92 U YELLOW CAKE PLC

ANNUAL REPORT

for the period ended 31 March

2019

U_3O_8

Meaning of yellowcake

Yellowcake is a solid form of mixed uranium oxide, produced from uranium ore in the uranium recovery (milling) process.

The material is a mixture of uranium oxides which is generally yellow in colour (depending upon level of impurities) following drying.

Yellowcake is then shipped from the mine to licensed processing facilities for conversion, enrichment and fabrication into nuclear fuel.

Contents

YELLOW CAKE AT A GLANCE

Yellow Cake is a London-listed company that offers investors direct exposure to the uranium market through our physical holding of triuranium octoxide (U_3O_8).

Yellow Cake was created with a fundamental philosophy that uranium was structurally mispriced and set for a period of price growth, based on clear supply and demand fundamentals.

We also aim to exploit opportunities arising from uranium ownership and uranium-based financial initiatives such as commodity streaming and royalties.

The Company aims to access uranium from the most advantageous sources and has a 10-year Framework Agreement for supply of U_3O_8 with Kazatomprom, the world's largest uranium producer. This agreement is designed to enable Yellow Cake to access up to USD100 million of uranium annually from Kazatomprom on demand, in volume and on an undisturbed (pre-announcement) pricing basis.

The Company listed in July 2018 and acquired 8.4 million lb of U_3O_8 at an average price of USD21.10/lb during the period, which was at the lower end of the range of prices over the last 15 years.

Our outsourced business model and contractual relationships provide access to strategic resources and industry expertise while minimising costs.

Key points

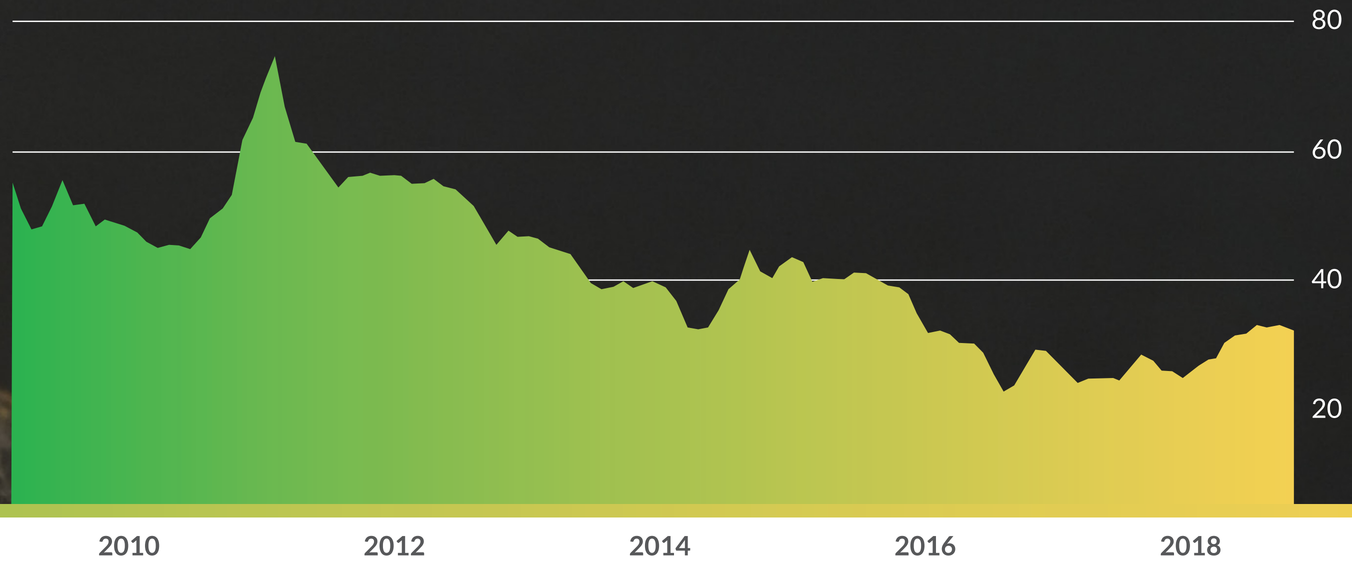
London-listed on AIM

Headquarters in **Jersey**

8.4 million lb U_3O_8 as at 31 March 2019 stored in Canada, increasing to **9.6 million lb** U_3O_8 as at 31 May 2019

Relationship with **Kazatomprom,** the world's largest uranium miner

URANIUM PRICE (USD/lb)



Investment case

Offers investors exposure to the uranium spot price without the operating risks associated with exploration, development, mining or processing.

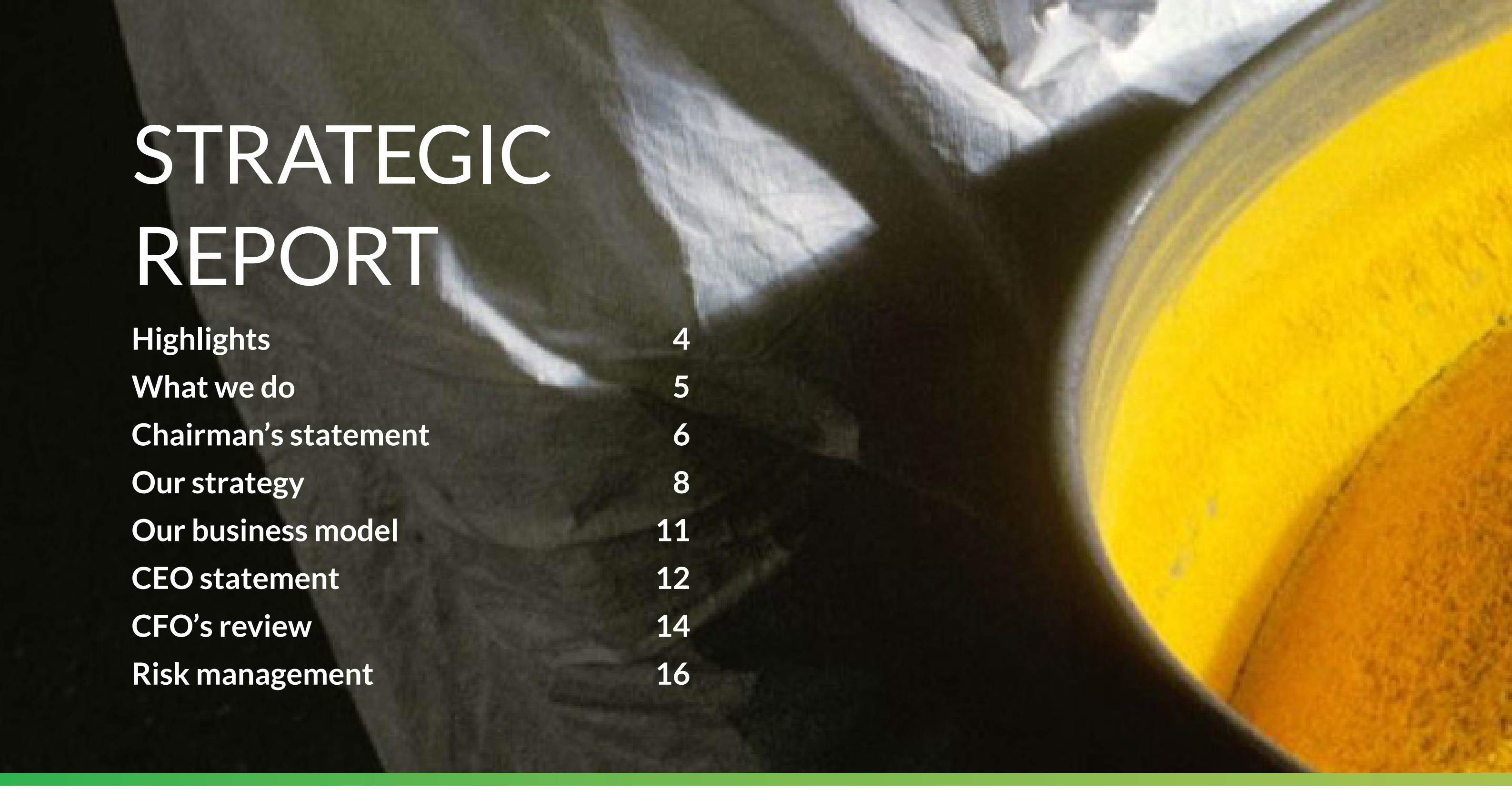
Positioned to benefit from emerging supply side discipline and increasing energy demand.

Strong board and management, with dedicated advisors.

Creates liquidity for investors in a traditionally illiquid commodity.

Low cost outsourced business model.

Ten-year Framework Agreement for the supply of U_3O_8 with Kazatomprom, the world's largest uranium producer.



STRATEGIC REPORT

Highlights

Value of underlying U_3O_8 has increased by

22%

to USD217.4 million as at the end of March 2019 relative to acquisition cost of USD178.2 million

Purchase of **8,441,385 lb** U_3O_8 from National Atomic Company Kazatomprom JSC ("Kazatomprom") during the period at an average cost of USD21.10/lb against a spot price as at the end of March 2019 of USD25.75/lb

Steady improvement in the market for U_3O_8, with the spot price increasing

13%

from USD22.85/lb at IPO to USD25.75/lb at the end of March 2019

Successful **USD200 million (GBP151 million) capital raise** in an oversubscribed IPO on the AIM market of the London Stock Exchange in July 2018

Profit after tax of **USD29.7 million** for the period ended 31 March 2019

Net asset value of **USD2.93 (GBP2.25) per share** as at 31 March 2019

Since the end of March 2019, the Company has raised an additional **GBP25.9 million (approximately USD33.9 million)** through a placing of shares and acquired an additional **1.175 million lb U_3O_8**

What we do

Yellow Cake plc (the "Company") is a London-listed company, headquartered in Jersey, established to offer investors exposure to the uranium market at a time where a resurgence in uranium prices is expected.

At 31 March 2019, the Company owned 8.4 million lb of triuranium octoxide (U_3O_8) which is stored at Cameco's Port Hope/Blind River facility in Ontario, Canada, a licensed conversion facility. This increased to 9.62 million lb U_3O_8 on 31 May 2019.

In May 2018, the Company entered into a 10-year Framework Agreement for supply of U_3O_8 with Kazatomprom, the world's largest uranium producer and one of the lowest cost uranium producers, which is designed to enable Yellow Cake to access uranium on demand and in volume. The Framework Agreement confers the right to purchase up to USD100 million of U_3O_8 each year, starting in 2019 and for the next eight years, at a price to be agreed prior to announcing the purchase to the market. This ensures that any future purchases of uranium from Kazatomprom may be conducted at an undisturbed price and that the Company's shareholders will benefit from any subsequent uranium price uplift.

The Company's business model aims to minimise cost leakage through outsourcing of administrative services and securing access to industry knowledge and expertise, formalised in:

- A services contract with 308 Services Limited.
- A competitive storage contract with a licensed converter.
- A strategic relationship with Uranium Royalty Corp, which is designed to provide potential opportunities in relation to uranium-based royalties and streams, access to new sources of physical uranium supply and entry into the North American market.

Chairman's statement

> We have been hugely encouraged with the positive reception to the business by investors and welcome their continued support. Recent market developments have only served to strengthen the Board's belief in our long-term thesis, and we look forward with confidence.

The Lord St John of Bletso

It gives me great pleasure to present Yellow Cake plc's first Annual Report and to reflect on the steps taken during the period to execute on our stated strategy. Our objective is to create a liquid, publicly listed vehicle through which investors can acquire long-term exposure to the uranium spot price without the operating risks associated with exploration, development, mining or processing.

The Company utilises a low-cost outsourced business model that minimises cost leakage while securing access to additional expertise through strategic partnerships with suppliers and other relevant industry players. These include the ability to access uranium on demand, in volume and at the prevailing market price through our Framework Agreement with Kazatomprom, the world's largest uranium producer. Our business model enables us to access additional revenue opportunities, including royalty streams, through our relationship with Uranium Royalty Corp.

A successful IPO

We were delighted with the successful listing of Yellow Cake plc on the London Stock Exchange (AIM) in July 2018. We are grateful to our financial advisors associated with the capital raise and IPO for their hard work. Investors were very receptive to the Company's business model, strategic vision, management team and governance structure.

The Company used the proceeds of the IPO (USD200 million/GBP151 million) to purchase 8.1 million lb of U_3O_8 from Kazatomprom under our 10-year Framework Agreement. The purchase was well timed, with the price of USD21.01/lb at the lower end of the range of uranium prices for the last 15 years.

A further 350,000 lb of U_3O_8 was purchased on 23 August 2018 at a price of USD23.30/lb, in accordance with the strategy set out at IPO. These purchases allowed the Company to build up a significant volume of uranium in a relatively short period at what proved to be attractive prices and brought the Company's total holding of U_3O_8 to 8.44 million lb at 31 March 2019, acquired at an average cost of USD21.10/lb. Prices rallied strongly towards the end of 2018 before settling back in March 2019 on political and economic uncertainties.

After period-end, the Company placed a further 12 million new ordinary shares with investors to raise GBP25.9 million before expenses (approximately USD33.8 million before expenses of USD1.6 million). This enabled us to take advantage of a pullback in the uranium price to purchase an additional 1.175 million lb of U_3O_8 at USD25.88 in May 2019. The Company now holds 9.6 million lb of U_3O_8. We greatly appreciate the support from existing and new shareholders.

Commitment to high standards of corporate governance

Yellow Cake's Board of Directors recognises the importance and value of ensuring high standards of corporate governance and accountability. We adhere to strict governance structures,

practices and policies. We have adopted the principles and provisions of the UK Corporate Governance Code, in so far as is appropriate to the size and nature of the Company (for further details, please see pages 22 and 23). The Board has met 11 times since it was convened in its current form and meetings were held by each of the Audit, Nomination and Remuneration Committees. Yellow Cake's governance structures and their activities during the period are discussed in detail in the Governance Report that starts on page 22.

Market momentum

The underlying uranium market fundamentals remain supportive of our thesis that uranium prices are structurally undervalued and that this is an opportune time to invest in physical U_3O_8. Nuclear power is the least expensive low-carbon power option in terms of cost per megawatt hour (MWh) and, according to the World Nuclear Association, remains one of the lowest sources of lifecycle carbon emissions per MWh, producing lower carbon emissions than both solar and biomass energy sources. With global demand for clean and cheap energy continuing to grow, nuclear power is expected to remain a key component of the global energy mix. Uranium production has been curtailed at a number of operations and current uranium prices disincentivise new mining investments, which is expected to translate into a growing mine supply gap over time.

These trends are discussed further in the Strategy section of this report (page 8) and in the CEO statement on page 12.

The oversubscribed IPO and the demand for the additional placement of shares after period-end demonstrate investment market appetite for exposure to physical U_3O_8. Yellow Cake's net asset value rose from GBP2.00 per share at IPO to GBP2.25 per share as at the end of March 2019.

We remain of the opinion that the uranium spot price is fundamentally and structurally mispriced and the Company will continue to adhere to the core principles and strategy set out at IPO: buying and holding U_3O_8 for the long term, with no hedging or material leverage while also seeking to exploit opportunities arising from uranium ownership and uranium based financial initiatives.

I would like to close by thanking my colleagues on the Board for their commitment and diligence during the period. We are grateful for the strong support we have received from our strategic supplier, Kazatomprom, which has enabled us to build up a significant holding of uranium in a short time and at an attractive price. The Board also welcomes all our new shareholders and thanks them for their support.

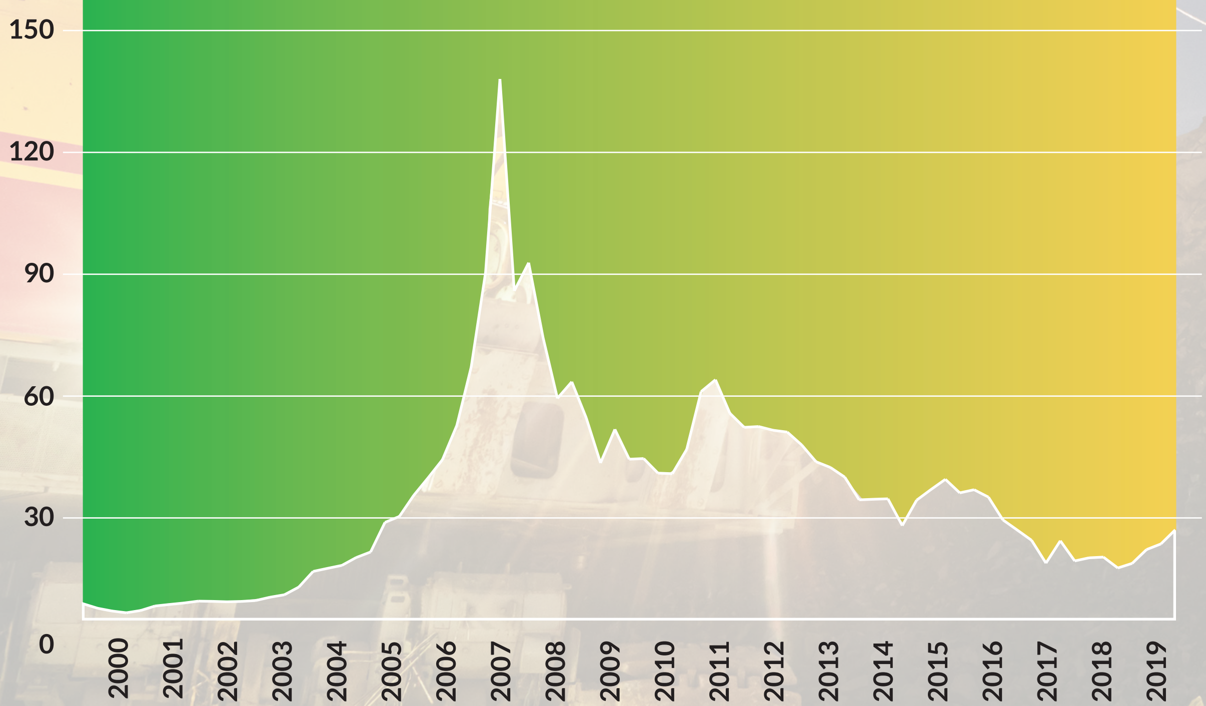
The Lord St John of Bletso
Chairman

Our strategy

Yellow Cake was established to provide investors with exposure to uranium at an opportune time when multiple external catalysts imply a strong recovery in the uranium market.

At current prices, spot uranium is near its lowest levels since the mid-2000s and, unlike most other commodities, has yet to fully respond to the turning commodity cycle. In the Company's view, structural developments on both the supply and demand side represent a confluence of events that have the potential to drive a dramatic resurgence in the uranium market and uranium price.

URANIUM PRICE (USD/lb)



Demand-side drivers

Nuclear energy remains a key and growing element of global supply

The primary use of uranium is the production of electricity. Increased demand for energy is being driven by growing economies in non-OECD countries and the increased electrification of OECD economies, including trends such as the increased use of electric vehicles.

Nuclear power's low operating cost and carbon emissions are likely to ensure it remains a strategic element of global power supply and the US Energy Information Administration reference case forecasts a 29% increase in nuclear power by 2030.

2016 saw the largest commissioning of new capacity in over 25 years and the number of reactors currently under construction is at one of the highest points in the past two decades. Additional reactors equivalent to almost 47% of the current operating reactor fleet are either planned or under construction. Growth is expected to be particularly strong in China, India and the Middle East.

Nuclear energy is favoured by emerging markets as a source of clean, reliable baseload energy in an era of rising global power consumption, and reactors are being built or planned in many new jurisdictions including Bangladesh, Belarus, Egypt, Jordan, Poland, Saudi Arabia, Turkey and the UAE.

Long-term contracts need to be replaced

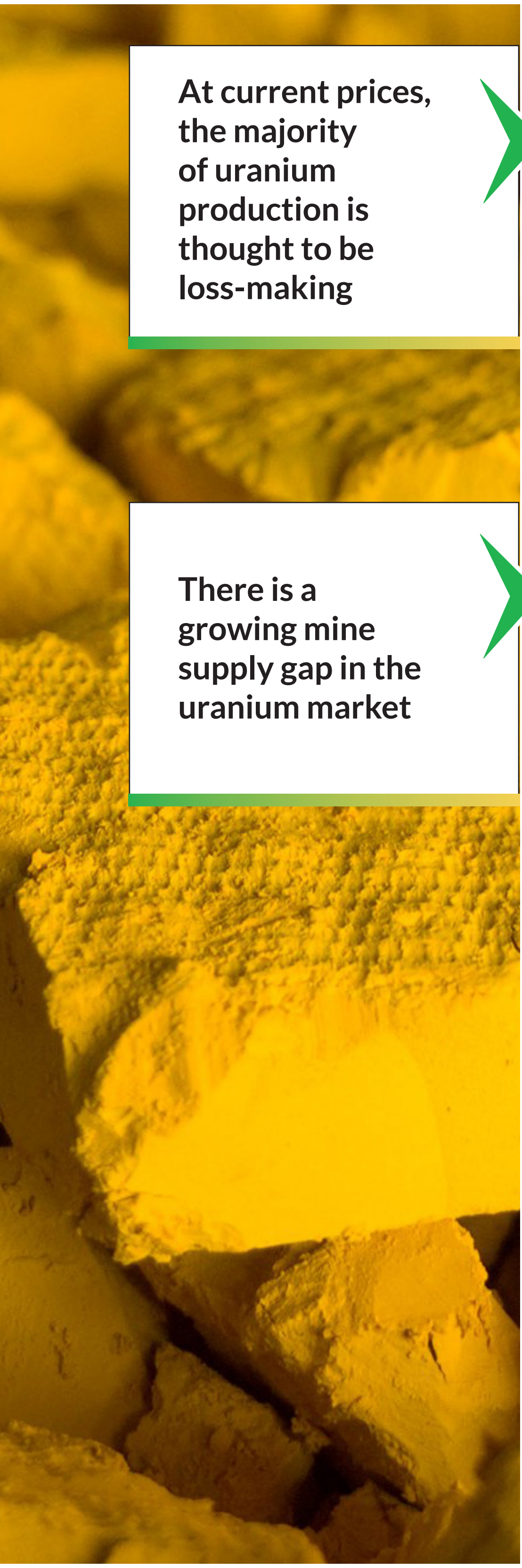
Typically, around 80% of nuclear power utilities' uranium purchases are covered by long-term contracts with the balance purchased in the spot market (defined as delivery within one year). Currently only around 67% of European[1] and 28% of US[2] utilities' 2024 uranium requirements are contracted, indicating a near-term requirement for utilities to engage in fresh long-term contracts. US demand is likely to rebound once the uncertainty relating to the US Department of Commerce investigation into uranium importation is resolved.

Large segments of uranium inventories at utilities are not readily available for use or sale, as large proportions are either classified as working inventory (being enriched, or fabricated into fuel) or held as strategic inventory (one to two years of forward requirements held in the event of supply disruption).

Given the current thin uranium spot market, China's aggressive planned build-out programme and the expected significant volumes of uncontracted usage up to 2025, US and European utilities are likely to be focused on securing contracted supply. The thinness of the spot market means that any material contract covering has the potential to create a rapid tightening of the spot market, rebalancing towards the current contract price and potentially leading to pricing spikes.

1 *Euratom Supply Agency Annual Report 2018 (21 March 2019).*
2 *U.S. Energy Information Administration 2018 Uranium Marketing Annual Report (May 2019).*

Supply-side drivers



At current prices, the majority of uranium production is thought to be loss-making

At current spot uranium prices, nearly half of production operations are believed to be loss-making on an estimated total cost basis and the incentive price for the majority of new projects is likely to be well above current levels.

Higher cost producers have been protected by long-term supply contracts set at higher prices, which are now expiring.

Suppliers are showing increased discipline and selected operations have been shut down or suspended leading to significant cuts that represent around a quarter of 2017 production.

There is a growing mine supply gap in the uranium market

Over a decade of declining uranium prices has seen minimal investment in uranium exploration and development, leading to a potential near-term supply gap.

Supply deficits are projected unless there is a material increase in the uranium price. The supply gap is currently being covered by secondary supply, largely from enrichment providers underfeeding and utility/producer inventory draw-down. But secondary supplies are declining and may not be sufficient to fill the supply deficit while new uranium mines are under development.

Yellow Cake purchases and holds physical U_3O_8 to provide an entry for investors wishing to participate in developing trends in the uranium market. In 2018 the Company purchased 8.4 million lb of U_3O_8 equivalent to approximately 27% of Kazatomprom's 2018 annual production, or approximately 6% of global 2018 marketed production. This purchase reinforces the emerging supply side discipline recently exhibited in the uranium market.

Yellow Cake will seek to leverage its expertise and market knowledge, as well as that of its advisors, to generate additional value through the purchase and sale of uranium. The synergistic and mutually beneficial strategic relationship with Uranium Royalty Corp (URC) opens up opportunities for other revenue streams and is based on value creation for both Yellow Cake and URC shareholders.

The Company's low cost model aims to minimise cost leakage by outsourcing administrative services, supported by the significant cost savings negotiated into the storage contract.

Yellow Cake's Board of Directors comprises an experienced team committed to ensuring high standards of corporate governance, with a focus on creating and protecting value for shareholders. The Company's executive management possess significant expertise and market knowledge and are supported by 308 Services Limited, which has employees and consultants with considerable experience in the uranium market.

Our business model

Yellow Cake aims to maximise investor exposure to uranium, ensure high standards of corporate governance and minimise costs through an outsourced business model that provides cost-effective access to the necessary uranium supply, intellectual capital, expertise and storage facilities. This model is built on key strategic and contractual relationships with industry players.

FRAMEWORK AGREEMENT

Kazatomprom

The world's largest producer of uranium and one of the lowest cost producers of uranium.

Yellow Cake's 10-year Framework Agreement with Kazatomprom gives the Company the right to purchase up to USD100 million of U_3O_8 each year from 2019 to 2027 at a price agreed prior to announcing the purchase to the market. The Company can also source uranium from any other producer if advantageous. (Following the end of the period, Yellow Cake exercised USD30.4 million of its 2019 option).

SERVICE CONTRACT

308 Services Limited

A uranium specialist company focused on the uranium commodity markets.

308 Services complements Yellow Cake's executive management with significant expertise and market knowledge to enable the Company to pursue its strategy.

STORAGE CONTRACT

Storage provider

Yellow Cake's current holding of approximately 9.62 million lb of U_3O_8 is held in a storage account at Cameco's Port Hope/Blind River facility in Ontario, Canada.

Storage rates have been negotiated to achieve significant cost savings and support the Company's low cost operating structure.

CEO statement

> Our successful listing was the key highlight for the period. I am delighted with the progress we have made on the delivery of our strategy since then. The strong support for the capital raise after period-end demonstrates that investors share our confidence regarding the long-term outlook for the uranium price.

Andre Liebenberg

The period since January 2018 has witnessed a number of significant milestones for Yellow Cake. After the IPO and listing on the AIM market of the London Stock Exchange in July 2018, we conducted two purchases of U_3O_8 and ended the period with a holding of 8.4 million lb. These purchases were made at an average cost of USD21.10/lb and were well timed considering the spot price at our financial period-end of 31 March 2019 of USD25.75/lb.

The timing of our listing and the first two purchases of uranium were definite highlights as the uranium price increased nearly 40% to USD29.10/lb at the end of November 2018 from its lows in April 2018. While the uranium price did soften in the first quarter of 2019, we believe the potential for long-term price appreciation remains intact, particularly given that the price required to incentivise new mines is estimated to be above USD50/lb.

In April 2019, shortly after our financial period-end, the Company raised GBP25.9 million (c.USD33.9 million) through a share placement to add a further 1.175 million lb of U_3O_8 to our uranium inventory at a price of USD25.88/lb. After the strong rise in the uranium price during the latter half of 2018, the recent pullback in the price provided us with an excellent window to add further uranium inventory cost effectively.

We continue to investigate opportunities to access more U_3O_8 at favourable prices as these present themselves, including through our strategic relationship with Kazatomprom.

As is evident in the financial results discussed in the CFO report on page 14, our low-cost outsourced business model provides the Company with access to relevant administrative capacity and industry expertise, while managing costs responsibly.

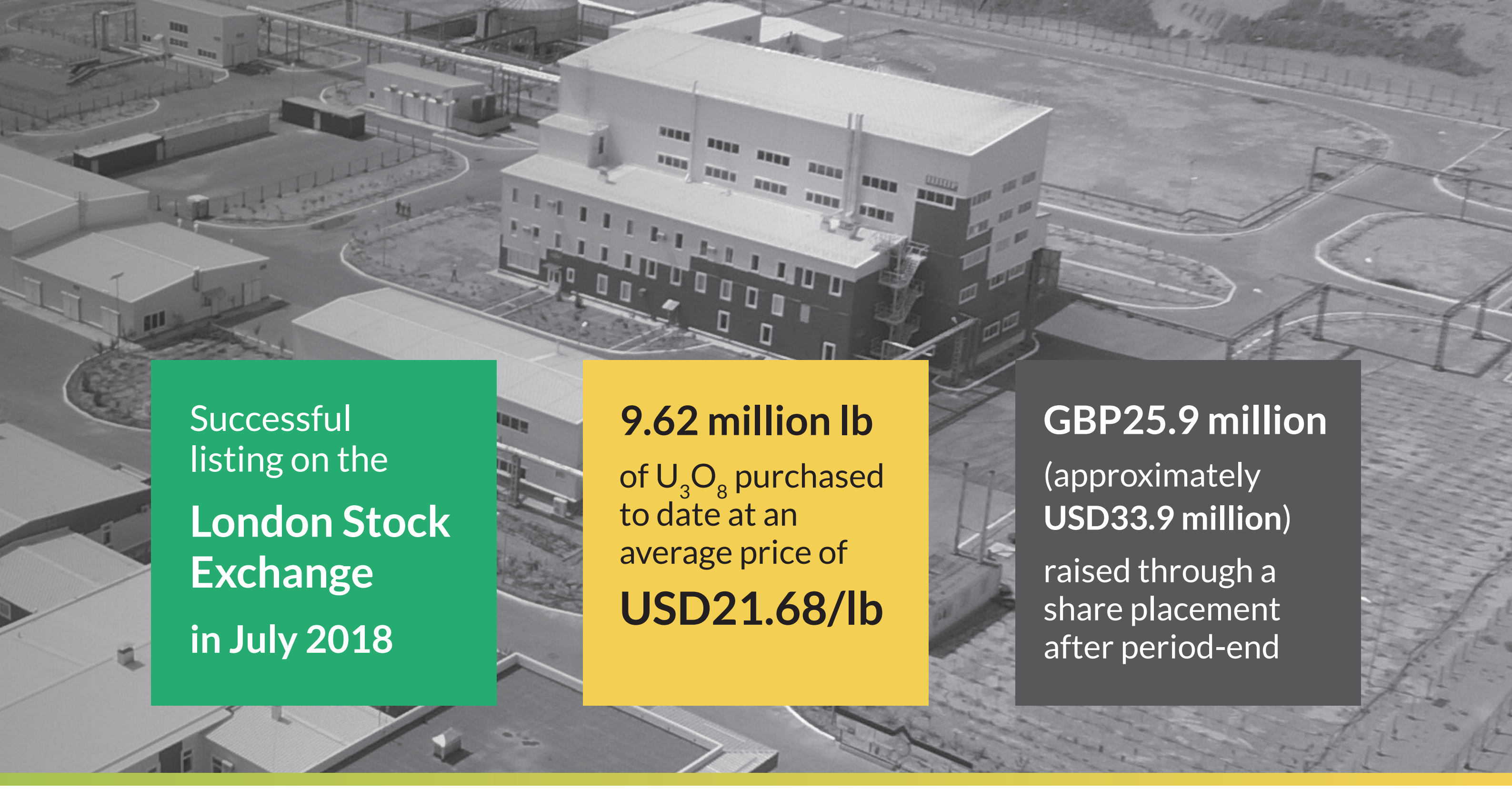
Uranium Market Developments

Monthly spot market transactions reached record volumes in 2018 with around 88 million lb traded in the calendar year, more than 30% above the average annual volumes over the last decade. Volumes remained higher early in the first quarter of 2019 but then moderated as the United States Department of Commerce ("USDOC") Section 232 investigation[1] progressed.

This 2018 activity reflects a number of market factors, including increasing demand for physical product by investment entities, especially by Yellow Cake, as well as buying by producers and traders to offset production cutbacks. Despite some buying by nuclear utilities at recent prices, long-term contracting in the uranium market remains at low levels and will have to rebalance in time.

In the Company's view, one of the principal reasons for the lack of term market contracting was the July 2018 launch by the USDOC of a Section 232 investigation into the national security aspects of high levels of foreign uranium importation by US nuclear reactor operators. Two U.S. uranium production companies requested government-mandated purchase requirements equating to 25% of annual domestic uranium consumption (11 – 12 million lb U_3O_8/year) in order to support an economically-viable domestic nuclear fuel cycle.

[1] *U.S. Department of Commerce initiated the 232 Petition investigations on 18 July 2018.*



Successful listing on the **London Stock Exchange** **in July 2018**

9.62 million lb of U_3O_8 purchased to date at an average price of **USD21.68/lb**

GBP25.9 million (approximately **USD33.9 million**) raised through a share placement after period-end

The USDOC submitted its findings and recommendation to the United States Administration in April of this year and the United States Administration is due to issue a final determination within 90 days. We believe the uncertainty around the likely outcome of the investigation has reduced activity in the market and this points to pent up demand that may drive the market once the uncertainty has been removed.

The reactor restart programme in Japan continues to progress with nine reactors now operating and a further six units approved for operations by the Nuclear Regulatory Authority. Subject to all governmental requirements being satisfied, a total of 30 reactors would need to be operating by the late-2020's in order to meet the government target of 20 – 22% nuclear generation by 2030.

The Chinese commercial nuclear power programme is expanding with a total of 45 operating reactors (43 Gigawatt Electrical ("GWe")) as of May 2019 and an additional 13 units (12.8 GWe) under active construction. The current official plan is to reach total installed nuclear generating capacity of 150 GWe by 2035. India will also add to the pipeline of new builds with the recent announcement of a six reactor build programme.

The supply-side restrictions discussed in our interim results release continue and are likely to support prices going forward. These include the announcements by Kazatomprom that annual uranium output will be reduced to a target level 20% below previously planned 2018 – 2020 production[2] and Cameco extending the suspension of operations at the McArthur River/Key Lake facility (18 million lb U_3O_8/year) for an indeterminate period. Recently, Cameco announced a revision to its market purchases program which will now total a minimum 19 – 21 million lb U_3O_8 through 2019 in order to meet existing contractual delivery commitments[3]. In November last year Rio Tinto announced the sale of its Rossing Mine in Namibia to China National Uranium Corporation Limited, which will leave the group with a single remaining uranium mine (Ranger) that is in the process of reducing operations and scheduled for rehabilitation commencing no later than 2021.

Our strategic partner Kazatomprom, the largest, and one of the lowest cost, uranium producers in the world, listed its Global Depositary Receipts ("GDRs") on the London Stock Exchange and ordinary shares and GDRs on the Astana International Exchange in November 2018. We view Kazatomprom's IPO as a positive development for the sector which should generate further interest and introduce new investors to the uranium market in the UK.

Outlook

Looking forward, we expect the resolution of the USDOC 232 investigation to result in a return to contracting in the long-term uranium market, particularly for US utilities, and an increase in spot market activity. While investments in physical uranium, nuclear fuel trader activity and producer buying are likely to continue to dominate the near-term market, the long-term fundamentals for nuclear energy remain compelling and the uranium industry supply and demand dynamics suggest support for the uranium price. The strong support from existing and new shareholders for the capital raise in April 2019 demonstrates that we are not alone in our confidence regarding the long-term outlook for the uranium price.

Andre Liebenberg
Chief Executive Officer

[2] *Announcement by Kazatomprom of 20% reduction in production initially made 4 December 2017 and then reiterated at industry conferences on 18 April 2018 (World Nuclear Fuel Cycle), 4 June 2018 (World Nuclear Fuel Market) and 5 September 2018 (World Nuclear Association Annual Symposium).*

[3] *Cameco initially announced a 10-month shut-down of McArthur River/Key Lake on 8 November 2017. On 25 July 2018, Cameco announced the indefinite suspension of McArthur River/ Key Lake operations as well as its plans to make additional market purchases of 2 – 4 million lb in 2018 and a further 9 – 11 million lb in 2019.*

CFO's review

> Yellow Cake delivered a uranium related profit of USD36.4 million during the period, attributable to an increase in the underlying price of U_3O_8 which ended the period at USD25.75/lb.

Carole Whittall

Yellow Cake's first annual financials for the period to 31 March 2019 reflect a pleasing appreciation in the value of the Company's U_3O_8 inventory.

It is my pleasure to report the following audited financial statements for the period from incorporation to 31 March 2019, beginning with some highlights:

An increase in the value of the Company's uranium holding of
USD39.2 million
from **USD178.2 million** to
USD217.4 million

Net IPO proceeds of
USD193.1 million
of which **USD178.2 million** was applied to purchasing U_3O_8

Profit after tax of
USD29.7 million

Cash of
USD8.8 million
at 31 March 2019

Uranium-related profit

Yellow Cake enjoyed a net unrealised gain of USD36.4 million during the period, comprising an increase in the fair value of its inventory of USD39.2 million less the fair value of a uranium derivative liability of USD2.8 million related to the Kazatomprom repurchase option (detailed in note 7).

This gain is attributable to the increase in the underlying price of U_3O_8 which ended the period at USD25.75/lb. Yellow Cake acquired 8,091,385 lb of U_3O_8 at a price of USD21.01/lb on 5 July 2018 and a further 350,000 lb of U_3O_8 at a price of USD23.30/lb on 23 August 2018 from Kazatomprom, for an average acquisition price of USD21.10/lb.

Operating Performance

We are pleased to report profit after tax for the period of USD29.7 million.

Expenses for the period of USD6.1 million included the following one-time costs:

- USD2.6 million in costs related to Yellow Cake's initial public offering; and
- USD1.8 million in service fees payable to 308 Services Limited in relation to the initial purchase by Yellow Cake of U_3O_8 for a consideration of USD178.2 million.

Operating costs of a recurring nature were comprised of:

- administration costs (comprising operating and salary costs) of USD1.0 million; and
- additional services fees paid to 308 Services Limited of USD0.7 million in respect of the period from 5 July 2018 to 31 March 2019 (detailed in note 11).

Foreign exchange losses of USD0.6 million arose primarily due to the impact of exchange rate movements on certain receivables (a portion of IPO proceeds) which were denominated in Sterling.

Profit after tax of USD29.7 million includes the fair value of the uranium derivative liability of USD2.8 million related to the Kazatomprom repurchase option.

The Company does not propose to declare a dividend for the period.

Balance sheet and cash flow

Yellow Cake received net proceeds from its initial public offering of USD193.1 million, of which USD178.2 million was applied to purchasing U_3O_8.

The value of Yellow Cake's U_3O_8 investment increased by 22% to USD217.4 million at the end of the period compared with the acquisition cost of USD178.2 million. As at 31 March 2019, Yellow Cake had cash of USD8.8 million.

Carole Whittall
Chief Financial Officer

Risk management

How we manage risk in our business

The Board determines the Company's business strategy and has overall responsibility for risk assessment.

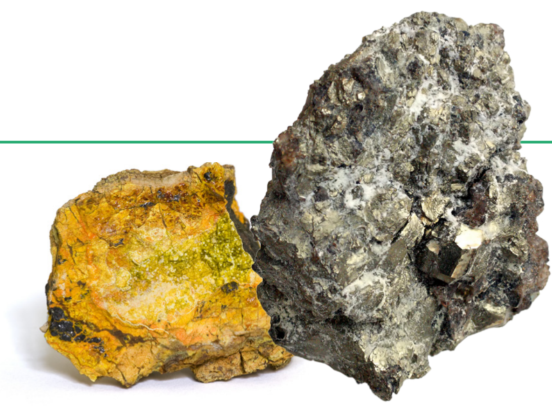
The Audit Committee is mandated to keep the Company's internal control and risk management systems under review and to report to the Board. The Board monitors the Company's risk management and internal control systems, including the controls over financial, operational and compliance risks, and regularly reviews their effectiveness. More information on the key elements of the Company's system of internal controls is available on page 37 of this report.

Principal risks and uncertainties

The Board has carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity.

The Company's principal risks and uncertainties listed below were originally identified as part of the process of admission to AIM and updated by the Executive Directors for review by the Board prior to the period-end. The Board will discuss, review and revise the risk register at least quarterly, but more frequently if appropriate.

OPERATIONAL RISKS	HOW WE MANAGE THE RISK
Counterparty risk While considered unlikely, the counterparties to the Company's key contracts may become insolvent or otherwise unable to fulfil their contractual obligations.	
• The Company engages in the purchase of U_3O_8 from third parties, in particular Kazatomprom.	Under the Kazatomprom Framework Agreement, the Company is required to pay for any purchases of physical uranium 10 days after taking delivery of the uranium, so as to manage any potential credit exposure. A *force majeure* event under the Kazatomprom Framework Agreement, would adversely impact Yellow Cake's ability to procure future purchases of uranium on demand and in volume. In such an event, Yellow Cake would seek to enter into new supply contracts for uranium with producers and/or to purchase uranium in the spot market.
• The Company has a contract in place with Cameco for the storage of its U_3O_8 at Cameco's Port Hope/Blind River facility.	While the Company's U_3O_8 holdings are stored in Cameco's Port Hope/Blind River facility, the Company retains ownership of the U_3O_8 and would retain ownership through any potential insolvency event by Cameco (although it cannot be guaranteed that, in the event of a Cameco insolvency, a third party would not seek to challenge the Company's title to its U_3O_8).
• There is a risk that the storage facility could be destroyed. Cameco has a contractual undertaking to make Yellow Cake whole in the event of a loss of Yellow Cake's inventory and Yellow Cake does not have third party insurance arrangement in place to insure this risk. Cameco is not liable for consequential losses.	Yellow Cake maintains a watching brief on the credit rating and financial health of Cameco.



OPERATIONAL RISKS continued	HOW WE MANAGE THE RISK
Cash flow risk	
Yellow Cake may, in the future, have insufficient funds to pay operating expenses.	The Company continues to review and evaluate opportunities related to the ownership and long-term value of uranium and may, from time to time, enter into transactions or arrangements to generate cash to support the Company's business. The Company is unleveraged and seeks to maintain sufficient working capital to fund its ongoing operations. The Company has the right to sell, trade, lend or otherwise commercialise some of its holdings in a manner which would provide cash to support its operations.
Operating risk	
The Company does not currently have any operating risk associated with the development or operation of primary or secondary mining operations, nor does the Company face risks associated with the transportation of uranium.	
As the Company reviews streaming, royalty or other opportunities, the Company may, should it participate, be exposed to certain operating risks to which the counterparties to the Company in these agreements are themselves exposed.	During the review and diligence phase of evaluating potential opportunities the Company will consider potential risks and identify opportunities to mitigate these potential risks.
The Company's operating risk relates primarily to the execution of sale and purchase transactions and other commercial contracts.	Where potential risks are identified the Company will use appropriate contractual mechanisms to protect its interests. Additionally, the Company may choose to price in risk which cannot be mitigated in order to ensure that the risk/reward balance is appropriate.
The Company maintains cash balances in its current accounts in amounts that are material to the Company. The risk exists that the bank may not be able to repay the Company's cash or a fraud event occurs.	Cash balances are held with Citibank, a major global financial institution. Current accounts are operated by Langham Hall Fund Management (Jersey) Limited. The risk of fraud and embezzlement of funds is mitigated by multiple signatory and authorisation protocols in place with Langham Hall Fund Management (Jersey) Limited.

CORPORATE RISKS	HOW WE MANAGE THE RISK
Key personnel	
The Company is reliant on its Executive Directors, 308 Services Limited and other key personnel. Any change to the management and service providers may have a negative impact on business.	The Company believes that its executive team, as well as the Board of Directors and its advisors in 308 Services Limited are dedicated to the long-term growth of the Company. However, in the event that any of these persons elects to leave the Company or discontinue provision of services, the Company is confident in its ability to find suitable replacements.

CORPORATE RISKS continued	HOW WE MANAGE THE RISK
Key service providers	
The Services Agreement with 308 Services Limited may be terminated.	The Company does not expect that 308 Services Limited will elect to terminate its contract; however, in the event that such an event were to occur, the Company is confident in the ability of its executive management to find a suitable replacement. Additionally, the Company is the direct beneficiary and counterparty in respect of offtake and storage contracts in place with suppliers of these services.

SOCIAL, SAFETY AND ENVIRONMENTAL RISKS	HOW WE MANAGE THE RISK
Regulatory regime	
Changes in laws around the ownership of uranium, or increased regulations or government policy around uranium and nuclear power generation could adversely affect the Company's business.	The Company believes it is unlikely in the near to medium-term that a significant change to the laws or regulations around the ownership or transfer of ownership of uranium or generation of nuclear power would occur. Additionally, as the Company's exposure is focused in Western Europe (where the Company is based) and North America (where the Company's U_3O_8 inventory is held), any changes, however unlikely, would be expected to be transparent and conducted in a legal manner which would have limited impact on the Company's value. The Company keeps a watching brief, with the advice of counsel and 308 Services Limited, on changes of legislation that may impact its business.
Political and country	
The Company has a long-term Framework Agreement with Kazatomprom, a company with operations located in Kazakhstan. Kazakhstan may be at risk of political and/or social instability.	The Company does not have any assets in Kazakhstan and any political event in Kazakhstan is only likely to impact the future of its Framework Agreement. As the Company's physical uranium is stored in Canada, and its operations are maintained in Jersey, there is little risk that its day to day operations would be impacted by any political and/or social instability.
Bribery and corruption in the geographical regions in which the Company conducts business could materially adversely affect its business, results of operations and financial condition.	The Company will conduct reasonable due diligence on its suppliers from time to time to assess risk. Since the Company warehouses its inventory in Canada and has a framework supply agreement with Kazatomprom, rather than any operations in Kazakhstan, such risks are more likely to affect Yellow Cake indirectly and be of a reputational nature only.
Environmental	
The Company's operations are focused around uranium and uranium-related activities. Nuclear accidents could impact the future prospects for nuclear power, a key source of demand for U_3O_8.	The nuclear industry operates with one of the highest margins of safety in the world, with a number of safeguards and redundancies built into processes in order to reduce public health and safety risks. There are limited steps that the Company can undertake to impact the activities of other companies. However, the Company will continue to only partner or contract with companies that it discerns as operating with a pre-eminent focus on health and safety.

FINANCIAL RISKS	HOW WE MANAGE THE RISK
Uranium price	
The uranium price is volatile and affected by factors beyond the Company's control.	The Company believes that uranium is structurally underpriced, and while the price may be volatile in the short term, over a longer timeframe the price of uranium should increase.
A protracted period of weak uranium prices may limit the Company's ability to raise capital or fund itself.	The Company intends to retain sufficient working capital to support operations through short-term fluctuations. The Company may realise some of its uranium inventory to fund working capital.
Foreign exchange	
The Company raises funds in Sterling while its functional currency is the US Dollar.	The Company maintains the majority of its cash resources in US Dollars and converts funds raised in Sterling to US Dollars as soon as practicable. However, prior to funds from a capital raise being settled, the Company is exposed to fluctuations in the GBP/USD exchange rate, but only for short durations.
Taxation	
Changes in the tax position of the Company and its subsidiaries could adversely affect the Company.	The Company manages this risk through complying with all tax regulations and ensuring that its local accounting policies are in line with regional requirements. The Company receives regular tax advice and opinions from its advisors and accountants to ensure it is aware of and can mitigate the effects of any changes in regulation on its tax position.

Viability statement

The Directors have assessed the Company's viability over a three-year period to March 2022. In addition to detailed annual budgeting, the Company regularly reviews its medium-term working capital projections. The Company aims to retain sufficient cash balances to cover at least three years' working capital requirements, following a placing of shares or other capital raise.

Although the ultimate success of Yellow Cake will depend on its ability to continue to grow its uranium holdings, the focus of the viability statement is on the existing business of the Company and its ability to meet its existing contractual commitments and operating costs from current cash balances and, in "severe but plausible" scenarios, by realising or lending against a portion of its uranium holdings.

In making their assessment, the Directors took account of the Company's current financial position, including its cash balances, unleveraged balance sheet and realisable uranium holdings, and its operational positions and contractual commitments. They also assessed the potential financial and operational impacts of the principal risks and uncertainties set out on pages 16 to 19 in severe but plausible scenarios, including the impact of fluctuations in the uranium price, foreign exchange and operating risks. Risk can never be fully eliminated, but can be mitigated to a level which the Directors are prepared to accept as necessary to execute the Company's strategy.

Based on this assessment, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet all liabilities as they fall due up to March 2022.

Governance

Board of Directors

Non-Executive Directors

The Lord St John of Bletso
Independent Non-Executive Director and Chairman
Age: 61

Anthony Tudor St John is a crossbench independent member of the House of Lords of the United Kingdom. He was a member of the Select Committee on Communications and until recently the sub-committee on Artificial Intelligence. He is Vice Chair of the All-Party Parliamentary Group on South Africa and All-Party Africa Group. He is currently a non-executive director of Albion Ventures LLP, and Chairman of IDH plc (Integrated Diagnostic Holdings), as well as Strand Hanson. Anthony was Chairman of Spiritel PLC between 2004 – 2012 and has also been a non-executive director of Regal Petroleum plc, Sharp Interpak Limited and Pecaso Group Inc. He has also served on the advisory boards of Infinity SDC, Chayton Capital and Ariya Capital with a focus on agriculture and African business opportunities.

The Lord St John of Bletso holds a Master of Law (LLM) in Chinese and Maritime Law from the University of London, a Baccureus Procurationis (B.Proc) from the University of South Africa, and a Bachelor of Art (BA) and Bachelor of Social Science (B.SocSc) in Psychology from Cape Town University.

Sofia Bianchi
Independent Non-Executive Director
Age: 62

Sofia Bianchi is the Founding Partner of Atlante Capital Partners, which specialises in investing in structurally undervalued businesses in emerging markets. Previously, she served as a Portfolio Manager of BlueCrest Capital Management. Sofia served as a Deputy Managing Director of the Emerging Africa Infrastructure Fund with Standard Bank London. From 1987 to 1992 Sofia held senior positions with the European Bank for Reconstruction and Development, where she was a member of its global M&A advisory team. She has extensive experience in banking, fund management and mergers and acquisitions and served as an independent non-executive director of Kenmare Resources plc from 2008 to 2017.

Sofia Bianchi holds a Bachelor of Arts in Economics from the George Washington University and a Master in Business Administration (MBA) from the Wharton School.

The Hon Alexander Downer
Independent Non-Executive Director
Age: 67

The Hon Alexander Downer AC was appointed Australian High Commissioner to the United Kingdom in March 2014. Alexander has had a long and distinguished political career in Australia, and was until recently the United Nations Special Adviser to the Secretary-General on Cyprus. He joined the Department of Foreign Affairs in 1976 and served at the Australian Embassy in Belgium before moving into federal politics. He served as Australia's Minister for Foreign Affairs, from 1996 to 2007, making him Australia's longest-serving Foreign Minister. Mr Downer was appointed a Companion of the Order of Australia in 2013 and was awarded the Centenary Medal in 2001.

Alexander Downer holds a Bachelor of Arts (BA) (Hons) in Politics and Economics from Newcastle University.

Alan Rule
Independent Non-Executive Director
Age: 57

Alan Rule has more than 20 years' experience as a Chief Financial Officer and Company Secretary in the mining industry in Australia and Africa. He has considerable experience in international debt and equity financing of mining projects, implementation of accounting controls and systems, governance and regulatory requirements, and mergers and acquisitions. He currently serves as Chief Financial Officer of Australian lithium producer, Galaxy Resources. His previous positions have also included CFO of uranium producer Paladin Energy Limited, Sundance Resources Limited, Mount Gibson Limited, Western Metals Limited and St Barbara Mines Limited.

Alan Rule holds a Bachelor of Commerce (B.Com) and a Bachelor of Accountancy (B.Acc) from the University of the Witwatersrand and is a Fellow of the Institute of Chartered Accountants (FCA) in Australia.

James Keating[1]

Independent Non-Executive Director

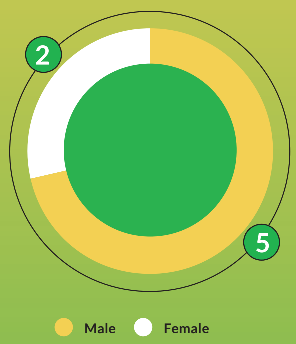
Age: 44

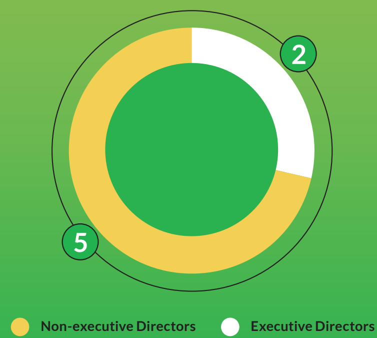
James Keating is a Client Director at Langham Hall Fund Management (Jersey) Limited. He has worked in the global fund administration business for a number of years, holding directorships on various fund structures. He is presently a director on a number of boards which invest in a variety of underlying assets, notably commercial and residential real estate predominantly in the UK.

James Keating holds a Diploma in Fund Administration from the University of Manchester Business School.

[1] *James Keating resigned as a Director of the Company post period-end, on 31 May 2019. As announced by the Company on 31 May 2019, the Board intends to appoint Alexandra Nethercott-Parkes as an Independent Non-Executive Director of the Company following completion of due diligence by the Company's Nominated Advisor. Alexandra Nethercott-Parkes is a Client Director at Langham Hall Fund Management (Jersey) Limited. Her appointment is anticipated to become effective on 18 July 2019, following the AGM.*

Board Diversity





Executive Directors

Andre Liebenberg

Executive Director and Chief Executive Officer

Age: 56

Andre Liebenberg is an experienced mining industry professional and has extensive investor marketing, finance, business development and leadership experience. Andre has spent over 25 years in private equity, investment banking, senior roles within BHP Billiton and most recently at QKR Corporation, where he was Chief Financial Officer. Andre's previous roles within BHP Billiton included Acting President for BHP Billiton's Energy Coal division, Chief Financial Officer for the Energy Coal division, the Head of Group Investor Relations and Chief Financial Officer for the Diamonds and Speciality Products division. These roles were based in London, Melbourne and Sydney. Prior to joining BHP Billiton, Andre worked for UBS in London and the Standard Bank Group in Johannesburg.

Andre Liebenberg holds a Bachelor of Science (B.Sc) Elec. Eng. from the University of Cape Town and a Master in Business Administration (MBA) from the University of Cape Town.

Carole Whittall

Executive Director and Chief Financial Officer

Age: 47

Carole Whittall is a director and co-founder of Mining Strategies Limited, which provides M&A and transaction advisory services to the metals and mining sector. Most recently, she was Vice President, Head of M&A at ArcelorMittal Mining and member of its Mining Executive Team, responsible for global M&A, government relations and corporate and social responsibility and served as a board member of subsidiary companies and joint ventures. Previously, she was with Rio Tinto where she held various senior commercial and business development roles. Her prior career was with JP Morgan and Standard Corporate and Merchant Bank in corporate finance.

Carole Whittall holds a Bachelor of Science (B.Sc) (Hons) from the University of Cape Town and a Master in Business Administration (MBA) from the London Business School.

Corporate governance report

Yellow Cake is committed to ensuring high standards of corporate governance, with a focus on generating and protecting value for shareholders. As such, the Company has elected to comply with the principles and provisions of the UK Corporate Governance Code in so far as appropriate given the Company's size, business, stage of development and resources.

Under Jersey law, the directors of a Jersey company have a range of obligations and responsibilities placed upon them. These arise principally under Jersey customary law, under the Jersey Companies Law and under the Company's articles of association (the "Articles").

As the Company's business evolves, the Company will seek to ensure that its governance processes and procedures continue to evolve appropriately and in a manner which protects the interests of the Company and its shareholders.

The Company applied the principles and provisions of the UK Corporate Governance Code published in April 2016 (the "2016 Code") in the period from its admission to trading on AIM ("Admission") to 31 March 2019. The Company considers that it was compliant with most of the provisions of the 2016 Code during such period. A detailed discussion of the areas of and reasons for non-compliance is set out below. Generally speaking, the areas of non-compliance arose from and reflect the Company's current size, stage of development and the scale and complexity of its activities. The Company's Board of Directors (the "Board") continues to keep any instances of non-compliance under review.

The Board supports the new UK Corporate Governance Code (the "new Code"), published in July 2018, which will apply to the Company's reporting period beginning on 1 April 2019. The Company will report against the new Code in the Corporate Governance Statement available on its website at www.yellowcakeplc.com/investors/aim-rule-26 and in its next annual report.

Compliance with the 2016 Code

Details on how the Company has applied the principles contained in the 2016 Code in the period from Admission to period-end can be found in this Annual Report as follows:

Section A: Leadership	See the section entitled "Board composition and responsibilities" on pages 23 to 27, which contains information on the members of the Board and the structure of, and division of responsibilities among, the Board.
Section B: Effectiveness	See the section entitled "Board composition and responsibilities" on pages 23 to 27, which contains information on the meetings of the Board and its committees and the approach taken to directors' development.
Section C: Accountability	The role of the Board in this area is primarily shown in the Report of the Audit Committee on pages 28 and 29, with further detail on the Company's strategic objectives and key risks to the business being set out in the Strategic Report on pages 8 to 10.
Section D: Remuneration	The Company's remuneration policy and the Report of the Remuneration Committee are found on pages 30 to 35.
Section E: Relations with shareholders	Please see page 27.

The Company considers that it was compliant with the provisions of the 2016 Code in the period from Admission to period-end, save as set out below:

- *A.2.1.* The Board adopted a formal statement of the division of responsibilities between the Chairman and the CEO in October 2018 (but did not have such a statement in place between Admission and October).
- *A.4.1, A.4.2 and E.1.1.* Given the stage of the Company's development, the Board did not consider it necessary or desirable to appoint a senior independent director. Accordingly, those actions set out in the Code to be taken by a senior independent director will be shared between the Non-Executive Directors.
- *A.4.2.* The Chairman held meetings with the Non-Executive Directors without the Executive Directors present as and when appropriate and required. Given the scale and complexity of the Company's activities, it is not currently anticipated that such meetings will take place on a regular basis.
- *B.6.1, B.6.3 and B.7.2.* Given the Company's size, stage of development and the scale and complexity of its activities, the Company has not yet implemented a formal appraisal system for the Directors individually (including the Chairman) or for the Board as a whole. The Board will continue to monitor whether such appraisal systems should be implemented as the Company's business develops. In addition, the Board may undergo periodic informal assessment processes. In accordance with their terms of reference, each of the Audit, Remuneration and Nomination Committees will review its effectiveness annually.
- *B.7.1.* Given the Company's stage of development, there are currently no requirements for Non-Executive Directors who have served for longer than nine years to be subject to annual re-election. Going forward, in order to reflect the requirements of the new UK Corporate Governance Code (applicable to the Company from 1 April 2019) it is intended that all Directors voluntarily submit themselves for re-election on an annual basis, notwithstanding the provisions in the Articles that they be required to retire at the first Annual General Meeting after appointment and, thereafter, every three years.
- *B.4.2 and B.7.2.* The Company has not devised a formal training plan for its Directors. The Directors are able to review their training requirements with the Chairman on an ad hoc basis. However, it is not currently intended that the Chairman meet with Directors individually on a regular basis for these purposes given the Company's size, business, stage of development and resources and the experience of its Directors.
- *C.3.2 and C.3.6.* Given the scale and complexity of the Company's activities, the Company does not currently have an internal audit function. The decision as to whether or not to establish an internal audit function shall be made by the Board upon the recommendation of the Audit Committee. The Audit Committee shall consider annually whether there is a need for an internal audit function, taking into account the growth of the Company, the scale, diversity and complexity of the Company's activities and the number of employees, as well as cost and benefit considerations.
- *B.3.3 and D.1.2.* Due to the scope and nature of the Company's activities, the Board does not currently consider that the Company's CEO and CFO roles necessitate a full-time commitment. The CEO and CFO are required by the terms of their service agreements to dedicate sufficient time to the Company to satisfy their duties as Directors of the Company and are permitted to pursue other board appointments. In this context, the Company does not consider it appropriate to disclose the outside earnings of the CEO and CFO in its annual reports (including this Annual Report).

Board composition and responsibilities

The Board is collectively responsible for promoting and safeguarding the long-term success of the Company, and for formulating, reviewing and approving the Company's strategy, budgets and corporate actions. A range of decisions are reserved for the Board to ensure it retains proper direction and control of the Company, including key commercial decision-making and risk assessment. The Board delegates certain authority to its committees and to the CEO and CFO, who are responsible for the day to day management of the business.

Directors

- The Lord St John of Bletso (Chairman) — *Independent Non-Executive Director*
- The Hon Alexander Downer — *Independent Non-Executive Director*
- Sofia Bianchi — *Independent Non-Executive Director*
- James Keating[1] — *Independent Non-Executive Director*
- Alan Rule — *Independent Non-Executive Director*
- Andre Liebenberg — *Executive Director and CEO*
- Carole Whittall — *Executive Director and CFO*

The Board is led by the Chairman and comprises two Executive Directors (the CEO and the CFO) and five Independent Non-Executive Directors (including the Chairman). The roles of Chairman and CEO of Yellow Cake are separate and the Chairman meets the independence criteria set out in the Code. A written statement of the division of responsibilities between the Chairman and the CEO is in place and was approved by the Board in October 2018, following Admission.

All of the Directors who are in office as at the Annual General Meeting on 17 July 2019 will retire and will be subject to re-election by the Company's shareholders at such meeting.

Further detail on the Board members and their skills and experience can be found on pages 20 and 21.

The Board meets formally at least four times a year and is supported by the Audit, Remuneration and Nomination Committees. In the period to 31 March 2019, the Board met 14 times.

At such meetings, any Director who has concerns which cannot be resolved about the running of the Company, or a proposed action, ensures that their concerns are recorded in the Board minutes, in accordance with the UK Corporate Governance Code.

Meeting attendance	**Date of appointment**	**Board**	**Audit Committee**	**Remuneration Committee**	**Nomination Committee**	**Attendance percentage**
Number of meetings		**14**	**1**	**2**	**2**	
The Lord St John of Bletso† (Chairman)	1 June 2018	10/11	1/1	2/2	2/2	94%
Sofia Bianchi†	1 June 2018	8/11	1/1	2/2	2/2	81%
The Hon Alexander Downer†	1 June 2018	8/11	0/1	2/2	2/2	75%
James Keating† [1]	18 January 2018	14/14	1/1	2/2	2/2	100%
Christopher Marshall[2]	18 January 2018	3/4	N/A	N/A	N/A	75%
Alan Rule†	1 June 2018	9/11	1/1	2/2	2/2	88%
Andre Liebenberg‡ (CEO)	1 June 2018	11/11	N/A	N/A	N/A	100%
Carole Whittall‡ (CFO)	1 June 2018	10/11	N/A	N/A	N/A	91%
Attendance percentage		88%	86%	100%	100%	

† *Independent Non-Executive Director.*
‡ *Executive Director.*
N/A *Not applicable as not a member of the committee.*
1 *James Keating resigned as a Director of the Company post period-end, on 31 May 2019.*
2 *Christopher Marshall was a Non-Executive Director of the Company from 18 January 2018 to 18 June 2018. Christopher Marshall is the Managing Director of Langham Hall Fund Management (Jersey) Limited.*

Appointments to the Board are overseen by the Nomination Committee and include an assessment of the current and targeted balance of skills, knowledge, experience and diversity. The Directors are required to devote sufficient time to the Company to discharge their duties to the Company and are subject to re-election at the first Annual General Meeting of the Company following their appointment and, thereafter, every three years under the Articles. Going forward, in order to reflect the requirements of the new UK Corporate Governance Code (applicable to the Company from 1 April 2019) it is intended that all Directors voluntarily submit themselves for re-election on an annual basis, notwithstanding the requirements in the Articles.

The Non-Executive Directors' service agreements are terminable on 90 days' notice (by either party) and are available for inspection at the Company's registered office.

Directors' development

The Board has adopted a comprehensive set of policies and manuals on regulatory and compliance matters. The Directors received training on regulatory and compliance matters ahead of the Company's admission to AIM and intend to set aside time at least once annually at their regular Board meetings for supplementary training and updates. All Directors undergo a formal induction process upon appointment. All Directors have access to the Company Secretary (whose appointment is a matter for the Board as a whole) and are entitled to seek professional advice at the Company's expense in connection with the affairs of the Company or the discharge of their Directors' duties.

A formal training plan has not yet been developed for Directors. The Directors are able to review their training requirements with the Chairman on an ad hoc basis, however, it is not currently intended that the Chairman meet with Directors individually on a regular basis for these purposes given the Company's size, business, stage of development and resources and the experience of its Directors.

The Company has not yet implemented a formal appraisal system for the Directors individually (including the Chairman) or for the Board as a whole. The Board will continue to monitor whether such appraisal systems should be implemented, as the Company's business develops. In addition, the Board may undergo periodic informal assessment processes. In accordance with their terms of reference, each of the Audit, Remuneration and Nomination Committees will review its effectiveness annually.

Annual General Meeting

Yellow Cake's Annual General Meeting (AGM) will be held at 10:30 a.m. on 17 July 2019 at the Pomme d'Or Hotel, Liberation Square, St Helier, Jersey, JE1 3UF. The notice of the AGM is available on our website and includes the full text of the separate resolutions proposed in respect of each substantive issue, together with accompanying explanatory notes and important information.

All shareholders have the opportunity to attend and vote, in person or by proxy, at the AGM and the Board will be present to answer any questions from shareholders.

Directors' conflicts of interests

The Articles restrict the ability of the Directors to vote on certain contracts and arrangements in which they are interested and contain certain other provisions governing conflicts of interest. The Directors' service agreements require the Directors to devote sufficient time to fulfil their duties to the Company.

The Directors hold external directorships and/or are partners in various partnerships, and the Board is comfortable that these external positions do not negatively affect the time they devote to the Company.

Regulatory matters

The Company has adopted a share-dealing code for Directors and employees that aligns with the provisions of the Market Abuse Regulation relating to dealings in the Company's securities. The code sets out clearance procedures and additional provisions for persons discharging managerial responsibilities. The Company's dealing policy lays out the obligations of Directors and employees in terms of their conduct regarding confidential and inside information, and provides a summary of applicable laws and possible sanctions in terms of the market abuse regime. The Company will take all reasonable steps to ensure compliance with the code and policy.

Yellow Cake's disclosure policy sets out the key internal procedures, systems and controls that aim to ensure that the Company complies with its obligations relating to inside information under the Market Abuse Regulation, the guidance set out in the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority and the Company's obligations relating to price-sensitive information under the AIM Rules for Companies.

Board committees

The Board is supported by, and delegates certain matters to, the Audit, Remuneration and Nomination Committees. The terms of reference of these committees are available for inspection at the Company's registered office and on our website at www.yellowcakeplc.com/investors/the-board/board-committees.

In accordance with their terms of reference, each of the committees review its effectiveness annually.

Audit Committee

Audit Committee members

• Alan Rule (Chairman)	*Independent Non-Executive Director*
• The Lord St John of Bletso[†]	*Independent Non-Executive Director*
• Sofia Bianchi	*Independent Non-Executive Director*
• The Hon Alexander Downer	*Independent Non-Executive Director*
• James Keating[1]	*Independent Non-Executive Director*

[†] *Retired from the Audit Committee on 28 March 2019 in compliance with the new Code.*

The Audit Committee assists the Board in fulfilling its responsibilities by, inter alia, reviewing and monitoring the integrity of the financial information provided to shareholders, the Company's system of internal controls and risk management, and the external audit process and auditor. The Audit Committee oversees the whistleblowing policy.

The Chief Financial Officer and external auditor will be invited to meetings of the Audit Committee on a regular basis and other non-members may be invited to attend all or part of any meeting as and when appropriate.

The Audit Committee meets at least twice each financial year and has unrestricted access to the Company's auditor. As the Company only began operations part way through the financial year, the Audit Committee met once during the period under review and attendance at this meeting is shown on page 24.

More information on the roles and responsibilities of the Audit Committee and its activities during the period to 31 March 2019 is available in the Report of the Audit Committee on pages 28 and 29.

Remuneration Committee

Remuneration Committee members

• The Hon Alexander Downer (Chairman)	*Independent Non-Executive Director*
• The Lord St John of Bletso	*Independent Non-Executive Director*
• Sofia Bianchi	*Independent Non-Executive Director*
• James Keating[1]	*Independent Non-Executive Director*
• Alan Rule	*Independent Non-Executive Director*

The Remuneration Committee assists the Board in fulfilling its responsibilities by, inter alia, determining and agreeing with the Board the policy for the remuneration and benefits for all Directors of the Company. The Remuneration Committee intends to meet at least twice each year. The Remuneration Committee met twice during the period under review and attendance at these meetings is shown on page 24.

More information on the roles and responsibilities of the Remuneration Committee and its activities during the period is available in the Director's Remuneration Report on pages 30 and 31.

Nomination Committee

Nomination Committee members

• The Lord St John of Bletso (Chairman)	*Independent Non-Executive Director*
• The Hon Alexander Downer	*Independent Non-Executive Director*
• Sofia Bianchi	*Independent Non-Executive Director*
• James Keating[1]	*Independent Non-Executive Director*
• Alan Rule	*Independent Non-Executive Director*

The Nomination Committee assists the Board in fulfilling its responsibilities by, inter alia, reviewing the structure, size and composition of the Board. It also considers succession planning for Directors as part of its work. The Nomination Committee intends to meet at least twice each year.

[1] *James Keating resigned as a Director of the Company post period-end, on 31 May 2019.*

The Nomination Committee met twice during the period under review and attendance at these meeting is shown on page 24. During such meetings, the Nomination Committee reviewed the leadership needs of the Company, the required retirement from office of all the Directors at the Annual General Meeting on 17 July 2019, the future requirements in relation to annual submission for re-election under the revised UK Corporate Governance Code for the financial year commencing 1 April 2019 and other relevant provisions of the revised UK Corporate Governance Code. The Nomination Committee recommended to the Board that each of the Directors be submitted for re-election at the Annual General Meeting on 17 July 2019.

No Director appointments or changes have been made in the period from the Company's admission to trading to AIM in July 2018 to period-end.

The duties of the Nomination Committee include:

- regularly reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and making recommendations to the Board with regard to any changes;
- succession planning for Executive and Non-Executive Directors and in particular for the key roles of Chairman and Chief Executive;
- identifying and nominating candidates to fill Board vacancies for the approval of the Board when these arise;
- reviewing the leadership needs of the Company, both Executive and Non-Executive; and
- making recommendations to the Board regarding:
  - membership of Board committees in consultation with the chairpersons of those committees;
  - the re-appointment of any Non-Executive Director at the conclusion of their specified term;
  - the re-election by shareholders of any Director under the re-election provisions of the UK Corporate Governance Code or the "retirement by rotation" provisions in the Articles; and
  - matters relating to the continuation in office of any Director including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provisions of the law and their service contract.

Diversity

Yellow Cake values diversity and inclusion. This means that:

- The Company is committed to promoting equal opportunities in employment and complies with all relevant anti-discrimination laws.
- Employees and job applicants receive equal treatment regardless of age, disability, gender reassignment, marital or civil partner status, pregnancy or maternity, race, colour, nationality, ethnic or national origin, religion or belief, sex or sexual orientation.
- Recruitment and promotion will be conducted on the basis of merit, against objective criteria that avoid discrimination.

Yellow Cake has adopted an equal opportunities policy, to be complied with in all aspects of its operations, including recruitment, pay and conditions, training, appraisals, promotion, conduct at work, disciplinary and grievance procedures, and termination of employment.

Anti-money laundering, anti-bribery and corruption policy

Yellow Cake recognises the importance of preventing money laundering and terrorism financing and is committed to the highest standards of anti-money laundering and combating terrorist financing. The Directors are committed to acting honestly and in good faith and the Company has a zero-tolerance for bribery and corrupt activities. The Company is committed to acting professionally, fairly and with integrity in all business dealings and relationships.

Shareholders

The Company values its dialogue with its shareholders. Day to day queries raised by shareholders are dealt with by either the CEO or the CFO. The Chairman is also available to the Company's major shareholders to discuss governance and strategy as required, and ensures that the views of shareholders are communicated to the Board. The outcomes of meetings between members of the Board and shareholders are regularly communicated to the Board (including the Non-Executive Directors), including at Board meetings.

Shareholders have the opportunity to meet and ask questions of the Board at the Annual General Meeting.

The responsibilities of the senior independent director are shared between the Non-Executive Directors. The Board does not presently consider it necessary or desirable to appoint a senior independent director, given the stage of the Company's development.

Report of the Audit Committee

The Audit Committee was constituted at a full meeting of the Board on 8 June 2018 with effect from admission to trading on AIM on 5 July 2018.

The Audit Committee comprises four Independent Non-Executive Directors and meets twice a year. Details of the committee members and their record of attendance at meetings during the period are available on page 24.

The members of the Audit Committee have relevant financial experience through the various leadership roles they have held, and the Chairman of the committee is a Fellow of the Institute of Accountants of Australia.

The Audit Committee has access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required. The committee gives due consideration to applicable laws and regulations, the provisions of the UK Corporate Governance Code, the requirements of the Companies (Jersey) Law 1991 and the requirements of the London Stock Exchange's rules for AIM companies as appropriate.

The Audit Committee will review its effectiveness periodically and will conduct an annual review of its constitution and terms of reference to ensure it is operating at maximum effectiveness. Changes arising from these reviews are recommend to the Board for approval.

The Chairman of the committee reports formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities, and how it has discharged its responsibilities. The Chairman of the Audit Committee will make himself available at the Annual General Meeting to answer questions concerning the committee's work.

Responsibilities of the Audit Committee

The full terms of reference for the committee are available on our website at www.yellowcakeplc.com/investors/the-board/board-committees.

Key duties of the Audit Committee include:

- monitoring the integrity of the Company's financial reporting;
- reviewing the consistency of, and any changes to, accounting policies both on a year-on-year basis and across the Company and reviewing whether the Company has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor;
- reviewing the Company's internal financial controls and internal control and risk management systems;
- reviewing the adequacy and security of the Company's whistleblowing facilities for employees and contractors, and ensuring that these facilities allow for investigation and appropriate follow up action in respect of any reports made;
- reviewing the Company's systems, procedures and controls for detecting fraud, the Company's bribery and money laundering systems and controls, and the adequacy and effectiveness of its compliance function;
- considering annually whether there is a need for an internal audit function, taking into account the growth of the Company, the scale, diversity and complexity of the Company's activities and the number of employees, as well as cost and benefit considerations;
- making recommendations to the Board (to be put to shareholders for approval at the Annual General Meeting) in relation to the appointment of the external auditor;
- managing and overseeing the relationship with the external auditor, including their terms of engagement and remuneration; and
- meeting regularly with the external auditor and reviewing their findings.

Financial reporting

The Audit Committee reviewed and assessed the Company's financial reporting in the period, including its half-year report, results announcements and this Annual Report. This review included an assessment of the consistency of, and changes to, accounting policies, estimates and judgements; the methods used to account for significant or unusual transactions; the appropriateness of the accounting standards used; the clarity and completeness of disclosures and the context in which statements are made; and a review of material disclosures regarding audit and risk management in the financial statements, including in the strategic report and this corporate governance statement.

In reviewing the Company's financial statements, the Audit Committee has considered the Company's accounting policies, particularly in relation to the uranium investment, and the accounting estimates and judgements as described on pages 49 and 50.

In addition to the publicly released reports, the committee's review covered management reports as well as reports from and discussions with the external auditor. The Audit Committee provided comment and feedback on this Annual Report before finalisation and approval.

The review concluded that, taken as a whole, this Annual Report is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

Internal audit

The Company does not currently have an internal audit function. The Audit Committee considers annually whether there is a need for an internal audit function taking into account the growth of the Company, the scale, diversity and complexity of the Company's activities and the number of employees, as well as cost and benefit considerations.

The Audit Committee has concluded that, at present, it is not necessary for the Company to have an internal audit function given that the business operates from a single site and has a high degree of senior oversight by the CEO and CFO.

External auditor

The Audit Committee is responsible for overseeing the Company's relationship with the external auditor.

The Board appointed RSM UK Audit LLP as the Company's auditor in the period and the Audit Committee has recommended to the Board that shareholders be asked to approve the re-appointment of RSM UK Audit LLP as auditor at the Annual General Meeting.

The Audit Committee discharged its duties, in accordance with its terms of reference during the period to 31 March 2019, including:

- approving the engagement of the external auditor, reviewing and approving the annual audit plan;
- meeting regularly with the external auditor. The committee also met with the external auditor without management being present, to discuss their remit and any issues arising from the audit;
- reviewing the findings of the audit of the financial statements for the period ended 31 March 2019 with the external auditor;
- reviewing the management representation letter requested by the external auditor before it was signed by management and management's response to the auditor's findings and recommendations; and
- reviewing the effectiveness of the audit process.

Given the size of the Company's business, the Audit Committee has been able to work directly with the auditor in order to assess their effectiveness, and has also received feedback from the CFO. As the Company is a new company which has completed one financial year, there are no current plans to put the appointment of its auditor through a formal tender process.

Non-audit services

A policy is in place to govern the supply of non-audit services by the external auditor, in order to safeguard independence and objectivity. The policy sets out the recommended maximum fees that should be payable for non-audit services as a percentage of the audit fee and contains guidelines as to the circumstances where a proposed engagement should be subject to a tender process.

In the current period, following the appointment of RSM UK Audit LLP as statutory auditor, fees for non-audit services paid to the RSM group totalled USD24,215 for tax advisory services, which represents 28% of the total audit fee paid.

Whistleblowing

The Company has adopted a whistleblowing policy to ensure that staff are able to raise concerns about malpractice or impropriety without fear of reprisals. The policy encourages all staff to maintain high standards in their work and to report any wrongdoing which falls short of these standards and commits the Company to treat all such disclosures in a confidential and sensitive manner. The committee receives reports regarding any significant allegations made, details of investigations and the outcomes.

There were no whistleblowing reports received during the period.

Risk management and internal control

The Audit Committee is mandated to keep the Company's internal control and risk management systems under review. Internal controls and risk management systems are in place to support the integrity of the financial reporting process and the preparation of accounts. These systems include policies and procedures to ensure that adequate accounting records are maintained and transactions are recorded accurately and fairly to permit the preparation of financial statements in accordance with IFRS. The key elements of the Company's system of internal controls are discussed on page 37 of this report.

The Audit Committee's review of the system of internal controls is supplemented by reports from the external auditor regarding issues identified during their engagement, particularly those relating to control weaknesses, and the responses from management.

2019/2020 focus areas

The primary focus areas for the Audit Committee in the year ahead will be:

- financial reporting;
- risk management; and
- internal controls.

Alan Rule
Audit Committee Chair

17 June 2019

Directors' remuneration report

Dear Shareholder,

I am pleased to present the Company's first Directors' Remuneration Report following admission to AIM in July 2018.

Yellow Cake plc has only two employees; its CEO and CFO. In December 2018, independent remuneration consultants, MM&K Limited were appointed to advise the committee and recommend a remuneration policy for Executive Directors, consistent with the Company's culture, remuneration philosophy and business strategy. MM&K provides no other services to, and has no other connection with, the Company. The policy which has emerged from that process is described on pages 34 and 35.

The management culture is to focus on successful outcomes. Business strategy is to achieve successful outcomes by investing in long-term holdings of $U_3 0_8$. Our intended future directors' remuneration policy is designed to attract, retain and motivate the quality of Directors and employees required to develop and implement the Company's business strategy and run a successful and sustainable business for the benefit of all stakeholders. Above all, it has been designed to be simple and to retain cash. Incentives have been designed to reward growth and take account of risks through equity participation, and to align employee rewards with shareholder returns.

We are currently engaging with our principal shareholders prior to implementation of the remuneration policy.
The committee's policy is to openly engage with shareholders on Directors' remuneration and we will consult with our principal shareholders on future material changes in policy.

Yours sincerely,

Alexander Downer
Remuneration Committee Chair

17 June 2019

Responsibilities of the Remuneration Committee

The responsibilities of the Remuneration Committee include determining the total individual remuneration package of the Chairman and the Executive Directors in accordance with the terms of the Company's remuneration policy, determined in conjunction with the Board.

The Remuneration Committee was constituted at a full meeting of the Board on 8 June 2018 with effect from admission to trading on AIM on 5 July 2018. The committee comprises five Independent Non-Executive Directors. The committee intends to meet at least twice a year. Details of the committee members and their record of attendance at meetings during the period are available on page 24.

The full terms of the reference for the committee are available on our website at www.yellowcakeplc.com/investors/the-board/board-committees.

Key duties of the Remuneration Committee include:

- determining and agreeing with the Board the policy for the remuneration of the Company's Chairman and the Executive Directors, including pension rights and compensation payments;
- recommending and monitoring the level and structure of remuneration for senior management;
- within the terms of the agreed policy and in consultation with the Chairman and/or CEO as appropriate, determining the total individual remuneration package of the Chairman, each Executive Director, the Company Secretary and other senior executives; and
- reviewing the operation of share option schemes and the granting of such options.

The remuneration of Non-Executive Directors is a matter for the Board or the Shareholders, within the limits set in the Articles. No Director or senior manager is involved in any decisions as to their own remuneration.

The time commitment required of the CEO and CFO since admission has been significant and differs materially compared to what had been anticipated prior to IPO. In this context, the Company appointed MM&K as external remuneration consultants to carry out a review of the CEO and CFO's remuneration and to conduct a benchmarking exercise. The Remuneration Committee has reviewed the report of MM&K and has made recommendations to the Board based on its review.

Activities during 2019

During the period to 31 March 2019, the Remuneration Committee discharged its duties by:

- determining, in conjunction with the Board, the remuneration policy for the Company's Executive Directors and the Chairman;
- appointing MM&K as remuneration consultants in order to review the remuneration of the CEO and CFO and to conduct a benchmarking exercise;
- reviewing the report prepared by MM&K and making recommendations to the Board; and
- reviewing relevant provisions of the revised UK Corporate Governance Code for the financial year commencing 1 April 2019.

2019/2020 focus areas

The main objectives for the Remuneration Committee in the financial year ended 31 March 2020 will be to:

- Review and approve the Executive Director annual bonus performance scorecard for the 2021 financial year;
- Implement the proposed short-term and long-term incentive plan for the Executive Directors subject to feedback from our principal shareholders; and
- Maintain an ongoing review of remuneration levels and structure for Executive Directors and the Chairman.

Annual report on Directors' remuneration

This page describes remuneration outcomes for Executive Directors for the period ended 31 March 2019. The Company's future remuneration policy is described on the following pages.

Remuneration Committee membership during the period

The members of the Remuneration Committee, their dates of appointment and the number of meetings attended during the period are shown on page 24.

Directors' remuneration for the period ended 31 March 2019

Director	Salaries and Fees USD'000	Pension USD'000	Benefits USD'000	Cash Bonus USD'000	LTIP USD'000	Total USD'000
Executive Directors						
Andre Liebenberg	93	–	–	–	–	93
Carole Whittall	74	–	–	–	–	74
Non-Executive Directors						
The Lord St John of Bletso	37	–	–	–	–	37
Sofia Bianchi	30	–	–	–	–	30
Alexander Downer	30	–	–	–	–	30
Alan Rule	30	–	–	–	–	30
James Keating	Note 1	–	–	–	–	Note 1
Total	**293**					**293**

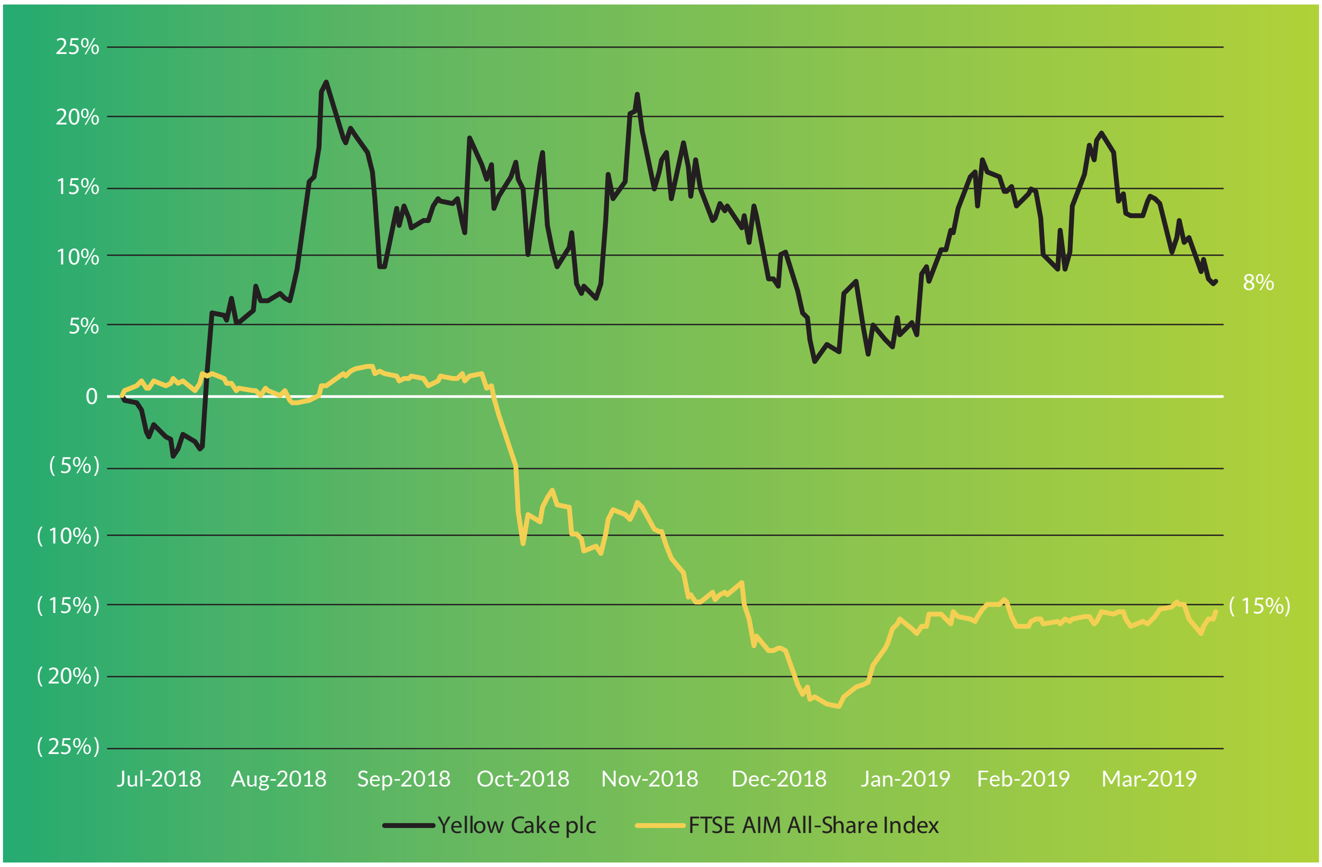
Note 1: Mr Keating's services are supplied pursuant to an administration agreement between the Company and Langham Hall Fund Management (Jersey) Limited dated 18 December 2017 and amended on 7 January 2019. The annual administration fee payable by the Company under such agreement is GBP101,900 (USD132,776).

No share options or share incentive arrangements were in place for the period under review. No Director received any non-cash benefits or pension provision.

There were no payments to past Directors and no payments of compensation for loss of office.

Total shareholder return (TSR) performance

The performance of the Company's ordinary shares compared with the FTSE AIM All Share Index (the "Index") for the period from its IPO on 5 July 2018 to 31 March 2019 is shown in the graph below:



Source: CapIQ, Company data.

Statement of Directors' share interests

The number of shares held by each Director in the Company as at 31 March 2019 is shown in the table below. There is no shareholding requirement for Directors.

Name	Number of ordinary shares	Share capital
The Lord St John of Bletso*	26,302	0.03%
Sofia Bianchi	18,838	0.02%
The Hon Alexander Downer	26,372	0.03%
James Keating	–	–
Alan Rule	18,837	0.02%
Andre Liebenberg	37,674	0.05%
Carole Whittall	11,302	0.01%

* *The Lord St John of Bletso's shares are held through African Business Solutions Limited, in which he holds 100% of the Ordinary Shares.*
While the Non-Executive Directors hold shares in the Company, the holdings are considered sufficiently small so as not to impinge on their independence.

Future remuneration policy table

The table below describes the Company's intended future directors' remuneration policy.[1]

Remuneration element	Purpose, link to strategy and operation	Opportunity and performance metrics	Remuneration Committee discretion
Salary	Essential to attract and retain key executives. Reviewed annually based on: • role, experience and individual performance; • external market; and • general economic environment.	Salaries are benchmarked to the relevant market median, taking account of the individual's time commitments to the Company.	Salaries may be reviewed annually by the committee.
Benefits	Directors will not be entitled to any non-cash benefits.		
Pension	Directors will not be entitled to any company pension contributions.		
Annual Bonus	Rewards achievement of annual key performance indicators. Initially, bonus awards will be made wholly in the form of nil-cost or nominal-cost share options. Bonus awards are determined after the relevant year-end based on the committee's assessment of achievement against targets.	Up to 100% of salary for exceptional performance; targets and weightings are set annually by the committee and performance is measured over a single financial year.	The committee may make adjustments up and down to ensure bonus awards are consistent with the underlying performance of the business or to give effect to malus or clawback provisions. Performance targets may be amended if there is a significant event which causes the committee to believe that the original targets are no longer achievable or appropriate.
Long-Term Incentive	Aligns the interests of management and shareholders and encourages retention. Long-term incentives may be granted annually and will take the form of market-priced share options.	Up to 125% of salary.	

1 *The Chairman of the Remuneration Committee is currently engaging with shareholders in relation to the proposed policy and the policy may be amended based on the feedback received from shareholders.*

Executive Directors' recruitment policy

Remuneration packages for new Executive Directors will be determined by the Remuneration Committee and designed in accordance with the approved remuneration policy, provided that the committee, in consultation with the Nomination Committee, may exercise its discretion to depart from the policy described above if necessary to secure the recruitment of a new Executive Director.

Terms of the Executive Directors' service contracts

Executive Directors are engaged on rolling service contracts, which provide for three months' written notice of termination from either the individual or the Company.

Non-Executive Directors' letters of appointment

Non-Executive Directors are engaged by letter of appointment terminable on three month's written notice from either the individual or the Company.

Termination policy

Any compensation payment made to an Executive Director for termination of employment will be determined with reference to the terms of the individual's service agreement and the rules of any incentive plan in which the individual is a participant.

Implementation of the future remuneration policy in 2019/2020

If the proposed future remuneration policy is adopted without amendment, the intention is to implement it as follows:

Base salaries and benefits

Following the policy and market practice review undertaken by MM&K and a re-assessment of the time commitment by the Executive Directors, base salaries for the financial year ending 31 March 2020 will be:

Chief Executive Officer	USD215,000
Chief Financial Officer	USD172,000

Directors are not entitled to any non-cash benefits or company pension provision.

Annual bonus

Bonus awards for the financial year ending on 31 March 2020 will be based on commercial targets. Initial bonus awards will be made in the form of nil-cost or nominal cost options, which will vest and become exercisable not earlier than one year after grant, subject to performance. The Company will adopt a share option scheme to facilitate the grant of nil-cost options. The first options will be granted after the audited results for the 2020 financial year are available.

The value of the grant may be up to 100% of base salary, subject to performance, as determined by the Board. The performance scorecard for the evaluation of the executive team during the 2020 financial year is summarised as follows:

- Corporate performance, comprising:
  - cost effective growth in the Company's uranium inventory;
  - effective capital raising and funding of uranium purchases;
  - financial control and risk management; and
  - reporting and budgeting.
- Reputation, stakeholder engagement and investor relations, comprising:
  - implementation of an effective investor relations programme;
  - engagement with equity and debt providers; and
  - engagement with suppliers, prospective suppliers and regulators and other stakeholders and potential stakeholders as appropriate.

Long-term incentive

Following the current shareholder engagement on the proposed remuneration policy, it is intended that each Executive Director will be granted options to acquire shares in the Company. Ordinarily, the options will become exercisable not earlier than three years after grant and the option exercise price will be the market value at the grant date of the shares placed under option. Such options will also generally be subject to a post-vesting holding period of not less than two years (shares may be sold in order to meet tax liabilities). The face value of shares subject to the initial grants will be 100% of salary.

The committee believes that market-priced options align the interests of management and shareholders and represent an appropriate form of long-term incentive and retention for the Executive Directors at this stage in the Company's development. No conditions, other than continued employment by the Company, will be placed on the exercise of options.

This Directors' Remuneration Report was approved by the Board on 17 June 2019 and signed on its behalf by:

Alexander Downer
Remuneration Committee Chair

17 June 2019

Directors' report

The Directors of Yellow Cake plc (the "Company") present their report and the audited financial statements for the Company for the period ended 31 March 2019. The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board.

Principal activities

The Company was incorporated in Jersey, Channel Islands on 18 January 2018. Yellow Cake operates in the uranium sector and was created to purchase and hold U_3O_8 and to exploit other uranium-related opportunities. The strategy of the Company is to invest long term in holdings of U_3O_8 and not to actively speculate with regards to short-term changes in the price of U_3O_8.

The Company was admitted to list on the London Stock Exchange AIM market ("AIM") on 5 July 2018.

Results for the period

The results of the Company for the period are set out on pages 44 to 54.

Business review and future developments

The Strategic Report on pages 4 to 19 provides a review of the period's activities, operations, future developments and key risks.

Directors

The Directors who held office during the period and subsequently were as follows:

- The Lord St John of Bletso (Chairman)
- Sofia Bianchi
- The Hon Alexander Downer
- James Keating[1]
- Christopher Marshall[2]
- Alan Rule
- Andre Liebenberg
- Carole Whittall

Directors' interests

The Remuneration and Audit Committee reports are available on pages 30 and 28 respectively.

Details of the Directors' interests in the Company's shares can be found in the remuneration report on page 33.

There are no outstanding loans granted by any member of the Company to the Directors or any guarantees provided by the Company for the benefit of the Directors.

No Director has or has had any interest in any transaction which is or was unusual in its nature or conditions or which is or was significant in respect of the business of the Company and which was effected by any member of the Company during the current or immediately preceding financial year, or which was effected during an earlier financial year and remains in any respect outstanding or unperformed.

Directors' indemnities

The Company maintains appropriate insurance cover in respect of legal action against its Directors.

Dividends

The Directors do not recommend an ordinary dividend for the period.

Events after the reporting date

On 12 April 2019, the Company placed a further 12 million new ordinary shares to raise GBP25.9 million (approximately USD33.9 million). The funds raised were used to purchase an additional 1.175 million lb of U_3O_8 at a price of USD25.88/lb.

On 31 May 2019, James Keating resigned from the Board. James Keating was an Independent Non-Executive Director of the Company and a Client Director of Langham Hall Fund Management (Jersey) Limited. The Board would like to express its sincere gratitude to James for his contributions to Yellow Cake during his tenure of office.

As announced by the Company on 31 May 2019, the Board intends to appoint Alexandra Nethercott-Parkes as an independent non-executive director of the Company following completion of due diligence by the Company's Nominated Advisor. Alexandra Nethercott-Parkes is a Client Director at Langham Hall Fund Management (Jersey) Limited. Her appointment is anticipated to become effective on 18 July 2019, following the AGM.

[1] *James Keating resigned as a Director of the Company post period-end, on 31 May 2019.*

[2] *Christopher Marshall was a Non-Executive Director of the Company from 18 January 2018 to 18 June 2018. Christopher Marshall is the Managing Director of Langham Hall Fund Management (Jersey) Limited.*

Financial risk management

Details of financial risk management are provided in note 3 to the financial statements.

Political and charitable contributions

The Company made no charitable or political contributions during the period.

Internal control

The Board is responsible for the Company's risk management and internal control systems, and has mandated the Audit Committee to keep these systems under review and to report to the Board.

Controls include those over financial, operational and compliance risks, and are appropriate to the size and nature of the business, and to the risks relevant to it. The Audit Committee reviews the system of internal controls and supplements the review with reports from the external auditor regarding issues identified during their engagement, particularly those relating to any control weaknesses, and the responses from management.

The Company's system of internal control is designed to provide the Directors with reasonable, but not absolute, assurance that the Company will not be hindered in achieving its business objectives, or in the orderly and legitimate conduct of its business, by circumstances that may reasonably be foreseen. However, no system of internal control can eliminate the possibility of poor judgement in decision making, human error, fraud or other unlawful behaviour, management overriding controls, or the occurrence of unforeseeable circumstances and the resulting potential for material misstatement or loss.

The key elements of the control system in operation are as follows:

- The Board meets regularly with a formal schedule of matters reserved to it for decision.
- The Company has an organisational structure and has put in place operating protocols and procedures ensuring clear lines of responsibility and appropriate delegation of authority.
- The Board monitors the Company's financial performance against budgets and forecasts.
- The Executive Directors undertake a regular assessment process, to identify and quantify the risks that face the Company's operations and functions, and to assess the adequacy of the prevention, monitoring and mitigation practices in place for those risks.
- The Board is responsible for reviewing the risk assessment and risk management processes for completeness and accuracy.
- The Board receives regular updates from management in addition to carefully considering the Company's risk register at regular intervals.
- There are no significant issues disclosed in the report and financial statements for the period ended 31 March 2019 and up to the date of approval of the report and financial statements that have required the Board to deal with any related material internal control issues.

The Directors confirm that the Board has reviewed the effectiveness of the system of internal control during the period and concluded that the controls and procedures are adequate. The Board will continue to review the adequacy of the Company's internal controls and will test the controls and procedures again during the 2020 financial year.

Corporate governance

The corporate governance report on pages 22 to 27 forms part of this Directors' report.

Going concern

The Directors, having considered the Company's objectives and available resources along with its projected income and expenditure for at least 12 months from the date of approval of the financial statements, are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors have adopted the going concern basis in preparing these financial statements.

Purchase of own shares

The Company does not hold any shares in treasury.

Substantial shareholdings

As at 10 June 2019, being the latest practicable date prior to the publication of this report, the Company has been advised of the following interests in more than 3% of its ordinary share capital:

Shareholder	Number of shares	Shareholding
Tribeca Investment Partners	8,369,008	9.49%
Dolfin Financial (UK)	7,600,000	8.62%
Uranium Royalty Corp	7,600,000	8.62%
Putnam Investments	6,267,567	7.10%
Arrowgrass Capital Partners	6,000,000	6.80%
TT International	4,223,900	4.79%
Kopernik Global Investors	4,098,586	4.65%
azValor Asset Management	3,706,275	4.20%
Legal & General Investment Management	2,946,500	3.34%

Statement of disclosure to the auditor

The Directors have taken the necessary steps to make themselves aware of the information needed by the external auditor for the purposes of their audit and to establish that the auditor is aware of that information. The Directors are not aware of any relevant audit information of which the auditor is unaware.

Auditor appointment

RSM UK Audit LLP was appointed during the period and have expressed their willingness to continue as auditor of the Company. A resolution for their reappointment will be proposed at the forthcoming Annual General Meeting.

Directors' responsibility statement

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable laws and regulations.

Jersey Company law requires directors to prepare Financial Statements for each financial period in accordance with any generally accepted accounting principles. The Directors have elected to use International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board. The Company's financial statements are required by law to give a true and fair view of the state of affairs of the Company at the period-end and of the profit or loss for the period then ended.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping accounting records which are sufficient to show and explain its transactions and are such as to disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements prepared by the Company comply with the requirements of the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and, accordingly, for taking reasonable steps to further the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Information published on the website is accessible in many countries, and legislation in Jersey and the relevant provisions of the AIM Rules for Companies governing the preparation and dissemination of financial statements may differ from legislation and the rules in other jurisdictions. The Directors' responsibility also extends to the continued integrity of the financial statements contained therein.

The Directors have reviewed this Annual Report and have concluded that, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

By order of the Board

Andre Liebenberg
Chief Executive Officer

17 June 2019

Independent auditor’s report

To the members of Yellow Cake Plc

Opinion

We have audited the financial statements of Yellow Cake Plc for the period ended 31 March 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the Company’s affairs as at 31 March 2019 and of the Company’s profit for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to principal risks, going concern and viability statement

We have nothing to report in respect of the following information in the annual report, in relation to which, as a result of the Directors voluntarily reporting on how they have applied the UK Corporate Governance Code, ISAs (UK) require us to report to you whether we have anything material to add or draw attention to:

- the disclosures in the annual report set out on pages 16 to 19 that describe the principal risks and explain how they are being managed or mitigated;
- the Directors’ confirmation set out on page 16 in the annual report that they have carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity;
- the Directors’ statement set out on page 48 in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements and the Directors’ identification of any material uncertainties to the Company’s ability to continue to do so over a period of at least 12 months from the date of approval of the financial statements;
- whether the Directors’ statement relating to going concern required under the Listing Rules in accordance with Listing Rule 9.8.6R(3) is materially inconsistent with our knowledge obtained in the audit; or
- the Directors’ explanation set out on page 19 in the annual report as to how they have assessed the prospects of the Company, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Company’s financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the Company’s financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Investment in uranium

The Company's business model is based on holding a material investment in uranium. The Company's accounting policy is that uranium is held at fair value based on the most recent month-end spot rate price for U_3O_8 published by UxC LLC. The Company's holding of uranium is held by a third-party and valuation of the investment in uranium is considered to be a key audit matter because errors in measurement of quantity or use of an inaccurate period-end price could result in a material misstatement of the value of the Company's investment in uranium. Details of the Company's investment in uranium are disclosed in note 4 in the financial statements.

Our response to the risk included:

- obtaining direct third-party confirmation of the quantity of uranium held at 31 March 2019;
- corroboration of the price used to value the investment at 31 March 2019 to published market price information and recalculation of the fair value; and
- consideration of the appropriateness of the Company's accounting policy and disclosures made in the financial statements.

Our application of materiality

When establishing our overall audit strategy, we set certain thresholds which help us to determine the nature, timing and extent of our audit procedures. When evaluating whether the effects of misstatements, both individually and on the financial statements as a whole, could reasonably influence the economic decisions of users we take into account the qualitative nature and the size of the misstatements. During planning materiality for the financial statements as a whole was calculated as $3,610,000, which was not changed significantly during the course of our audit. We agreed with the Audit Committee that we would report to them all unadjusted differences in excess of $180,000, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

An overview of the scope of our audit

The audit was scoped to ensure that we obtained sufficient and appropriate audit evidence in respect of the significant business operations of the Company and the appropriateness of the going concern assumption used in the preparation of the financial statements.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

In this context, as a result of the Directors voluntarily reporting on how they have applied the UK Corporate Governance Code, we also have nothing to report in regard to our responsibility to specifically address the following items in the other information and to report as uncorrected material misstatements of the other information where we conclude that those items meet the following conditions:

- **Fair, balanced and understandable set out on** page 39 – if the statement given by the Directors that they consider the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy, is materially inconsistent with our knowledge obtained in the audit; or
- **Audit Committee reporting set out on** pages 28 and 29 – if the section describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee;

- **Directors' statement of compliance with the UK Corporate Governance Code set out on** pages 22 and 23 – if the parts of the Directors' statement required under the Listing Rules relating to the Company's compliance with the UK Corporate Governance Code containing provisions specified for review by the auditor in accordance with Listing Rule 9.8.10R(2) do not properly disclose a departure from a relevant provision of the UK Corporate Governance Code.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Company or proper returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have failed to obtain any information or explanation that, to the best of our knowledge and belief, was necessary for our audit.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 39, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, including the FRC's Ethical Standard as applied to listed entities, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Graham Ricketts
For and on behalf of RSM UK AUDIT LLP, Auditor
Chartered Accountants

25 Farringdon Street, London, EC4A 4AB
17 June 2019

FINANCIAL STATEMENTS

for the period ended 31 March 2019

Statement of financial position

As at 31 March 2019

	Notes	USD '000
ASSETS		
Non-current assets		
Investment in uranium	4	217,366
Total non-current assets		**217,366**
Current assets		
Trade and other receivables	5	16
Cash and cash equivalents	6	8,750
Total current assets		**8,766**
Total assets		**226,132**
LIABILITIES		
Non-current liabilities		
Uranium derivative liability	7	(2,799)
Total non-current liabilities		**(2,799)**
Current liabilities		
Trade and other payables	8	(384)
Total current liabilities		**(384)**
Total liabilities		**(3,183)**
NET ASSETS		**222,949**
Equity		
Attributable to the equity owners of the Company		
Stated capital	9	1,007
Share premium	9	192,248
Retained earnings		29,694
TOTAL EQUITY		**222,949**

The financial statements of Yellow Cake plc and the related notes were approved by the Directors on 17 June 2019 and are signed on its behalf by:

Andre Liebenberg
Chief Executive Officer

Statement of comprehensive income

For the period 18 January 2018 to 31 March 2019

	Notes	USD '000
Uranium related profit		
Fair value movement of investment in uranium	4	39,211
Fair value movement of uranium derivative liability	7	(2,799)
Total uranium related profit		**36,412**
Expenses		
Initial public offering expenses		(2,589)
Procurement and market consultancy fees		(2,490)
Other operating expenses	12	(1,018)
Total expenses		**(6,097)**
Bank interest income		27
Loss on foreign exchange		(648)
Profit before tax attributable to the equity owners of the Company		**29,694**
Tax expense	13	–
Total comprehensive income after tax for the period attributable to the equity owners of the Company		**29,694**
Basic and diluted earnings per share attributable to the equity owners of the Company since IPO (USD)	15	**0.39**
Basic and diluted earnings per share attributable to the equity owners of the Company since incorporation (USD)	15	**0.63**

Statement of changes in equity

For the period 18 January 2018 to 31 March 2019

Attributable to the equity owners of the Company:

	Notes	Stated capital USD '000	Share premium USD '000	Retained earnings USD '000	Total equity USD '000
As at 18 January 2018		**–**	**–**	**–**	**–**
Total comprehensive income after tax for the period		–	–	29,694	**29,694**
Transactions with owners:					
Shares issued	9	1,007	200,449	–	**201,456**
Share issue costs	9	–	(8,201)	–	**(8,201)**
Balance as at 31 March 2019		**1,007**	**192,248**	**29,694**	**222,949**

Statement of cash flows

For the period 18 January 2018 to 31 March 2019

	Notes	USD '000
Cash flows from operating activities		
Profit for the financial period		29,694
Adjustments for:		
Change in fair value of investment in uranium	4	(39,211)
Change in fair value of uranium derivative liability	7	2,799
Foreign exchange losses		403
Interest income		(27)
		(6,342)
Changes in working capital:		
Increase in trade and other receivables		(253)
Increase in trade and other payables		389
Cash used in operating activities		**(6,206)**
Interest received		27
Net cash flow used in operating activities		**(6,179)**
Cash flows from investing activities		
Acquisition of uranium	4	(178,155)
Net cash used in investing activities		**(178,155)**
Cash flows from financing activities		
Proceeds from issue of shares	9	201,457
Issue costs paid	9	(8,373)
Net cash generated from financing activities		**193,084**
Net increase in cash and cash equivalents during the period		8,750
Cash and cash equivalents at the beginning of the period		–
Effect of exchange rate changes		–
Cash and cash equivalents at the end of the period		**8,750**

Notes to the financial statements

For the period ended 31 March 2019

1. General information

Yellow Cake plc (the "Company") was incorporated in Jersey, Channel Islands on 18 January 2018. The address of the registered office is Liberation House, Castle Street, St Helier, Jersey, JE1 1BL.

The Company operates in the uranium sector and was created to purchase and hold U_3O_8. The strategy of the Company is to invest in long-term holdings of U_3O_8 and not to actively speculate with regards to short-term changes in the price of U_3O_8. The Company may consider additional revenue opportunities, including the acquisition of uranium royalties and streams, and other uranium-related activities.

The Company was admitted to list on the London Stock Exchange AIM market ("AIM") on 5 July 2018, raising approximately GBP151 million (c. USD200 million) before expenses through an oversubscribed placing and subscription of 76,166,630 ordinary shares.

2. Summary of significant accounting policies

Basis of preparation

These audited financial statements of the Company for the period from 18 January 2018 to 31 March 2019 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

As this is the Company's first accounting period, no comparative figures have been disclosed.

The principal accounting policies adopted are set out below.

New and revised standards

At the date of approval of these financial statements there are no new or revised standards that are in issue but not yet effective and are relevant to the financial statements of the Company.

Going concern

The Directors, having considered the Company's objectives and available resources along with its projected income and expenditure for at least 12 months from the date of approval of the audited financial statements, are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors have adopted the going concern basis in preparing these audited financial statements.

Foreign currency translation

Functional and presentation currency

The financial statements are presented in United States Dollars ("USD") which is also the functional currency of the Company.

These financial statements are presented to the nearest round thousand, unless otherwise stated.

Foreign currency translation

Transactions denominated in foreign currencies are translated into USD at the rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into USD at the rate of exchange ruling at the reporting date. Foreign exchange gains or losses arising on translation are recognised through profit or loss in the statement of comprehensive income.

Investments in uranium

Acquisitions of U_3O_8 are initially recorded at cost net of transaction costs incurred and are recognised in the Company's statement of financial position on the date the risks and rewards of ownership pass to the Company.

After initial recognition, investments in U_3O_8 are measured at fair value based on the most recent month-end spot price for U_3O_8 published by UxC LLC.

IFRS lacks specific guidance in respect of accounting for investments in uranium. As such the Directors of the Company have considered the requirements of International Accounting Standard 1 "Presentation of Financial Statements" and International Accounting Standard 8 "Accounting Policies, Changes in Accounting Estimates and Errors" to develop and apply an accounting policy. The Directors of the Company consider measuring the investments in U_3O_8 at fair value provides information that is most relevant to the economic decision-making of users. This is consistent with International Accounting Standard 40 Investment Property, which allows for assets held for long-term capital appreciation to be presented at fair value.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. The Company shall offset financial assets and financial liabilities if the Company has a legally enforceable right to set off the recognised amounts and intends to settle on a net basis.

The carrying amount of the Company's financial assets and financial liabilities are a reasonable approximation of their fair values due to the short-term nature of these instruments.

Financial assets

The Company's financial assets comprise loans and receivables. These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method, less any provision for impairment.

Financial liabilities

The Company's financial liabilities comprise trade and other payables. They are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Uranium derivative liability

This derivative instrument is recognised at fair value and value changes are recognised in profit and loss. Fair value has been determined based on the expected option payoff using a Monte Carlo simulation produced by an independent financial valuation company.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and short-term deposits in banks with an original maturity of three months or less.

Share capital

The Company's ordinary shares are classified as equity. Incremental costs directly attributable to the issue of shares are recognised in equity as a deduction from proceeds of the share issue.

Share-based payments

Where the Company issues equity instruments to external parties or employees as consideration for services received, the statement of comprehensive income is charged with the fair value of the goods and services received, except where services are directly attributable to the issue of shares, in which case the fair value of such amounts is recognised in equity as a deduction from share premium.

Taxation

As the Company is managed and controlled in Jersey it is liable to be charged to tax at a rate of 0% under schedule D of the Income Tax (Jersey) Law 1961 as amended.

Expenses

Expenses are accounted for on an accruals basis.

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Board of Directors of the Company.

The Company is organised into a single operating segment being the holding of U_3O_8 for long-term capital appreciation.

Critical accounting judgements and estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The resulting accounting estimates will, by definition, seldom equate to the related actual results.

Accounting estimates

The accounting estimates in the period are the assumptions made in valuing the uranium derivative liability. These assumptions are set out in note 7 and the carrying value of the instrument is USD2,799,000 as at 31 March 2019.

Judgements

The Directors have considered the tax implications of the Company’s operations together with external tax advice and have reached judgement that no tax liability has arisen during the period.

3. Management of financial risks

Financial risk factors

The Company's financial assets and liabilities comprise of cash, derivatives, receivables and payables that arise directly from its operations. The accounting policies in note 2 include criteria for the recognition and the basis of measurement applied for financial assets and liabilities. Note 2 also includes the basis on which income and expenses arising from financial assets and liabilities are recognised and measured.

The Company's assets and liabilities have been primarily categorised as assets and liabilities at amortised cost, with the exception of the investment in uranium and derivative liability being held at fair value. The carrying amounts of all such instruments are as stated in their respective notes.

Foreign exchange risk

The Company maintains the majority of its cash resources in US Dollars and converts fund raised in Sterling to US Dollars as soon as practicable. However, prior to funds from a capital raise being settled, the Company is exposed to fluctuations in the GBP/USD exchange rate, but only for very short durations.

As at 31 March 2019, the Company held USD0.3 million (GBP0.2 million) in Sterling and the balance of its cash (USD8.5 million) in United States Dollars.

Market risk

The fair value or future cash flows of a financial instrument may fluctuate because of changes in market prices. This market risk comprises two elements – interest rate risk and other price risk and arises mainly from the changes in values of the investment of uranium and derivatives.

Interest rate risk

Any cash balances are held in variable rate bank accounts or in money market funds yielding rates of interest dependent on the base rate of the applicable institution or fund return.

Price risk and sensitivity

If the value of the investment in uranium fell by 5% at the period-end, the profit after tax would decrease by USD10,868,283. Likewise, if the value rose by 5% the profit after tax would have increased by USD10,868,283.

Liquidity risk

This is the risk that the Company will encounter challenges in realising assets or otherwise raising funds to meet financial commitments. Prudent liquidity risk management involves maintaining sufficient liquidity and short-term investment securities, being able to raise funds based on suitably adapted lines of credit and a capacity to unwind market positions.

At period-end, the liquidity of the Company is composed of either bank account or bank deposits, with a total amount of USD8,749,546.

As at 31 March 2019	Carrying amount USD '000	< 1 year USD '000	1 to 2 years USD '000	2 to 10 years USD '000
Cash and cash equivalents	8,750	8,750	–	–
Other creditors and accruals	(384)	(384)	–	–

Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability at the measurement date. IFRS 13 requires the Company to classify fair value measurements using fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- i Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- ii Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- iii Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level to the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The following table analyses within the fair value hierarchy the Company's financial assets and liabilities (by class) measured at fair value at 31 March 2019.

Assets and liabilities As at 31 March 2019	Level 1 USD '000	Level 2 USD '000	Level 3 USD '000	Total USD '000
Investment in uranium	217,366	–	–	**217,366**
Derivative liability	–	(2,799)	-	**(2,799)**

4. Investment in uranium

	Cost USD '000	Fair value movement USD '000	Fair value USD '000
As at 18 January 2018	**–**	**–**	**–**
Acquisition of U_3O_8	178,155	**–**	**178,155**
Change in fair value	**–**	39,211	**39,211**
As at 31 March 2019	**178,155**	**39,211**	**217,366**

The value of the Company's investment in U_3O_8 is based on the month end spot price for U_3O_8 of USD25.75/ lb as published by UxC LLC on 25 March 2019.

Uranium related profit of USD36.4 million has been recognised in the Statement of Comprehensive Income, comprising an increase in the fair value of inventory of USD39.2 million less the fair value of a derivative liability of USD2.8 million related to the Kazatomprom repurchase option.

Acquisition of uranium

During the period ended 31 March 2019, the Company purchased 8,441,385 lb of U_3O_8 at an average price of USD21.10/ lb. The total cash consideration for the purchases was USD178,155,000 made up as follows:

- Purchase of 8,091,385 lb U_3O_8 from Kazatomprom at IPO on 5 July 2018 for a cash consideration of USD170,000,000 under a 10-year Framework Agreement (the "Initial Purchase").
- An additional purchase of 350,000 lb from Kazatomprom on 23 August 2018 for a cash consideration of USD8,155,000.

The following table provides an analysis of the Company's investment in U_3O_8 by location:

Location	Quantity lb	Fair value USD '000
Canada	8,441,385	217,366
Total	**8,441,385**	**217,366**

5. Trade and other receivables

	USD '000
Other receivables	16
As at 31 March 2019	**16**

6. Cash and cash equivalents

Cash and cash equivalents as at 31 March 2019 were banked with Citi Bank Europe plc in a fixed interest account with full access, previously Santander International up until 14 December 2018. Balances at the end of the period were USD8,488,607 and GBP200,260 (a total of USD8,749,546 equivalent).

7. Uranium derivative liability

As part of the Initial Purchase mentioned in note 4 above, the purchase price was 2.5% below the spot price, resulting in the Company receiving a discount of USD4,250,000. In exchange for this discount, the Company provided to Kazatomprom an option to repurchase up to 25% of the Initial Purchase volume of 8,091,385 lb U_3O_8 at the prevailing uranium spot price less an aggregate discount of USD6,525,000 (the "Repurchase Option"). The Repurchase Option can only be exercised if the U_3O_8 spot price exceeds USD37.50/ lb for a period of 14 consecutive days, starting three years from the date at which the Company took delivery of the Initial Purchase inventory (being the initial public offering date of 5 July 2018) and expiring on 30 June 2027.

The Company has the option to purchase from Kazatomprom all or a portion of the volume repurchased by Kazatomprom under the Repurchase Option. The Company's option may be exercised in whole or in part and in one or more separate exercises during the period commencing on the delivery date for the Repurchase Option and ending on 30 June 2027.

The fair value of the Repurchase Option granted to Kazatomprom has been determined at USD2,799,000 as at 31 March 2019 based on the expected option payoff using a Monte Carlo simulation.

A valuation date spot price of USD25.75 per lb, volatility of 29.24% and the two-year US risk-free rate of 2.23% were used to simulate spot price as at 4 July 2021 (date at which the option may first be exercised). Monthly volatility of 8.11% and monthly US risk-free rate of 0.2% were used to simulate monthly prices to 30 June 2027. The uranium derivative liability is classified within level 2 of the fair value hierarchy as at 31 March 2019.

8. Trade and other payables

	USD '000
Other creditors and accruals	384
As at 31 March 2019	**384**

9. Share capital

Authorised:

10,000,000,000 ordinary shares of GBP 0.01.

Issued and fully paid:

Ordinary shares

	Number	GBP '000	USD '000
Opening share capital	–	–	–
Issued 18 January 2018	10,000	0.1	0.1
Issued 5 July 2018	76,166,630	762	1,007
Share capital as at 31 March 2019	**76,176,630**	**762**	**1,007**

Share premium

	GBP '000	USD '000
Opening share premium	–	–
Proceeds of issue of shares	151,591	200,449
Share issue costs	(6,207)	(8,201)
Share premium as at 31 March 2019	**145,384**	**192,248**

The Company was incorporated with an authorised share capital of GBP10,000 divided into 10,000 ordinary shares of GBP1.00 each. On incorporation, 100 ordinary shares of GBP1.00 each were issued fully paid to the subscribers of the Company's memorandum of association. Such shares were then subsequently transferred to Bacchus Capital Advisers Limited, the Company's investment advisor.

On 8 June 2018, the Company's 100 existing ordinary shares of GBP1.00 each were sub-divided into 10,000 ordinary shares of GBP0.01 each.

On 26 June 2018, the Company resolved with effect from admission to AIM to increase the authorised share capital of the Company to GBP100,000,000, divided into 10,000,000,000 Ordinary Shares of GBP0.01 each.

Following the Company's listing on AIM on 5 July 2018 a total of 76,166,630 additional ordinary shares were issued at GBP2.00 per share. The Company incurred listing expenses comprising of commissions and professional advisor fees totalling USD10,790,600 of which USD8,201,221 have been taken to the share premium account. The remaining costs of USD2,589,379 have been recognised as initial public offering expenses in the Statement of Comprehensive Income.

The Company has one class of shares which carry no right to fixed income.

10. Share-based payments

On admission to AIM the Company issued 60,275 ordinary shares to certain advisors to the Company *in lieu* of cash payments for services rendered. The fair value of the services received was USD160,000 which has been recognised in initial public offering expenses in the Statement of Comprehensive Income.

In addition, the Company issued 486,770 ordinary shares to Bacchus Capital, the Company's investment advisor in settlement of services provided in relation to the Company's admission to AIM. The fair value of these services of USD969,315 has been recognised in initial public offering expenses in the Statement of Comprehensive Income.

11. Procurement and market consultancy fees

In consideration for the services rendered by 308 Services Limited, the Company paid a commission of 1.0% of the consideration paid for the first purchase of U_3O_8 amounting to USD1,781,550. Additional fees of USD708,735 payable to 308 Services Limited were also incurred during the period from 5 July 2018 to 31 March 2019 in consideration for its services to the Company in relation to the purchasing of U_3O_8 and in securing competitively priced storage services.

12. Other operating expenses

	USD '000
Professional fees	501
Management salaries and Directors' fees	293
Auditor's fees	87
Other expenses	137
For the period ending 31 March 2019	**1,018**

13. Taxation

	USD '000
Profit for the period ended 31 March 2019 before tax	**29,694**
Tax expense for the period	–
Profit for the period ended 31 March 2019 after tax	**29,694**

As the Company is managed and controlled in Jersey it is liable to be charged to tax at a rate of 0% under schedule D of the Income Tax (Jersey) Law 1961 as amended.

14. Related party transactions

During the period, the Company incurred USD155,083 of administration fees payable to Langham Hall Fund Management (Jersey) Limited. Christopher Peter Marshall, who served as a Director in the period, is the Managing Director of Langham Hall Fund Management (Jersey) Limited and was a Non-Executive Director of the Company from 18 January 2018 to 18 June 2018 for which he received no Directors' fees. As at 31 March 2019 there were no amounts due to Langham Hall Fund Management (Jersey) Limited.

The key management personnel are the Directors and as there are no other employees, their aggregate remuneration during the period was $292,733.

15. Earnings per share

Profit for the period (USD '000)	29,694
Weighted average number of shares since IPO	76,176,630
Weighted average number of shares since incorporation	46,958,197
Earnings per share since IPO (USD)	**0.39**
Earnings per share since incorporation (USD)	**0.63**

The table above shows the earnings per share based on the weighted average number of shares in issue since the IPO on 5 July 2018 and since incorporation on 18 January 2018.

The Company does not have any instruments which could potentially dilute basic earnings per share in the future.

16. Events after the reporting date

On 12 April 2019, the Company placed 12,000,000 new ordinary shares at a price of GBP2.15 per share (approximately USD2.81). The Placing raised gross proceeds of approximately GBP25.9 million before expenses and GBP24.7 million after expenses (approximately USD33.8 million before expenses and USD32.2 million after expenses at the USD/GBP exchange rate of 1.304494 prevailing on the share issuance date of 16 April 2019).

On 31 May 2019, the Company purchased 1.175 million lb of U_3O_8 for a cash consideration of USD30.4 million from Kazatomprom and took delivery of this material at Cameco's Port Hope/Blind River facility in Ontario, Canada by book transfer.

On 31 May 2019, James Keating resigned from the Board. James Keating was an Independent Non-Executive Director of the Company and a Client Director of Langham Hall Fund Management (Jersey) Limited.

Notes

Notes

Corporate information

Head Office and Registered Office
3rd Floor, Liberation House
Castle Street
St Helier
Jersey, JE1 1BL

Company Secretary
LHJ Secretaries Limited
3rd Floor, Liberation House
Castle Street
St Helier
Jersey, JE1 1BL

Nominated Advisor and Joint Broker
Numis Securities Limited
10 Paternoster Square
London, EC4M 7LT

Joint Broker
Joh. Berenberg, Gossler & Co. KG, London Branch
60 Threadneedle Street
London, EC2R 8HP

Financial Advisor
Bacchus Capital Advisers Limited
6 Adam Street
London, WC2N 6AD

Legal Advisors to the Company as to English and US Law
Milbank LLP
10 Gresham Street
London, EC2V 7JD

Jersey Solicitors to the Company
Mourant Ozannes
22 Grenville Street
St Helier
Jersey, JE4 8PX

Auditor to the Company
RSM UK Audit LLP
25 Farringdon Street
London, EC4A 4AB

Registrars
Link Market Services (Jersey) Limited
12 Castle Street
St Helier
Jersey, JE2 3RT

Principal Bankers
Citibank Europe
1 North
Wall Quay
Dublin 1, Ireland

Media Advisors
Powerscourt
1 Tudor Street
London, EC4Y 0AH