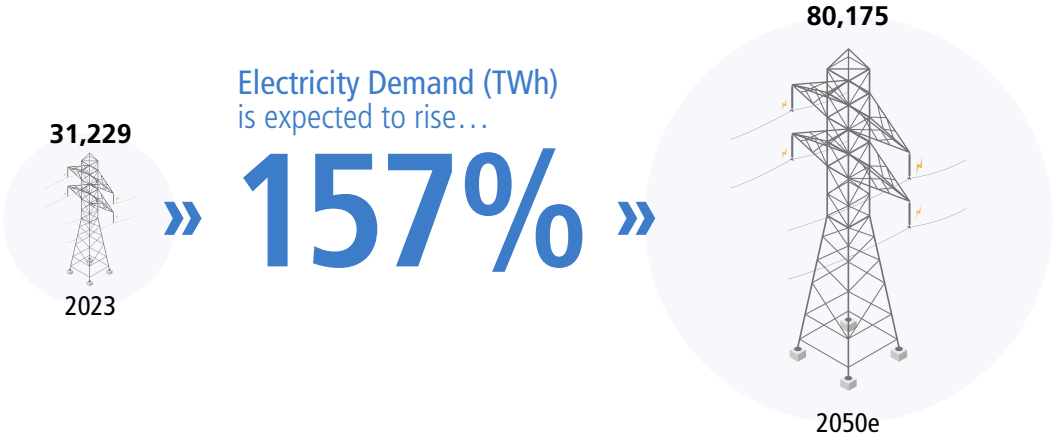
Sprott | 10 Reasons to Invest in Uranium

MARCH 2026

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

1 Rising Electricity Demand and the Nuclear Revival

Global electricity demand is expected to soar 157% by 2050. Energy consumption has surged in the East, driven by rapid urbanization and industrialization, while in the West, the rise of artificial intelligence (AI), data centers, electrification and reshoring are fueling demand. Meeting these growing energy needs will rely heavily on critical materials like uranium. With more nuclear reactors coming online, the world is entering a new era of nuclear energy, poised to generate a record level of electricity in 2026.[1]



Source: IEA World Energy Outlook 2025 Net Zero Emissions Scenario.

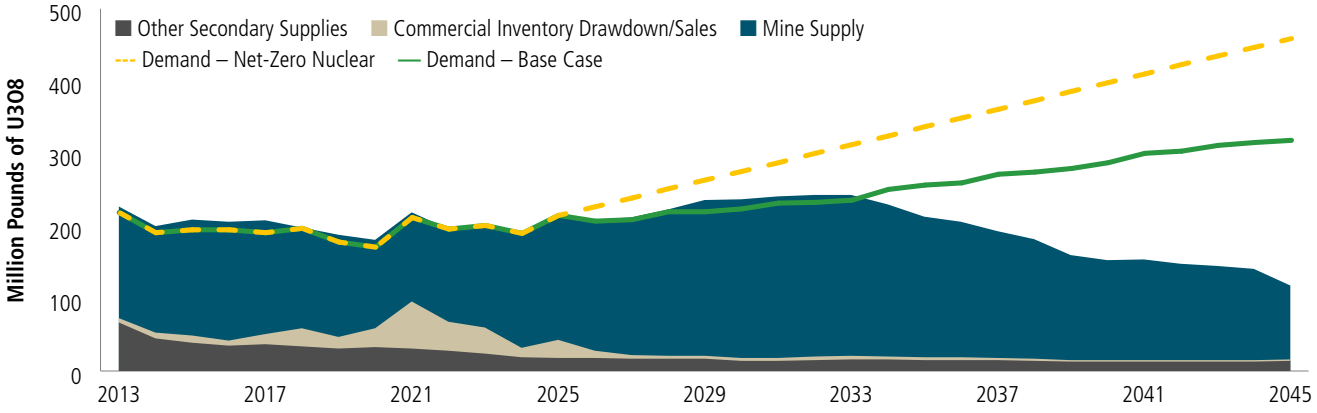
2 Uranium Supply and Demand Imbalance Creates Investment Opportunities

The surge in nuclear plant restarts, lifespan extensions and new reactor builds is driving unprecedented demand for uranium. However, even at peak historical production levels, existing and committed uranium mines are not expected to meet reactor demand through 2040.[2]

Projections indicate a supply shortfall of 1.4 billion pounds of uranium to 2045, with an even greater deficit of over 3.0 billion pounds if global nuclear capacity triples by 2050, as pledged. This growing imbalance may present significant opportunities for investors in the uranium market.

[1] Source: WNA, World Nuclear Fuel Report: Global Scenarios for Demand and Supply Availability 2025-2040. Included for illustrative purposes only.
[2] Source: UxC LLC. Data as of Q1 2025.

Uranium Supply and Demand Imbalance May Likely Grow



Sources: UxC LLC. and Cameco Corp. Data as of 3/31/2026.

3 Government Support is Driving a Nuclear Power Renaissance

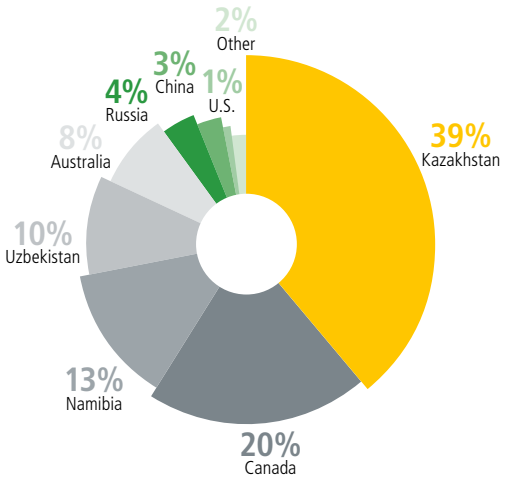
Governments worldwide—including the U.S., China and the EU—are backing nuclear energy through subsidies, policy incentives and regulatory support, reinforcing long-term growth in the sector. Countries like Japan and South Korea, which once moved away from nuclear power, are now reversing course, extending reactor lifespans to address energy security concerns and climate goals. Currently, 438 nuclear reactors are in operation globally, with 201 more under construction or planned.[3]

4 Global Geopolitical Tensions Underscore the Need for Energy Security

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

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

Largest Uranium-Producing Countries



The U.S. produces 1% of the world's uranium. It supplies just 6% of what's needed for U.S. nuclear reactors. The rest is imported.

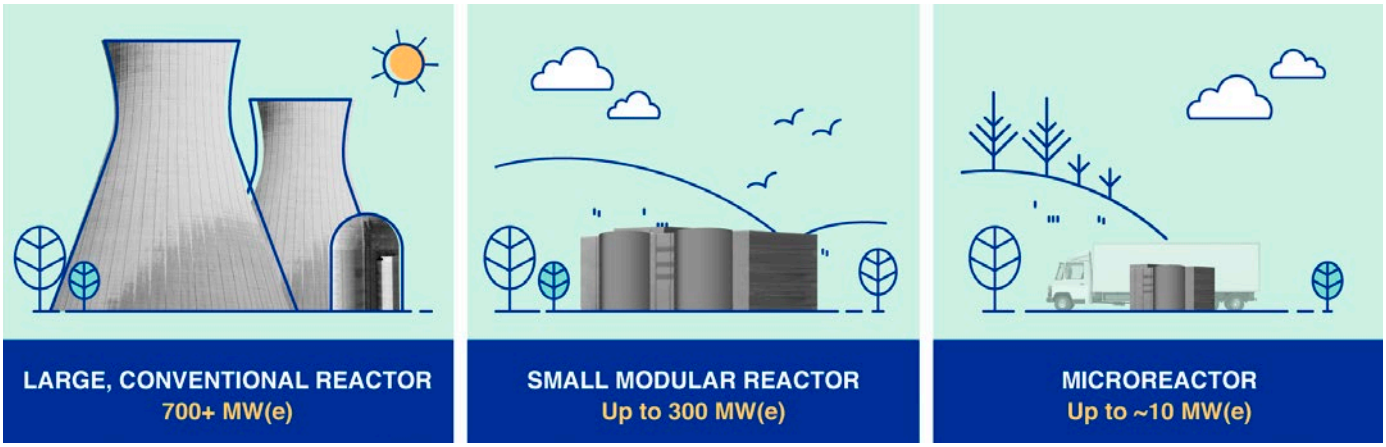
Source: UxC LLC as of 12/31/2025.

[3] Source: World Nuclear Association as of 4/21/2026.

5 Big Tech has Embraced Nuclear Power and is Pushing Innovation

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

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

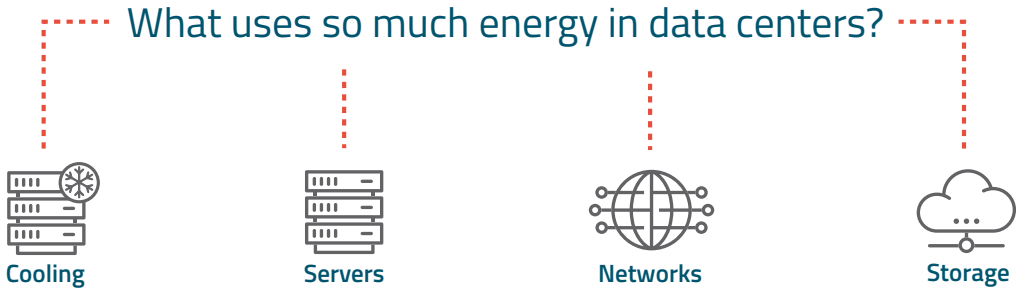


Source: International Atomic Energy Agency. https://www.iaea.org/newscenter/news/what-are-small-modular-reactors-smrs

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

As data centers expand to support AI and cloud computing, nuclear power is becoming a critical energy source to meet their rising electricity needs. Global data centers' power demand may rise 2.5x by 2030—to a level approximating Japan's total power use.[4]

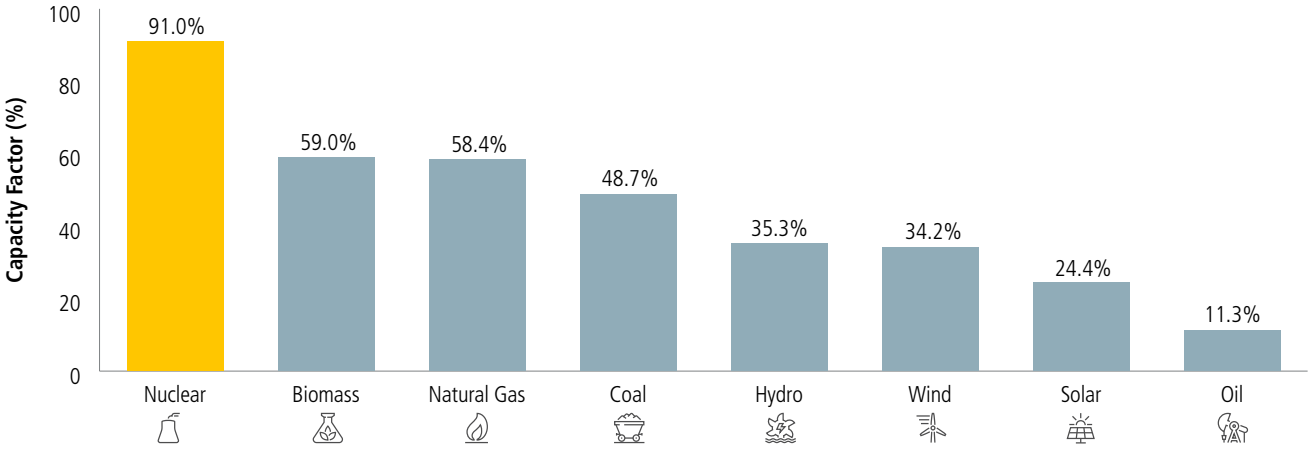
AI will be the most significant driver of this increase, with AI data centers power use set to increase more than 4x by 2030.[5] With this rapid growth, reliable and carbon-free energy sources like nuclear will play a pivotal role in sustaining the digital economy.



[4] Source: BloombergNEF, New Energy Outlook 2025.
[5] Source: International Energy Agency, Energy and AI, 4/10/2025; https://www.iea.org/reports/energy-and-ai

7 Nuclear Power is Reliable

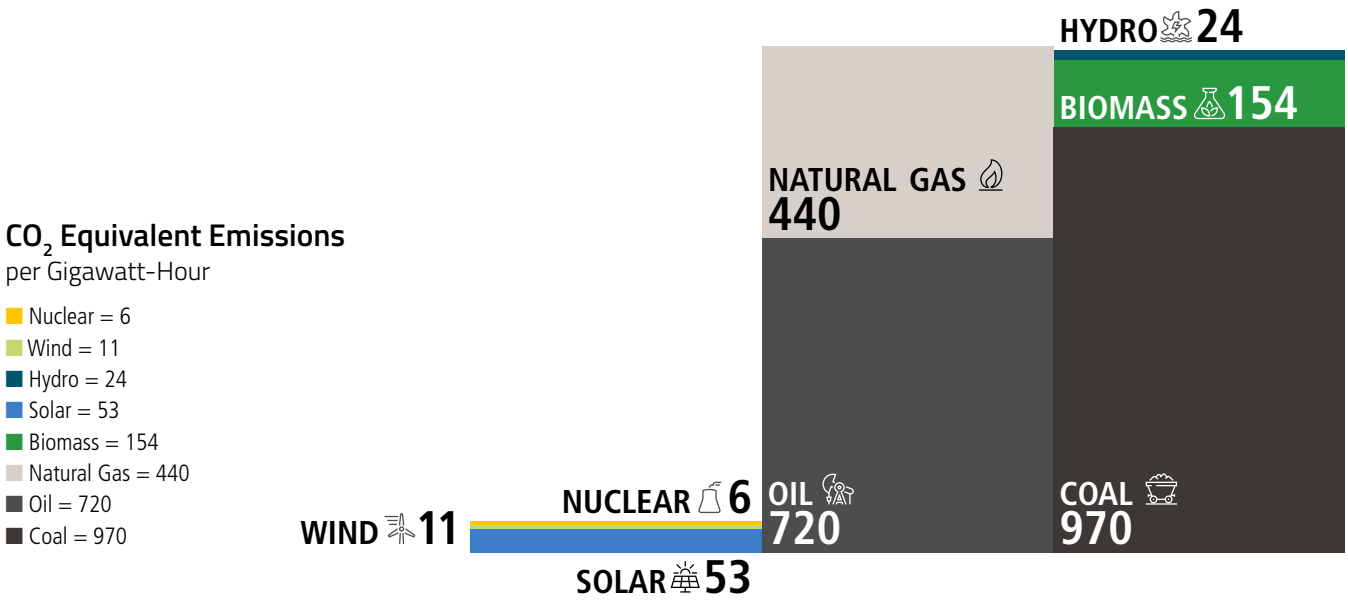
Nuclear power stands out as one of the most reliable energy sources, offering a consistent baseload supply unaffected by weather conditions—unlike wind and solar. With the highest capacity factor[6] among all energy sources, nuclear plants operate more efficiently and with fewer interruptions. Designed for long operational cycles without frequent refueling and requiring minimal maintenance, nuclear power ensures stable, long-term energy generation, making it a critical solution for powering global growth.



Source: U.S. Energy Information Administration and energy.gov. Data as of 12/31/2025.

8 Nuclear Power is Clean and Efficient

Nuclear energy is one of the most efficient electricity sources, delivering high output with minimal environmental impact. It ranks among the cleanest energy options, producing near-zero CO_2 emissions. Beyond its efficiency, nuclear power is also one of the safest energy sources, operating under rigorous international safety regulations. With the lowest mortality rate per terawatt hour of energy produced,[7] nuclear power is a proven, reliable solution for a sustainable future.



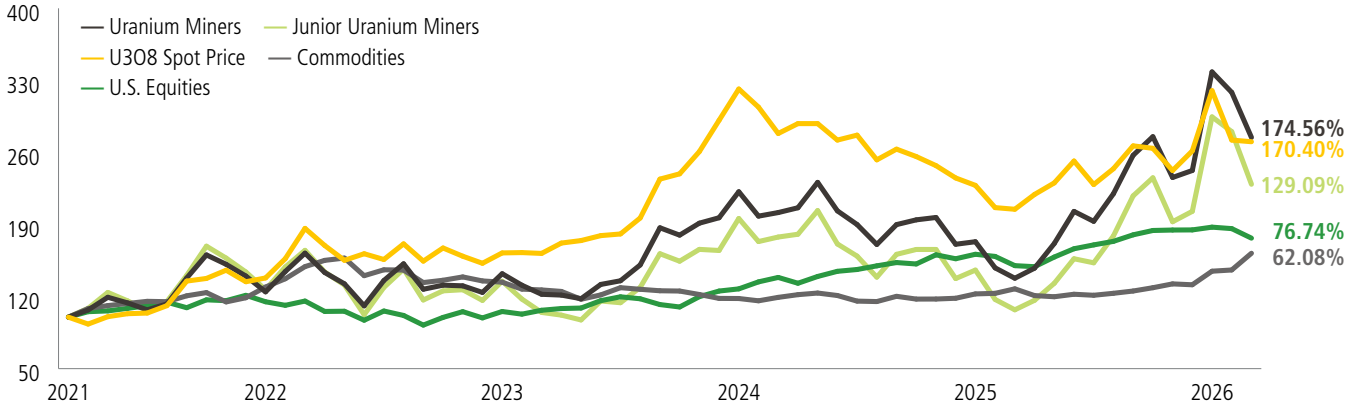
Source: https://ourworldindata.org/nuclear-energy as of April 2024; measured in emissions of CO2-equivalent per gigawatt-hour of electricity over the life cycle of the power plant.

[6] Capacity factor measures the total amount of energy produced during a period of time divided by the amount of energy the plant would have produced at full capacity.
[7] Source: Markandya & Wilkinson (2007) in The Lancet, and Sovacool et al. (2016) in Journal of Cleaner Production. Death rate for nuclear energy includes deaths from Fukushima and Chernobyl disasters and the deaths from occupational accidents (largely mining and milling). Death rates from fossil fuels and biomass are based on state-of-the-art plants with pollution controls in Europe and are based on older models of the impacts of air pollution on health. This means these death rates are likely to be very conservative.

9 Uranium Bull Market Remains Intact

After trading flat from 2017-2019, uranium miners and uranium spot prices have accelerated over the past 5 years. Uranium and uranium miners have meaningfully outpaced equities and broader commodity benchmarks over the past five years.

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



Source: Bloomberg and Sprott Asset Management. Data as of 3/31/2026. Uranium Miners are measured by the Northshore Global Uranium Mining Index (URNMX index); Junior Uranium Miners are measured by the Nasdaq Sprott Junior Uranium Miners™ Index (NSURNJT™ Index); U.S. Equities are measured by the S&P 500 TR Index; the U3O8 Spot Price is from TradeTech; and Commodities are measured by the Bloomberg Commodity Index (BCOM). Definitions of the indices are provided in the footnotes. You cannot invest directly in an index. Included for illustrative purposes only. **Past performance is no guarantee of future results.**

10 Diversify your Portfolio with Physical Uranium and Miners

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

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

Own Uranium with Sprott

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

Sprott is a global leader in precious metals and critical materials investments. We manage more than $10.2 billion in physical uranium and uranium equities (as of 3/31/2026). Sprott has a decades-long foundation in physical metals and minerals, with deep relationships and expertise in the mining industry.

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IMPORTANT DISCLOSURE

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

Investing in physical uranium and uranium mining companies involves a high degree of risk and may not be suitable for all investors. The price of uranium can fluctuate substantially over short periods and may be affected by supply and demand, inflation, interest rates, monetary policy, economic conditions, political stability, import controls, and production levels and costs. Uranium mining companies may be subject to significant operational, regulatory, environmental, permitting, safety, litigation, geopolitical and financing risks, including liabilities for environmental damage and mandated expenditures for safety and pollution-control measures. Demand for uranium and nuclear energy may be adversely affected by nuclear incidents or accidents, security breaches, terrorism, natural disasters, equipment malfunctions, changes in public sentiment, or changes in government policy and regulation. Investments focused on uranium, uranium miners, small- and mid-cap issuers, foreign issuers or emerging markets may experience greater volatility, concentration risk and potential loss of principal than more diversified investments.

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