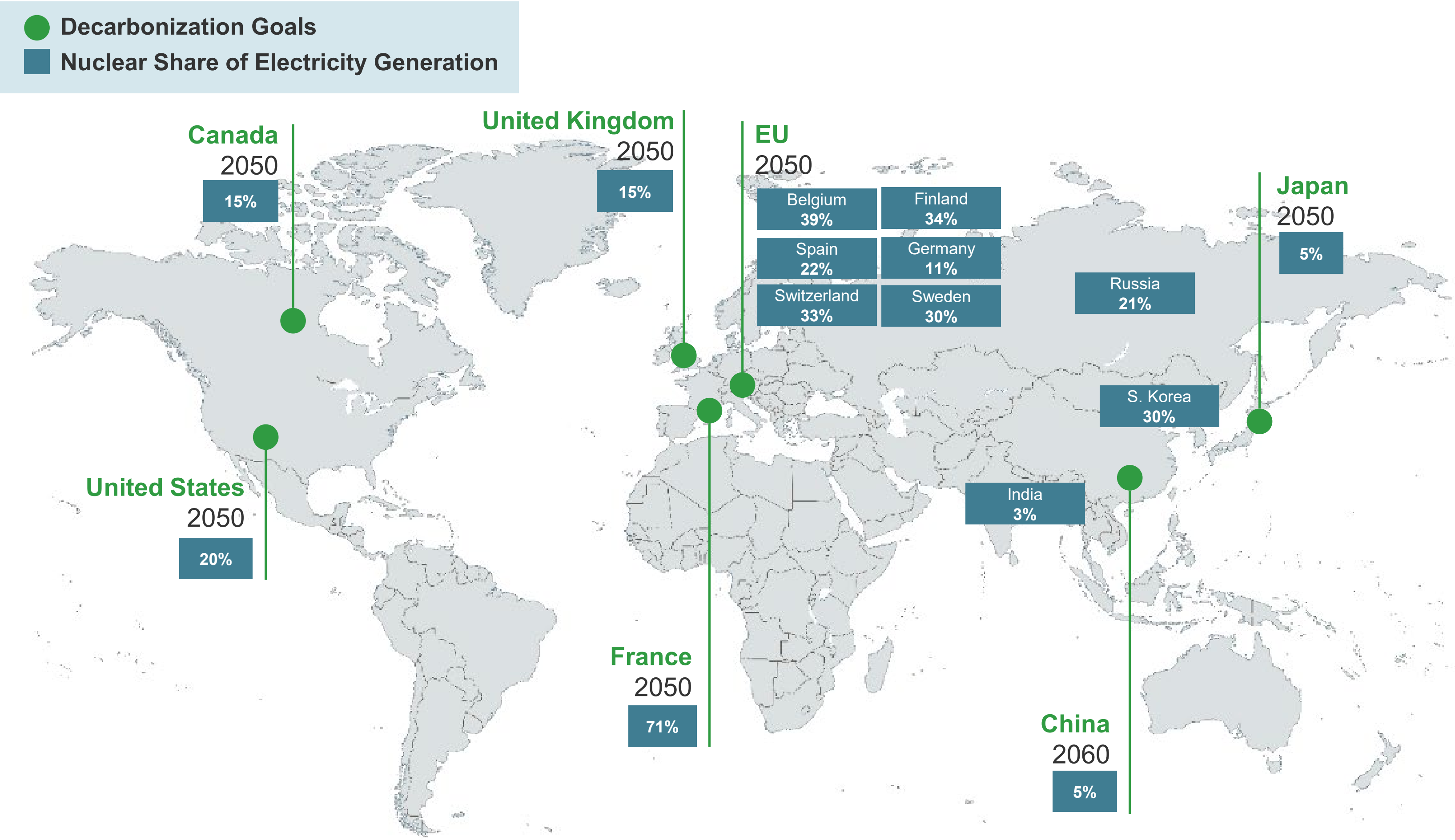
- By 2040, global electricity demand is expected to increase by 49% from 2019 levels



Source: IEA World Energy Outlook 2020 Stated Policies. Methodology for estimates is outlined in the International Atomic Energy Agency report "Analysis of Uranium Supply to 2050," available at https://www-pub.iaea.org/MTCD/Publications/PDF/Pub1104_scr.pdf.

Decarbonization Goals Align with Nuclear Growth

- Major nations have set aggressive decarbonization targets



Source: Carbon Neutrality by 2050: the World's Most Urgent Mission. Technical assessment of nuclear energy with respect to the 'do no significant harm' criteria of Regulation (EU) 2020/852 ('Taxonomy Regulation'). World Nuclear as of 12/31/2020.

Global Policy Initiatives Support Nuclear Energy

- The U.S., Europe, China and Japan are recognizing nuclear's vital role as a carbon-free energy source

United States

- Biden's proposed FY2022 budget includes:
  - ✓ Production tax credit to support at-risk power plants ($9.7B through 2031)
  - ✓ Funding to procure advanced nuclear power ($3.5B through 2026)

European Union (EU)

- Growing likelihood that nuclear energy will soon be included in EU Sustainable Finance Taxonomy
- Inclusion may help support continued and new investment in nuclear capacity in Europe, stemming early reactor closures

China

- Planning to produce 20% of electricity from non-fossil sources by 2030
- Expect nuclear power use to rise as much as 10% over the next decade, up from 5% in 2019

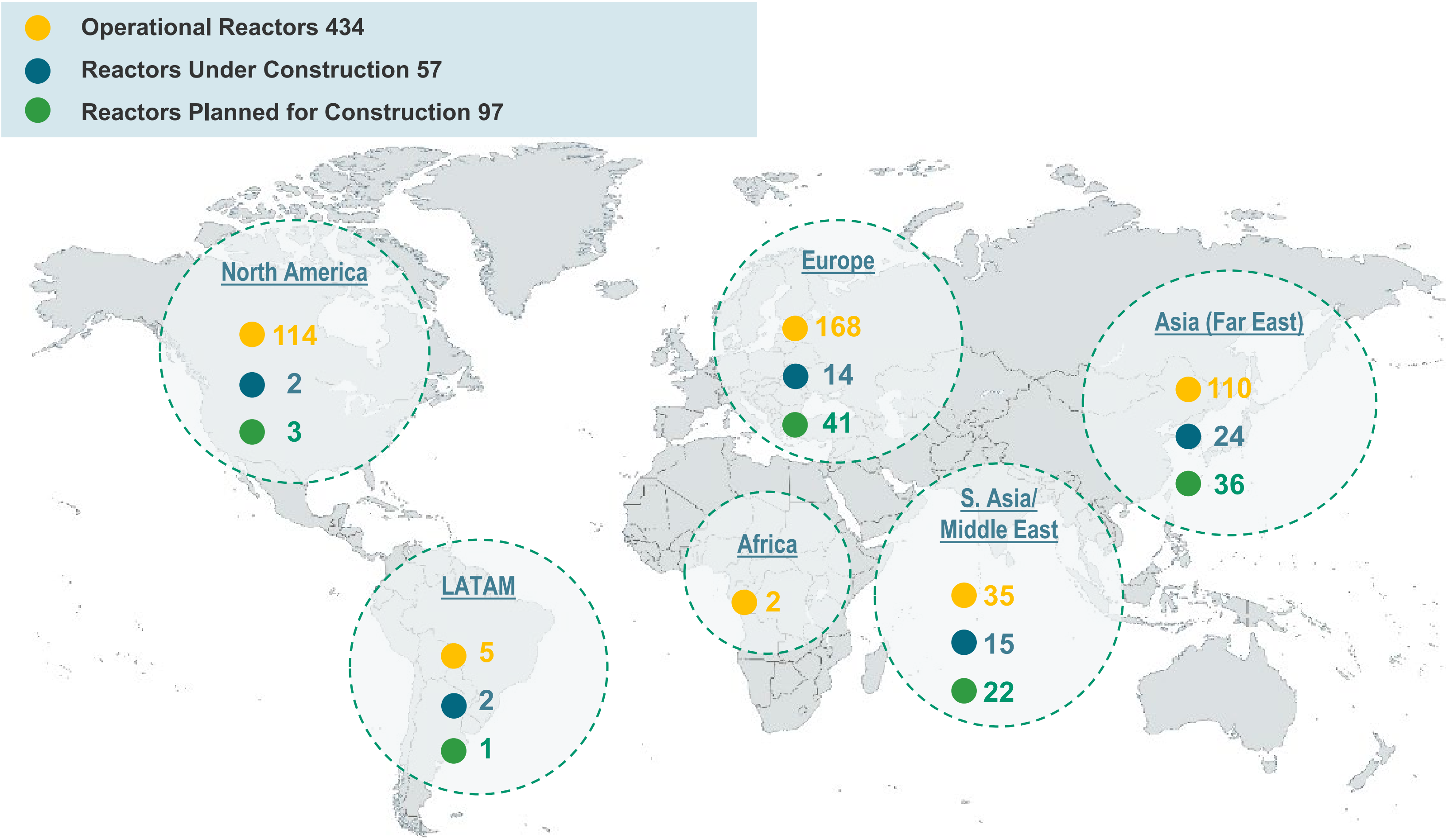
Japan

- 8 years after Fukushima disaster, gave initial approval to restart Onagawa reactor
- Plans to generate 20% of its energy from reactors by 2030

Source: World Nuclear News. "US FY2022 budget request includes record for nuclear energy" June 2, 2021. NucNet. "European Taxonomy/ Commission Announces Plans to Include Nuclear Energy" April 21, 2021. IAEA "China highlights nuclear innovation to meet climate goals at IAEA conference" October 9, 2019. World Economic Forum "This is what nuclear power looks like 8 years after Fukushima" December 11, 2019.

Nuclear Reactors in the World Today

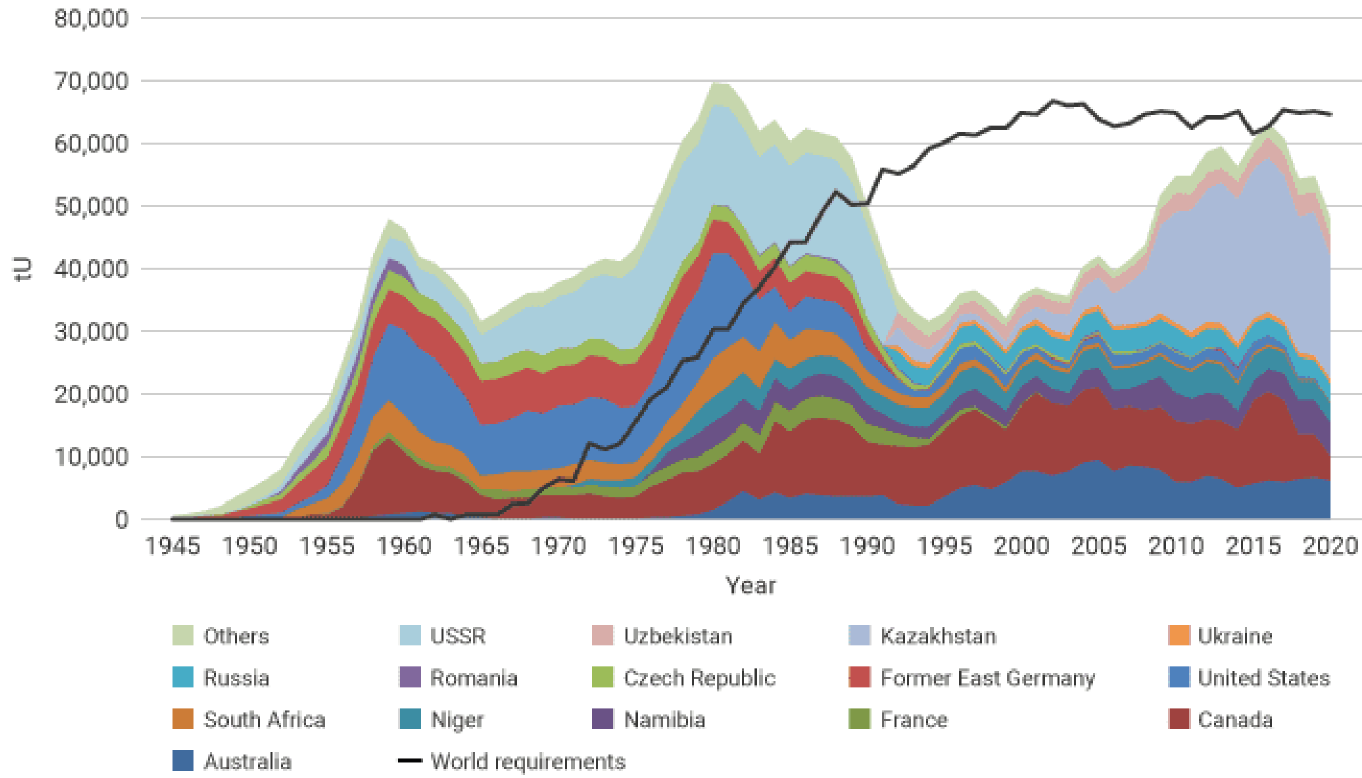
- There are now 434 operational reactors globally with 57 under construction and 97 planned
- Newly constructed nuclear reactors demonstrate greater efficiency than older models



Source: World Nuclear Association as of 1/31/2022. Reuters as of 1/10/2022.

World Uranium Production and Reactor Requirements

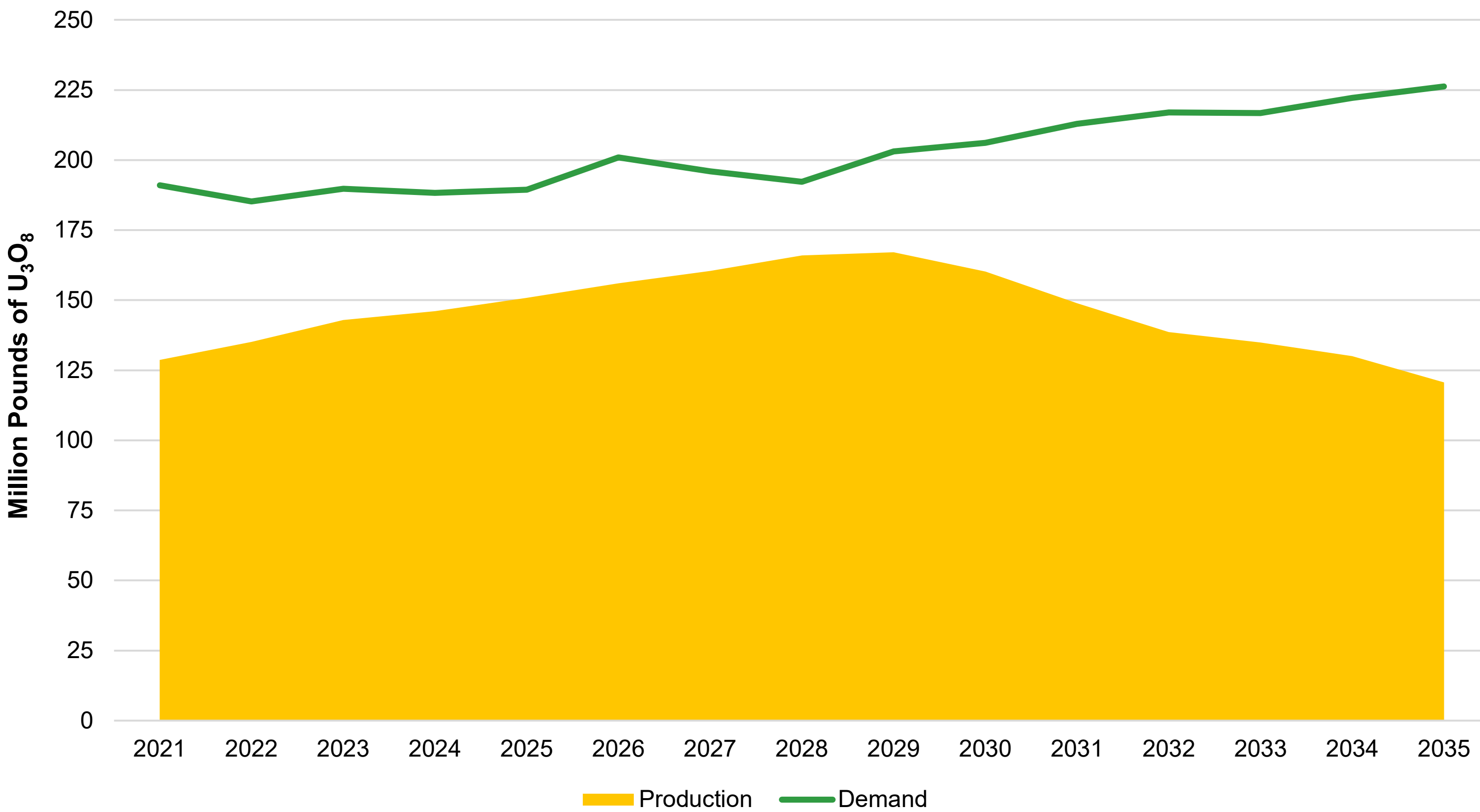
- Global uranium production may continue to undershoot world requirements



Source: OECD-NEA/IAEA, World Nuclear Association as of 9/30/2021.

Uranium Production/Demand Imbalance Likely to Grow

- Uranium demand is projected to grow and outstrip waning production
- New production unlikely to come online without higher prices
- Production/demand gap is currently filled with a finite secondary supply



Source: UxC LLC. Data as of Q2 2021. Methodology for estimates is outlined in the International Atomic Energy Agency report "Analysis of Uranium Supply to 2050," available at https://www-pub.iaea.org/MTCD/Publications/PDF/Pub1104_scr.pdf.

A Uranium Bull Market is Underway

John Ciampaglia, CFA
Sprott Asset Management

Nuclear Energy Sentiment is Improving

UK to put nuclear power at heart of net zero emissions strategy

FINANCIAL TIMES

Japan's new PM defends pro-nuclear stance in parliamentary debut

REUTERS®

Nuclear plants insulate France from the energy crisis. Now Macron is doubling down on them in a $35 billion moonshot plan

FORTUNE

Massive energy bill becomes law, investing billions between renewable, nuclear sectors

Daily Journal

Nuclear Gains Ground in Europe's Plan to Phase Out Gas

Bloomberg

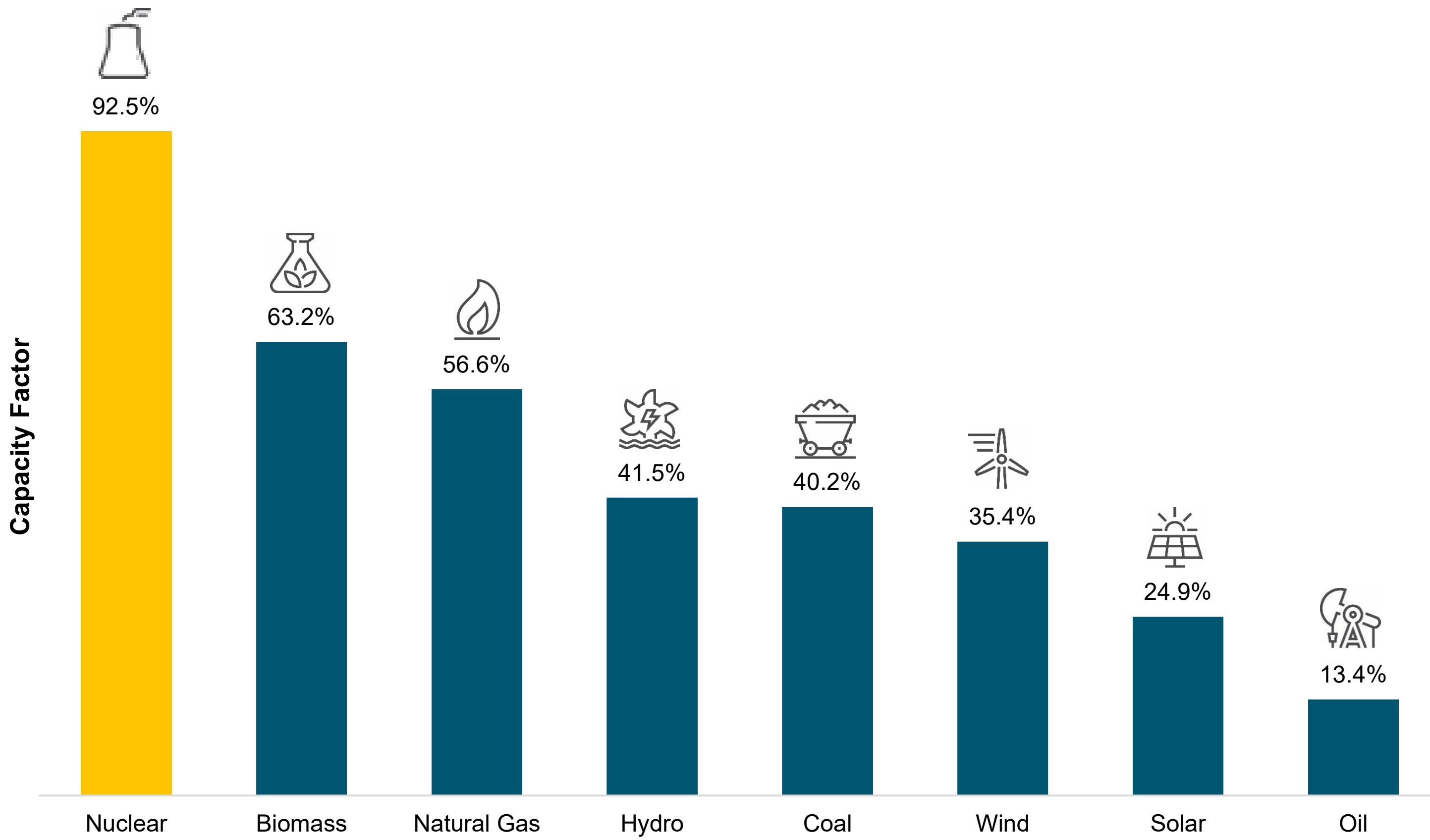
***Opinion:** Germany is closing its last nuclear plants. What a mistake.*

The Washington Post

Dates of publication:
Financial Times: 10/15/2021
Reuters: 10/11/2021
Fortune: 10/12/2021
Daily Journal: 9/15/2021
Bloomberg: 10/4/2021
The Washington Post: 1/1/2022

Nuclear Energy is Reliable…

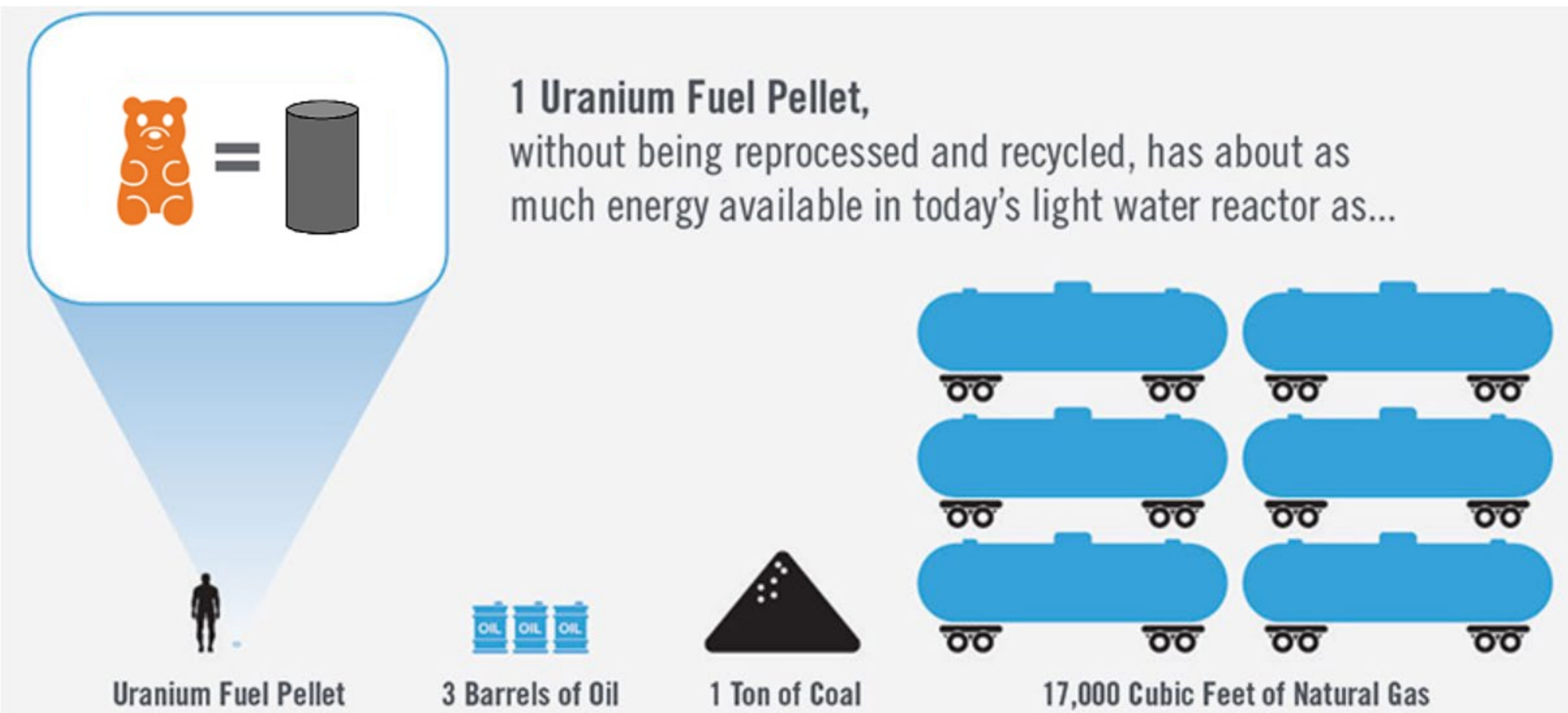
- Nuclear energy has the highest capacity factor[1] versus both traditional and alternative energy sources, prompting renewed attention to help solve global energy needs



[1] 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.
Source: U.S. Energy Information Administration. Data as of 12/31/2020.

Efficient…

- Uranium's high energy density reduces the impact of extraction and transport, facilitating the ability to contain waste
- One nuclear fuel pellet is roughly 10-13 millimeters long and 8-13.5 millimeters in diameter (approximately the size of a gummy bear) and weighs ~10 grams[1]

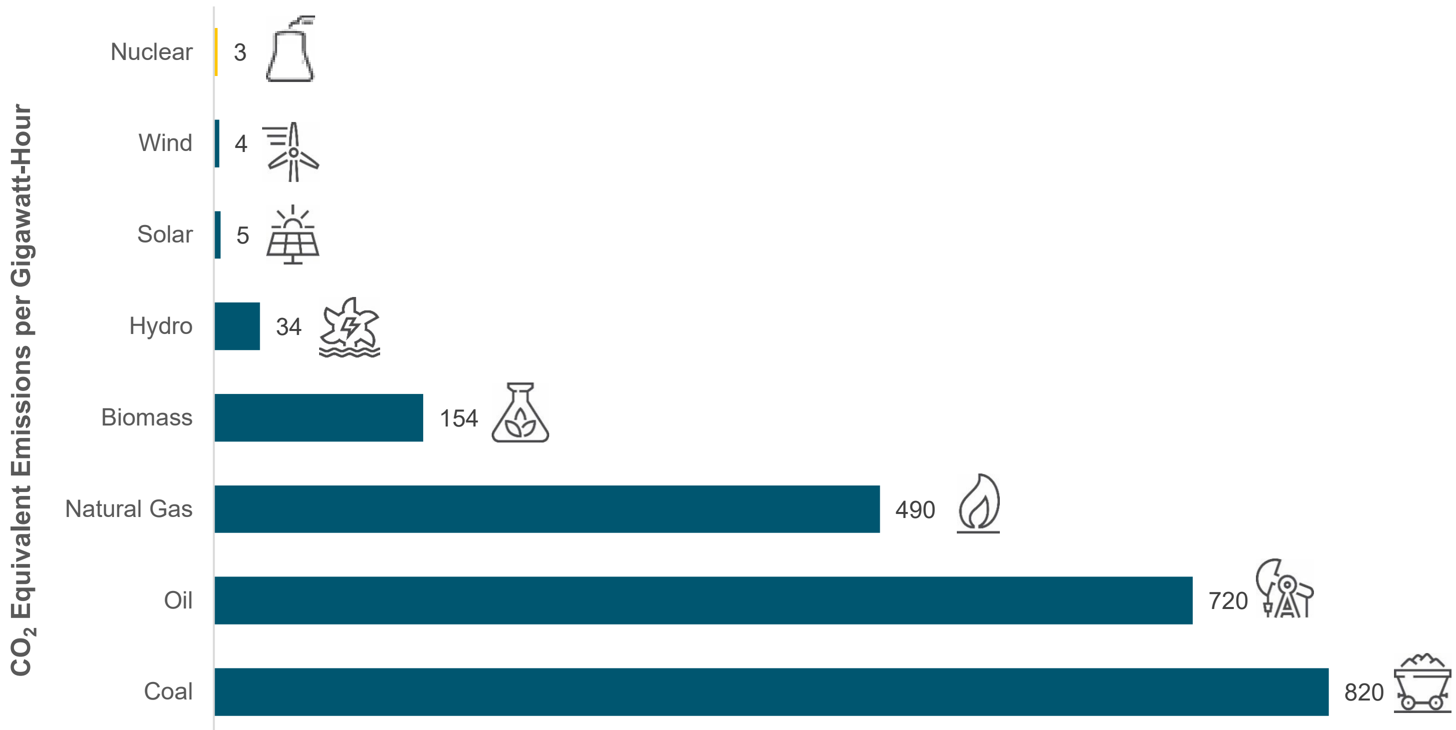


Source: American Nuclear Association.
[1] Cameco Corporation.

Clean…

- Nuclear energy produces the least CO_2 equivalent emissions versus other energy forms, helping solidify its place in global decarbonization goals

Greenhouse Gas Emissions



Source: Ourworldindata.org; measured in emissions of CO2-equivalent per gigawatt-hour of electricity over the lifecycle of the power plant. Data as of 12/31/2020.

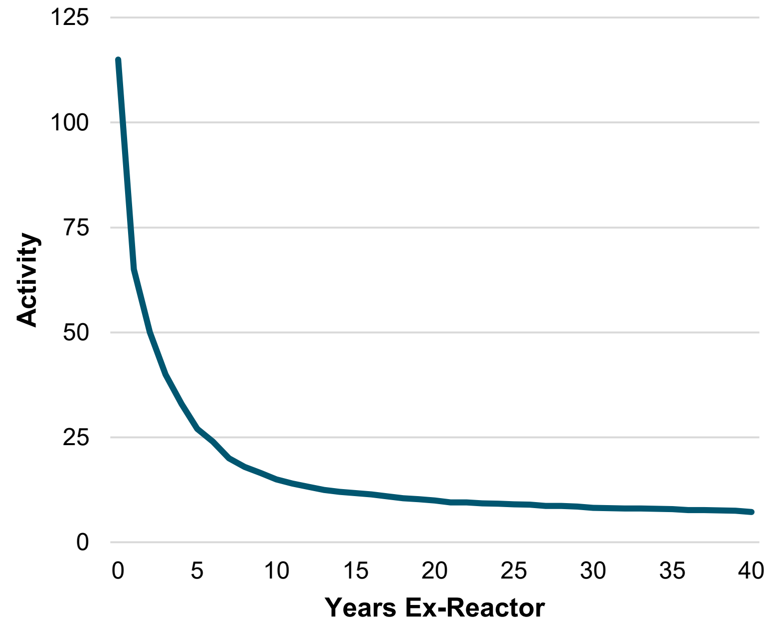
Safe

- Uranium is responsible for the lowest mortality rate per terawatt hour (TWh) of energy produced
- Post-reactor radioactivity shows significant reductions after just 10 years

Mortality Rate per TWh of Energy Produced

Energy Source	Mortality Rate (per TWh)
Nuclear	0.04
Hydro	0.10
Wind	0.15
Solar	0.44
Natural Gas	4
Biomass	12
Oil	36
Coal	100

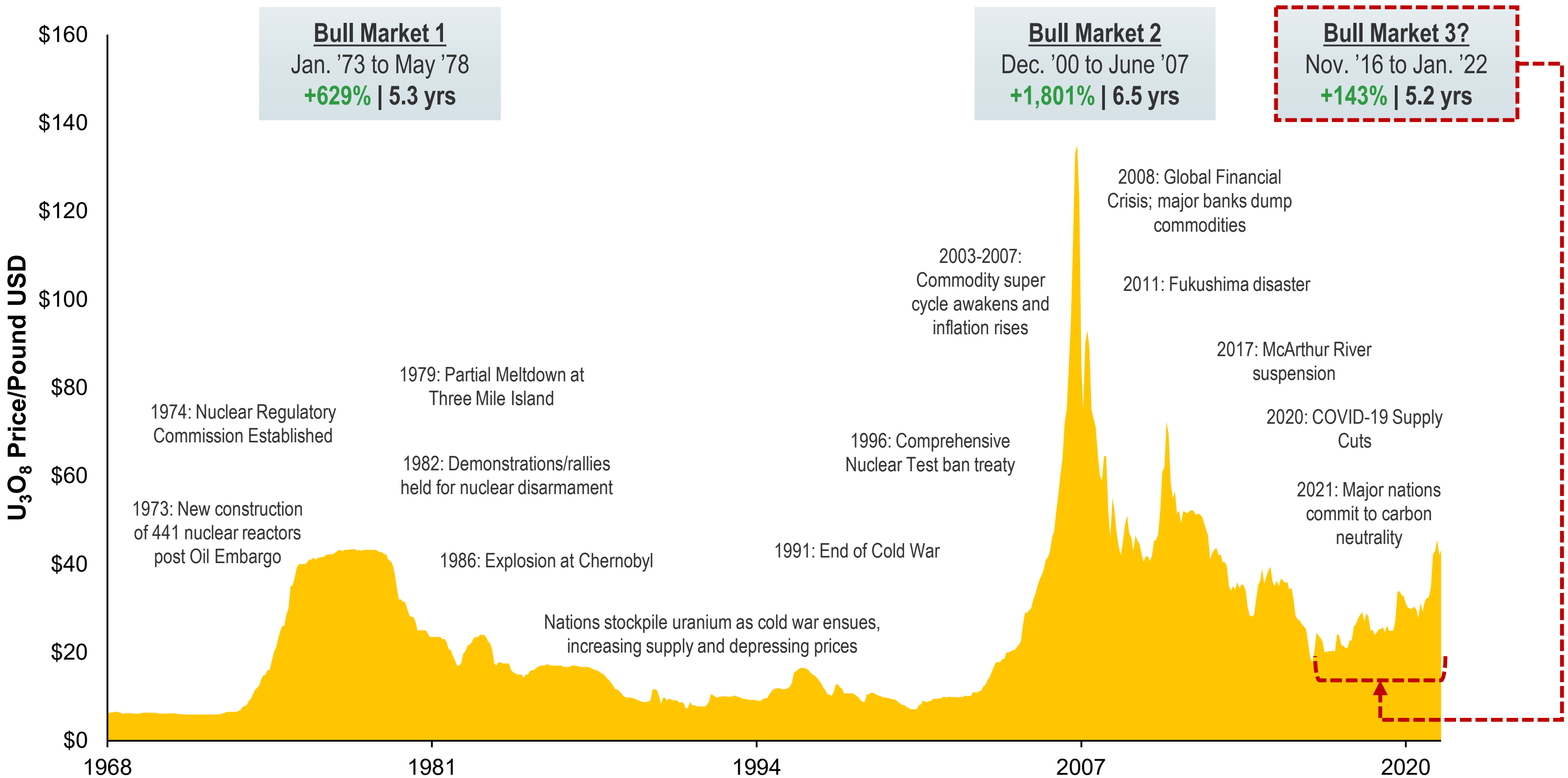
Post Reactor Radiation Levels (years)



Source: European Union, The World Bank, EIA, Radioactivity.eu. Data as of 12/31/2020.

New Uranium Bull Market is Underway with Room to Run

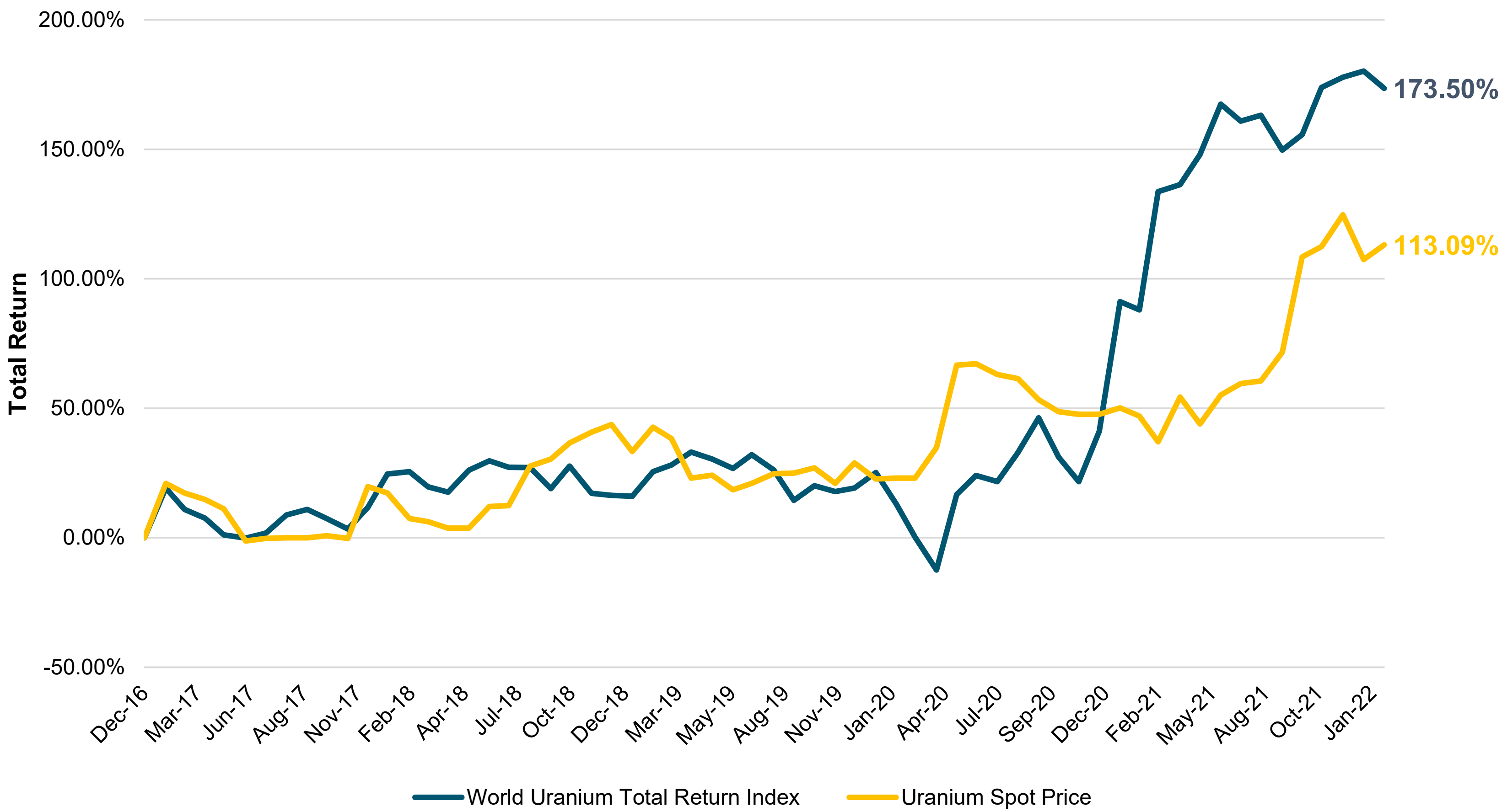
- Uranium is emerging out of a protracted bear market
- Growing production/demand imbalance and future utility contracting provide primary price support



Source: TradeTech LLC. Data as of 1/31/2022.

Investor Sentiment Has Turned Positive

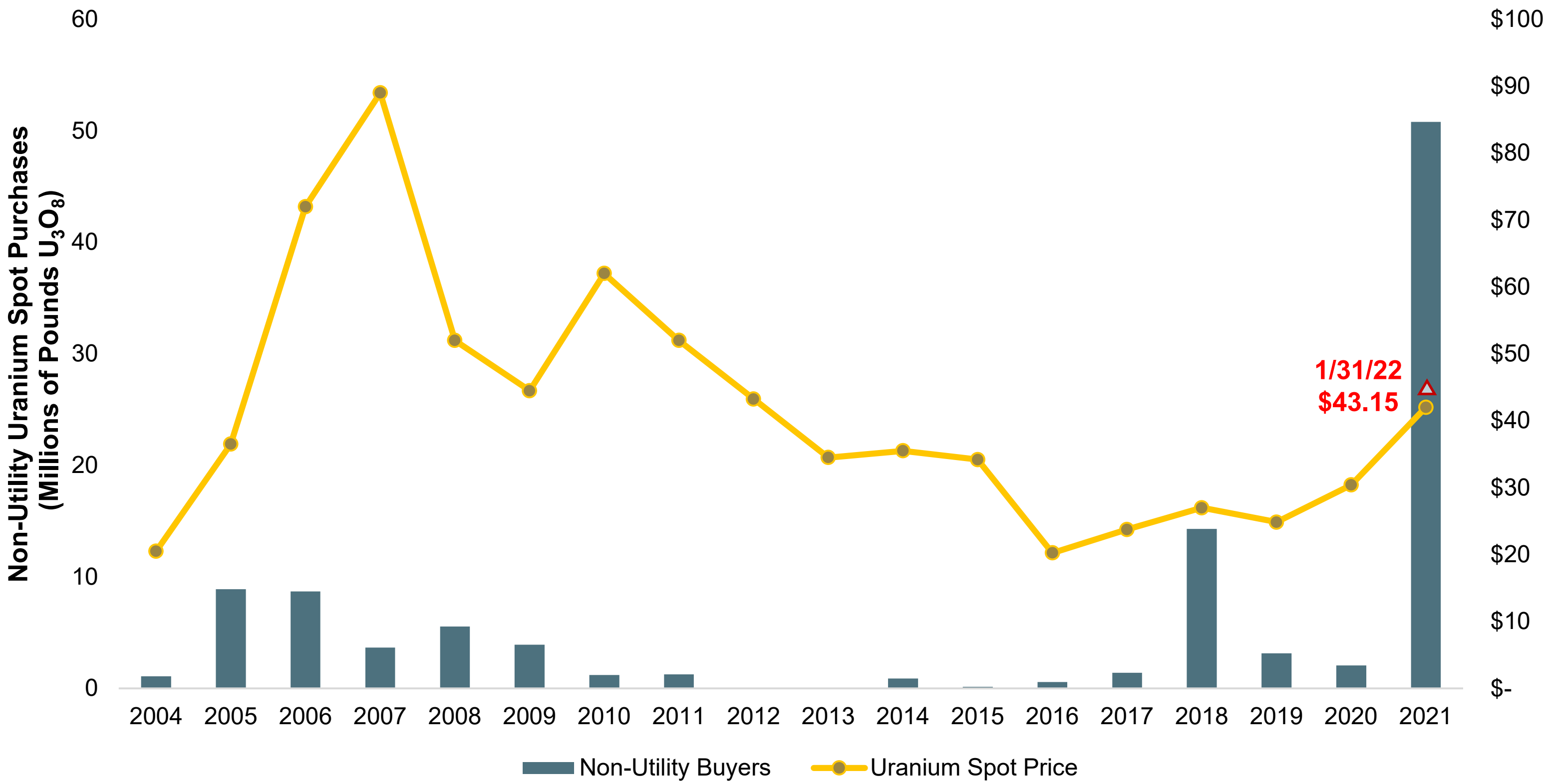
- After trading flat from 2017-2019, uranium miners and uranium spot prices have accelerated since 2019



Source: Bloomberg and UxC LLC. World Uranium Total Return Index measured by URAX Index. Data as of 1/31/2022.

Uranium Buying is Accelerating

- Non-utility buying of spot uranium has historically pre-empted rising prices
- Financial investors and junior speculators had record-high spot uranium purchases in 2021, which we believe may continue



Note: Represents known purchases from Hedge Funds, Investment Funds and Junior Speculators. Data may not be wholly inclusive of all purchases due to lack of transparency.
Source: UxC LLC. Uranium Sport Price data as of 12/31/2021; Non-Utility Buyers data as of 12/31/2021.

Sprott Physical Uranium Trust*

- Launched July 19, 2021
- The largest and only physical uranium fund currently in the marketplace[1]
- Provides a secure, convenient and exchange-traded investment alternative for investors who want to hold physical uranium
- Sprott Asset Management LP serves as the Trust's manager and is backed by more than four decades of physical commodity investment experience

*Must be accompanied or preceded by a Prospectus. Please see Important Disclosures at the end of this presentation.
1. Based on Morningstar's universe of listed commodity funds. Data as of 1/31/2022.

Trust Key Benefits

1. **World's Largest Physical Uranium Investment Fund**
   - Sprott Physical Uranium Trust is the largest and only physical uranium fund currently in the marketplace[1]

2. **Experienced Commodity Fund Manager & Uranium Technical Advisor**
   - Sprott Asset Management LP serves as the Trust's manager and is backed by more than four decades of physical commodity investment experience
   - WMC Energy, the Trust's technical advisor, is an independent company focused on the low carbon energy sector

3. **Liquid and Convenient Way to Own Physical Uranium**
   - Trust units are exchange-traded and easy to buy, own and sell
   - At-the-Market (ATM) program plans for cost effective capital raises and potentially less disruption to the uranium market

4. **Transparent Daily Reporting of Net Asset Value (NAV) and Holdings**
   - Added transparency of assets and daily posting of the Trust's net asset value is unique among physical uranium funds

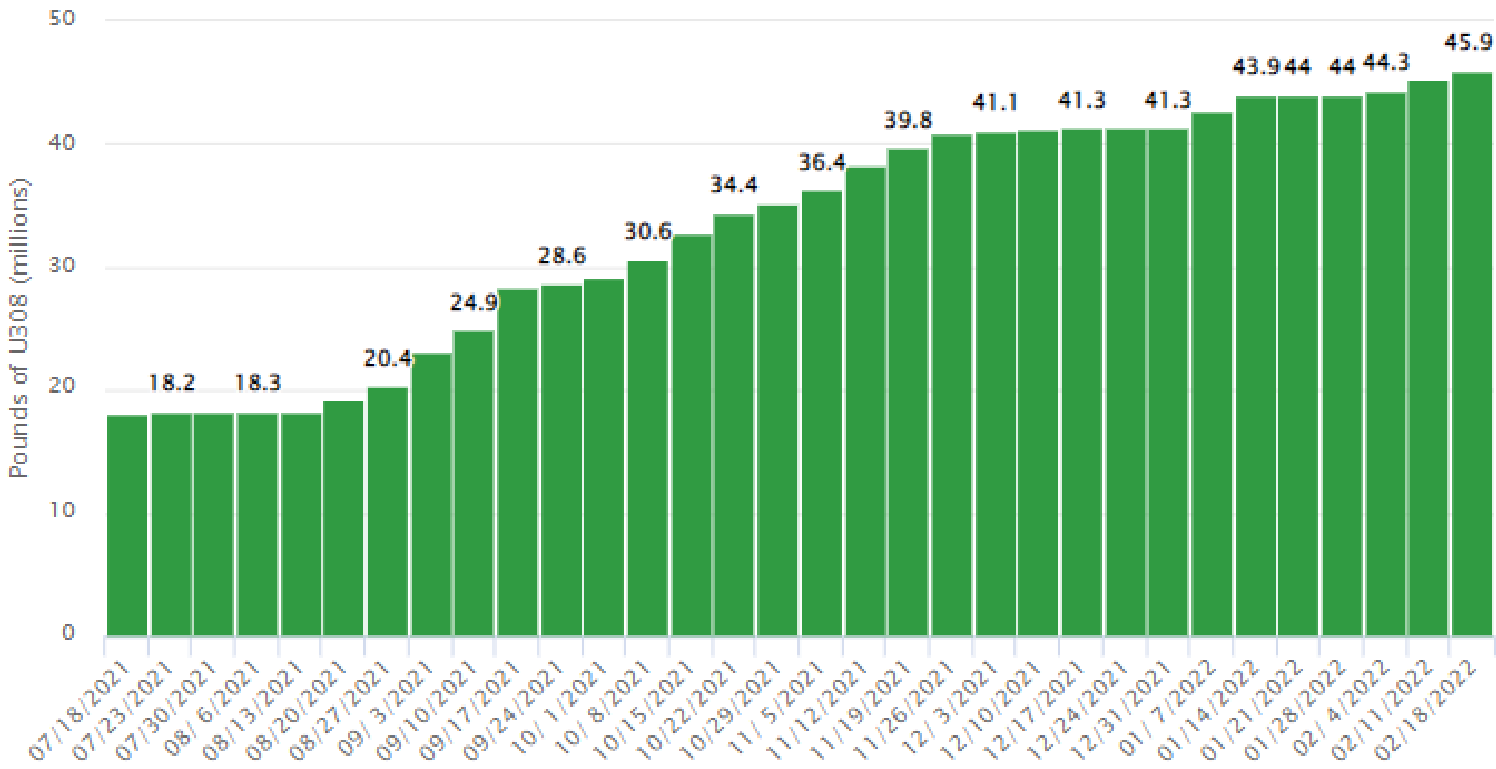
5. **Low Fees**
   - Annual Management Fee of 0.35% per annum plus operating expenses

Please see Important Disclosures at the end of this presentation.

Sprott Physical Uranium Trust Holdings of U_3O_8 (1/2)

- The Sprott Physical Uranium Trust currently holds **~46 million pounds** of U_3O_8

Total Pounds of Uranium (U_3O_8) Held by Trust

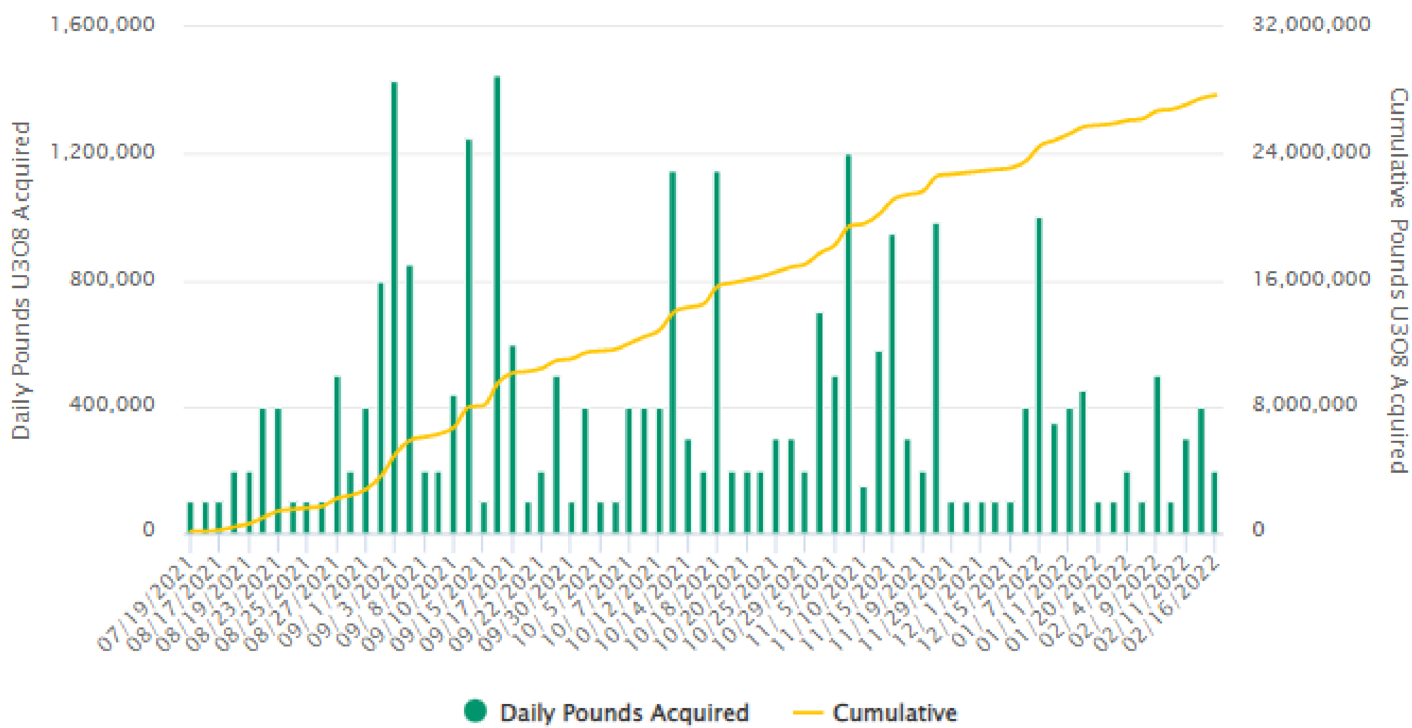


Source: Sprott, RBC Investor Services Trust as of 2/18/2022. Please see Important Disclosures at the end of this presentation.

Sprott Physical Uranium Trust Holdings of U_3O_8 (2/2)

- The Sprott Physical Uranium Trust consistently conducts spot uranium transactions, acquiring ~28 million pounds of U_3O_8 since the Trust was reorganized in July 2021

Daily & Cumulative Pounds of Uranium (U_3O_8) Acquired by Trust

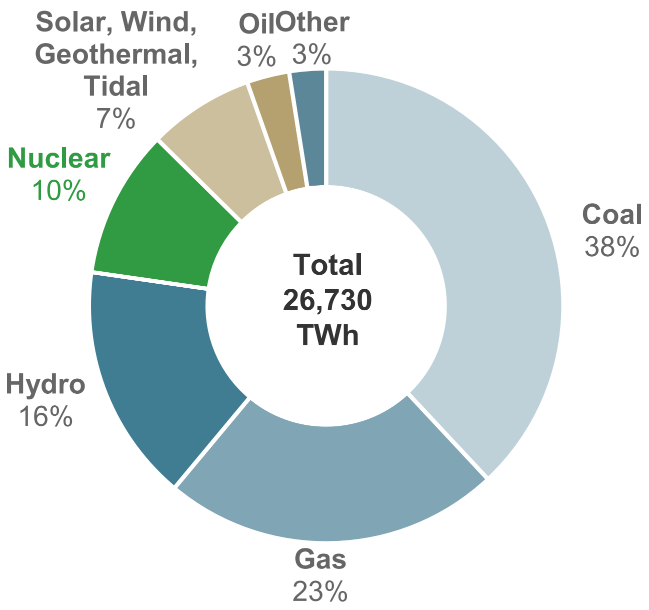


Source: Sprott, RBC Investor Services Trust as of 2/18/2022. Please see Important Disclosures at the end of this presentation.

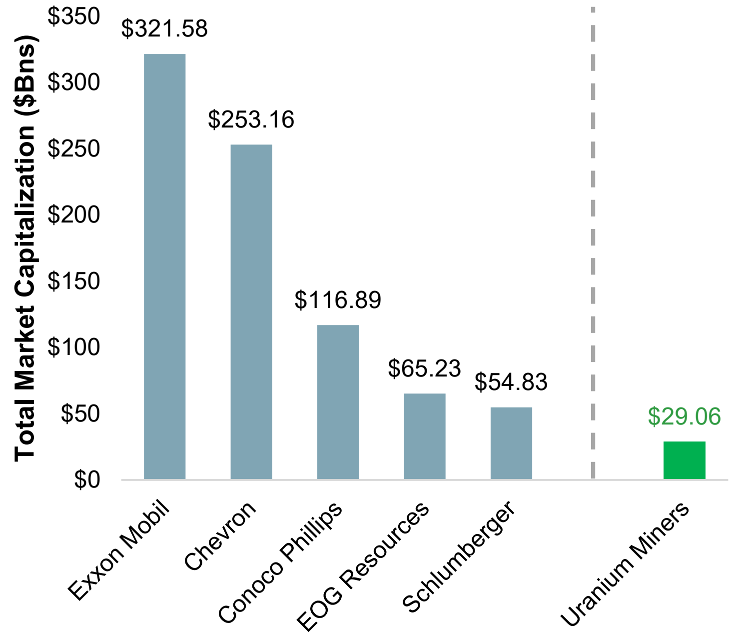
Uranium Miners will Require Massive Capital Investment

- Nuclear energy generates **10% of the world's electricity** and **more than 50% of zero-carbon emissions electricity**
- Uranium miners are miniscule in market capitalization compared to the largest energy companies, namely oil & gas conglomerates

Global Electricity Production by Source



Largest Energy Companies[1] vs. Uranium Miners[2]



[1] Reflects the top five largest holdings of the SPDR Select Sector Energy ETF (NYSE: XLE).
[2] Reflects the sum of the market cap of combined holdings of the following: 1) North Shore Global Uranium Miners Index; 2) the eligibility list of the Solactive Global Nuclear & Components Index; 3) companies identified to have a substantial portion of their business model related to the mining of uranium screened through Bloomberg and Factset.
Source: Bloomberg and Factset as of 1/31/2022. International Atomic Energy Agency (IAEA) as of 12/31/2019. NEI.org as of 4/30/2020.

Why Invest in Uranium Now?

1. Relatively More Reliable, Efficient, Clean and Safe

- Nuclear energy is highly reliable and efficient compared to other forms of electricity generation[1]
- Nuclear energy is one of the cleanest energy sources based on CO_2 emissions
- Nuclear energy is one of the safest energy sources available[2]

2. New Uranium Bull Market May be Emerging

- Price of uranium has historically experienced long bear markets and periods of exponential growth surrounding catalysts
- Uranium equity prices have recently performed strongly, a potential indicator for higher uranium prices

3. Non-Utility Buyers Entering Market

- Historically, greater purchases of non-utility buyers (Investment Funds, Juniors) have pushed up uranium spot prices
- 2021 was one of the strongest non-utility buying years over the past decade[3]

4. Constrained Supply

- Producers are not incentivized to expand production until uranium prices are higher
- Greenfield projects take years to develop – supply response will be slow

5. Favorable Government Policy and Decarbonization Goals

- Major policy shifts, aggressive decarbonization goals and growing energy needs should bolster greater demand for uranium
- These policies are expected to set the stage for a fundamental change in the energy sector

Footnotes: (1) See slide 17 for more details; (2) see slide 20 for more details: (3) see slide 23 for more details. Source: American Nuclear Association.

Closing Remarks & Questions

Ed Coyne
Sprott Asset Management

Sprott Physical Commodity Trusts*

- Provide a secure, convenient and exchange-traded investment alternative for investors who want to hold physical precious metals and commodities
- Sprott Asset Management LP serves as the Trust's manager and is backed by more than four decades of physical commodity investment experience

Sprott Physical Uranium Trust

TSX: **U.U** ($US); **U.UN** ($CA)
AUM: $1.92 Billion

Sprott Physical Gold and Silver Trust

NYSE Arca: **CEF** | TSX: **CEF.U** ($US); **CEF** ($CA)
AUM: $3.98 Billion

Sprott Physical Gold Trust

NYSE Arca: **PHYS** | TSX: **PHYS.U** ($US); **PHYS** ($CA)
AUM: $4.96 Billion

Sprott Physical Silver Trust

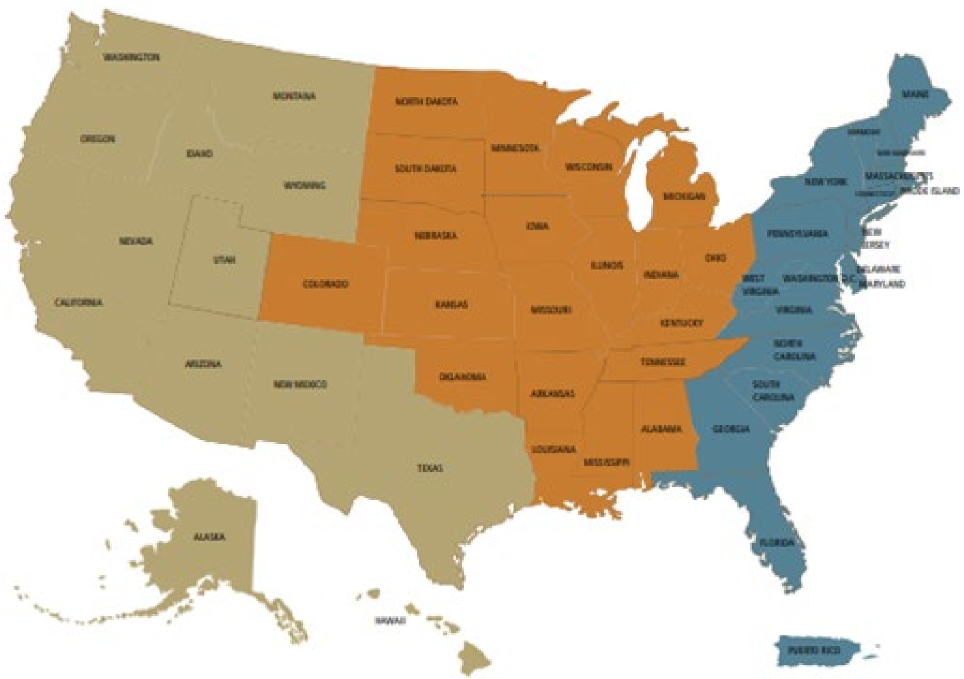
NYSE Arca: **PSLV** | TSX: **PSLV.U** ($US); **PSLV** ($CA)
AUM: $3.47 Billion

Sprott Physical Platinum and Palladium Trust

NYSE Arca: **SPPP** | TSX: **SPPP.U** ($US); **SPPP** ($CA)
AUM: $153.52 Million

*Must be accompanied or preceded by a Prospectus. Please see Important Disclosures at the end of this presentation.
All figures as of January 31, 2022 in $US. Reflects net asset values.

Regional and National Sales Coverage



Ed Coyne
Senior Managing Director, Global Sales
646.599.0859 | ecoyne@sprottusa.com

Public Funds

Matt Harrison (Western Region)
Senior Investment Consultant
416.945.3313 | mmharrison@sprott.com

Julia Hathaway (Central Region)
Senior Investment Consultant
212.784.6849 | jchathaway@sprottusa.com

Sergio Lujan (Eastern Region & Canada)
Senior Investment Consultant
416.945.6223 | slujan@sprott.com

Key Accounts

John H. Kinnane, CIMA®
Director, National Accounts
401.787.7525 | jkinnane@sprottusa.com

Private Funds

Chris von Strasser (Global)
Director of Institutional Sales
415.857.4090 | cstrasser@sprottusa.com

Sprott
Contrarian. Innovative. Aligned.®

Q&A/Contact Information

Ed Coyne
Senior Managing Director, Global Sales
Sprott Inc.

Royal Bank Plaza, South Tower
200 Bay Street, Suite 2600
Toronto, Ontario M5J 2J1

ecoyne@sprottusa.com

888.622.1813
invest@sprott.com

Visit sprott.com

Important Disclosure

Past performance is no guarantee of future results. You cannot invest directly in an index.

Investments, commentary and statements are unique and may not be reflective of investments and commentary in other strategies managed by Sprott Asset Management USA, Inc., Sprott Asset Management LP, Sprott Inc., or any other Sprott entity or affiliate. Opinions expressed in this presentation are those of the presenter and may vary widely from opinions of other Sprott affiliated Portfolio Managers or investment professionals.

The intended use of this material is for information purposes only and is not intended to be an offer or solicitation for the sale of any financial product or service or a recommendation or determination that any investment strategy is suitable for a specific investor. Investors should seek financial advice regarding the suitability of any investment strategy based on the objectives of the investor, financial situation, investment horizon, and their particular needs. This information is not intended to provide financial, tax, legal, accounting or other professional advice since such advice always requires consideration of individual circumstances. The investments discussed herein are not insured by the FDIC or any other governmental agency, are subject to risks, including a possible loss of the principal amount invested.

Sprott Physical Bullion and Commodity Trusts

Sprott Asset Management LP is the investment manager to the Sprott Physical Bullion and Commodity Trusts (the “Trusts”). Important information about the Trusts, including the investment objectives and strategies, purchase options, applicable management fees, and expenses, is contained in the prospectuses. Please read the document carefully before investing. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated. This communication does not constitute an offer to sell or solicitation to purchase securities of the Trusts.

The risks associated with investing in a Trust depend on the securities and assets in which the Trust invests, based upon the Trust’s particular objectives. There is no assurance that any Trust will achieve its investment objective, and its net asset value, yield and investment return will fluctuate from time to time with market conditions. There is no guarantee that the full amount of your original investment in a Trust will be returned to you. The Trusts are not insured by any government deposit insurer. Please read a Trust’s prospectus before investing. The information contained herein does not constitute an offer or solicitation to anyone in the United States or in any other jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. The information provided is general in nature and is provided with the understanding that it may not be relied upon as, nor considered to be, the rendering or tax, legal, accounting or professional advice. Readers should consult with their own accountants and/or lawyers for advice on the specific circumstances before taking any action.

This document may not be reproduced (in whole or part), transmitted or otherwise made available to any other party without the prior consent of Sprott Asset Management LP.

Important Disclosure

The Sprott Physical Uranium Trust is generally exposed to the multiple risks that have been identified and described in the Management Information Circular and the Prospectus. Please refer to the Management Information Circular or the Prospectus for a description of these risks.

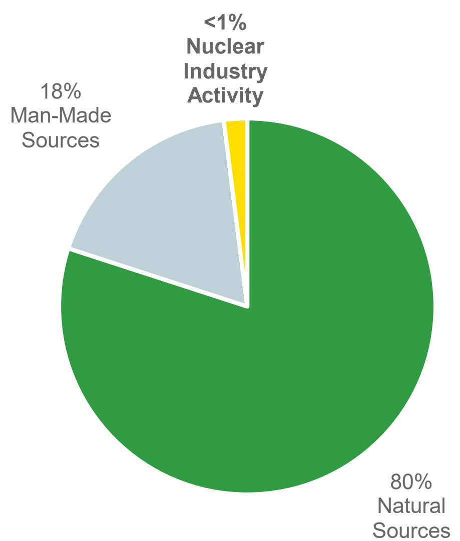
Past performance is not an indication of future results. All data is in U.S. dollars unless otherwise noted. The information provided is general in nature and is provided with the understanding that it may not be relied upon as, nor considered to be tax, legal, accounting or professional advice. Readers should consult with their own accountants and/or lawyers for advice on their specific circumstances before taking any action. Sprott Asset Management LP is the investment manager to the Sprott Physical Uranium Trust (the “Trust”). Important information about the Trust, including the investment objectives and strategies, applicable management fees, and expenses, is contained in the Prospectus and Management Information Circular. Please read the Management Information Circular carefully before investing. You will usually pay brokerage fees to your dealer if you purchase or sell units of the Trust on the Toronto Stock Exchange (“TSX”). If the units are purchased or sold on the TSX, investors may pay more than the current net asset value when buying units or shares of the Trust and may receive less than the current net asset value when selling them. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated. The information contained herein does not constitute an offer or solicitation to anyone in the United States or in any other jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. Views expressed regarding a particular company, security, industry or market sector should not be considered an indication of trading intent of any investment funds managed by Sprott Asset Management LP. These views are not to be considered as investment advice nor should they be considered a recommendation to buy or sell.

Appendices

Nuclear Radiation into Perspective

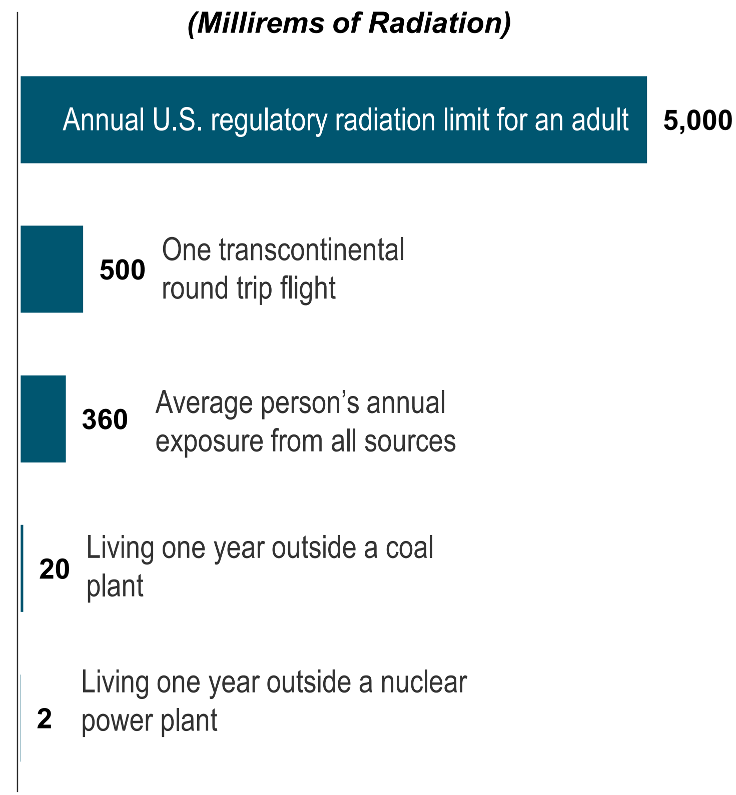
Understanding Nuclear Radiation

- Nuclear radiation exposure is minimal compared to the many sources of radiation we could come across in our daily lives
- ~80% of an average person's annual radiation exposure comes from natural sources, such as sunlight, soil and water
- ~18% comes from man-made sources such as computers, cell phones and x-rays
- Less than 1% comes from the nuclear industry, including uranium exploration and mining



Measuring Nuclear Radiation

- Radiation stemming from nuclear energy is far less when compared to activities not commonly associated with nuclear activities, such as flying on an airplane or interacting with more traditional energy sources



Source: U_3O_8 Corporation. May not add up to 100% due to rounding.