

# Investor Report

28 June 2024

## Geiger Counter Limited (the “Company”)

### Key Facts<sup>1</sup>

Portfolio Managers	Keith Watson Robert Crayford
Launch Date	July 2006
Total Gross Assets	£100.3m
Reference Currency	GBP
Ordinary Shares	Net Asset Value: 62.97p Mid-Market Price: 49.50p
Gearing	12.84%
Premium / (Discount) to NAV	(21.39%)
Ordinary Shares in Issue	152,669,347
Annual Management Fee	1.38%
Bloomberg	GCL LN
Sedol	B15FW330
Year End	30 September
Contact Information	CQSClientservices@cqsm.com
Company Broker	Cavendish Capital Markets Limited 020 7220 0500
Annual Report and Accounts Published	December
Investor Report	Monthly Factsheet
Fiscal Year-End	30 September
Results Announced	Finals: December Interims: June

Sources: <sup>1</sup>R&H Fund Services (Jersey) Limited, as at the last business day of the month indicated at the top of this report. <sup>2</sup>R&H Fund Services Limited/DataStream, as at the last business day of the month indicated at the top of this report, total return performance net of fees and expenses based on bid prices. These include historic returns and past performance is not a reliable indicator of future results. The value of investments can go down as well as up. Please read the important legal notice at the end of this document. <sup>3</sup>Market data sourced from Bloomberg unless otherwise stated. The Company may since have exited some or all of the positions detailed in the commentary. <sup>4</sup>Source: World Nuclear Association as at June 2024 (<https://world-nuclear-news.org/Articles/National-poll-shows-shift-in-Australian-nuclear-op>; <https://world-nuclear-news.org/Articles/US-support-for-nuclear-energy-at-record-high,-poll>).



**Keith Watson and Robert Crayford**  
Portfolio Managers

### Description

The objective of Geiger Counter Limited is to provide investors with the potential for capital growth through investment primarily in the securities of companies involved in the exploration, development and production of energy, predominantly within the uranium industry. Up to 30% of the value of the Company's investment portfolio may be invested in other resource-related companies from outside the energy sector.

### Key Advantages for the Investor

- Access to mining assets in the uranium sector
- May benefit from embedded subscription share
- Low correlation to major asset classes

### Ordinary Share and NAV Performance<sup>2</sup>

	1 Month (%)	3 Months (%)	1 Year (%)	3 Years (%)	5 Years (%)
NAV	(13.19)	(11.68)	42.56	63.26	229.17
Share Price	(6.07)	(1.00)	33.78	27.25	161.90

### Commentary<sup>3</sup>

In June the price of U3O8 (uranium oxide) decreased by 3%, finishing the month at \$85.5/lb. Amid this backdrop, uranium equities showed pronounced weakness. The Company's NAV declined by 13.2%, closely mirroring the 12.8% drop in the Sprott Uranium Miners ETF (in sterling terms) and the 9.8% decline of the Solactive Uranium Pure Play Index. Even physically-backed uranium vehicles underperformed the uranium price with both Sprott Physical Uranium Trust and Yellow Cake experiencing share price declines of 10% over the month.

Sentiment remained subdued despite favourable steps being taken to support the industry. Notably, following legislation signed into law in May, the US announced a \$2.7 billion package to finance the purchase of domestically enriched uranium, aiming to encourage investment within the country. This initiative should accelerate the pick-up in utility buying of US origin material, which held a limited 5% share in 2023.

Elsewhere, the newly installed military government in Niger revoked the uranium mining licenses of France's state-owned Orano, which was in the process of resuming development of the Imouraren project. While this may stall future output from the proposed mine, it also raises the possibility of similar decisions affecting Orano's operating mine. Niger appears to be strengthening ties with Russia, with Rosatom potentially in line to be awarded licenses in the country. Although Niger's share of uranium production has been declining, this action will further encourage Western buyers to source supply from less risky jurisdictions.

Meanwhile, in the background, public opinion towards the sector in western markets continues to improve. Recent surveys undertaken in the US and Australia show growing support for the industry, a process which we believe will further encourage political momentum for wider inclusion of nuclear energy - particularly in Australia which has banned nuclear power generation since 1998.<sup>1</sup> This public opinion may also lead to a reconsideration of the current prohibition on uranium mining in US states, such as Virginia, and in Western Australia. This could benefit companies such as IsoEnergy and Laramide that own assets in these locations.

Nexgen announced that the Canadian Nuclear Safety Commission had accepted their responses to the remaining technical review comments on the revised Federal EIS development of the Rook I project in the Athabasca Basin. This allows for a final 60-day technical review ahead of the hearing process. Cost inflation, together with the incorporation of incremental water management costs, is mooted to increase capital expenditures up to CAD\$2bn, an increase from the CAD\$1.3bn estimated in the 2021 feasibility study. Much of this news appears to have been digested and the shares performed in line with the broader sector. A revised economic update is expected later this year.

## Commentary<sup>1</sup>

Despite the US' move to fund uranium purchases, projects in the region were derated over the month. Ur-Energy is currently ramping up production, and the Geiger Counter has increased its exposure towards the end of the month. We expect progress to continue, although the ramp-up is currently slower than anticipated.

During the month, ASX-listed Paladin made an all-share offer for Fission Uranium at a near 30% premium. This boosted the latter's shares, which rose 17% on the announcement and closed the month 3% higher with a potentially enlarged holding, assuming the deal is completed. The Company reduced the position in Paladin, which closed the month around 20% lower.

## AIFMD Leverage Limit Report (% NAV)

	Gross Leverage (%) <sup>2</sup>	Commitment Leverage (%) <sup>3</sup>
Geiger Counter Limited	113	113

## Top 5 Holdings (%)<sup>4</sup>

Name	(% of Gross Assets)
Nexgen Energy	23.8%
UR-Energy	11.3%
Cameco	9.3%
Paladin Energy	8.0%
Uranium Energy	7.5%
<b>Top 5 Holdings Represent</b>	<b>60.0</b>

**The Company has announced the fourth Subscription Rights Price of 74.58 pence on 1 May 2024. The exercise date for the fourth Subscription Right is expected to be 30 April 2025.**

Sources: <sup>1</sup>Market data sourced from Bloomberg unless otherwise stated. The Company may since have exited some or all of the positions detailed in the commentary. <sup>2</sup>Manulife | CQS Investment Management, as at the last business day of the month indicated at the top of this report. For methodology details see Article 4(3) of Directive 2011/61/EU (AIFMD) and Articles 6, 7, 9 and 10 of Delegated Regulation 231/2013. <sup>3</sup>Manulife | CQS Investment Management, as at the last business day of the month indicated at the top of this report. For methodology details see Article 4(3) of Directive 2011/61/EU (AIFMD) and Articles 6, 8, 9, 10 and 11 of Delegated Regulation 231/2013. <sup>4</sup>R&H Fund Services (Jersey) Limited, as at the last business day of the month indicated at the top of this report. All holdings data are rounded to one decimal place. Total may differ to sum of constituents due to rounding.

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