

THE MIKE ALKIN SHOW

TALKING STOCKS OVER A BEER



Announcer: Free and clear of the chatter from Wall Street, you're listening to Talking Stocks Over Beer, hosted by hedge fund veteran and newsletter writer Mike Alkin, who helps ordinary investors level the playing field against the pros by bringing you market insights and interviews with corporate executives and institutional investors. Mike sifts through all the noise of mainstream financial media and Wall Street to help you focus on what really matters in the markets. And now here's your host, Mike Alkin.

Mike Alkin: Welcome to the podcast. It's Monday, November 19th, 2018. I hope you had a good weekend. I've got good news for you. I'm going to spare you a long introduction. For those who do listen, you'll know that I am somewhat technologically not proficient, and I have a sound engineer that calls me every week to do the podcast from Baltimore, Garrett, who's listening in here. For whatever reason, the Skype, and the microphone, and the headset - nothing was working today, so it took me way longer to figure it out, which means that we had to go right to my guest, and I don't have a lot of time because Garrett's on a tight schedule. So for those of you skip forward through my rambling introductions all the time about sports or whatever's going on, I will spare you from having to hear the things that happened this weekend in my world. I'm not going to complain about the grocery shopping that I do, and the traffic jams in the aisles, and that people don't get out of the way when they're looking at garbanzo beans, and they don't see you standing there for three minutes waiting after you've said excuse me three times - I will not go there. So I will spare you.

But this podcast is about nuclear power. I have on as my guest Andrea Jennetta, who is the founder and publisher of Fuel Cycle Week, which has been around almost 18 or 20 years, I think. Andrea is well known to utilities and miners for her publication that covers all the goings on in the world of nuclear power. She and I got off to a rocky start seven, eight, nine months ago on Twitter. We were going at each other, but we didn't know each other. But we've gotten to know each other. We knew who each other way, but we never interacted, and we did.

She and I met at a conference a couple weeks ago, and we spent

hours talking, and we had a great conversation. We really hit it off, and she got to see my world and learn about how I view the world, and I shared with her my model and how I think of the world. I say, "Listen, when I'm talking nuclear power, uranium, this is not just off the cuff. This is well thought out with a lot of numbers behind it." And I said, "Here we go." I opened up my laptop and said, "Let's spend time going through it." And she talked to me about her world and how she thinks about it. We don't see eye to eye on everything, but we agree on a couple of things to disagree. So anyway, it is really, really fascinating. I was glad that she agreed to come on, and we spend the rest of the time just talking about all things nuclear – not all things, but many things nuclear power. We touch on some uranium miners.

So we're just going to cut right to it because I don't have that much time to get into all the nonsense I normally talk about in the intros that you guys skip through, but it's cathartic for me because I get to talk about my stuff. Anyway, here's Andrea Jenetta.

Andrew Jenetta, welcome to the podcast.

Andrea Jenetta: Mike Alkin, thank you for having me.

Mike Alkin: So we last saw each other a couple of weeks ago in the great city of Boston at the–

Andrea Jenetta: We did.

Mike Alkin: Right, at the Nuclear Energy Institute Fuel Cycle Seminar.

Andrea Jenetta: Yes.

Mike Alkin: These things are great because you get to see people from all over the world, all over different parts of the nuclear fuel supply chain, and you get to talk with people and hear different perspectives. I love going to these things, and I see you at them all the time. You've been doing this a long time now, right?

Andrea Jenetta: I have been doing this a long time. I've been in nuclear my whole career, 30 years. I am not a technical person, so your podcast audience should know that.

Mike Alkin: Neither am I.

Andrea Jenetta: Yeah, and you don't necessarily need to be in order to understand, although it can be extremely challenging. But you ask a lot of questions, you get the engineers and miners and scientists to

explain things to you, and you explain them back, actually, so you can reach a common language and understanding. And here I am three years later. I've been publishing Fuel Cycle Week. It is mine. My company publishes it since 2002. I cannot believe it. 16 years.

Mike Alkin: So yes, so take us back through. Because you're thought of as the bible for the nuclear industry, right? Everyone I know on both the mining side and the nuclear power generation side, everyone knows you. Everyone subscribes, and it's something that they have to subscribe because you keep everyone updated on the comings and goings of the industry, and you also add some really interesting commentary to it that is not just dry. You're not reading about atoms, right?

Andrea Jenetta: No, not at all.

Mike Alkin: So walk us through the evolution. What brought you into the industry, and how did you start publishing your own newsletter?

Andrea Jenetta: My goodness. I started in the industry working on the Yucca Mountain Project, which is doomed.

Mike Alkin: Yep.

Andrea Jenetta: It is the national US program for permanent spent fuel disposal facility, and right now since it's been defunded for several years, so it's on hold. The whole program is on hold. But that's where I started. So I started my career on the backend, as a-

Mike Alkin: Now were you a muckraking journalist back then?

Andrea Jenetta: No, I was not a muckraking journalist at the time. They didn't know what to do with me, Mike. I was a girl with a non-technical degree working for Lefting House. Lefting House was a subcontractor out there at the time. But I lucked out because I got hired into the regulatory management division, and that division was responsible for organizing and holding these insanely technical regulatory-driven meetings with a variety of... with the NRC, with another oversight body because the Nuclear Waste has no review board with utilities. So I learned everything, and I started to understand how it all worked together. I could write, I could think, I'm articulate. One thing led to another.

I moved to DC. I got a great job. I moved here. I did more of the same: more government contracting. Then I hooked up with some women who were pioneering a consulting practice really focused

on Japanese nuclear utilities and other overseas nuclear utilities who have offices in DC, and it matters what the US is doing. It matters what the US is thinking particularly around nuclear and uranium. I did that for a while.

Then, finally, I went to work for a company that published some newsletters. That company is gone, and those newsletters are gone, but when I left that company, I founded International Nuclear Associates; I founded Fuel Cycle Week. Fuel Cycle Week didn't really hit its stride until I would say maybe ten years ago when I started doing my Buzz column, and that, now that's the claim to fame, I would say, if there is one.

Mike Alkin: Explain to people what the Buzz is.

Andrea Jenetta: Well the Buzz is... it's whatever I want it to be or what I feel it needs to be. But up until, I would say maybe five minutes ago, the nuclear industry had a very hard time communicating, criticizing itself, having any kind of humor, having any kind of fun, and I just felt there was a need for it. There was this gaping hole of fun, and entertainment, and analysis, and criticism, and maybe a marketplace for ideas; a place for people to really talk about things – to really talk about things. Not with platitudes and using bullshit words, but to really talk about things, and that's when the Fuel Cycle Week came in. It's a niche. It's a niche within a niche within a niche. I've been doing it for 18 years. It's a blast, it's fun, and as you said, a lot of people, particularly in the United States, are subscribers to it, and the feedback I get is while I certainly make some people angry, that's a good thing actually. I try to keep the industry honest. I think I say things that everybody is thinking but no one will actually say. It's been successful; it's a successful model.

And I also write it.... I have to tell you, I'm a busy executive. So many publications are just boring. They are boring, like this doesn't help me at all. I also write... as a busy executive, I want to read things that are entertaining and that tell me what I need to know. I don't need to know everything. I don't need to know every single detail. Tell me what I need to know. Bottom line it for me. And that's been our winning formula.

Mike Alkin: That's great. And so when you started, did you start out, was it the miners that wanted to subscribe or the nuclear power companies? How did that [crosstalk 00:11:42]?

Andrea Jenetta: Really, I had an amazing, I would say, coalition of both utilities

and suppliers. We weren't as... initially we didn't have as many of the producers as we do now. We also didn't have as many of the utilities. We had a core, I would say, and I think that most of them, I mean I'm going to guess as high as like 75% of them, are still subscribers, which is amazing considering now the amount of competition for publication dollars. There's a lot of competition now.

Mike Alkin: Well it's interesting because you and I met.... So we formally had a talk a couple weeks ago, but obviously I run a uranium fund, and I've been pro-uranium mining publicly for about a year and change, since maybe April, I think, of last year. And you don't know this, but I never spoke publicly anywhere. I hate it. I dread speaking publicly. I'm an introvert, so even doing this podcast-

Andrea Jenetta: Now see, you can't tell that.

Mike Alkin: I know.

Andrea Jenetta: That does not come across.

Mike Alkin: If I'm sitting in a room for ten hours just reading and doing research, that's where I'm at my happiest. So for me to go out and publicly speak was not easy. Actually the first one I did on a website called Real Vision TV, and really it has, I'm guessing, fifty thousand people around the world who subscribe because they want to get investment ideas. They asked me to appear to do a presentation on nuclear power. They had seen something that a friend of mine had sent them. So they came and did it, and we did it in my home. In my basement I have a big screen TV, and I projected on the presentation, so I figured the camera would be in front of me and I would be looking at the presentation, and I would just start talking. Well when the guy got here, it turned out that something didn't work, so I had to do it from memory. Now you know how number intensive some of this stuff is.

Andrea Jenetta: Yeah.

Mike Alkin: Thank god. So here I am: I've never spoken publicly before, let alone stared into a camera with the lights beaming on me. What should have been a 20 minute presentation took about 4 hours with all the takes that I had to do.

Andrea Jenetta: Oh my god.

Mike Alkin: So that was my [crosstalk 00:14:31] entrée into it. So I had never

really spoken publicly, and now I went to a few conferences and did it, and it's just not my thing but I do it. So I see it as an investment opportunity, but you and I had probably first encountered each other, I don't know, seven, eight, nine months ago on Twitter, and-

Andrea Jenetta: Yes!

Mike Alkin: Right? And we had a little-

Andrea Jenetta: Yes, and ladies and gentlemen, this is not.... There's an art and a science to Twitter, and I think Mike and I probably violated every rule of proper-

Mike Alkin: Exactly!

Andrea Jenetta: Yeah, it was pretty.

Mike Alkin: And what I love about it, though, is, and I tell this right as I tell my kids all the time too: the thing that drives me nuts about electronic communication is you don't know tone and tenor. Everything gets lost.

Andrea Jenetta: Yes, that's right.

Mike Alkin: Right? And you don't know people and you assume things.

Andrea Jenetta: Correct.

Mike Alkin: And again, assumption is the mother of all, right? So it was great. I'm telling the audience here; you know this. So last week or two weeks ago I spoke at this conference, and I stand up there and I said.... Now there were 150 or so fuel buyers in the audience, and I started out by saying to these fuel buyers, "You guys have done an unbelievable job during the downturn since Fukushima, and it's really hard and I know it's difficult, and it's brutal in a tough environment. And you haven't been buying uranium, and kudos to you, and the uranium miners should be ashamed of themselves because they increase production."

Andrea Jenetta: And I want your audience to know that was so Buzz-esque. That was beyond Buzz. That was meta-Buzz.

Mike Alkin: That was meta-Buzz.

Andrea Jenetta: Because it's true! And you have so much credibility, though, because you come right from the financial side, so there was

nothing that any of the producers could say. What are they gonna say?

Mike Alkin: Exactly, right?

Andrea Jenetta: They couldn't.

Mike Alkin: And so the funny thing was, was afterwards you and I, and again we still hadn't formally met, and-

Andrea Jenetta: We really hadn't, no.

Mike Alkin: And we just in the hallway started talking, and we were both kind of, "I knew you." And so you'll know, it's very funny guys. So listeners, in Andrea's thing, sometimes, and she's been right; Andrea has been dead on, balls accurate because she talks in there, and she'll say in her Buzz sometimes, because somebody will call me up and tell me about it, and they'll say, "Andrea's saying the stupid money's in the room, the investors." And Andrea's seen, for so many times, the analysts stand up there and say, "This is the bottom. This is the bottom." And it's been so wrong for so long. And so Andrea... and a lot of it has been, and Andrea will get into what intrigued me about the whole industry. So Andrea and I started talking, and there was definitely tension there at first.

Andrea Jenetta: Initially, yeah.

Mike Alkin: Initially, and she said, "What are you doing here? Why are you talking to these guys?" Because my presentation was on the cost of new mines to bring online and stuff. And I said, "Well do you have a few minutes?" And she said yes, and we sat down for probably an hour and a half.

Andrea Jenetta: Oh god, I think it was longer.

Mike Alkin: Yeah, it could've been. Right?

Andrea Jenetta: It was awesome. It was really great.

Mike Alkin: And Andrea's first thing that she said to me was, "Well I think you are like a mouthpiece for the miners." And that's when it hit me. I said, "Wow. We're like two ships sailing past each other in the night."

Andrea Jenetta: Yeah.

Mike Alkin: And that's when I said to Andrea, I said, "I allocate capital to

miners. I'm not a mouthpiece. All I am is holding these guys accountable, and you should be on the phone when I talk to these management teams because-

Andrea Jenetta: Oh but I wish!

Mike Alkin: Because I'm not their friend. It's like a police interrogation.

Andrea Jenetta: It is.

Mike Alkin: When I [crosstalk 00:18:45] them because I want to understand what you are [inaudible 00:18:48] toward pollution, why have you been doing this, and whomever it is. And I walk them through it, and then I decide if whether or not I'm going to allocate capital to them. And I don't care if they like me or not. They can hate me as long as they do what's right for shareholders.

Andrea Jenetta: Right.

Mike Alkin: So that was our first thing, and then-

Andrea Jenetta: And actually we're the same!

Mike Alkin: We're the same.

Andrea Jenetta: We're actually the same in that, and you have the numbers to back you up. I just have anyone with a brain looking at their bottom line, their spreadsheet, their balance sheet, and knowing what utilities are doing and the disconnect, and as your average retail investor, who would you believe? And if you believe in the supply side people, well they're telling you maybe 5% of what's going on, and it's the principle of the thing. It's dishonest, and I cannot... I hate dishonesty. Just be honest. Be truthful, and they haven't been in a very long time.

Mike Alkin: And I think you were surprised during the presentation when I said, "Let me tell you a couple of things. Number one is the cost that they're telling you about are higher than they say they are."

Andrea Jenetta: I'm just glad somebody said it.

Mike Alkin: Yeah, and they put them in different buckets, but [crosstalk 00:20:18] when they're looking to raise capital. They'll tell you one cost, and they could be in another bucket. It still ultimately is cap compliant. It shows up, but at the end of the day it's what you think it costs to pull out of the ground, and then secondly the cost that it's gonna cost to build these new things; you've got all this

mining inflation and stuff like that. So when you and I sat down, I said, "Okay. Do you have time?" And I opened up my model and I said, "Here it is." Because I said, "It's important for you to see where I come from that everything is, I'm thinking it's analyzed. Whether it's supply, demand, secondary supply."

And then I understand where you come from, right? Because you've watched for seven years of people out there saying, "It's turning tomorrow. It's turning tomorrow," while they're increasing production. And for me, three years ago, three-plus years now, when I really started digging my teeth into the world of uranium and nuclear power, one of the things I did, and you and I were talking offline how I'm not a technology guy, but I know how to use YouTube, and I would go on YouTube, and as I was peeling the onion back and I would watch all of these bull cases for nuclear power, for uranium, and as I got to do my research, I started to say, "Wait a second. How come they're not talking about underfeeding? Wait a second. How come they're not talking about the DOE selling uranium. Why aren't they talking about Kazakhstan devaluing the tenge and transfer law pricing?" And you know how I said a lot of stuff gets glossed over.

So it's, as you start to peel the onion back, and we sat down and I said, "For me, from my perspective, in the world of cyclical investment, deep, deep cyclical, when things get so bad and so ugly, that's when I get interested because-

Andrea Jenetta: Yeah.

Mike Alkin: Right? If they don't make a change, they're going to get run over. They're going to fade into oblivion. And so part of my job and others who are investing in this space now at this point, because they've diluted these retail shareholders to a kingdom come, is to make them accountable and say, "Listen, you want capital? Well you better start doing the right things." So anyway, and it was great to talk with you to hear your perspective about it and how it's interesting to see the mood in the room because.... Now I will say from a macro perspective, from the side that I sit on where a couple years ago I remember being at the WNA in Toronto, and it was just doom and gloom. Everything was-

Andrea Jenetta: Sure.

Mike Alkin: Right?

Andrea Jenetta: Yeah. I was there.

Mike Alkin: You were there.

Andrea Jenetta: And I agreed with that. I absolutely agreed with that sentiment.

Mike Alkin: And you fast forward now where you're like, "Okay." And from the miner's perspective it's like, "Okay, supply's coming in and underfeeding seems to be reducing. The supply crunch, the supply is coming down." From a supply perspective, it's starting to heal a little bit, or I think a lot.

Andrea Jenetta: I agree with you.

Mike Alkin: Right?

Andrea Jenetta: Yeah.

Mike Alkin: They have finally. But these guys, and I stood up there and said at that conference: for year after year they were increasing production. What were they thinking, right?

Andrea Jenetta: Right.

Mike Alkin: It was crazy.

Andrea Jenetta: Yeah, it was crazy.

Mike Alkin: But one of the things we learned about each other was, and I think because you thought I was just another ugly face with a finance thing-

Andrea Jenetta: Yeah.

Mike Alkin: Was I actually do care about nuclear power.

Andrea Jenetta: Yeah.

Mike Alkin: And that I truly believe the purpose of it. I believe in the reasons why it should exist. I believe it's the safest form of electricity generation.

Andrea Jenetta: It is.

Mike Alkin: By a country mile. I believe that it's necessary, especially in parts of the world where they're trying to urbanize, and the carbon-free nature of it. So I think there was a common ground there when we met, and I realized that you really are not only a publisher of the bible, but you also are a real nuclear power advocate.

Andrea Jenetta: Yes.

Mike Alkin: So talk to me about that: the genesis of that, and how you think about it. And for me, one of the things that when I first started three years ago saying, "Okay, let me see the case for uranium miners," was, my first thought was, "Are wind and solar just going to dominate this, and is nuclear power fading into oblivion?" It's not. They're complementary. But talk to me about how you became such a proponent of it.

Andrea Jenetta: Well when you work on something as controversial, unpopular, and political as Yucca Mountain, you learn very quickly how hard it is to talk to the average member of the public and explain this extremely technical technology. Explain that radiation doesn't follow you around and haunt you and infect you and kill you. How hard it is to explain the way that engineers think about things, and the tolerances, and ten to the minus 25 in terms of probability. It's crazy. It's insane. It's frustrating. What is almost more frustrating, and I'm saying this directly to your listeners who are considering becoming pro-nuclear advocates, is the industry itself has done a crap job, not only of advocating, of educating, but in finding tools and ways to support individuals who want to advocate for it.

It has been brutal, it has been frustrating, it has been thankless, and at the end of the day what people need to understand, or two things: one, facts actually don't matter, and two, it's political. Everything about nuclear energy, particularly about the backend -spent fuel storage- it is political. What do I mean by political? I mean that people's worldviews and what they want for the world are manifested in broad positions in the two parties in the United States of why nuclear sucks or why it doesn't suck. Now as it turns out, and I'm a Democrat and I always have been, and I was a Democrat back in the day when all Democrats were anti-nuclear; well that has shifted enormously. In Boston, we had the honor and privilege of hearing from Mike Shallenberger, who is the president and founder of Environmental Progress. He's one of the staunchest, most extreme anti-nuclear people you would ever meet on the face of the planet, and yet he has learned slowly over the years that it is not what they have been telling you.

And so these days I'm actually more optimistic than I have been in a long time because of efforts like Michael's. Now Michael was in a unique position. Since he helped to write the anti-nuclear activist playbook, now he can use it against the anti-nuclear advocates.

Mike Alkin: He knows it well, right?

Andrea Jenetta: He really does because he wrote it. And I think the biggest difference is in climate change and concern about climate change. Now I'm gonna give you a tangent, and I'll stop right there and-

Mike Alkin: Yeah, you just go as long as you want.

Andrea Jenetta: Okay, and I can do this. All right, I can talk for hours about this stuff.

Mike Alkin: Feel free.

Andrea Jenetta: One of the biggest problems that the nuclear has had, and-

Andrea Jenetta: ... That the nuclear industry has had, and it has many problems. But the biggest is that buy and large, it is populated and peopled by what I will call, who are let's just say right of center conservative people. And politically, over the past 10 to 15 years, generally speaking, people on the right have been climate change skeptics. So can you imagine, here is the climate change issue, a gift from the nuclear gods. The number one issue with which to get people who had no idea about nuclear, skeptical about nuclear, maybe anti-nuclear, but concerned. To get them over the finish line to being, "Yep, nuclear's the solution. Nuclear's absolutely the solution to climate change and it's what we should do."

So here you have this industry predominantly conservative being so resistance to running with climate change due to the skepticism and almost denial. Can you imagine this? Here you have, and I'm saying this to your audience which I'm guess, I'm assuming, yes, could possibly be making an ass out of myself. Maybe a little more over to the right. Maybe more conservative. And going "Climate change? That's bullshit. I don't believe any of this, and I reject science." Well my friends, if you're gonna be pro-nuclear, gonna have to find a way in your heart to swear it. And one way you can do this, and you can do your advocacy is this to tell yourself this and tell your friends and colleagues this. No one's against clean air and water, and nuclear is a fantastic way to make sure we have clean air and clean water.

Now another problem that the nuclear industry has had, particularly in this country, is utilities having 10,000 conflicts of interest. It's a big problem. Utilities own solar, they own wind, they own oil, natural gas is cheap and easier to build. And then they have nuclear. For a lot of different reasons, many of which are driven by nuclear's inability to seem warmth and friendly, know how to advocate for itself. The utility industry has either shot itself

in the foot or been perfectly willing to throw nuclear under the bus. It's pretty interesting. Excelsior changes all of that.

Mike Alkin: Yup.

Andrea Jenetta: They have so much market power. They own more reactors than anybody and the fact that they have come out swinging. They are changed enormously and their approach. They recently co-signed a letter with the Sierra Club and the Natural Resources Defense council, who are nuclear haters to try to preserve nuclear and renewables [crosstalk 00:32:33]

Mike Alkin: Look at what ... Last week, the union of concerned scientists.

Andrea Jenetta: Right. Because of climate change.

Mike Alkin: These guys for decades have been anti-nuclear and they came out-

Andrea Jenetta: They really have been. Yeah.

Mike Alkin: Right? And they said-

Andrea Jenetta: Things are changing on both the left and the right.

Mike Alkin: Yeah.

Andrea Jenetta: Things are changing, people and it's because of climate change. Climate change is a gift.

Mike Alkin: Yeah it is.

Andrea Jenetta: Absolutely.

Mike Alkin: And they came out ... To say keep these financially struggling, nuclear power plants alive to get to where we need to be, climate wise, we need to include power. As much as it pains them to say that, right? But they wrote a lengthy paper-

Andrea Jenetta: They did.

Mike Alkin: Yup.

Andrea Jenetta: And Michael Salberg in his talk brought that up. He essentially said any anti-nuclear any ... Let me back up. Any organization that is concerned about climate change, that is advocating to change electricity industries and technologies that are used because of climate change, any of those that are anti-nuclear, we wipe the

floor. We have absolutely discredited them. They cannot be credible if they're anti-nuclear and that's just brilliant.

Things have changed. Now with respect to the industry in the U.S., as you said, deregulated reactors are struggling.

Mike Alkin: Yup.

Andrea Jenetta: Deregulated reactors have done everything they can to get their costs down and still they don't clear the auctions forward electricity auctions. It's insane. It's crazy. They face enormous challenges, financial challenges, challenges for their survival. And when you and I were talking in Boston, I am a defender of nuclear utilities.

Mike Alkin: Yup. Yup.

Andrea Jenetta: Not perfect, ladies and gentlemen. Nuclear utility industry, I will also be the first one to criticize them. They've done so many stupid things. But at the same time, you know, nuclear utilities fuel buyers in deregulated markets have to be helped. They are not the enemy. We cannot demonize them. And so I always defend them as well.

One what are they supposed to do? They can't single handedly fix the supply demand problem. Number two they're the ultimate customer. I mean so if you're not going to change your business model and your thought process in terms of production or your marketing and sales strategy, to make your customers happy, then why are you even in business?

Mike Alkin: Yup.

Andrea Jenetta: And I think that was a great place where you and I also had a meeting of the minds. What are they doing? What are these producers doing?

Mike Alkin: Exactly and it's fascinating because you think about, so in the folks, to listeners, the unregulated markets, meaning it's competitive versus a regulated market where the nuclear power plant goes to the public utility commission and says costs have gone up and they pass it on to rate payers. They have fuel [crosstalk 00:36:13]

Andrea Jenetta: That's correct.

Mike Alkin: And they have all different riders.

Andrea Jenetta: They do.

Mike Alkin: But in unregulated, it's a competitive market place and natural gas prices being where they are and we're really talking in the U.S. right now. The U.S. is about a third of nuclear power around the world roughly and all the growth, folks, for those who are listening, the growth is all coming from the emerging markets in Asia. But when you're competing with natural gas that has imploded because of the U.S. shell plays, it makes it more competitive.

Now interestingly, Andrea, natural gas has gone from two and a half to over four and a half dollars per MCF here.

Andrea Jenetta: Right 'cause of the winter. We had that storm last week that nobody was expecting. Yeah.

Mike Alkin: Yeah, so you can see these things get spiked but so what's Andrea is saying is the competitive nature in those markets, but what you're seeing is I think you're seeing some support now from my perspective and having spoken it to people who've been around for many, many administrations, a couple realities is one this administration is pro-nuclear power. But even at the state level, if where they're uncompetitive, they need alternatives-

Andrea Jenetta: They do.

Mike Alkin: To replace those and they're not always there. You're seeing New York and Pennsylvania and New Jersey where they're stepping up and trying to help these plants that are real competitive and they're getting support, right?

Andrea Jenetta: And it is at a state level. That's where this ... Not a fan of the current administration. I will say that I've lived in D.C. for almost 30 years. I have watched administrations come and go. Democrat. Republican. Honestly, if you look at the record, nuclear has done better, has been served better under Democratic administrations and that's because at least Republicans like oil and natural gas better. There's always lip service to nuclear, but they never really ... They never move the ball. They're never getting closer to the end line.

Mike Alkin: Well see-

Andrea Jenetta: Having said that, I'll say that electricity industry prices and markets and practices really happen at the state level and so

you will see that the democratic New York state legislator or the democratic Illinois state legislator. The New Jersey democratic state legislator. They're all ones that have passed zero emissions credit regulations. It's harder in other states, which may be more red leaning because they got a lot of oil and natural gas.

Mike Alkin: Yup. Yup. And I actually said earlier, Pennsylvania. Pennsylvania has that issue. I didn't mean to say-

Andrea Jenetta: It totally has that issue. It's crazy.

Mike Alkin: Yeah because they have a huge shell place.

Andrea Jenetta: They do. They absolutely do so what are they going to do? Say wow, that's too bad, and it's very hard to balance these competing interests. And they're all ... It's all important. I'm not going to say there isn't a role for natural gas.

Coal is evil.

Mike Alkin: Yup.

Andrea Jenetta: Coal kills people. You know ... The environmental and social and let's face it, economic tolls, 'cause we haven't even begun starting to cleaning up coal ash which is everywhere in this country. Coal's just evil. You're never going to hear me advocate for coal. Coal needs to go away.

Natural gas is in fact less dirty, but it is dirty. But it still has a role to play at least for now.

Mike Alkin: It does.

Andrea Jenetta: And so I'm not certain on-

Mike Alkin: Well you just said something interesting. Sorry to interrupt, but it's less dirty-

Andrea Jenetta: Less dirty.

Mike Alkin: The commercials, right? Clean natural gas.

Andrea Jenetta: Right.

Mike Alkin: The lobbies are big. The oil and gas lobbies are huge and so to the average Joe or Jane sitting at home, they're thinking of natural gas is perfectly clean.

- Andrea Jenetta: Right it's natural and there's green washing. I think renewables ... If that's not a case study at Worton Business School of how you go out and campaign and brainwash people.
- Mike Alkin: Yup.
- Andrea Jenetta: It's been brilliant. The nuclear industry will tell you well we don't have the money. They have more money. And that's true, but creative people can do a lot with not a lot of money. Hello [crosstalk 00:41:01]
- Mike Alkin: In his presentation, Mike pointed out that you need ... Again, folks, listeners, this is coming from a guy who wrote the bible on anti-nuclear activism and he stood up there and he put up a slide that says you need 450 times more land for solar than you do for nuclear.
- Andrea Jenetta: You do.
- Mike Alkin: Go ahead, Andrea. I'm sorry.
- Andrea Jenetta: Well it's that and you still cannot generate as much from a big solar farm that takes up godly amounts of land.
- Mike Alkin: Yup.
- Andrea Jenetta: Not to mention the transmissions line that you have to build, which are always controversial.
- Mike Alkin: Yup.
- Andrea Jenetta: Worse than here you have the footprint of a nuclear reactor which is so much smaller. Everything about nuclear is ... It has an elegance. It's just we've done a really bad job of selling it. And I mean we're the worst. My God.
- Mike Alkin: And [crosstalk 00:42:04] he showed a picture of 45 years of Swiss nuclear waste in a room the size of a classroom, right? I mean-
- Andrea Jenetta: That's right.
- Mike Alkin: It looked like the size of a basement or something in little containers and he pointed out how solar panels produce 300 times more waste than nuclear reactors. [crosstalk 00:42:23]
- Andrea Jenetta: And there are no policies for disposal of those things. Let's not, folks, I had thought a few years ago I proposed when I was doing

more consulting work, advocacy work, hey let's go after this. Let's go after the fact that there's no disposal path for solar panels. They're toxic. We could really ... Boy, if this isn't an issue that we could really get a beak head on, there isn't one.

But at the time, perhaps it was a little too, you know, a bridge too far. Now I'm not so sure that kind of suggestion would be dismissed out right. It's money. It's politics. It's ugly. It's dirty. It's like if the nuclear industry isn't going to get its hands dirty, then these things aren't going to happen. But it's also understandable. Utilities have a lot of conflicts of interest, so thank God for Excelson 'cause it doesn't have any.

Mike Alkin: Well it's so interesting too when you brought politics into it. You know, the more left leaning is your anti-nukes, typically right?

Andrea Jenetta: Yes. That's correct.

Mike Alkin: Right? You have the more left leaning who believe in climate change.

Andrea Jenetta: That is correct.

Mike Alkin: Right, and that's-

Andrea Jenetta: Yes. That's right and that's why Mike Salberg has been able to capitalize on that. You can't have it both ways. And by the way radiation isn't pollution. It's just radiation and it's normal. It's natural. We have a hundred years of experience in radiation exposure and human beings. We do know what happens. We do know how to treat cancer.

When that happens, does it happen from radiation exposure? No actually it doesn't because we're all getting inundated right now.

Mike Alkin: Fly 35000 feet, six hours across country. You're getting plenty of radiation.

Andrea Jenetta: Boy you get a big ol' dose right there. Yeah. Yeah. It's hard work though. Salberg also did a great job with showing how nuclear energy and the cold war nuclear weapon testing and radiation all got mixed up into a narrative that really could not make nuclear energy look very good. It got associated with the mushroom cloud.

Mike Alkin: Yup.

Andrea Jenetta: And that's a very powerful image to try to knock down. 'Cause

who's pro-nuclear holocaust? Well no one is, but can you be pro-nuclear and be anti-global holocaust with nuclear weapons? Of course you can. But it's been very hard. That's another thing that we've had a hard time overcoming.

Mike Alkin: For sure. And you've had movies made against nuclear power right [inaudible 00:45:38]

Andrea Jenetta: The Kleinman syndrome.

Mike Alkin: Yeah, yeah.

Andrea Jenetta: When there's always some dirty bomb that's going to be exploded in New York City.

Mike Alkin: Yes.

Andrea Jenetta: Oh my God. There's a little uranium and there isn't actually. There's no [inaudible 00:45:54] out there. We know where all the uranium is. There aren't that many companies that are willing to transport it so it's not running amuck out there in the world.

Mike Alkin: Let's switch gears for a second. One of the things as you look forward with any industry, you look for technology that can either hurt it and marginalize it or that can bring it to the next level. And one of the problems with nuclear power is these things are so big and every reactor is specific to that needs.

And in some places, folks, you might have three reactors or two reactors that one utility might own on one site and each reactor could be different than the next. And they're massive when they're transporting. 'Cause they're so big, the forging requirements for the steel are absolutely mammoth. And there's really no forging in the U.S.

Andrea Jenetta: There isn't.

Mike Alkin: Right? And because you have to build every custom, built it on site, transport it, sometimes you've got to reinforce bridges to carry these things across them that the costs get out of control. They're building them in wind and rain and snow and that's why eight billion turns to 12 billion in six years to 10 to 12, so right? You don't have the ability to really generate economies of scale.

Now as you think about what's down the road and coming, small module reactors have a potential where you can build them in a factory that's clean and sterile and then transport them. How

do you think about that one when you think about technological [inaudible 00:47:39] how do you think about it in arms?

Andrea Jenetta: Well pro-SM Arms. Now no one who is pro-nuclear I think can be anti-[inaudible 00:47:51]

Mike Alkin: Yup.

Andrea Jenetta: I have thought a lot about ... What the hell is the nuclear industry's problem when it comes to building reactors? I don't believe it's this hard. Evidently, it is this hard.

Mike Alkin: In the Western, right? In the Eastern-

Andrea Jenetta: Well yeah. I would also say this. We don't really know how much it costs to build things in China.

Mike Alkin: Yup.

Andrea Jenetta: But we're not China and I'm not ... Yay China. Yay China's nuclear program. Hooray, but in a way I don't care because I don't live there. I live here. Now France had a very successful nuclear power construction program in the '70s. It was driven by the oil crises. It was driven by ... France doesn't have of its own oil resources. They just don't.

Mike Alkin: Right.

Andrea Jenetta: And so the government was willing to and committed to hundreds of gajillions of dollars to get this program set up to have a great French nuclear infrastructure and they built and by they it's EDF, Electricity de France.

Mike Alkin: Yup.

Andrea Jenetta: Built what, 50 some reactors? I think that's how many they have and they're all the same. They're of one design and there may have been some changes. They could be tweaked and that's it. They built them and it worked.

Here in the United States, we did not do that and there's a very good reason for it. It's called capitalism and hey yay, we're by different designs and different approaches and different tweaks and why don't we do this and you know, so whichever one would work or that would be the winner. Well it of course didn't work out that way and the U.S. does not have nuclear industry infrastructure at all.

Mike Alkin: Yup.

Andrea Jenetta: So yes that's-

Mike Alkin: Pretty amazing when you think about it. The biggest nuclear consumer-

Andrea Jenetta: The biggest market. It's the biggest market. Yeah. It's amazing. Two things on that. One is had it not been for oversea suppliers, the nuclear industry in the United States would not have survived. You'll never hear me being anti lots of suppliers. I don't care where they're from and again this is because nuclear utilities have to survive. If they don't, we don't have an industry. That's the first thing.

The second thing is when [inaudible 00:50:41] said about designing, licensing then building at the AP 1000 reactor and the modeler approach and this was going to revolutionize everything. Boy, they really screwed up. I don't know why that is. I don't know whether the challenges of first of a kind or so overwhelming that they simply collapsed. I don't know whether it's Toshiba's fault that there wasn't more oversight and accountability. I don't know whether it was utilities on SCANA and southern. Not being more aggressive in their inspections and check ins. I simply don't have an answer for that, Mike, and I do worry.

Hi there financial community, talking directly to you now. I worry that at a certain point, the financial community's going to say you know what? Yay nuclear, but this freaking costs too much and you cannot keep expecting us to somehow figure out a miraculous way to get you this capital at interest rate X when you're going to keep screwing it up. And oh by the way, we're not going to get a return until this thing has been operating for 20 years. I don't know what the answer there is. I am open to creativity.

I will say this. I think it was really, really intriguing when ... it's Brooke Fields and if I've got the name wrong, forgive me.

Mike Alkin: Yup, nope, it's Brooke. Yup.

Andrea Jenetta: But when Brooke Field brought Weston House, now what in the hell is a private equity .. Well they're not private, but what the hell is this kind of hedge fundy type publicly traded company based in Canada, a fairly conservative financial country. What the hell are they doing buying Weston House? Well at least the fuel part of it, the fuel side of the business. Fantastic. Does make money,

it's profitable. I really wonder what they're going to do with the reactor side. Are they going to try to figure it out so-

Mike Alkin: Or GTF. Try and [crosstalk 00:53:08]

Andrea Jenetta: I don't know.

Mike Alkin: On the global stage.

Andrea Jenetta: Yeah, I don't know. I don't even know ... And I would say this particular to your audience. By compete, at least to me, that means break even, don't lose money. Nobody ... You don't make money on reactors. You look at Russia. You look at Rose Adam and their reactors ... When they sell reactors, they're really selling lifetime fuel supply. They're selling all these other things. I don't think they lose money on those reactors, but you don't make money constructing reactors.

Mike Alkin: Well you just ... Absolutely.

Andrea Jenetta: I know. And you love the Russians. Want to talk about the Russians?

Mike Alkin: Well the Russians have been the Chinese. If you think ... What so intrigues me about them is they don't want to go toe to toe with us militarily, but so the way they go about things is geopolitically.

Andrea Jenetta: Yeah.

Mike Alkin: And you think about Rose Adam or you think about the Chinese nuclear program. What these countries have done is they say okay in the emerging world, you've got this massive move for urbanization. You've got filthy air. Well let's vertically integrate the entire nuclear fuel cycle. We will buy you uranium mines. We will buy conversion and enrichment and we will build a reactor for you, Country. We'll finance it for you. We'll provide you with all the supplies necessary. We'll even operate it for you for a while. That's no brainer and now you've got these countries hooked on dependency on you.

Andrea Jenetta: Yes.

Mike Alkin: In a part of the world that's rapid and growing and you're right, we don't really know their costs, but it doesn't matter.

Andrea Jenetta: It doesn't.

- Mike Alkin: Right?
- Andrea Jenetta: I agree with that. It doesn't matter.
- Mike Alkin: The who side mind in the [inaudible 00:54:59] that was going to produce 15 million pounds. That's all they've been talking about and last year produced two. Maybe this year produced as five and their costs are ... It's hard to get the exact costs of 70, 80 dollars a pound at one point. They don't care.
- Andrea Jenetta: No they don't.
- Mike Alkin: Because it's part of their overall project and you think about here. And you think about we have one million out of the 50 million pounds we consume as produced here. We have one conversion facility owned by Honeywell called Metropolis that was just contraindicated that was closed in October. It was shuttered. Not permanently, but temporary.
- Enrichment ... On our soil ... There's enrichment owned by Uranko in New Mexico, but we don't own it and it's stunning to me how the U.S. has still such dependency on nuclear power and obviously weaponry, yet they don't control any part of the fuel cycle.
- Andrea Jenetta: It's interesting and we did once upon a time.
- Mike Alkin: Yes.
- Andrea Jenetta: At the dawn of the commercial nuclear industry, we did. We pretty much controlled everything. There are veterans who can come on your podcast and can explain to your listeners why we lost that. There are a lot of different reasons. Here's where my globalist hat comes in. To me, it doesn't matter. I will also say that the kind of capitalism that we practice in the U.S., why is anyone surprised? This is how we roll. This is U.S. capitalism.
- Mike Alkin: Right.
- Andrea Jenetta: And so you can't ... Train left the station. We can't undo that. Walmart is successful because it imports from China.
- Mike Alkin: Right.
- Andrea Jenetta: There's nothing wrong with that. And I understand why people want to shop at Walmart if you have ... If you're trying to raise your two kids on X amount of annual income, hell yeah you're going to go shop at Walmart. I don't care. And if you want to spend

more money on some artisanal good that might be made here in the U.S., locally, rock on.

I don't have that issue and I go back to hey if it weren't for oversea suppliers, the nuclear industry in this country would've collapsed but it is nevertheless interesting to watch the models of Russia and China. And France wanted to do it, but their EPR is just ... It's almost over designed and it's clearly unbuildable.

Mike Alkin: Yup.

Andrea Jennetta: It's almost inconstructable and they're going to have to fix that. But watching those models ... They're brilliant. No, we don't do it that way because we don't. Does that mean that American companies, nuclear vendors or suppliers can't be involved in what goes on ...

Andrea Jennetta: Can't be involved in what goes on with Russian and Chinese marketing and construction activities overseas. No, actually, it doesn't. And I don't see, I would like to see, some U.S. vendors wake up and say, "Hey. Let's team with these people. Let's figure out what we have to offer, and let's get a piece of it." You know, 'cause multinationals are how all companies survive. Again, that's capitalism.

Mike Alkin: Absolutely.

Andrea Jennetta: So, I wish that some of the U.S. miners would've, why don't you just freaking go to Moscow and ask for a meeting? And see what can happen. You know, I would've done it.

Mike Alkin: Yeah.

Andrea Jennetta: I would have. Wouldn't you?

Mike Alkin: Definitely. Yep.

Andrea Jennetta: I mean, come on. And I bet you, you could've brought enough political pressure to bear to at least get them to go, "Okay, fine. We'll buy a hundred thousand pounds." Why not? I just, to me it's very obvious. Like, this is what you should've done. Or at least try. You know?

Mike Alkin: So let's morph into the big topic of the day.

Andrea Jennetta: Ugh, do we have to? Yes, I know.

Mike Alkin: Yeah, I know.

Andrea Jenetta: Yeah.

Mike Alkin: I was debating, "Do we wanna go there?" But section 232. So I'll explain to the audience. Section 232 is something on the grounds of, it was written in 1962 or '63. It's into law that enables the president to enact the section 232 on the grounds of national security for industries that could be at risk, and it could put the country at risk, if from foreign competition. If the security of the country is at risk. So, two U.S. uranium miners, back in January, filed a petition with the U.S. government, with the department of Commerce, saying, "We want you to investigate the foreign importation of uranium into the United States." At one point, back in the '80s, the U.S. was producing 40, 45 million pounds of uranium and using 50. And today it produces one million pounds. One to 1.5. So basically, it's nonexistent.

And they said that, "If we're to survive, we need help because the U.S. is importing Cossack, Russia, and Uzbeki uranium into this country. Some years it's 35%, some years it's 50%. And they're not our friends, essentially. And we would like for you, Mr. President, to require the U.S. utilities to buy 25% of their uranium from us." And so that's what's at issue. And in July, the Department of Commerce had the right to choose to investigate or not, and they chose to investigate. And since then, once they did, they have nine months to make a recommendation to President Trump. And then he has 60 days, I believe, to decide what to do. And that's where it's at.

So, at issue, folks, is really the U.S. nuclear power plants don't wanna be told where to buy their uranium from and what to pay, 'cause the price is down. And the U.S. miners are saying, "Well, it's down because the Cossacks are selling so much damn uranium and their costs are lower." And I'm shortcutting all this just to not get into a big discussion. And so, it kind of sits out there. So on one hand, the mining side would say that, "Well, the overall fuel cycle on a cost per megawatt hour, the whole fuel cycle, which is mining, enrichment, conversion, fabrication, into pellets, into rods is 18 to 22% of the overall cost. And the uranium is somewhere about five to 7%.

And that's what the numbers would say. On the other hand, the fuel buyers are saying, "Hey, wait a second. Our costs, we're getting pounded right now, especially in the competitive markets. So the Cossacks and Russians, they've been great suppliers to us

for decades. So who cares? We have security of supply because they've always supplied us." And that's where they come at, and you can read their comments at the Department of Commerce. I'm sure, Andrea, you've done it. I've done it. I've spend a day just, there's 800 plus comments.

Andrea Jenetta: Ugh.

Mike Alkin: Right? You wanna jump out a window.

Andrea Jenetta: More power to you.

Mike Alkin: Right?

Andrea Jenetta: Right, yeah. Yeah.

Mike Alkin: So how do you think, talk to your view on it.

Andrea Jenetta: It's a disaster. Of all the options that the two petitioners could have come up with, this one is guaranteed to antagonize and polarize. It's really unfortunate. I don't know of many in the global uranium industry who support what they have done. It certainly could make the futures of all U.S. uranium miners better, but it could also go very badly. I'm against it. I think that the petition is short-sighted. It shows that the petitioners may not appreciate...Excuse me, clearly don't appreciate the challenges that their customers face. And again, you have to go and talk to your customers and find out, "What are your challenges? What are your issues? Here's what's going on with me. Is there a way that we can solve this?" Now, it is also true that through this period, where everyone is overproducing, and prices are dropping, that utilities were also simply not buying because they didn't need to. They didn't have to. And it isn't their job to bail out producers who are stupid. So it isn't right and who should be ashamed of themselves, Mike? Right?

Mike Alkin: Yep, yep.

Andrea Jenetta: So it's more complicated and more complex than, "Hey, there's this flood of cheap materials." With respect to the historical production numbers, earlier in this conversation, we talked that at the very beginning of the global commercial nuclear industry. The U.S. was the supplier. At the same time, the U.S. was in a Cold War. And so of course there was a shit ton of uranium produced in this country. One could argue that all the low hanging fruit is gone, and it is. There are certainly deposits and resources in the U.S., not

the issue. The issue is how much does it cost to bring them out of the ground? That's what the issue is. ISR has been an incredible boon to uranium mining the world over. I think it will flourish in the U.S. when the market prices improve. But I just don't see how forcing your customers to buy from you, to set a quota. I just don't see how that engenders future positive productive business relationships, and as I said earlier, to me, what I take out of it, is, "Here are the companies that simply do not understand their customers." And that...

Mike Alkin: You know, it's interesting.

Andrea Jenetta: And filing a petition? That's a slap in the face! It's like, "Not only do I not understand you, I don't care. And I don't care what damage this does to you, this is what I'm doing." That's unfortunate.

Mike Alkin: So the political wins play a role in all this stuff.

Andrea Jenetta: They do.

Mike Alkin: Right, so one of the things that people handicap, "Oh, it's a slam dunk." Or, "It's not a slam dunk." And I'm somewhere in between. I don't know because one thing I've learned as an investor is, over the decades of doing this, is whatever seems obvious from a political standpoint doesn't mean anything. Because you have no idea. That's you.

Andrea Jenetta: Yeah.

Mike Alkin: And you live in D.C., so you have no idea.

Andrea Jenetta: Yeah.

Mike Alkin: [inaudible 01:07:47] that takes place in these back rooms.

Andrea Jenetta: You really don't.

Mike Alkin: And earlier in my career, I remember a couple of times where I thought, "Oh, it's a no brainer!" And you're just like, oh God, on anything. So I take it as a we shall see. I could see both sides of it. And I spoke publicly about it, right? The uranium miners across the board, globally. Not just the U.S. miners.

Andrea Jenetta: Yeah.

Mike Alkin: They all have put themselves where they are.

Andrea Jenetta: Yes.

Mike Alkin: And over the last seven years, it really is interesting. And you know the industry so well, but the nature of the contracts in this market are such that they're long term, most of them. And that security blanket, when Fukushima went down and 13% of world demand went offline in 2011, 2012, '13. They kept thinking, "Well, the Japanese have to come back online. And if they don't, that's okay because at the last peak, we signed so many contracts at much higher prices. We're good." And they were producing and selling, even though the price of uranium was declining. They were selling into much higher price contracts.

Andrea Jenetta: Yeah. That's right.

Mike Alkin: And that gave them comfort.

Andrea Jenetta: Yeah. It did.

Mike Alkin: Right? And without the foresight to look ahead and say, "Well, things are changing." Now, and they also that Megatons to Megawatts Program and folks who are listening, the U.S. back in '93 signed an agreement with the Russians because they were worried about all these 22,000 intra-continental ballistic missiles, winding its way out on the open market. When Russia entered the [inaudible 01:09:33], they were hurting economically. They said, "Let's get them to down blend these nuclear bombs, high enriched to low enriched." And it was called the HEU to LEU program, which was then named Megatons to Megawatts. And the U.S. would buy as much as 20 million pounds a year of uranium, and that was a huge amount of supply. And then, that ended in 2013. And the market and the miners thought, "Okay, well, that's a lot of uranium coming off, only to be replaced by the Obama administration." Sending about six to seven millions pounds a year into the market that they bartered for the cleanup of a couple of old, gaseous diffusion enrichment plants. But again, the miners got caught. They were living off of old contracts. They weren't planning for a rainy day, and that rainy day came. And they were increasing production and capital spending while the market was going down.

Andrea Jenetta: Yes, wishful thinking.

Mike Alkin: Right? So.

Andrea Jenetta: A lot of those, yeah.

Mike Alkin: Yep.

Andrea Jenetta: Yeah.

Mike Alkin: And you and I talked in Boston, so. From my perspective in the world of natural resource investing, really, really bad ultimately is good. Because.

Andrea Jenetta: Yeah.

Mike Alkin: Right? Because they have no, you get to a point, they have no choice. They have to cut production and...

Andrea Jenetta: Right. Hallelujah. Thank you.

Mike Alkin: Hallelujah, right.

Andrea Jenetta: Everyone for doing that. Yeah.

Mike Alkin: Exactly, which is kind of what...

Andrea Jenetta: Which is why, actually, and it's people like you. People like you... That came out wrong. It's people from the financial community.

Mike Alkin: Yeah.

Andrea Jenetta: Actually doing due diligence and there's been a lot. My hostility to the financial community has always been...

Mike Alkin: High, high.

Andrea Jenetta: Coming in, yeah. And looking at us like, "You guys are morons!" Which is true, but also not understanding that there are very good reasons why things are the way they are. And that it isn't that we're unwilling to try new things or do things differently, it's like, "This is a weird world here." But it's now, this time around, and we are in a new era. And I do believe we're in a recovery, and it is because of the entrance of financial entities, famous, fantastic opportunity, just like you, Mike. And going, "You know what? We're buying, it's \$20 a pound. We're buying." And that has happened. While it hasn't necessarily mopped up all this inventory that's out there, so much pressure has been put on the spot price, I mean it has gone up. It's crazy. It's what, 29 now? Or I saw a bid of 29, I thought...I couldn't believe it. And that was just this week.

Mike Alkin: Yep.

Andrea Jenetta: So things have changed, but the turnaround is here. I suspect that, and by the way, out there in Mike's listener land, it's steady, small, incremental growth. I do not, at least right now, today, believe we're gonna see skyrocketing prices and long term prices just jumping out. It's gonna take a while, and I certainly hope that the recovery is steady because that's more manageable. That's more mature. Hopefully, we won't find ourselves right back in the situation we were, even a year ago, in five years. Don't want that to happen. But because of this recovery, thank you. I sometimes wonder whether the petitioners and petition will become anachronistic. Like we're gonna lap them. The market is recovering, shit is happening, and they're gonna be left behind with a very bitter, hollow taste. You know? Because the market is recovered.

Mike Alkin: Yeah.

Andrea Jenetta: And it's recovering. And these guys, they file the petition. I know they were desperate, I get it. I'm also a U.S. supplier, by the way, folks. How they have gone, their supply side has suffered. Don't think that I include myself in that. But it's almost like circumstances are gonna overtake events or...Is it events are gonna overtake circumstances? And we're gonna wake up a year from now and things are gonna be very different. I don't know. So I wonder and I do worry. Whatever the outcome is of the petition, it could absolutely screw things up. I don't want anything to screw up the recovery.

Mike Alkin: Well, you know it's...

Andrea Jenetta: I just don't know.

Mike Alkin: Well, it's interesting. It's the way I've been processing it in my mind is, I think, "Okay. There is, like you said, inventory's getting worked down."

Andrea Jenetta: Yeah.

Mike Alkin: And underfeeding is reducing, and that's been the big 800 pound gorilla.

Andrea Jenetta: Yeah.

Mike Alkin: And so you've got all of these healing signs taking place. And in my mind, what takes it to another level price wise is when you start to see longer term contracts, or medium term, start to get signed.

Andrea Jenetta: Yeah.

Mike Alkin: And...

Andrea Jenetta: Yeah, that's right.

Mike Alkin: And from an investing standpoint, one of the things any market doesn't like is uncertainty. And...

Andrea Jenetta: Right.

Mike Alkin: If I'm a fuel buyer and I don't know where I'm going to have to contract my purchases from, if I have to go into the market, and it's caused a hiatus in purchasing.

Andrea Jenetta: Yeah.

Mike Alkin: Because my guess is they just wanna know where they have to go.

Andrea Jenetta: Sure.

Mike Alkin: Now obviously we know from the petitions they don't want to do it. But if they have to, at least...It's like anything. Certainty gives you the ability to make a game plan.

Andrea Jenetta: Sure.

Mike Alkin: And they don't have that certainty right now.

Andrea Jenetta: No, they don't. And I think some of them, hey, I read other trade publications as well. Absolutely. And because they're good. There's one school of thought is, "Um, hey. Maybe utilities will pick up on their contracting." Knowing or believing that any of the material they buy, whether it's from the uranium axis of evil: Kazakhstan, Russia, Uzbekistan.

Mike Alkin: Yeah.

Andrea Jenetta: Or not, we'll be grandfathered. And I think that legally speaking, I believe that that's pretty solid. Nevertheless, there are some who are thinking, "I'm not gonna risk that. We have to keep our reactors operating." So when you say there was a hiatus, it's people inhaling big breaths. You're right. I have no feel for how things are going to play out.

Mike Alkin: Yeah.

Andrea Jenetta: If it was me, I think I would go ahead and buy, but...

Mike Alkin: Just to get ahead, right.

Andrea Jenetta: Absolutely, oh my God. Absolutely. I'm signing contracts, but I'm also making sure I have smart lawyers.

Mike Alkin: Yeah.

Andrea Jenetta: Saying, "Hey, if I have to declare forced measure." And I might, that is a risk, you supplier, have to take. And I would also maybe sign more contracts with CAMACOL, or even other U.S. producers. They're hedges. You have to be able to do this.

Mike Alkin: You know how I'm thinking? I'm thinking if I'm them. If I'm both sides, and I don't know, but I would try and reach out to each other. And say, "Listen. Is there a way we could come to a common ground here?"

Andrea Jenetta: And that could very well be happening.

Mike Alkin: Yep.

Andrea Jenetta: If it is, I haven't heard anything. I do know, I have lawyers.

Mike Alkin: Yep.

Andrea Jenetta: And my lawyer has said, "Lawsuits are for losers."

Mike Alkin: Yeah.

Andrea Jenetta: So if there's a way to figure it out.

Mike Alkin: Yeah, that's it.

Andrea Jenetta: Then that's what you should do.

Mike Alkin: Exactly. Because look, at the end of the day, 25% is a big ask. Right?

Andrea Jenetta: Oh, God. It's a huge ask.

Mike Alkin: That's 12 million pounds.

Andrea Jenetta: Yeah.

Mike Alkin: And the U.S. hasn't produced that in a long time.

- Andrea Jenetta: That's right.
- Mike Alkin: Could it down the road? But maybe that was a negotiating starting point, you don't know.
- Andrea Jenetta: Yeah, no. We don't know.
- Mike Alkin: But it's interesting. So tell me how do listeners who want to learn more about the nuclear power industry on a regular basis subscribe to Nuclear Fuel Week?
- Andrea Jenetta: To Fuel Cycle Week? Well...
- Mike Alkin: That's what I meant, I meant.
- Andrea Jenetta: That's alright, I know. But you know what? If I could change the name on their publication to that. I'm kidding. Well, I think with respect to just broad nuclear energy, there are any number of search engines. And this is free stuff, by the way. Nuclear Town Hall does a great job of aggregating, and so, you can sign up to that. There are any number of ways you can get information about what's going on in the wacky world of nuclear energy. With respect to Fuel Cycle Week, they have a website. You can reach out. But here's what I have to say. And so the caveat, and this is possibly me maybe handicapping myself and my ability to generate revenue, but because so much of what I write about is so insider-y. Yes, it's extremely valuable, people. You wanna know why utilities do or don't think anything?
- Mike Alkin: And when you say insider, you don't mean inside information. You mean industry specific, right?
- Andrea Jenetta: Oh, yeah.
- Mike Alkin: Yeah, yeah, yeah.
- Andrea Jenetta: Industry specific.
- Mike Alkin: Yeah, yep.
- Andrea Jenetta: You wanna know? This thing happened, here's what people are saying about it. Here's some scoop. Here's some additional color commentary.
- Mike Alkin: Yeah.
- Andrea Jenetta: Don't read it in any other publication. This is definitely where I

know that Fuel Cycle Week has an advantage over its competition. And that's why people subscribe, but because of that very nature, I like to vet who is subscribing and clearly, if you're in the nuclear industry, I have no problem. For others, particularly individuals, it's so important that this information does not get out. We don't want the outsiders, we don't want other people to know our dirty laundry. And we certainly don't want any antis.

Mike Alkin: They're hot, good. There you go.

Andrea Jenetta: We really don't.

Mike Alkin: No.

Andrea Jenetta: We really, really don't. I don't wanna be responsible for giving anybody ammunition.

Mike Alkin: Yep.

Andrea Jenetta: To take us down. And a lot of what is discussed, look. Are the things that we do illegal? Of course not. But the way I talk about them, I use blunt language. I can be critical. I can praise. I use some swear words, slang. And it can be taken out of context. So I, please, I encourage you. I would love for you to reach out. Andrea@fuelcycleweek.com. Please email me. I'd be happy to answer any of your questions that come up from this discussion, which I'm sure will be a lot. And you and I have just been babbling. I hope I come across as...

Mike Alkin: No, it's been great, but now...

Andrea Jenetta: It actually has been, it's bad. The two of us get together and it's like five hours later...

Mike Alkin: Exactly.

Andrea Jenetta: Other people are like, "Would the two of you just shut up already?" And we're like, "Well, we haven't even..."

Mike Alkin: Started.

Andrea Jenetta: Yes, so please reach out to me, but knowing that you're gonna be interrogated. Who are you? What do you want? What company? How much money? Do you have skin in the game? Are you buying uranium? These are things I wanna know, and actually, it isn't unlike...If there was either a private individual or companies like yours, Mike, who may or may not have purchased material, you're getting vetted.

Mike Alkin: Yep.

Andrea Jenetta: Just don't show up and buy uranium. You don't just show up and buy Fuel Cycle Week, either, people. You know? I just have to be...

Mike Alkin: That's great.

Andrea Jenetta: So. And I got a brand, gotta protect the brand, you know?

Mike Alkin: Well, I love it, I love it.

Andrea Jenetta: I know you do.

Mike Alkin: Well, this has been great and I really appreciate your time.

Andrea Jenetta: And I love it, I appreciate your time. We need to do this routinely. We have this baseline now.

Mike Alkin: Yes.

Andrea Jenetta: And we should just get together.

Mike Alkin: Yeah.

Andrea Jenetta: And whatever happened, let's have a meeting of the month.

Mike Alkin: Absolutely. But it's great. Now I'm gonna have you on again, and let's stay in touch.

Andrea Jenetta: Okay, that sounds great, Mike. Thank you.

Mike Alkin: Thanks, Andrea.

Andrea Jenetta: Happy Thanksgiving, everybody.

Mike Alkin: Happy Thanksgiving to you, too. Take care.

Andrea Jenetta: Bye.

Mike Alkin: Bye bye. Well, I hope you enjoyed listening with Andrea and I talk. Golfing's nuclear, and uranium. A really nice lady, smart, knows the sector really, really well, obviously. It's what she does day in and day out. Has some great insights. We agree on plenty of things, some things we disagree on. If 232 does go through, I don't know which way it comes out. I'm more inclined to think that something happens positive for the U.S. miners than not. But like I said when I was talking to her, you never know how these

things come out. You can't. While it looks like a no brainer for commerce to do something, you just don't know. And so you have to plan accordingly. For me, I think it's way more likely than not. At the end of the day, the petitioners, if the two petitioners, if 232 in some way, shape, or form goes through. My view is the utilities are gonna have to buy from them. Besides CAMACOL, they're it. In terms of immediate production, so but we might just have different views on that. I didn't have time to get into a whole discussion on it.

But she's a very smart lady and I hope you enjoyed the conversation. And we will catch you soon, I'll see you next week. Thanks.

Announcer:

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