

Geiger Counter Limited

Key Fund Facts¹

Fund Managers

Keith Watson
Robert Crayford

Launch Date

July 2006

Total Gross Assets

£30.2m

Reference Currency

GBP

Ordinary Shares

Net Asset Value: 32.02p

Mid-Market Price: 33.20p

Gearing

1.27%

Premium / (Discount)

3.55%

Ordinary Shares in Issue

93,177,727

Annual Management Fee

1.38%

Bloomberg

GCL LN

Sedol

B15FW330

Year End

30 September

Contact Information

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Company Broker

FinnCap

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Annual Report and Accounts

Published

December

Investor Report

Monthly Factsheet

Fiscal Year-End

30 September

Results Announced

Finals: December

Interims: March



Keith Watson and Robert Crayford
Portfolio Managers

Fund Description

The objective of the Geiger Counter Fund 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.

Fund Management

Founded in 1999, CQS is a \$21.8bn² global multi-strategy asset management firm.

The Fund is managed by Keith Watson and Robert Crayford, supported by the CQS credit analyst team.

Ordinary Share and NAV Performance³

	1 Month (%)	3 Month (%)	1 year (%)	3 Year (%)	5 Year (%)
NAV	31.55	93.47	167.06	75.26	86.49
Share Price	29.18	89.71	158.37	63.95	141.45

Investment Commentary⁴

Uranium mining equities rose strongly in early February 2021 and, despite giving back some early gains, the NAV ended the month up 31.6%. This compared to sterling returns of 24.9% and 19% for the Solactive Uranium Pure Play Index and the more diverse Solactive Uranium and Nuclear Components Index respectively. Retail investor flows in the US were supportive, with Reddit blog traders reportedly buying equities in the sector and driving a huge increase in the volume of shares traded.

Coinciding with an extreme US cold snap, which caused around 50% of Texas wind turbine generating capacity to freeze and forced a state power distribution company to file for Chapter 11 as next day power prices spiked, this buying appeared to be the primary driver to some sharp share price rises. As illustration, in the four NYSE trading days from 11th-17th of February 2021, 700m Denison shares change hands on its US-listing alone. Equivalent to the group's entire share count, the share price was up over 260% in sterling terms at one point during this period. In addition to Denison Mining, which ended the month up 68% sterling terms, other notable contributions to NAV performance were made by US producers Energy Fuels and Ur-Energy, which both rose around 34% and 38% and Athabasca developer-explorers NexGen and its neighbours Fission and Purepoint, which rose 22%, 66% and 37% respectively in sterling terms over the month.

The equity moves contrasted with the softer uranium price, which slipped from US\$30/lb to US\$28.5/lb over the month, indicative of still sluggish utility demand. Looking through equity and commodity price moves, we note that sentiment towards the sector continues to improve, helped by nuclear power's zero carbon emissions. Political support for such base load generating capacity continues to gain momentum with the Paris based International Energy Agency again highlighting the need to include nuclear in the power generation mix in order to reduce greenhouse gas emissions. In addition, support for nuclear was also voiced by some NGO groups, indicative of the more favourable backdrop for the sector going forward.

Another helpful development came from the physical uranium investment vehicle Yellowcake Plc, which announced exercise of an option to buy US\$100m worth of U3O8 from Kazatomprom. Under the agreement Yellow Cake purchased 3.5Mlbs of material at a price of US\$28.95/lb (a 3% premium to the quoted benchmark price at the time), bringing Yellowcake's total sequestered uranium holding to 12.8Mlbs. There was a high level of demand for the group's initial sounding to raise US\$100m and in the end US\$140m was raised via an equity placing. The excess proceeds remain available for potential purchases on the spot market.

In Japan, a 7.1 magnitude earth quake reportedly had no negative impact on the Fukushima reactors. Japan's Atomic Industry Forum also echoed IEA comments on the need for the region to kick-start the reintroduction of its installed nuclear generating capacity, which has been disappointingly slow to materialise.

The Fund reduced its holding in Denison during the mid-month share price spike. Proceeds were reinvested into securities with greater downside protection, such as the physically backed ETF Uranium Participation. Some shares in Cameco were also acquired.

Top 5 Holdings⁵

Name	(% of NAV)
Nexgen Energy	22.8
Denison Mines CAD	8.1
High Power Exploration	7.8
UR-Energy USD	7.1
IsoEnergy	6.5
Top 5 Holdings Represent	52.3
<i>The Company has exposure to 39 issues.</i>	

AIFMD Leverage Limit Report (% NAV)

Geiger Counter Limited	
Gross Leverage (%) ⁶	103
Commitment Leverage (%) ⁷	103

Sources: ¹R&H Fund Services (Jersey) Limited, as at 26 February 2021. ²Source: CQS, as at 26 February 2021. ³R&H Fund Services Limited/DataStream, 26 February 2021, total return performance 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. ⁴Market data sourced from Bloomberg unless otherwise stated. The Fund may since have exited some or all of the positions detailed in the commentary. ⁵R&H Fund Services (Jersey) Limited, as at 26 February 2021. All holdings data are rounded to one decimal place. Total may differ to sum of constituents due to rounding. ⁶Source: CQS, as at 26 February 2021. 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. ⁷Source: CQS, as at 26 February 2021. 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.

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