AGORA PUBLICATION

EQUITY RESEARCH · ENERGY & MATERIALS DESK

NexGen Energy Ltd.

TSX / NYSE: NXE · ASX: NXG

Long: The West's Largest Undeveloped Uranium Asset Enters Construction

RECOMMENDATION	PRICE (JUL 16, 2026)	12–18 MO. PRICE TARGET	IMPLIED UPSIDE
BUY	**C$13.00 · US$9.25**	**C$18.00 · US$13**	**~38%**

Agora Team Stock Pitch · July 2026

For informational and educational purposes only. Not investment advice.

OPPORTUNITY OVERVIEW

Buy at C$13: the mine is licensed, but the stock still trades on spot noise

The business got stronger in 2026. The stock fell 30% anyway.

Highlights

What it is: NexGen owns 100% of the Rook I project in Saskatchewan's Athabasca Basin, the largest uranium project under development in Canada. It has no revenue yet. The value is the deposit, not the income statement.

What just changed: On March 5, 2026, the Canadian Nuclear Safety Commission issued the final construction licence. Twelve years of permitting risk ended that day. Construction starts this summer and takes about four years.

The gap: The stock is down about 30% since January, from US$13.96 to $9.25. The selling came from a soft spot price and a paper loss on convertible notes. Meanwhile, long-term uranium prices sit at 18-year highs.

Balance sheet: About C$1.0B in cash and investments, plus 2.7 million pounds of physical uranium. Roughly C$1.33B of working capital entering construction.

Thesis (detail inside)

1. Risk fell, price fell: permitting was the biggest risk. It is gone, and the stock got cheaper anyway.

2. Scarcity: up to 30 million pounds a year of Western supply, exactly what utilities now pay a premium for.

3. Timing: first production in 2029 or 2030 arrives when the supply shortfall is projected to be widest.

Near-Term Catalysts

Financing package (2026 to early 2027): debt, prepayments, or a strategic partner. The event that moves the stock.

Also watch: new supply contracts, PCE drill results, and Q2 results on August 5.

BUSINESS OVERVIEW

A single-asset developer: understand the asset, and you understand the company

NexGen Energy, founded in 2011 and based in Vancouver, discovered the Arrow deposit in 2014 and spent a decade permitting it

What NexGen Does

Business model: find, permit, and now build uranium mines. There is no revenue today. Every dollar of value sits in Rook I, the balance sheet, and the ground around it.

The product: U_3O_8 ("yellowcake"), the raw fuel for nuclear reactors. Customers are nuclear utilities that contract supply years in advance under long-term agreements.

Revenue model at maturity: sell up to 30 million pounds a year under a mix of long-term contracts and market pricing. NexGen has signed only four contracts, covering about 10 million pounds over the first five years. That restraint is a deliberate bet on higher prices.

Also on the balance sheet: 2.7 million pounds of purchased physical uranium, worth about C$341M. Inventory that appreciates with the metal.

Management: founder-CEO Leigh Curyer has led the project since discovery; new CFO Ryan Podrasky (May 2026) hired to lead project financing.

KEY DATA

Listings	**TSX / NYSE: NXE · ASX: NXG**
Share price (Jul 16, 2026)	**C$13.00 · US$9.25**
52-week range (US$)	**6.26 – 13.96**
Shares outstanding	**~662M**
Market capitalization	**~C$8.6B (~US$6.3B)**
Cash + ST investments	**~C$1.02B**
Physical uranium	**2.7M lb (~C$341M)**
Convertible debentures	**US$360M**
Adj. working capital	**~C$1.33B**
Revenue / EBITDA	**Nil — pre-production**
Select street targets	**Scotiabank C$22 · ~US$20**

STRATEGIC DEVELOPMENT — TEN YEARS

From a drill hole to a licensed mine: how the strategy evolved

Major changes in strategy, structure, and growth direction since the Arrow discovery

The Record

2014	Arrow deposit discovered on 100%-owned Rook I ground. One of the most significant Athabasca finds in decades.
2016–17	Strategic convertible financings (incl. US$110M) fund an aggressive drill-out; resource grows toward 300M+ lb.
2021	Feasibility study filed. It remains the engineering baseline for everything since.
Nov 2023	Saskatchewan provincial environmental approval, the first of the two big regulatory gates.
Aug 2024	Updated economics: C$2.2B to build, C$13.86 a pound to operate, payback in about a year. The PCE discovery in March opens a second front.
Oct 2025	US$949M equity raise funds the start of construction. 2.7 million pounds of physical uranium accumulated.
Mar 2026	Final CNSC licence issued 14 business days after hearings. Build decision made. Construction from summer 2026.

WHAT CHANGED STRATEGICALLY

Explorer, then permitter, now builder. Capital shifted from drilling to engineering and procurement years before the licence arrived. That is why construction can start the same season approval landed.

Financing philosophy. Equity carried the company through the risky permitting years. The build itself is meant to be funded with debt, prepayments, and strategic capital to limit dilution.

Commercial strategy. About 95% of future production is unsold while peers have hedged their books. Management is betting prices will be higher when Rook I's pounds arrive.

From one deposit to a district. The 2024 Patterson Corridor East discovery, 3.5 km from Arrow on 100%-owned ground, gives the company a second deposit to grow into. A first resource estimate is likely in 2027.

THE ASSET

Rook I / Arrow: extreme grade is the entire economic engine

Grade determines cost. Arrow's ore is 20 to 30 times richer than the global average. Few undeveloped deposits compare.

240M lb

Probable reserves of U_3O_8 @ 2.37% grade

357M lb

Measured & indicated resources @ 3.10%

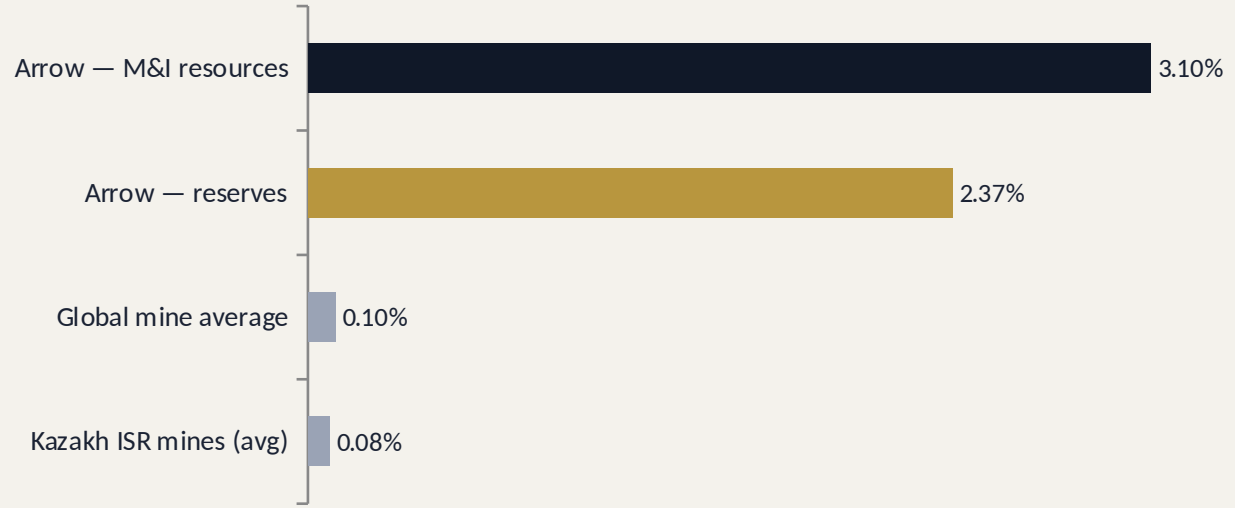
~30M lb/yr

Peak annual output, about a quarter of global mine supply

~11 yrs

Initial reserve life; resources support extension

ORE GRADE COMPARISON — % U_3O_8



WHY GRADE MATTERS

Fewer tonnes per pound. At 2.4% grade, one tonne of ore yields ~50 lb of uranium vs ~2 lb at a typical mine.

Lowest-tier costs. Cash cost is estimated at C$13.86 a pound, about US$10. The mine stays profitable at prices that would shut most competitors.

Only Cameco and Orano's operating mines are richer. Nothing of Arrow's scale remains undeveloped in the West.

Nuclear demand is in its strongest cycle since the 1970s

Two forces converged: climate policy and the power demands of AI data centers

Structural Demand Drivers

AI and data centers. Data centers need constant, carbon-free power, which is exactly what nuclear provides. Tech companies have gone from buying power off existing plants to funding restarts and new reactors outright.

Policy tailwind. Life extensions, restarts, and new reactor programs across the U.S., Europe, and Asia. Washington is fast-tracking advanced reactor pilots toward 2026 start dates.

Demand barely responds to price. Uranium is a small share of a nuclear plant's cost of power. Utilities buy what they need almost regardless of price. The only question is who they buy from.

Security of supply beats price. Sanctions and Russia's grip on parts of the fuel cycle push Western utilities toward Western suppliers. That is NexGen's core pitch to customers.

The Buyer's Problem, Quantified

~184M lb

Potential U.S. utility supply gap over the next decade, per the EIA. More than three years of total U.S. reactor consumption

Strategic lows

Western utility inventories are depleted; secondary supplies that filled the gap for 20 years are largely exhausted

Deferred demand

Utilities delayed contracting through 2024–25; coverage gaps force them back to the term market in 2026–27

PORTER LENS *Threat of substitutes is low: nothing else fuels a reactor, and fuel is a small share of plant cost. Buyer power is moderate and falling: utilities are concentrated, but security of supply now outranks price, which hands leverage to Western producers.*

Supply is broken. The contract price, not spot, is telling the real story.

A decade of underinvestment after Fukushima left the pipeline empty just as demand turned

Why Supply Can't Respond Quickly

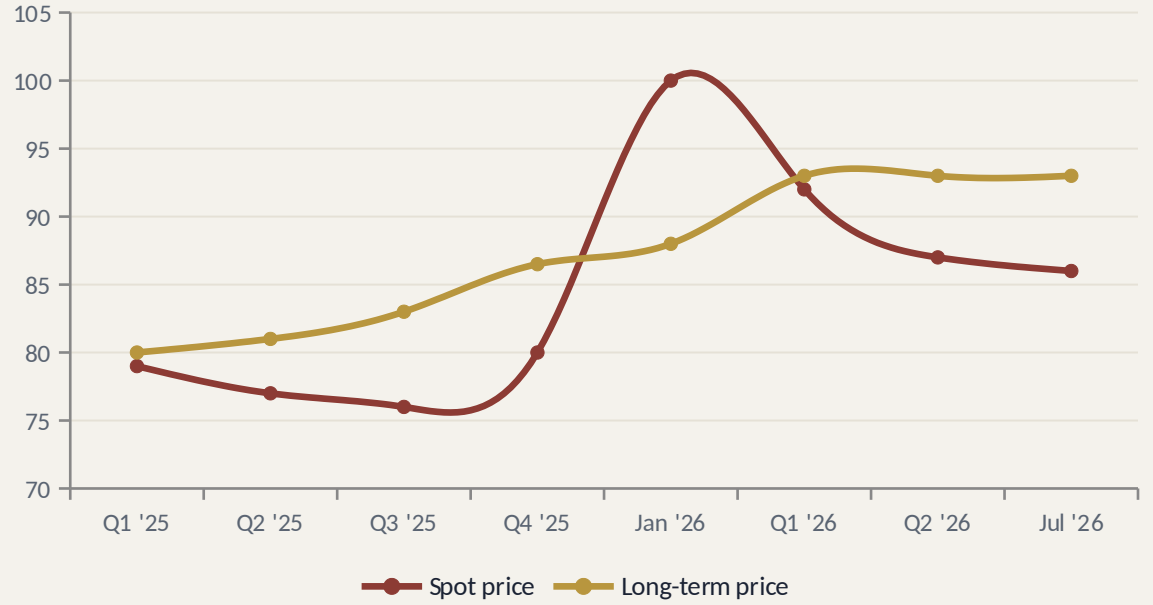
Producers are sold out. Major producers have forward-sold years of output; Kazatomprom trimmed its 2026 production guidance.

Geopolitical losses. Niger's SOMAÏR produced nothing in 2025 under junta control; U.S. ISR restarts are ramping slower than planned.

New mines take over a decade. NexGen's own permitting took 12 years. Nothing approved today produces before the mid-2030s.

Read the right price. Utilities buy on long-term contracts, not spot. When the contract price leads spot higher, real demand is being locked in.

URANIUM PRICE — SPOT VS. LONG-TERM INDICATOR (US$/lb U_3O_8)



Contract price near US$93 a pound, the highest in over 18 years (TradeTech, Mar 2026). Spot spiked to $100 in January before consolidating near $86. Sources: TradeTech indicators, public reporting.

PORTER LENS *Threat of new entrants is low: permitting takes over a decade, building costs billions, and the geology is nearly impossible to replicate. The barrier NexGen just cleared is the moat everyone else still faces.*

EXTERNAL ANALYSIS — COMPETITIVE LANDSCAPE

Where NXE sits among the names investors actually compare it to

Scale figures are approximate and shown for orientation, not precision

COMPANY	STAGE	KEY ASSET · JURISDICTION	SCALE (APPROX.)	THE READ
Cameco (CCJ)	Producer — incumbent	McArthur River / Cigar Lake · Saskatchewan	~1/5 of global mine output	The sector's default holding. Heavily contracted, so limited upside to higher prices
Kazatomprom	Producer — largest	ISR mines · Kazakhstan	~40% of supply incl. JVs	Trades at a jurisdiction discount. Trimmed its 2026 guidance, which supports prices
Paladin (PDN)	Producer — restart	Langer Heinrich · Namibia	~6M lb/yr ramping	A restart still proving itself. Its Canadian project adds growth later
Denison (DML)	Developer — in construction	Phoenix ISR · Saskatchewan	~6M lb/yr planned	First ISR mine in the basin. Cheaper to build, a fraction of the scale
NexGen (NXE)	Developer → constructor	Rook I / Arrow · Saskatchewan	Up to ~30M lb/yr	**The largest undeveloped Western asset, and the only one of this scale that is licensed and still 95% unsold**

PORTER LENS *Rivalry is moderate: the incumbents are sold forward for years and cannot fill the gap, and projected demand growth exceeds the entire visible pipeline. This is not a market fighting over scraps. It is a market short of product.*

INVESTMENT THESIS

Three pillars, and the view the market is missing

I

Risk fell. Price fell too.

The biggest risk in the company's history was whether it would ever be allowed to build. That question was answered on March 5, 2026. The stock has still fallen about 30% since January, on spot noise and a paper accounting loss. Risk went down and the price went down with it. That gap is the entry point.

II

Strategic scarcity

Rook I can supply up to 30 million pounds a year, roughly a quarter of global mine output, from Saskatchewan. As Western utilities look for supply outside Russia and Kazakhstan, assets like this earn premium contracts and, historically, takeover interest.

III

Timing into peak deficit

A four-year build from this summer delivers first pounds in 2029 or 2030, right when the projected supply gap is widest and old contracts roll off. NexGen has kept 95% of its production unsold so it can sell into that market.

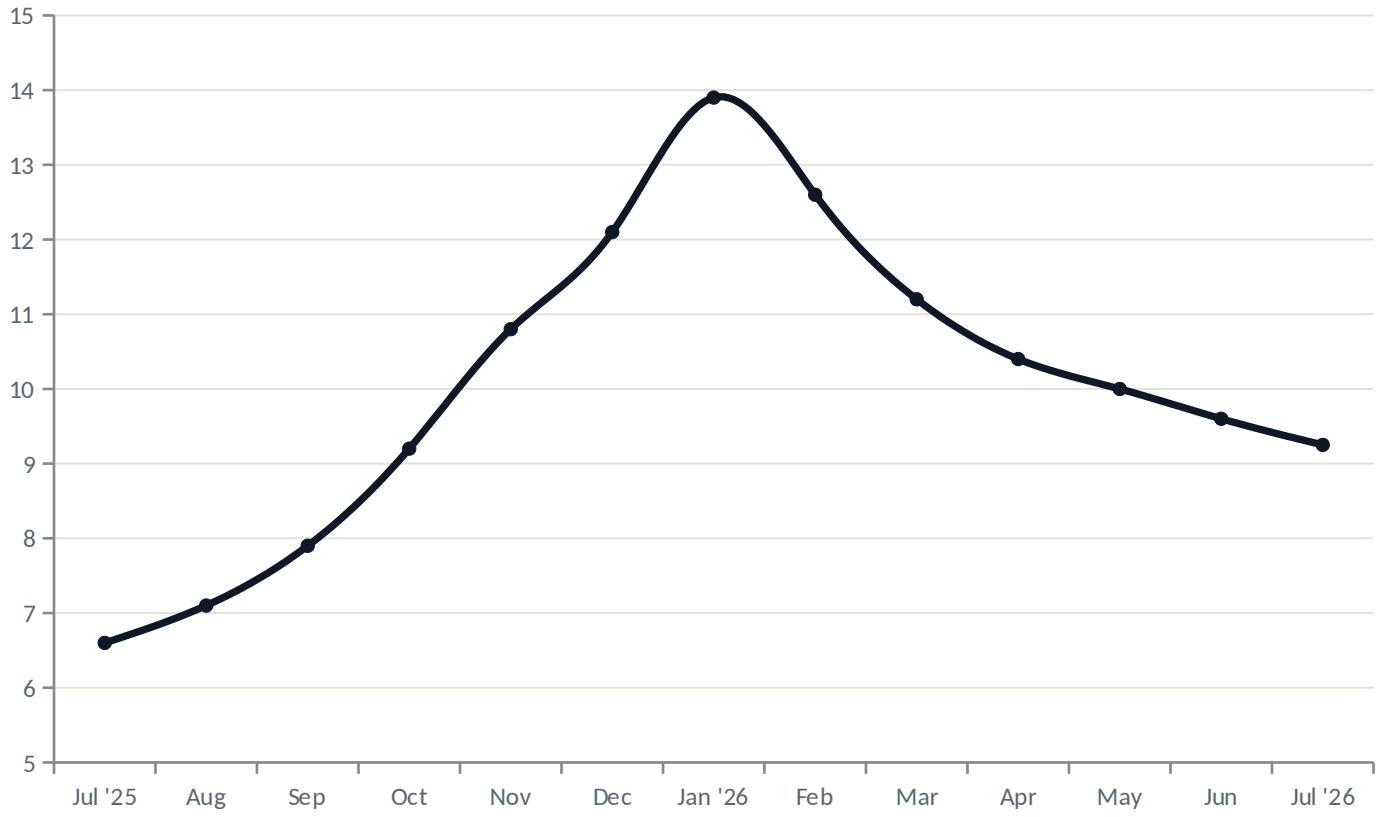
SECOND-LEVEL THINKING

First-level thinking says uranium is in a bull market, so buy uranium stocks. That trade is crowded and follows the daily spot price. **Second-level thinking** asks what NXE actually is: a bet on building the mine, and on the scarcity of Western supply, paid out through contracts signed with supply-short utilities in 2029 and 2030. The market still prices the stock off today's spot chart, which is why it fell while contract prices hit 18-year highs and the licence landed. One more thing almost no model counts: reported talks with data center operators about financing the mine, a source of capital that would spare shareholders dilution.

CURRENT RELEVANCE — THE LAST 12 MONTHS

The market sold the news it spent a decade waiting for

Share price (US$, NYSE) vs. the fundamental record over the last twelve months



Monthly closes, approximate; 52-wk range US$6.26–13.96 (all-time closing high US$13.92, Jan 28, 2026).

What Actually Happened

Oct '25: US$949M equity raise completed. Construction funding largely secured.

Jan '26: stock peaks near $14 as spot uranium touches $100.

Mar 5, '26: final licence issued. Permitting risk gone. The stock keeps falling with spot anyway.

May '26: a headline Q1 loss of $156M. Of that, $129M is a paper charge on convertible notes that grows when the share price rises. Actual cash burn is far smaller than the headline.

The trade: the market discounted the stock for a weak spot price just as the company's real risk dropped.

Rook I economics: pay back the entire build in roughly one year

Company estimates (Aug 2024 update to the 2021 feasibility study); NPV/IRR shown at a US$95/lb uranium price case

C$2.2B

Cost to build (US$1.58B), fully scoped with engineering well advanced

C$13.86/lb

Cash cost per pound over the life of the mine, about US$10

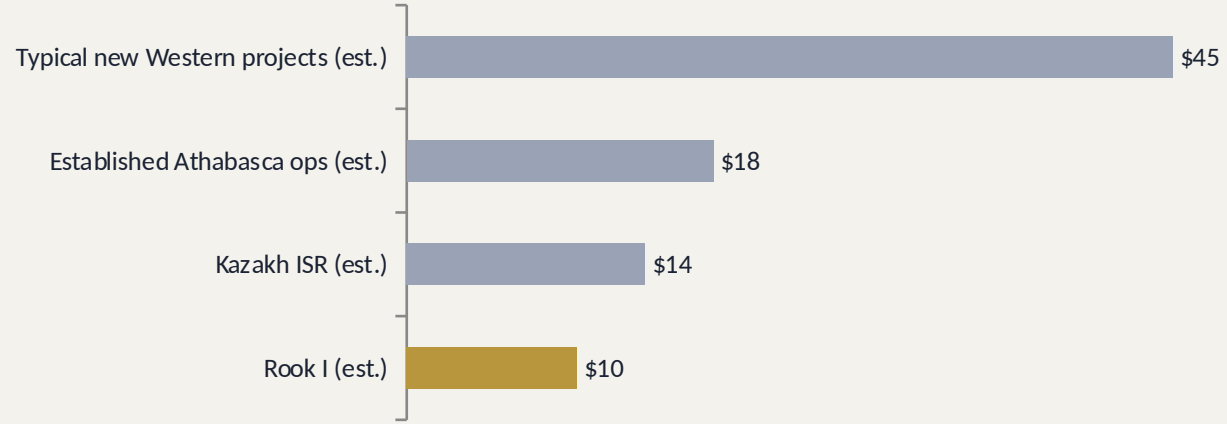
~12 months

Estimated payback period at planned production rates

C$6.3B / 45%

After-tax NPV (8% discount) and IRR at a US$95/lb price case

ILLUSTRATIVE CASH COST POSITION (US$/lb U_3O_8)



THE MARGIN MATH

At today's US$93 contract price, the margin is over US$80 a pound, on up to 30 million pounds a year.

Downside protection: profitable at prices far below the US$90 or more that most new mines need to get built.

Peer costs are approximate. The point is position, not precision.

PORTER LENS *Supplier power is moderate: specialized contractors, remote labor, and long-lead equipment are the main inflation channel during the build. The budget already absorbed one round of it, rising from C$1.3B in 2021 to C$2.2B. Watch this quarterly.*

VALUATION

NAV framework: what you pay for the mine, the cash, and the option

Mine developers trade on net asset value. The table flexes the uranium price and the multiple the market will pay.

Illustrative NAV Build (C$)

Rook I NPV_8 @ US$95/lb	6.32B
(+) Cash, investments & uranium	1.33B
(−) Convertible debentures	(0.49B)
Core NAV	**7.16B**
Per share (662M shs)	**C$10.80**

Excludes 117 million pounds of resources beyond reserves, Patterson Corridor East, a longer mine life, and any strategic premium. That is what the market is paying for above C$10.80.

Implied Value Per Share — Uranium Price × P/NAV (C$)

P/NAV ↓ U price →	US$80	US$95	US$110	US$125
0.8x	$6.9	$8.7	$10.4	$12.1
1.0x	$8.7	$10.8	$13.0	**$15.1**
1.2x	$10.4	$13.0	**$15.6**	**$18.1**
1.5x	$13.0	**$16.2**	**$19.5**	**$22.7**

Gold ≥ current price (C$13) · Navy ≥ target (C$18). NPV interpolated from the company's C$6.32B @ US$95/lb disclosure.

PATH TO C$18

Today's price already sits above the base asset value, and fairly so. The market is paying for resource growth, PCE, and strategic value. Our C$18 target needs two things: contract prices holding US$105 to 110 as utilities return to the market, and the stock moving toward 1.2 times asset value once financing lands and construction advances. That is how funded developers have historically traded. **The street agrees: Scotiabank at C$22, several targets near US$20, and Buy ratings at UBS, Canaccord, and Morgans.**

What you need to believe at each price

The debate is not whether Arrow is a great deposit. It is how the build gets financed and where prices go.

BEAR — C$9

- Contract prices fade back to the US$80s as utilities delay buying again
- Financing gap filled with a big discounted share sale, diluting holders
- Shaft-sinking or schedule slippage pushes first production past 2030
- Stock slips toward 0.8 times asset value

BASE — C$18

- Contract prices grind to US$105 to 110 as utilities return to the market
- Financing lands as debt, prepayments, or strategic capital with modest dilution
- Construction proceeds on the four-year schedule
- Stock moves toward 1.2 times asset value as a funded builder

BULL — C$25+

- Supply squeeze: contract prices print US$120 or more as buyers run out of room
- A landmark financing deal, possibly tied to data centers, arrives without dilution
- A first PCE resource estimate in 2027 adds a second leg of value
- Premium supply contracts or takeover interest surface

What breaks this pitch, and what stands in the way

RISK	MITIGATION
Financing and dilution. The build costs C$2.2B against about C$1.33B of liquidity. The gap must be funded, and a discounted share sale would hurt existing holders.	Management is targeting debt, prepayments, convertibles, and strategic capital. Lenders have previously indicated over US$1B of interest. A package is expected by early 2027, and a new CFO was hired to lead it.
Construction execution. Shaft-sinking is the riskiest phase of underground mining. The four-year schedule has little slack, and mining builds routinely run over.	Engineering, contractors, and capital were in place before the licence arrived. The C$2.2B estimate already absorbed inflation and design changes from the original C$1.3B.
Uranium price retracement. A spot slide to the US$60s or 70s would hit sentiment and the multiple, even with the business intact.	Cash costs near US$10 a pound keep Rook I profitable where most mines are not. Revenue will come from long-term contracts, not spot. The unsold book is a choice, made to capture upside.
Single-asset concentration. One project, one basin. Any site-specific shock hits the entire valuation.	Partly unavoidable. The hardest regulatory gates are behind it, PCE offers a second source of value, and 2.7 million pounds of physical uranium is a liquid hedge.
Headline accounting noise. Paper swings on US$360M of convertible notes create large optical losses, like Q1's $129M, that can scare off screens and generalists.	The charge is non-cash and actually grows when the share price rises. Judge the company on liquidity and milestones. Explaining this to the market is part of the opportunity.

CATALYSTS

The event path from licence to first pound

NOW — SUMMER 2026

Construction begins

Equipment moves onto site and a detailed build schedule is expected. The story changes from promise to construction. Q2 results arrive August 5.

H2 2026 – EARLY 2027

Financing package (the big one)

Management has guided to a package in this window: debt, prepayments, or a strategic partner. A deal that avoids dilution, especially one involving data center capital, is the single biggest trigger and likely marks the low.

2026 – 2027

Contracting cycle & offtakes

Utilities that deferred purchases return to the contract market. Rising contract prices and new NexGen supply deals feed straight into the valuation. PCE drilling continues, with a first resource estimate likely in 2027.

2027 – 2029

Build milestones lower the risk

Shaft progress, staying on budget, and converting resources to reserves each push the valuation toward producer territory.

2029 – 2030

First production into peak deficit

Commissioning lands as the projected supply gap nears its widest point. NXE stops being a developer and becomes one of the largest producers in the West.

INVESTMENT SUMMARY

BUY NexGen Energy (NXE): 12 to 18 month target C$18 / US$13

BULL CASE — CLEAR POSITIVES

- Fully licensed and 100% owned. The largest uranium project under development in Canada, in one of the best mining jurisdictions on Earth
- Lowest-tier costs: about US$10 a pound, payback in roughly a year, 45% IRR at US$95 uranium
- ~C$1.33B of liquidity plus 2.7M lb of physical uranium entering construction
- An unsold order book keeps full exposure to contract prices at 18-year highs
- First production timed into the projected peak of the Western supply deficit

BEAR CASE — CLEAR NEGATIVES

- A funding gap of about C$0.9B must still be closed. Structure and dilution stay unknown until the package lands
- Four years of construction risk before the first dollar of revenue
- The stock already trades above its base asset value. Some future success is priced in
- One asset, and sentiment stays hostage to the spot price in the meantime
- High volatility: a 52-week range of US$6.26 to 13.96 is what you sign up for

The verdict: a high-conviction, high-risk long. The rare setup where the business improved while the price fell. The licence is in hand, contract prices are at multi-decade highs, and the market still trades the stock off the spot chart. The financing package is the swing factor and the next catalyst. Judge this company by its balance sheet and its contracts, never by quarterly earnings, and size the position for mining volatility.

APPENDIX

Sources & disclaimer

- Company disclosures: NexGen Energy news releases (CNSC licence, Mar 5, 2026; updated Rook I economics, Aug 2024), Q1 2026 MD&A and earnings call (May 2026), 2021 NI 43-101 Feasibility Study.
- Market data: TSX/NYSE quotes as of Jul 16, 2026; TradeTech uranium price indicators; Sprott uranium market commentary; U.S. EIA supply-gap analysis; World Nuclear News; Reuters reporting on financing discussions.
- Street references: Scotiabank (C$22 target, May 2026), UBS, Canaccord Genuity, Morgans (Buy ratings).
- All NPV/NAV figures are company or analyst estimates at stated price assumptions; the sensitivity table is the author's illustrative interpolation, not a company forecast.