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Nuclear Renaissance? A Growing Suite of Players—Who Wins? Conference Takeaways

A wide range of new nuclear companies are framing the debates: reactor technology, fuel type, capacity size, PPA vs ownership, licensing path, hyperscaler partnerships & more. The core race is on to deliver repeatable competitive levelized cost while minimizing risk of catastrophic overruns. Clear progress being made but we see new nuclear as more of an international play, more competitive vs LNG prices. Federal/state level policies are increasingly supportive.

US investor owned utility interest in nuclear remains exceptionally low. We continue to watch AEP, ETR, and DUK as higher probability companies. Watching TVA still looks like the best bet. GEV emerging as a clear winner in the new nuclear arena: the question will be whether it an lower its cost enough with repetition to create a profitable business. This would critically create a new vertical for growth in the 2030s when natural gas OEM slows.

We hosted more than a dozen companies within the broader nuclear space, ranging from technology (SMR, PWR, HTGR, Fast-Neutrons), EPCs/developers and regulators. The commonality is that nuclear developers believe that less price-sensitive hyperscaler demand combined with more accommodating Federal and state backdrops in the US will support development. The core challenge remains that the timelines are very protracted into the 2030s and the cost profile is less certain. While the outlook in the United States is still challenged, there are some bright spots. Curtiss Wright (CW) and Energy Fuels (UUUU) were the most positive meetings across the board.

Nuclear's star shines brightest outside the US. We see Europe, Asia, and markets with less energy security/independence as more ripe for the nuclear conversation. The combination of high nat gas prices and less certainty of supply can quickly narrow the pricing gap. We see the latest Iran conflict as another catalyst for the US to secure and strengthen its uranium supply chain.

Licensing Pathway Is Evolving Favorably. Regulatory review is increasingly not critical path for developers with NRC easing its approach. The draft expansion to support Dept of Energy and Dept of War further provides latitude. This is a material development as of late. Watch for first wave of approvals to boost deployment prospects for the rest.

Several Underappreciated LCOE Tailwinds To Watch For. This includes, **(1) Learning rates** for new nuclear remain particularly steep, with ability to scale capex down multi-folds after a few iterations (in case of SMR from ~$60,000/kw to $20,000/kw), **(2) O&M synergies** can lower cost from $60 to $30/MWh for SMR, **(3) Plant lives extending to +80 years** and **(4) Decreasing cost of capital** with subsidized funding. A key headwind to watch is much higher fuel cost, now in the $12-$15/MWh range vs. $4-$5/MWh prior. SMR LCOE can range from +$180/MWh to $120-$150/MWh after accounting for subsidies vs. Gas at $106/MWh (at $3,000/kw capex) unsubsidized. Bottomline, while new nuclear may be closing the gap vs. gas (particularly with the aid of subsidies), construction/timeline risk still make it relatively unpalatable.

Fuel Supply Chain (Cost & Availability) Particularly Acute. The most commonly echoing theme in our conversation was fuel supply chain risk due to ongoing Russia-Ukrain conflict, and uranium spot prices reaching decade highs. **Nuclear fuel a key differentiator.** Companies have emphasized they are not relying on High-Assay Low-Enriched Uranium (HALEU) which has an early stage supply chain. This is positive development for domestic suppliers (UUUU and NUCL), given limited domestic alternatives. The $2.7bn DoE funding is a positive but timeline remains elongated. Consequently, SMR OEMs are moving towards vertical integration.

Energy Dominance Financing and Political Support Are Driving Inflection In The Space. The Energy Dominance Financing (EDF) is willing to lend up to 80% of total capex (at Treasury + ~0.375%) and ITC (40% with domcom), collectively create a cushion for developers to manage cost

Julien Dumoulin-Smith * | Equity Analyst
+1 (281) 774-2066 | jds@jefferies.com

Paul Zimbardo * | Equity Analyst
+1 (212) 778-8497 | pzimbardo@jefferies.com

Jamieson Ward, CFA * | Equity Analyst
+1 (281) 774-2081 | jamieson.ward@jefferies.com

Brian Russo, CFA * | Equity Analyst
+1 (212) 778-8559 | brusso@jefferies.com

Ivana Ergovic * | Equity Analyst
+1 (212) 284-2175 | iergovic@jefferies.com

Tanner James, CFA * | Equity Analyst
+1 (212) 778-8667 | tjames@jefferies.com

Dushyant Ailani, CFA * | Equity Analyst
1 (212) 778-8318 | dailani@jefferies.com

Robert Mosca, CFA * | Equity Analyst
+1 (212) 336-1177 | rmosca@jefferies.com

Luke Fenker * | Equity Associate
+1 (713) 308-4523 | lfenker@jefferies.com

Andrew Heng * | Equity Associate
+1 (917) 782-1013 | aheng@jefferies.com

Hannah Velasquez * | Equity Associate
+1 (347) 982-6038 | hvelasquez@jefferies.com

over-runs. This is a particular gamechanger in enabling the first wave of new nuclear deployment, where capex requirements are unpalatable even for large utilities.

How we frame out the opportunity

We see new nuclear as remaining a broadly niche topic relative to new capacity of gas & solar, but an important one given the likely meaningful capital involved. We subscribe to the $13k/kW+ listed in the DOE's liftoff report as still clearly the price point to under-write, with correspondingly higher price points for first of a kind (FOAK) designs. Even a handful of plants could rival the entire gas or solar sectors in capital spending. In turn, we see new nuclear supply chain as incredibly relevant as well, with fuel availability still a critical question to watch on how access to HALEU fuel evolves in coming months. We anticipate the combination of lending capacity for up to 80% of project cost coupled with 40% ITC capacity for new nuclear projects as ultimately working to secure a handful of projects with hyperscaler support (each one appears to be selecting its own technology pathway) and/or state-specific contracts: watch New York/NYPA in particular among other early movers. We could yet see other states step-up, but this could take some time; recent removal of moratorium on new builds across the country appears a promising early indication.

Reusing existing sites remains the principle avenue to see new development manifest: both retired sites such as Holtec's ownership of Palisades (MI) and Oyster Creek (NJ) but also existing reactors such as Nine Mile (NY). Permitting remains difficult, but not the difficulty that some may perceive yet in its initial deployment wave. More hyperscaler activity on offtakes remains the biggest question, but clear indications from the feds on actions to enable TVA-driven procurement monger supply chain loans/procurements are likely the 'next' steps. We still think the incumbents that have real progress, traction with customers, & licenses remain the most viable ways to play the core new nuclear thesis: watch GEV in 2026 for instance. A modest input for the overall company today, but likely a major winner in SMR activity this year.

On balance, 2026 is a pivotal year of activity to decipher just how meaningful this administration will get on the subject. Talk of 10 new nuclear reactors has certainly driven focus, but the proof is in the pudding still on follow-thru around such bold talk.

A litany of supply chain companies remains ready to benefit and expand products/services to benefit from this forthcoming build (and the extension of the existing fleets license extensions to 80-years too). Our conference highlights the extent to which guidance revisions thru the course of 2026 could be driven by 'lumpy' developments in this landscape.

Key Company Takeaways:

Industry:

- **Nuclear Energy Institute (NEI):** Part 53 licenses and state/federal level support is particularly robust. Near term, TerraPower, GE-Hitachi and ARDP-funded SMR deployment for DOW remain key projects to watch for to pave the way for many more.
- **Massachusetts Institute of Technology (MIT): Department of Nuclear Science and Engineering.** AP1000 can have a 20%-30% LCOE benefit over SMR, but multiple trade-offs to manage (high/low capital requirements, ability to yield synergies in SMR, extending plant life).

SMRs, Micros, Fusion and Fission Tech

- **Oklo Inc. (OKLO):** Targeting YE28 deployment timeline but HALEU supply chain is a key risk to watch.
- **Terra Innovatum (NKLR):** Rock City Limestone first-of-a-kind deployment and AMRC partnership for 50 SOLO reactors are key to watch.
- **Terrestrial Energy (IMSR):** Management sees High-temp boosting steam turbine efficiency, ultimately driving LCOE to a sub-$100/MWh range. Expect to unveil 1 to 3 new offtaker announcements in 2026.

- **HGP Intelligent Energy:** HGP's variable coolant pump control to enable load following without control rod cycling could be an opportunity for both existing and new nuclear fleet
- **Holtec:** Management remains confident in meeting its Palisades restart timeline ahead of March 2027 deadline, with costs likely well within budget. Targeting a 2029 timeline for SMR licensing
- **Type One Energy:** Fusion OEM leveraging stellarator tech and steady-state fusion power targeting ~$50/MWh LCOE over time. Stellarator technology enables reduced recirculating power needs, but engineering complexity remains the key risk for fusion.
- **Aalo:** Building modular, sodium-cooled 10MW reactors, deployed in 50MW pods, as a purpose-built nuclear solution for data centers, emphasizing speed-to-power, redundancy, and on-site coupling versus traditional large-scale nuclear. Management believes it can get FOAK price in the mid-teens/kWh and drive costs down as it ramps to 100 reactors per year at its new 1M sq ft. facility.

Equipment, developer and EPC:

- **Curtis Wright (CW):** One of our most positive meetings across the board. We note CW's initial guidance does not include an AP1000 order, but management continues to anticipate receipt of a reactor coolant pump order in 2026.
- **Ameresco Inc. (AMRC):** AMRC leverages its vendor- and technology-agnostic approach to expand its solution set to now include next-generation nuclear. While collaboration and partnerships with Terrestrial Energy, Terra Innovatum, and NANO Nuclear Energy are not expected to contribute to the company's topline until 2028 at the earliest, we see upside to estimates as the Street and investors have yet to credit AMRC for its initial traction.
- **ONE Nuclear (ONEN):** Pursuing BTM gas as a bridge solution to nuclear. TX project PPA expected in 4Q and more could follow soon after, acccording to the company.

Fuels and Rare Earth:

- **Energy Fuels (UUUU)**: One of our most positive meetings, with multiple end-market exposure, key US uranium assets positioning UUUU uniquely to benefit from nuclear power demand in US. Rare earth economics remain particularly compelling.
- **Eagle Nuclear (NUCL):** Recent PIPE transaction supports financing needs for at 2 years, according to mgmt. Focus is on 2H27 pre-feasibility study review as a key milestone to watch. Positioned similar to UUUU, owning one of the few key uranium assets within US.

(1) Regulatory Winds Are Supportive Of New Nuclear Development

The current administration has been vocally supportive of nuclear, both in terms of regulation/policy and subsidies/funding. We see both debt and equity capital flowing into the space, even from international sources (Japan most recently) to promote nuclear build. NRC updating its regulatory framework for the first time in decades is clear proof of this thesis. Nuclear remains one of the most policy-supported sector, in our view.

Regulatory Tailwinds. Our conversation suggests that regulatory process is no longer the key bottleneck in developing new nuclear. New Part 53 rules better adapt to next-gen reactor technology and supplement Part 50 and 52 rules by eliminating requirements which may not apply for the next generation reactor technologies. For context, the final Part 53 rule which was recently issued, is the first new reactor licensing framework since 1989. Congressional and state support remains highly robust for new nuclear development. This is also true for domestic fuel supply chain, both in terms of permitting (see NUCL) and as seen with the $2.7bn DoE funding to boost domestic supply.

Government Lending (EDF) Is A Game Changer. Energy Dominance Financing (EDF) Councils has ~$300bn of capital available at its disposal for lending to nuclear development at fairly attractive rates (Treasury + 0.375%). EDF is willing to lend up to 80% of the project cost (excluding ITC), and thus allows new nuclear developers to over collateralize on initial funding, creating a cushion for cost over-runs. These loans can be in form of bullet loans or interest only loans to further help with cash flow management. It has been critical for projects in the past, including Vogtle and given the current administration's push for nuclear, we see this as game-changing for developers. EDF can also offer loans to procure long lead time items, enabling projects to move forward faster. **Recently introduced ARC (Accelerating Reliable Capacity) Act of 2026 is another positive development in similar direction.** The ARC Act is designed to accelerate nuclear deployment by reducing financial risk for first-of-a-kind-projects with multi-billion dollar federal backing against cost over-runs. *Material, available capital for deployment will boost development prospects.*

(2) Customer Interest Is Robust, First Few Projects Are Key To Watch

With $40bn investment from Japan for GEV-Hitachi deployments, $80bn US government investment for AP1000 deployments and multiple hyperscalers contracting with various OEMs, there is clear customer interest to deploy new nuclear. That said, there is still notable reluctance among utility customers (due to higher risk) and execution on first few projects remains key to watch to drive incremental activity.

Customer interest remains robust, both international and domestically. Japan trade deal expanding to include $40bn investment into SMR deployment in US by GEV-Hitachi and Tennessee and Alabama, reflects the single largest international commitment as of late. We could see this materialize in 2030s. In parallel, US government inking partnership with Westinghouse Electric to build $80bn of AP1000 reactor represents one of the most material domestic investments we have seen. Federal level support for initial wave of project deployments is a major positive.

Slew Of Technologies to Choose From. With an increasingly broad number of technologies to choose from, we see hyperscalers picking their favorites.

- GOOG-Kairos (0.5 GW) for high-temp reactor tech
- META-TerraPower (2.8 GW) for sodium fast-reactor tech
- META-OKLO (1.2 GW) SMR and,
- AMZN investing in high-temp, gas cooled SMR tech

There is a clear interest from hyperscalers to deploy firm, clean power, but we still see a certain degree of reluctance due to various lingering key risks.

Watching first wave of projects carefully for market signals. Given the backdrop of robust demand and policy tailwinds, we highlight several currently ongoing projects as crucial to watch for the sector writ large:

1. TerraPower receiving construction permit for Kemmerer Unit 1 in March of this year
2. GEV-Hitachi Darlington project with Ontario Power
3. ARDP funded DOW project in Seadrift, TX. Currently deep in the permitting process.

With this in mind, watch for incremental hyperscaler commitments to firm up, along with visibility to licensing process as the first wave of projects move forward.*Late 2026 and early 2027 could mark a pivotal shift to firm up nuclear commitments.*

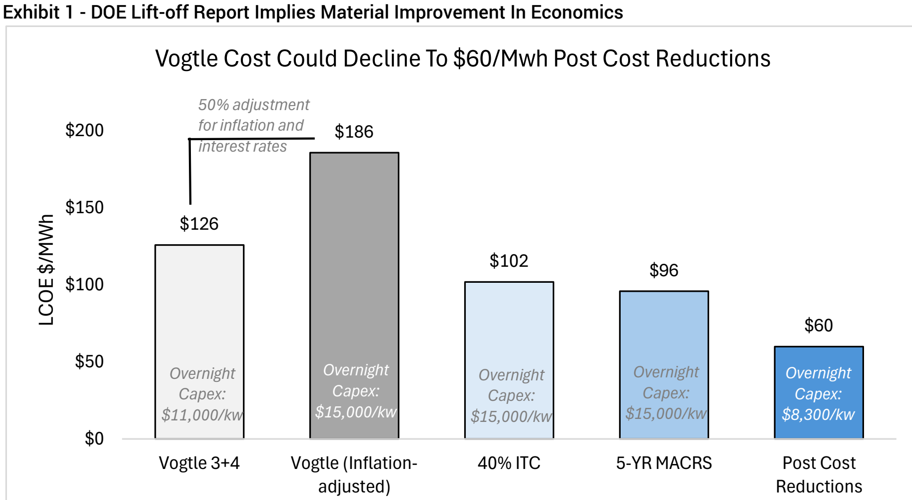
(3) LCOE Improving But Not Attractive Yet; Widely Ranging Estimates Distort True Comparison

In a nutshell, the initial capex between first-of-a-kind SMR and Nth-of-a-kind SMR can range from $20,000/kw to +$60,000/kw and for micro-reactors can be several $100,000/kw and even $1,000,000/kw in some extreme cases. Pricey initial builds should decline to more modest $10k/kW+ figures in Nth-of-a-kind configurations. While learning curves are steep and can bring a multi-fold improvement in overnight capex after just a few iterations, the level of uncertainty and cost over-run risk is still very high. 3rd party LCOE estimates range from as low $70/MWh to as high as $200/MWh, but we see subsidized LCOE still in the $110-$150/MWh range more realistically.

Battle Of Technologies: AP1000 Can Have A 20%-30% LCOE Lead Vs. SMR. The choice between SMR and AP1000 is not obvious but expert discussions increasingly bias towards AP1000 having an LCOE benefit. We see industry making progress on both ends, between $80bn government investment to build 10 AP1000s vs. a slew of SMR players and novel technologies pushing innovation in the market. Capital intensity and fixed cost structure remain at the heart of technology choice in our view. We discuss some of the key moving parts below:

- **Capital Investment:** Larger units, like AP1000 are much more capital-intensive due to sheer size (+1,100 MWe) vs. SMRs (~300 MWe) and micro reactors (~1 to 30 MWe). A single 1.1 GW AP1000 can cost ~$14bn+ of upfront capex - this is a significant commitment, even for large utilities and thus difficult to accomplish without significant government support.
- **O&M Costs:** Conversely, while SMRs are less capital intensive, the operating costs tend to be higher. An AP1000 can have O&M in the $25/MWh range vs. SMR in the $60/MWh range, driven by larger crew-to-MW ratio. With this, there is an incentive to build adjacent SMRs in order to yield synergies (i.e. shared control room, shared crew), which can drive the O&M cost lower to ~$30/MWh. This is still marginally more expensive than AP1000 and brings us back to the key problem highlighted above, "capital intensiveness",
- **Decommissioning cost can be high for some SMRs.** A downside of SMRs, especially with IMSR (molten salt reactor) tech which don't require frequent water cooling, is replacement of tools (every ~5 years). This alone can drive the decomissioning costs to ~$30/MWh vs. just $1/MWh for AP1000s. Wear and tear costs are relatively high for SMRs.

Exhibit 1 - DOE Lift-off Report Implies Material Improvement In Economics



Source: U.S Department of Energy

Darlington Project Cost ~$109/MWh (as per Ontario Power Generation) average over 4 units. Eventually it could be in the $180 to $200/MWh range. However, ITC and lower-cost loans from EDF could drive meaningful shifts in this range.

Design Standardization Is Key For LCOE Improvement. While Vogtle 3 and 4 units cost well above expected budget and build-time much longer, DOE's lift-off report implies material improvement in LCOE, driven by ITC, 5-yr MACRS and design standardization. See exhibit above. Among these factors, design standardization has garnered material attention as of late, with emphasis from a regulatory perspective, both to speed up the permitting process and to cut excess costs. DOE report implies a 67% LCOE improvement from ~$186/MWh to $60/MWh after accounting for ITC, 5-yr MACRS and cost reductions. Overnight capex could be slashed in half, from $15,000/kw to just $8,300/kw. In our view, it still remains unclear exactly when we'll reach these much more attractive LCOE levels, but acknowledge that multiple policy tailwinds are clearly in favor to pursue these improvements. Speed to power also remains a key priority for hyperscalers, where new nuclear still materially lags gas. Watch for how this evolves in 2030s.

(4) Construction, Investment And Fuel Risk Are Key Pain Points

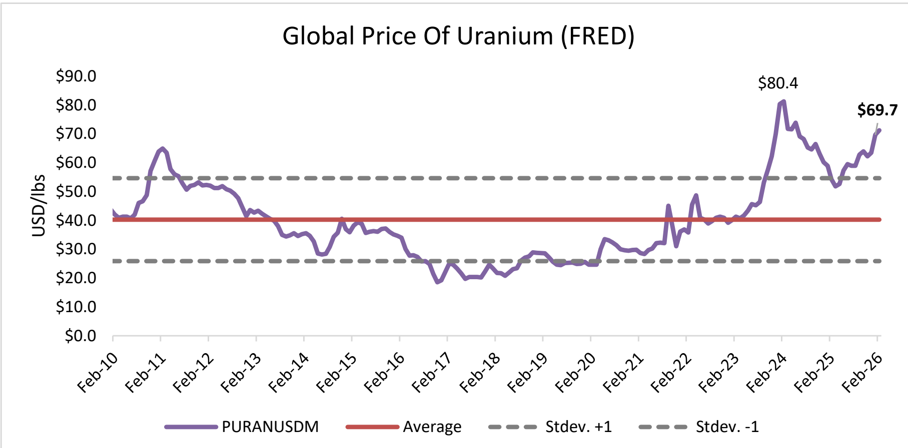
We continue to see multiple risk factors which inhibit meaningful new nuclear deployment. Build timelines stretching to 6 to +8 years, ability for wide fluctuations in build-cost and trade-off between synergies but higher capital investment (by deployment multiple SMRs together) vs. building sequentially to boost learning (but sacrifice synergies in the process), remain some of the various key risks which offtakers and developers need to manage. In contrast, building gas CCGT has a 2-3 year speed advantage, LCOE advantage and a much more controlled, knowable, risk-profile

No Fuel, No Reactor. Fuel has increasingly become the deal-breaking component of powering a nuclear facility. We have we seen material, **multi-fold inflation in fuel cost from $4-$5/MWh historically to ~$12-$15/MWh** driven by supply chain constraints. This is a key pain point, particularly in regard to shifting the risk-appetite from utilities' perspective. While the fuel cost is still well below gas, given higher build cost and protracted build timeline, deploying new nuclear still remains a long shot for utilities without material government funding. The recently approved Dept. of Energy funding of $2.7bn for domestic HALEU/LEU supply may still take many years to come online. Due to lack of clear market signals from utilities for HALEU vendors, we see a shift towards owned and operated model (or behind-the-meter alternatively).

BWRX-300 SMR Deployment At Darlington Could Take Longer And Cost More Than Expected. BWRX-300 SMR deployment at Darlington could take +60 months vs. initial target of 36 months. For unit 2-4, the actual costs came in at 20%-30% above initial budget, and we could see a similar overrun for the SMR deployment as well. Negative update for GEV, although not likely meaningful for estimates. From an LCOE basis, Ontario Power Generation expects ~$109/MWh average over the 4 units, but it could be in the $180-$200/MWh range for the first SMR deployment.

Fuel prices have been and are likely to remain inflationary - but the right fuel remains the key subject.

Exhibit 2 - Uraium Prices Approaching Decade Highs



Source: JEF Research, FRED

Holtec

Holtec International, is a privately held, vertically integrated nuclear infrastructure company focused primarily on decommissioning and reactor ownership/operations. Holtec is currently working on the Palisades Nuclear Plant restart in addition to decommissioning of Oyster Creek Generation Station (NJ), Pilgrim Nuclear Plant (MA) and Indian Point Energy (NY).

Palisades Project Key To Watch. Management noted high degree of confidence in March 2027 target COD (by the latest) and alluded to its $1.5bn funding from EDFP (Energy Dominance Financing Program) as essentially for cost overruns and realistically expects to come in well below the funding limit. The project is still broadly expected to begin initial operations in early 2026 gradually. That said, management described the Palisades project as a 'heavy lift', highlighting extensive work on fuel handling, safety and new racking systems. Holtec is currently exploring 30-year PPAs with local non-profit co-ops and utilities in the region.

- **SMR Deployment At Palisades.** In December 2025, Holtec submitted Part 1 of the Part 50 license seeking limited work authorization to begin construction. Holtec's technology is based on Gen III+, pressurized water reactors (PWR). Holtec is currently **targeting a 2029 timeline for full licensing**. The planned configuration consists of 2 x SMR-300 units with a shared control room. Hyundai E&C is the key construction partner.

Other decommissioning projects to watch.

- **Pilgrim (MA):** Reactor vessel fully segmented - management noted that this site cannot be restarted.
- **Indian Point (NY)**: Three-unit site actively under decomissioning. Could see potential for SMR deployment but state level support in NY remains limited currently despite customer interest. New York's Governor has stated strong opposition, emphasizing that other sites are more appropriate for nuclear development with better communitu alignment.
- **Oyster Creek (NJ):** With NJ recently lifting the moratorium more updates on this site remain key to watch for SMR deployments.

Focus On Standardizing The SMR Design. Management emphasized on a standardized, repeatable design for its SMR in order to drive cost reduction and improve economics. Management highlighted excessive customization, with over 60 bespoke designs across 100 reactors as hurting the economics. Manufacturing will remain the key focus, with current factories able to support 2 to 4 SMR units per year but watch for expansion once the order book build.

Utah is a longer-dated opportunity to watch for, with agreement in place to deploy **up to 10 SMR units.** Could see a potential additional 4-unit site at an undisclosed location. Engagement from hyperscalers remains robust for front-of-the-meter deals.

Terra Innovatum (NKLR)

Background. *NKLR is developing and commercializing pressurized light water reactor (PWR) micro-reactors that rely on low-enriched uranium (LEU) fuel and largely off-the-shelf components. By leveraging an established reactor architecture and proven supply chains, the company is effectively bypassing much of the early-stage R&D and design risk. Management expects its first-of-a-kind (FOAK) reactor to reach commercialization by the end of 2028. Near-term execution is centered on submitting its readiness review by the end of the summer, which includes both an environmental review and a preliminary safety analysis report. Submission of this package enables the NRC to formally initiate its construction permit review process, with NKLR targeting receipt of the permit by 3Q27, approximately one year after the readiness review is filed.*

Visible path to 10c/kwh LCOE with path to 7c/kwh possible. NKLR has outlined a cost-down pathway as reactor volumes scale. At a build out of roughly 50-100 reactors, the company expects upfront capital costs per reactor to decline to ~$17.5 million, with ongoing operating costs of roughly $100k/reactor/year. Over a 15-year operating life, this implies around $1.5 million of cumulative operating expense, bringing total lifetime costs to roughly $19 million per unit. Based on these assumptions, NKLR believes it can achieve a levelized cost of electricity (LCOE) of ~10¢/kWh on an initial 15-year lifecycle. Further upside exists if reactor life is extended and additional core replacements are completed, which NKLR believes could drive LCOE closer to ~7¢/kWh.

Partnering with utilities, defense sector, mining sector, EPCs; preliminarily looking at PPAs with hyperscalers. NKLR expects utilities to represent its core customer base, alongside end-markets that value distributed and reliable power such as the defense and mining sectors. While the company is primarily focused on selling reactors rather than owning and operating generation assets, it is also in preliminary discussions with data center customers around PPA-type structures. Importantly, NKLR recently announced a partnership with AMRC aimed at deploying up to 50 SOLO reactors across a mix of federal and commercial sites. Under this framework, AMRC will manage the full reactor lifecycle, from siting and integration through operations and decommissioning, while NKLR supplies the underlying reactor technology.

Rock City Limestone for FOAK deployment. NKLR has selected the Rock City limestone development in Illinois as the host site for its FOAK reactor. The facility is a 6M sq. ft. underground industrial park, which NKLR views as particularly well-suited for micro-reactor deployment due to its structurally stable environment and stable, cool temperatures. Beyond the initial FOAK unit, the company ultimately envisions deploying up to 50 reactors at the site, representing as much as 50 MW of installed capacity.

Terrestrial Energy (IMSR)

Terrestrial Energy's proprietary technology is based on IMSR (Integral Molten Salt Reactor), which uses molten salts as both fuel and coolant, and can operate at much higher temperatures driving steam turbine *efficiency. In addition to its previously disclosed partnership, for deploying IMSR at Texas A&M campus, management expects to disclose another 1 to 3 new projects (out of 10) within 2026.*

High Temperature Drives Higher Steam Efficiency. At the heart of the nuclear plant is the IMSR (Molten Salt Reactor), which is designed to delivery co-located power and relies on molten salts for fuel. Management touted the efficiency of its IMSR technology relative to legacy light water reactors (LWR) Gen II and beyond, where IMSR works under higher temperature, lower pressure design vs. LWR having low temperature, high pressure, which eventually drives steam turbine more efficiently and requires relatively less cooling. Molten fluoride salts have a much higher boiling point which ultimately fuels the steam turbine more efficiently (~50%). *Management alluded to a $69/MWh LCOE as a direct consequence of higher temperatures, which would be extremely lucrative. Realistically, we expect these lower LCOE levels to only materialize much later in 2030s for N-th of a kind applications.*

IMSR technology does not rely on HALEU but instead uses SALEU (Standard Assay Low-Enriched Uranium). SALEU is enriched to under 5% uranium-235. Molten salt acts both as fuel and coolant and management remains confident in abundant supply of domestically available fuel. Terrestrial has a manufacturing and supply agreement with Westinghouse's subsidiary, Springfields Fuel Ltd. for design and construction of IMSR fuel pilot plant. Construction initially set to begin in early 2026.

Customizability Creates Flexibility In Application. Management also touted the potential to customize its plants without require an approval from NRC for its non-nuclear components. Plant can be customized to data centers or industrial applications, but incorporate natural gas and steam turbines.

Regulatory Updates To Watch. US NRC has already issued its Safety Evaluation and approved the Principal Design Criteria (PDC) for IMSR in 2025. Pre-application activities are currently underway for Standard Design Approval. This remains the key milestone to watch. Outside of US, IMSR has also cleared licensing pathway in Canada in 2023 with the CNSC (Canadian Nuclear Safety Commission) ruling "no fundamental barriers to licensing" for its technology.

~100 GW TAM For SMRs: Management see the TAM driven by ~260 GW of coal plant fleet of which likely has a ~100 GW of potential replacement capacity could be available for SMR as an opportunity. Management sees the serviceable addressable market (SAM) at ~$1.4 trillion globally.

Watch For New Projects Disclosed in 2026. Terrestrial Energy (along with Kairos Power and Aalo Atomics) has signed an agreement with Texas A&M to build IMSR on site. This is one of the first publicly announced IMSR project, but management noted that there are at least 10 projects in its pipeline. **Expect to see updates on 1 to 3 new projects in 2026.** Separately, development with 2 DOE OTA projects (TETRA and TEFLA pilots) is underway.

Speed to market remains the key concern among hyperscalers. Speed to market remains the key pain point for IMSR and now with an abundant supply of novel technologies (still early stage), hyperscalers have a broad range of nuclear technologies to choose from.

Energy Fuels (UUUU)

Energy Fuels (UUUU) is a U.S.-based critical minerals producer with a legacy uranium and vanadium business that has evolved into a broader, diversified platform spanning uranium, rare earth elements (REEs), heavy mineral sands, and specialty isotopes. The company's strategic backbone is the White Mesa Mill in Utah—the only operating conventional uranium mill in the U.S.—which provides licensed, permitted, and operating infrastructure capable of processing uranium, vanadium, monazite-based rare earths, and alternate feeds.

Uranium Production Ramping with Industry-Leading Cost Structure. Management reiterated confidence in uranium as the company's near-term cash flow engine. Energy Fuels is currently the largest uranium producer in the United States, producing roughly half of newly mined and processed U.S. supply. Production guidance for 2026 is 1.5 to 2.5 mn lbs, with a medium-term pathway to roughly 5 million pounds annually as additional projects are brought online. The Pinyon Plain mine currently producing and described as one of the highest-grade uranium mine in the U.S anchors near-term volume, with operating costs of ~$23–30/lb versus spot prices around ~$85/lb, implying substantial margins. Additional upside comes from the fully permitted Nichols Ranch ISR project in Wyoming, Whirlwind in Colorado, and longer-dated assets including Sheep Mountain (Wyoming) and the large-scale Roca Honda project in New Mexico. A pipeline of assets will help in boosting production from +2 mn lbs to to ~5 mn lbs.

White Mesa Mill as Strategic U.S. Infrastructure. Beyond being the only operating uranium mill in the U.S., White Mesa also represents the only facility domestically capable of processing monazite-bearing feeds that contain uranium and thorium which is a critical barrier for many prospective rare earth producers. The mill has 8 mn lbs of licensed uranium capacity and decades of operating history, allowing Energy Fuels to process multiple critical minerals concurrently. Management repeatedly framed White Mesa as irreplaceable infrastructure that enables cost, permitting, and timeline advantages versus greenfield processing alternatives in the U.S.

Rare Earth Strategy Focused on Monazite and Heavy REEs. Energy Fuels' rare earth strategy centers on monazite, a high-grade mineral that contains both light and heavy rare earths. Management views this as a competitive advantage, given White Mesa's permitting and technical capabilities. Phase 1 rare earth processing capacity is already operating at pilot scale and can process ~10,000 tonnes of monazite annually, producing mixed rare earth carbonates and heavy concentrates. Some product has already been qualified by permanent magnet manufacturers and is entering EV applications.

Global Feedstock Pipeline Supports Scale and Cost Leadership. To secure long-term, low-cost monazite supply, Energy Fuels has assembled a global portfolio of heavy mineral sands assets, including Bahia (Brazil), Donald (Australia), and Madagascar. Management described the Madagascar project as potentially the lowest-cost heavy mineral sands and rare earth operation globally. The Donald project is shovel-ready and nearing a final investment decision, with Phase 1 alone capable of supplying ~25% of U.S. heavy rare earth demand, rising materially with expansion.

Vertical Integration Extends to Metals and Alloys. A key strategic extension is Energy Fuels' pending acquisition of Australian Strategic Materials, which includes an operating metals and alloys plant in South Korea and the Dubbo project in New South Wales. Management characterized this as a "missing link" that enables downstream integration into magnet-ready alloys, a necessary step to compete with China's end-to-end rare earth supply chain. Phase 2 expansion at the Korean facility is already underway, scaling alloy capacity toward ~3,600 tpa. Management emphasized that true competitiveness requires integrating from molecule to magnet, capturing margin across the value chain rather than at isolated steps.

Financial Strength and Funding Visibility Reduce Execution Risk. Energy Fuels enters its next growth phase with a fortified balance sheet, including ~$927m of working capital and an oversubscribed $700m convertible note issuance completed in late 2025 at a 0.75% coupon and 32% conversion premium. Management stressed that uranium cash flows are already ramping and expected to fund a meaningful portion of development spending, reducing reliance on dilutive equity. While total capital requirements across the growth pipeline approach ~$2bn, management expressed confidence in funding the remaining balance through a mix of internal cash flow, private capital, and potential government partnerships.

Long-Term Vision—Rare Earths Become the Primary Value Driver. Looking out several years, management expects Energy Fuels to transition from a uranium-centric company to one primarily driven by rare earths and heavy mineral sands. In a fully executed scenario, uranium would represent ~15 to 20% of revenue, rare earths ~60 to 70%, with the balance from heavy mineral sands. This implies potential company-wide revenues of $2 to 3bn annually with EBITDA approaching ~$1bn, assuming successful execution. While uranium remains strategically important and cash-generative, management's clear long-term ambition is to become one of the top global rare earth producers outside of China, differentiated by integration, scale, and cost leadership.

Type One Energy

Background. *Type One Energy is a nuclear fusion OEM founded in 2019 focused on commercializing stellarator-based fusion for utility-scale baseload power. Unlike more common tokamak designs, which rely on pulsed electrical current to sustain plasma confinement, stellarators use a fixed, three-dimensional magnetic geometry that enables steady-state, inherently stable plasma operation. Once ignition is achieved, the plasma can remain self-sustaining and self-heating so long as operating conditions are maintained, considerably reducing recirculating power requirements. Type One's approach is grounded in previously validated physics, most notably the W7-X stellarator at the Max Planck Institute. The company is backed by Breakthrough Energy Ventures and is focused on selling power plant designs and core technology to utilities rather than owning and operating assets itself.*

Benefits and drawbacks of stellarator technology. Stellarators offer an advantage for fusion power because, once ignition occurs, the plasma is inherently stable, self-sustaining, and self-heating so long as operating conditions are maintained, requiring minimal additional power input compared with tokamak designs that rely on pulsed current. This reduces recirculating power needs, potentially solves the persistent "$Q > 1$" challenge that comes with other fusion approaches. The key constraint for fusion is around engineering practicality: stellarators require very complex magnetic geometries and magnets that are difficult to design, manufacture, assemble, and maintain, relying on levels of precision manufacturing and high-temperature superconducting technology that historically did not exist at commercial maturity.

Partnership with TVA establishes credibility. TVA is actively funding site preparation and engineering work at the retired Bull Run coal plant site and has committed to a pathway that includes a first-of-a-kind plant near Knoxville. Type One is working with TVA to build a test bed facility to verify and test certain aspects of the power plant design. In 2028, Type One is aiming to begin building its FOAK plan with the aim of being commercially ready by 2034.

Confident in declining cost survey over time could allow for close to $50/MWh over time. Management expects high-temperature superconducting tape, a key cost driver today, is expected to see >90% cost declines as production scales for fusion, medical imaging, and industrial applications. As a result, management believes it can drive LCOE toward ~$50/MWh within ~10 plants.

Financing. Type One estimates it needs ~$1 billion total through 2028 to reach FOAK construction but notably is not financing the power plant itself. TVA and a broader consortium will own and operate the plant, while Type One funds technology development. To date, the company has raised ~$200 million through private capital and non-dilutive funding and is currently raising a Series B to finance its next set of technical milestones. Infinity One, Type One's FOAK plant with TVA, is expected to become a revenue-generating asset post-testing, used for workforce training and R&D, potentially opening hybrid or project-level financing pathways.

Aalo Atomics

Background. *Aalo Atomics is developing sodium-cooled nuclear power plants centered around 10MW reactors that can be shipped by truck and rapidly assembled on site. The company's reactor uses liquid sodium coolant to enable compact designs, thin-walled vessels, atmospheric-pressure operation, and passive safety. Aalo's commercial product is not a single reactor but a rather a pod configuration: five reactors and one turbine (~50MW). Aalo is focused on building the entire plant, not just the reactor. It plans to manufacture 90-95% of the whole power plant, including the balance of plant.*

Targeting data center market principally. Aalo is primarily focused on the data center market at the moment and believes its offering will offer modularity and speed that are particularly attractive for data centers. During planned refueling or maintenance outages, individual reactors can be taken offline while the remaining units continue operating, allowing data centers to maintain power delivery without full-plant downtime. This contrasts with large single-unit nuclear plants, where refueling outages can remove an entire gigawatt from service for weeks at a time. Management also highlighted the ability to tightly couple nuclear generation with adjacent data center infrastructure, enabling operational and efficiency optimizations that are not possible when power is delivered from distant grid-connected plants.

Sodium-cooled pros and cons. Sodium offers ~100x higher thermal conductivity than water, molten salt, or gas, enabling much smaller reactor vessels for the same power output and supporting Aalo's mass-manufacturing thesis. The combination of high boiling point and atmospheric-pressure operation enables passive decay heat removal, meaning the reactor can cool itself naturally without requiring external power. Management acknowledged sodium's challenges, particularly its chemical reactivity with water, but argued these risks are well understood and manageable with modern engineering. Lessons learned from earlier sodium-cooled reactors inform Aalo's design choices, including double-walled steam generators, improved instrumentation and control systems, cold-trap purification to manage impurities, and modern probabilistic risk assessment (PRA) techniques.

Using LEU instead of HALEU. Unlike several advanced reactor developers, Aalo does not rely on HALEU fuel, instead choosing off-the-shelf low-enriched uranium (LEU / LEU-plus). Management framed this decision as primarily driven by scalability and supply-chain realism, noting that HALEU infrastructure does not yet exist at volumes required to service hyperscaler demand. By contrast, LEU is already supported by a global supply chain capable of supporting tens of gigawatts of annual nuclear capacity. Aalo views fuel availability as a gating factor for near-term deployment and believes LEU materially reduces commercialization risk relative to more exotic fuel strategies.

Cost reductions thru economies of scale; but focus on quantity of reactors produced over size. Historically, nuclear costs declined from increasing the size of nuclear reactors to spread the costs over more MW to reduce the $/MW. Aalo is focused on bringing down $/MW thru economies of number by building more reactors rather than larger reactors. The company currently operates a 40,000 sq. ft., and plans to expand to a ~1 million sq. ft. facility, with a long-term goal of producing up to 100 reactors per year (~1GW of capacity annually) by 2030.

Targeting sub-$0.10/kWh over time. Management believes first-of-a-kind systems can achieve mid-teens $/MWh costs, broadly competitive with alternative power solutions currently available to hyperscalers, including new gas-fired BTM infrastructure. With scale and manufacturing learning, Aalo expects costs to decline toward sub-$0.10/kWh after ~20 reactors, which management characterizes as the threshold needed to unlock a much broader market beyond data centers. While hyperscalers serve as the anchor customers for the initial deployments, Aalo sees longer-term applicability in municipal utilities, industrial process heat, desalination, microgrids, mining, and other large onsite loads that typically require 10–100MW of reliable power but have historically been priced out of nuclear solutions.

Timeline. Aalo expects its first experimental reactor to reach full power operation targeted for FY27-FY28. Post-FY30, the company aims to reach ~100 reactors per year, scaling output as factory capacity and downstream supply chains mature.

Supply chain the main constraint. Looking ahead, management identified supply chain capacity as the primary scaling constraint. In the near term, bottlenecks are expected around pumps and heat exchangers, while longer-term expansion could stress availability of turbines and even bulk sodium supply. Aalo signaled willingness to push vertical integration further upstream if necessary, including potential involvement in sodium production, in order to support multi-gigawatt annual deployment.

Curtiss-Wright Corp. (CW)

Curtiss-Wright described itself as a critical supplier inside the nuclear stack, not a reactor builder. The company has had content across virtually every operating reactor in the U.S. and Canada, most of South Korea, and now the UK. The nuclear segment is growing at mid-teens % organically in 2026, and that guide excludes any AP1000 order, which management said it expects to receive this year.

Management framed plant life extensions as a growing driver of aftermarket spend. Extending reactor lives from 60 to 80 years, and potentially beyond, opens an investment window that was not previously justifiable, pulling forward analog-to-digital upgrades, control system modernization, and component replacement. The 3 U.S. reactor restarts and ongoing uprates layer on top of that, adding maintenance and service work across the cycle. Management noted it runs programs that monitor component stock across the U.S. fleet, which it described as keeping Curtiss-Wright embedded in the plant planning cycle. The addressable aftermarket was sized at roughly $7bn through the middle of this century. Management's view was that this base grows without requiring a single new reactor to come online.

The AP1000 opportunity is wider today and growing. The administration's $80bn commitment to support 10 new AP1000 builds has added a domestic layer. Curtiss-Wright's content per AP1000 is roughly $100mn on the RCP alone, with total content potentially moving into the mid-$100mn range as scope with Westinghouse expands. Management said it expects to receive its first RCP order in 2026, with additional dollars following as those plants progress. Poland and Bulgaria continue to move forward, with funding secured and engineering advancing. Management described these as additive to, not a replacement for, the U.S. pipeline.

SMRs are early in the revenue ramp, but the mix is beginning to shift. About 10% of commercial nuclear revenue today is tied to new build, and the majority of that has been paid design work with advanced reactor developers. Management noted that transition toward prototyping is underway in 2026. Content per SMR varies across a disclosed range of roughly $20-120mn depending on the design, with Curtiss-Wright engaged across multiple leading platforms. Management described its value proposition as most aligned around the 300 MW size range. The next milestone to watch, per management, is production equipment orders as developers push toward early 2030s grid targets.

Management described Curtiss-Wright’s approach as staying qualified and engaged across designs and geographies rather than concentrating on a single platform. The 2024 acquisitions reflected that logic. WSC brings simulation and predictive maintenance software that pulls Curtiss-Wright earlier into the plant design and outage planning cycle. The UK acquisition deepens local content and strengthens the Rolls-Royce SMR relationship, while adding European fleet aftermarket exposure. On capacity, management said capex has been increasing over the past 2 years, FCF conversion has run ~105%, and the company has said it may greenfield a new site later this decade if the opportunity warrants it. The framing was that Curtiss-Wright is investing ahead of the cycle with a clear ROI threshold.

HGP Intelligent Energy

Intro to Technology. HGP is not building a new reactor; it is commercializing proven ones. The company's strategy centers on two tracks: deploying naval-derived reactor technology on DOE legacy brownfield sites, and developing patented ancillary IP to modernize how those reactors operate. Brownfield sites carry 70+ years of nuclear history, existing water access, and established industrial infrastructure, which management noted could compress development timelines versus greenfield. On the IP side, HGP is working with a national laboratory under a DOE validation program to bring its ancillary technology to market. The core framing was that the reactor box is largely solved and that the gap sits in everything around it.

HGP described its edge as sitting in the operational layer, not the reactor core. Management identified reactor coolant pumps as a specific target, noting they account for roughly 14% of parasitic load in existing plants. HGP's patent-pending variable flow control system is designed to manage reactivity and output through pump dynamics rather than control rod manipulation, with the stated goal of reducing wear, extending fuel life, and enabling load following without modifying the reactor core. The practical outcome management described is a higher-capacity-factor, longer-lived asset that can respond to dynamic grid or behind-the-meter demand signals. Management also noted the technology is designed to be retrofit-compatible, suggesting the addressable market extends beyond new builds to the existing U.S. fleet.

Management framed nuclear operating flexibility as one of the most underappreciated gaps in the current build out. As coal and large spinning generation retire, the grid loses the inertia and load-following buffer those assets historically provided, placing new operational demands on nuclear. Existing plants were not designed for dynamic dispatch, and control rod-based output management carries real costs in fuel utilization and component wear. HGP's approach targets this from the physics side, using variable coolant pump control to adjust flow and manage reactivity, enabling load following without control rod cycling. Management described this as applicable to the existing U.S. fleet as well as to next-generation SMRs, where flexible operation is increasingly a commercial requirement.

A shifting regulatory backdrop. Management described the current federal policy environment as the most constructive for nuclear commercialization in decades. A May 2025 EO formally opened DOE legacy sites to new nuclear deployment, and NRC Part 50 and 53 reforms alongside expanded DOE, NRC, and national lab coordination are creating faster pathways that management said did not exist 12-18 months ago. HGP has been an active participant in that process, engaging directly with lawmakers in Washington through 2026. Management noted China has 54 reactors under construction versus none in the U.S., using that as context for the urgency around domestic nuclear advancement. The broader framing was that recent regulatory changes have opened a window, and that HGP sees itself as among the earlier movers structured to act through it.

Management tied the commercial opportunity to two demand drivers: load growth and retrofitting. On the new deployment side, hyperscale AI and HPC data centers require firm, high-quality power at scale, and management described nuclear as a natural fit for load profiles that prioritize uptime and predictability. On the retrofit side, HGP's ancillary IP targets the existing U.S. reactor fleet, where operational improvements could translate into higher capacity factors and better economics without a new reactor license. Management contrasted the SMR field, where many efforts involve scaling down the AP1000, with HGP's focus on improving how existing technology actually runs. The framing was that both paths, new DOE site deployment and retrofit commercialization, are addressable with technology already in validation.

OKLO

Background. OKLO is an SMR developer and owner operator that has built its business around three core segments: The Powerhouse business, the Fuel business, and the isotope business. The Powerhouse business is its SMR business that underpins its platform. OKLO has an orderbook of 18GW and is currently advancing its first commercial Powerhouse reactor project at Idaho National Laboratory. It targets a 75 MW deployment with fuel fabrication already underway and first operations expected in 2028. Following the Idaho deployment, OKLO plans additional Powerhouse sites, including a large land position in southern Ohio, where the next reactor is expected to serve Meta.

In parallel, OKLO has secured a site for a dedicated fuel recycling facility for its Fuel business. This business is initially designed primarily to support OKLO's own reactor fleet, leveraging a sodium-cooled fast reactor architecture based on the Experimental Breeder Reactor-II. Overtime, the fuel business could ultimately serve third party customers as well.

Finally, the isotope business followed the acquisition of Atomic Alchemy. Isotopes are used across a number of industries including healthcare, industrial, space, and defense sectors. OKLO is advancing an isotope production facility, with NRC permitting anticipated and initial isotope production projects targeted as early as the end of this year.

HALEU challenges are there, but confident it can navigate constraints. Management emphasized that fuel availability, particularly HALEU constraints, has delayed peer projects, but OKLO believes it is better positioned than most to navigate these bottlenecks. The Idaho reactor currently has sufficient fuel to operate at roughly half of the planned 75 MW capacity, but OKLO remains in active discussions with the DOE to secure additional supply. In parallel, the company is progressing alternative pathways, including; Recycled transuranic fuel, which will be used for the first Idaho Powerhouse, HALEU supply development, including partnering with Centrus, whose adjacent land position in Ohio creates opportunities for conversion and enrichment integration, and Plutonium-derived fuel, potentially sourced through ongoing DOE RFP processes. Longer term, OKLO has secured land in Oak Ridge, Tennessee, to advance a dedicated fuel recycling facility, with definitional design, environmental work, and pre-permitting activities beginning now. While management was clear that recycling is unlikely to be commercialized this decade, they view it as strategically critical to long-term fuel security, cost competitiveness, and system flexibility.

Financing and revenue ramp. With approximately $2.5bn of liquidity following significant capital raises in 2025 and early 2026, management views near-term capital needs as de-risked. The balance sheet strength allows OKLO to concurrently advance power, fuel, and isotope initiatives without capital acting as a binding constraint. Longer term, the company intends to transition from corporate-level equity funding to asset-level project finance, underpinned by long-term PPAs, once it establishes an operating track record. Management highlighted ongoing conversations with DOE/LPO (now EDF) as a potential financing backstop early on and suggested that after 3–4 Powerhouse deployments, traditional project financing structures should become viable.

Meta deal provides some validation. OKLO expects the next major deployment to occur in southern Ohio, where the company has assembled a large land position. Management indicated this site is likely to host subsequent Powerhouses, with Meta expected to be the anchor customer, following the recently announced binding agreement. The Meta deal supports up to 1.2 GW of power, with an initial 150 MW phase, and includes a customer prepayment.

Isotope business provides near-term revenue potential. OKLO holds an NRC materials permit and is targeting initial isotope production at its lab facility potentially as early as late 2026. In addition, the Groves, Texas radioisotope reactor pilot project is advancing toward a July 4, 2026 criticality target, positioning it as one of OKLO's most visible near-term milestones. Management noted that reliable isotope supply could not only generate early revenue, but also stimulate incremental demand given structural shortages across many end markets.

One Nuclear (ONEN)

One Nuclear is an energy solutions company, SMR deployment and behind-the-meter gas generation. Long-term focus to develop, own and operate projects. One Nuclear does not own the technology, but owns generation. Multi-tech solution involving Rolls-royce SMR, Westinghouse, GEV and TerraPower. Aiming to go public on NASDAQ through a de-SPAC transaction in 2Q.

Structural Baseload Power Shortfall Drives the Opportunity. Management emphasized that the U.S. grid is facing a structural deficit in reliable baseload power due to decades of underinvestment, accelerated retirements of coal and gas plants, rapid electrification, and surging demand from data centers. These challenges are compounded by severe grid interconnection constraints and average grid connection timelines exceeding four years. One Nuclear views this environment as fundamentally mismatched to hyperscalers' timelines, creating a strong case for behind-the-meter power solutions that avoid grid bottlenecks and ratepayer friction.

Gas As A Bridge To Nuclear Power. One Nuclear's near-term solution is fast-tracked, behind-the-meter gas power to meet urgent customer demand (using recips, aeros and large frame turbines), to bridge the gap to nuclear longer term. One Nuclear has a tech agnostic approach, working with Rolls-Royce SMR, Westinghouse, GEV-Hitachi and TerraPower. The company is targeting first gas-fired power delivery by 2028, with nuclear following around 2034. Management highlighted that gas generation enables early cash flow, materially reduces development risk, and helps fund nuclear development without requiring customers to wait for protracted nuclear power. This sequencing is core to One Nuclear's risk-management philosophy.

Technology-Agnostic Approach Reduces Execution Risk. Management evaluates technologies based on deployment speed, licensing status, cooling and water requirements, modularity, supply chain readiness, and economics. Gen III+ reactors are seen as nearer-term options, while Gen IV technologies may be better suited for specific locations. This diversified approach avoids single technology risk and increases flexibility across different sites and customer needs.

Behind-the-Meter, Phased Development Model. Management noted that projects are designed as phased campuses rather than single-shot gigawatt builds. Projects typically scale in ~200 MW blocks per quarter, allowing incremental commissioning, learning-curve benefits, and earlier revenue generation.

Strong Emphasis on Partnerships and Creditworthy Offtakers. One Nuclear positions itself as a pure-play power developer, partnering with hyperscalers, industrial customers, utilities, and experienced counterparties rather than building data centers itself. PPAs are a key inflection point, underpinning project financing and final investment decisions. The TX site is currently the most advanced, with **PPA agreement expected by 4Q**. Also expect a second PPA announcement in 4Q26 to 2Q27 window. While hyperscalers represent a major initial demand source, the company is actively pursuing diversification across industrial users and utilities to reduce customer concentration risk and support multiple commercialization paths, including build-own-operate and build-transfer models.

Financing Structure and De-SPAC Pathway. One Nuclear plans to go public via a SPAC transaction. Management stressed that large project capex will sit at the SPV level beneath the public platform, limiting balance sheet risk at the parent company. Roughly $20–50m of platform equity is expected to unlock up to ~1 GW of project capacity through project-level financing, supported by infrastructure funds, strategic partners, and potentially hyperscaler co-investment. Pro forma liquidity at close is expected to be just under $200m, with a pro forma enterprise value of ~$1.2bn.

Risk Mitigation as a Core Competitive Advantage. Management repeatedly highlighted disciplined risk mitigation as central to the strategy, drawing lessons from past nuclear project failures. Key focus areas include starting construction only after ~80% design readiness, workforce training and readiness modeled on the Darlington nuclear refurbishment, aligned EPC contracts with pain-gain sharing, and robust contingency structures in project financing. **Management estimated that each 100 bps reduction in cost of capital can lower LCOE by ~$7–10/MWh**, reinforcing why bankability, execution discipline, and early de-risking are central to value creation. *The ability to borrow from EDF at Treasury + 0.375% and utilize tax equity, materially helps with LCOE math - particularly boosting deployment likelihood for the first wave of SMR deployment.*

Ameresco (Buy, $36 PT)

Ameresco is a developer, integrator, owner, and operator with a diversified asset base that includes solar, storage, and RNG capacity. AMRC offers its federal, local, and C&I customers a highly flexible and tailored solution across its Projects, Energy Assets, and O&M segments, using a vendor- and technology-agnostic approach to adapt to customers' evolving needs. More recently, AMRC has been expanding its next-generation solution set, reflected in announced partnerships with nuclear peers Terrestrial Energy, Terra Innovatum, and NANO Nuclear Energy.

Diversifying into Nuclear. AMRC formally announced its entry into next-generation nuclear in mid-2025, but management had been closely monitoring the emerging industry well before then, viewing next-generation nuclear as a critical solution to reinforce grid stability and supply decarbonized, baseload power. In June of that year, the company officially bet on the technology, announcing its first collaboration with Terrestrial Energy to advance the commercialization of Terrestrial's Integral Molten Salt Reactor (IMSR). A few months after, AMRC signed a memorandum of understanding (MOU) with Terra Innovatum, and later in January 2026, another MOU with NANO Nuclear Energy.

While some may view AMRC's pivot into nuclear as a shift away from the company's core renewable expertise, management would instead emphasize its diversified and agnostic approach to adapt to customers' needs. We similarly saw AMRC diversify away from traditional solar and storage as it expanded into renewable natural gas, and now, we see AMRC once again diversifying further. We believe the company's proactive expansion (not a redirection) into nuclear aligns well with developers' prioritization of baseload power and speed to connection.

What's the Timeline? AMRC may be an early-mover in the nuclear space relative to its public peers, but we note that shares have not meaningfully reacted to the company's initial progress, likely due to the early-stage nature of the technology itself and limited visibility into how and when AMRC can monetize these projects. Our conversation with the company confirmed that the timeline to firm SMR projects would likely extend into 2030 and beyond, inline with similar commentary throughout the conference and hence difficult to reflect in valuation. However, management noted that its partnership with Terra Innovatum was advancing at a faster pace, with the company expecting to deploy its SOLO microreactors within two years across federal and commercial sites.

Assuming AMRC and Terra Innovatum can meet this timeline and deploy the agreed-upon 50 reactors, the opportunity should present upside to current sell-side estimates and even management's long-term 10% / 20% topline / EBITDA CAGR guidance.

Targeting Federal and Data Center Customers. As AMRC expands its offering set to include nuclear, management still expects to target its familiar customer base across federal and C&I customers. The company's planning & development arm via the Projects platform is well-suited to tailor a custom site to both federal and C&I customers, and while AMRC could own these assets through its owned portfolio, management expects large infrastructure investors or hyperscalers to retain ownership. By simply developing and potentially servicing the SMR or microreactor on a multi-year basis, AMRC would minimize its balance sheet risk and lock-in recurring revenues through the O&M segment, a potentially compelling stock angle for investors interested in lower-risk nuclear exposure.

Eagle Nuclear Energy

Eagle Nuclear Energy Corp (NUCL) went public through a de-SPAC transaction in February 2026 and specializes in uranium mining. NUCL's Aurora Uranium Project is the largest undeveloped conventional uranium resource in the U.S with expected completion date of ~2032. NUCL is also in early stages of in-house SMR technology development.

Capital Raise Supports Operations For At Least 2 Years. Management noted that its recent PIPE transaction (~$30mn) positions it to meet its operational and R&D needs for the next two years. R&D remains the key focus broadly, with the next objective to complete the pre-feasibility study drill program. *Management is currently targeting a 2H27 timeline to complete the pre-feasibility study - this remains one of the most critical milestones to watch.*

Exploring Fast-41 Designation To Expedite Permitting. NUCL requires a series of permits to get the mine operational, including federal (BLM), state (Oregon and Nevada) and environmental. Management expects mining approval in Oregon, while the processing facility will be in Nevada. At a federal level, the US government and DOE remain supportive of nuclear supply chain development and management remains confident in timely approvals. NUCL has engaged with SLR International to move through the early development and permitting process.

Virtually Non-Existent Domestic Supply Can Support Higher Prices. Across ~95 reactors within US, the annual consumption is roughly +60mn lbs, while domestic mining output hovers around 0.7mn lbs, roughly 1-2% of total consumption. US imports the remaining 98%-99% of its demand. NUCL sees its self positioned unique to capitalize on this. *Initial studies note that Aurora has roughly 5mn lbs inferred capacity (higher confidence) and ~33mn lbs indicated (low confidence), which could make it a meaningful player in the market once operational. While still early in the process, management expects material inflation in uranium prices to support mining economics even more meaningfully from here. Initial customer interest remains positive.*

M&A Activities On Horizon. Management noted interest in expanding further within its space by acquiring other uranium deposit facilities and mines. Outreach from potential target companies remains high.

Still Early In SMR Development. Eagle VSLLIM reactor (Very-Small, Long-Life, Modular) is a liquid metal cooled fast reactor with ~3.3 MWe output. VSLLIM is still early in the development process, with 1 utility patent and 3 provisional patents filed. *We continue to see vertical integration in the nuclear sector broadly, with SMR companies looking to own the fuel fabrication facility in order to de-risk the business. This remains a key theme to watch for to differentiate winners and losers within the nuclear space.*

Company Valuation/Risks

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Analyst Certification:

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Jefferies is acting as Financial Advisor to Bernhard Capital on the proposed acquisition of Entergy’s gas distribution business.

James Heaney has a long position in Facebook.
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Other Companies Mentioned in This Report

- Alphabet, Inc. (GOOGL: $317.24, BUY)
- Amazon.com, Inc (AMZN: $238.38, BUY)
- Ameresco Inc (AMRC: $26.40, BUY)
- American Electric Power Company, Inc. (AEP: $136.30, BUY)
- Cadre Holdings, Inc. (CDRE: $32.65, BUY)
- Duke Energy Corporation (DUK: $131.79, HOLD)
- Entergy Corporation (ETR: $116.47, BUY)
- GE Vernova Inc (GEV: $991.32, BUY)
- General Electric Company (GE: $308.35, BUY)
- Hitachi (6501 JP: ¥4,810, BUY)
- Meta Platforms, Inc. (META: $629.86, BUY)
- Quanta Services Inc. (PWR: $585.36, BUY)

Distribution of Ratings

			IB Serv./Past12 Mos.		JIL Mkt Serv./Past12 Mos.	
	Count	Percent	Count	Percent	Count	Percent
BUY	2184	62.22%	368	16.85%	112	5.13%
HOLD	1168	33.28%	100	8.56%	15	1.28%
UNDERPERFORM	158	4.50%	2	1.27%	2	1.27%

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