FACT SHEET

Market bifurcation and security of supply

Who is Cauldron Energy?

Cauldron Energy Ltd (Cauldron) is an Australian mineral exploration and resource development company listed on the Australian Securities Exchange (ASX:CXU). The company focuses on exploring uranium, a resource that is critical to the nuclear power renaissance occurring globally.

Cauldron's flagship project is the world-class Yanrey Uranium Project located in northern Western Australia (WA), which encompasses three separate uranium deposits – Bennet Well, Manyingee South and Manyingee North. In addition, Cauldron holds several sand tenements in the Onslow region of WA.

Subject to policy change in WA, Cauldron proposes to mine uranium via the in-situ recovery (ISR) mining method at Yanrey.

What is market bifurcation?

Bifurcation means splitting in two. The global uranium market is increasingly dividing into separate East and West supply networks.[1]

The problem is not only how much uranium is available, but where it is, and which countries control each step of turning it into fuel.

What is security of supply?

Security of supply means being able to buy the fuel you need from sources that are unlikely to be cut off for political reasons. Since Russia's invasion of Ukraine in 2022, many governments have treated energy, including nuclear fuel, as a national security issue.[2]

For further information, see our factsheet: 'In-situ recovery mining of uranium'.

From the mine to the reactor: the nuclear fuel chain



1 Mining
Uranium is mined and dried into uranium oxide concentrate ('yellowcake')

Proposed for WA

2 Conversion
The yellowcake is converted into a gas, uranium hexafluoride

3 Enrichment
Centrifuges raise the share of uranium-235 so it can fuel a reactor

4 Fuel fabrication
Enriched uranium is made into fuel pellets and fuel assemblies

5 Reactor
The fuel produces electricity in a nuclear power plant

Natural uranium contains only about 0.7% uranium-235. Most reactors need fuel enriched to about 3–5%.[3] Only the first step is proposed for Western Australia, as in South Australia today.[4]

Russia's reach is larger than its own mines

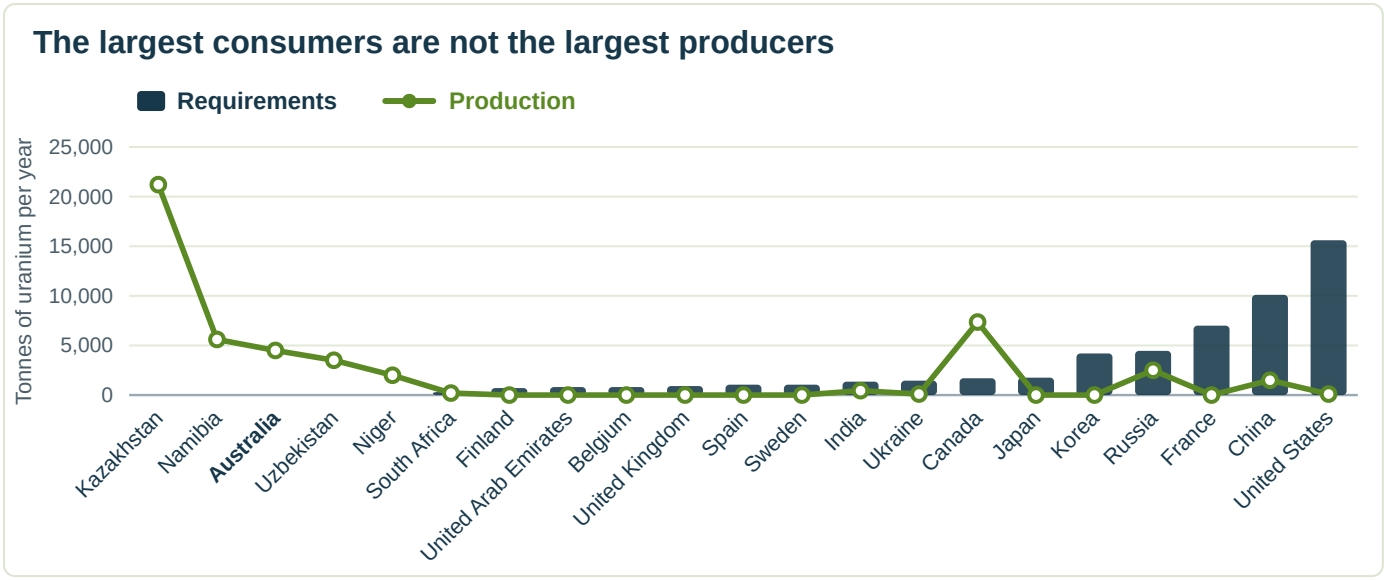
about 5%
of the world's uranium is mined inside Russia[5]

almost 25%
is mined or controlled by Russia when its overseas assets are counted[6]

about 44%
of the world's uranium enrichment capacity is in Russia[7]

The overseas assets are held mainly through Uranium One, owned by Russia's state nuclear company Rosatom, with mines in Kazakhstan and projects in Tanzania and Namibia. Its overseas mines produced about 10% of world output in 2024.[8]

1. The Oregon Group 2026. 'The global uranium market is splitting in two'. Accessed November 2026. **2.** International Energy Agency 2026. 'Russia's war on Ukraine'. Accessed November 2026. **3.** World Nuclear Association 2026. 'High-Assay Low-Enriched Uranium (HALEU)'. Accessed November 2026. **4.** Cauldron Energy 2025. 'Submission to the Economics and Industry Standing Committee: Inquiry into the role of Western Australia in the global effort on decarbonisation'. Accessed November 2026. **5.** Bruegel 2025. 'Ending European Union imports of Russian uranium'. Accessed November 2026. **6.** MiningMX 2026. 'Report warns of Russian dominance in uranium supply'. Accessed November 2026. **7.** S&P Global 2024. 'Russia temporarily bans exports to US of enriched uranium after US curbed imports'. Accessed November 2026. **8.** World Nuclear Association 2026. 'Russia's Nuclear Fuel Cycle'. Accessed November 2026.



Uranium production versus reactor requirements by country. Approximate values, redrawn from Uranium 2024: Resources, Production and Demand (Red Book 2024), OECD Nuclear Energy Agency (NEA) and International Atomic Energy Agency (IAEA).[9]

Kazakhstan, the largest producer

- Kazakhstan produced 25,839 tonnes of uranium in 2025, about 40% of world supply.[10]
- Much of its uranium for Western customers has travelled through Russia's Port of St Petersburg. A route across the Caspian Sea avoids Russia.[11]
- In 2026 its state company signed new supply contracts with energy companies in China and India.[12]
- It plans to reserve at least 150,000 tonnes of uranium by 2050 for its own reactors, though officials say exports will continue.[13]
- In January 2026 new laws gave the state company more control over discoveries, and Canada's Laramide Resources abandoned its exploration project there.[14]

China's growing role

- China has the second-largest uranium requirements in the world, after the United States.[9]
- Chinese state-linked companies control two of Namibia's three uranium mines, Rössing and Husab, which produced about 91% of the country's uranium in 2024.[15] Nearly all of Namibia's 2024 uranium production was exported to China.[16]

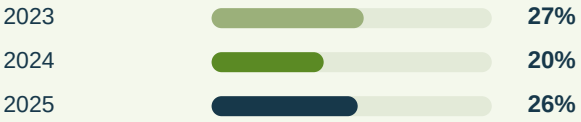
Russia and the West

A United States law bans imports of Russian uranium products from August 2024, with waivers available until 1 January 2028. Russia responded by temporarily restricting its exports of enriched uranium to the United States.[17]

The European Union's 2025 roadmap aims to end its dependence on Russian energy, including nuclear fuel.[18]

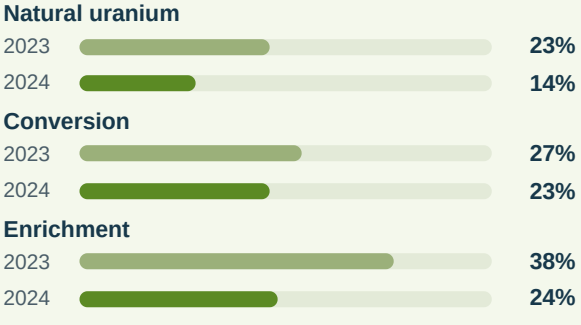
Russia's share of United States purchases of enrichment services

Purchases by reactor owners and operators[17, 19, 20]



Russia's share of European Union supply

Approximate shares at each step[18, 21]



9. OECD Nuclear Energy Agency and International Atomic Energy Agency 2024. 'Uranium 2024: Resources, Production and Demand (Red Book)'. Accessed November 2026. **10.** World Nuclear Association 2026. 'Kazakhstan'. Accessed November 2026. **11.** World Nuclear News 2023. 'Kazatomprom updates on shipments and plans'. Accessed November 2026. **12.** The Times of Central Asia 2026. 'Kazakhstan Uranium Reserve Planned by End of 2027'. Accessed November 2026. **13.** EUalive 2026. 'Kazakhstan to build strategic uranium reserve as it prepares for nuclear power production'. Accessed November 2026. **14.** NucNet 2026. 'Laramide to abandon Kazakhstan greenfield uranium project due to newly enacted policy changes'. Accessed November 2026. **15.** The Oregon Group 2026. 'The global uranium market is splitting in two'. Accessed November 2026. **16.** bne IntelliNews 2026. 'Namibia targets domestic uranium processing in talks with China's CGN'. Accessed November 2026. **17.** World Nuclear News 2024. 'Russia places 'tit-for-tat' ban on US uranium exports'. Accessed November 2026. **18.** World Nuclear News 2025. 'EU seeks to end all energy imports from Russia'. Accessed November 2026. **19.** United States Energy Information Administration 2025. 'Uranium Marketing Annual Report'. Accessed November 2026. **20.** Energy Connects 2026. 'Kremlin still key for US atomic power despite looming import ban'. Accessed November 2026. **21.** Bruegel 2025. 'Ending European Union imports of Russian uranium'. Accessed November 2026.

How are countries responding?

Governments are investing to rebuild fuel supply chains outside Russia, and to diversify where their uranium comes from.

$2.7 billion (USD)

UNITED STATES, 2026

In January 2026 the United States Department of Energy awarded this amount to expand domestic uranium enrichment over ten years.[22]

End of 2025

EUROPEAN UNION

All European Union operators of Russian-designed reactors had secured alternative fuel supply contracts, and its nuclear supply agency names diversification as a key priority.[23]

The Sapporo 5

5

G7 countries: Canada, France, Japan, the United Kingdom and the United States[24]

about 50%

of the world's uranium conversion and enrichment capacity[24]

$5.6 billion

(USD) mobilised by September 2024, against a pledge of at least $4.2 billion[25]

The Sapporo 5 formed in April 2023 at a G7 energy and climate ministers' meeting in Sapporo, Japan.[26] Its aim is to build resilient allied supply chains for nuclear fuel and reduce reliance on Russia.[27]

At COP28 in December 2023 the members pledged at least $4.2 billion (USD) of government-led and private investment in enrichment and conversion capacity over three years.[24] By September 2024 they reported the target had been met and exceeded.[25]

Their statements name uranium mining, conversion, enrichment and fuel fabrication as areas for cooperation.[28] The group invites like-minded countries, utilities and financial institutions to join.[25]

TIMELINE

April 2023
Five G7 countries agree to cooperate on civil nuclear fuel at Sapporo, Japan.

December 2023
COP28 pledge: at least $4.2 billion (USD) for enrichment and conversion capacity over three years.

September 2024
At the IAEA General Conference the group reports the target exceeded, with $5.6 billion mobilised.

What the Sapporo 5 bring to the fuel chain

Canada	Uranium mining (Cameco's Cigar Lake and McArthur River) and conversion (Port Hope)
France	Conversion (Orano's Pierrelatte and Malvési) and enrichment (Orano's Tricastin site)
Japan	Enrichment (Rokkasho), the only allied commercial enrichment plant in East Asia
United Kingdom	Enrichment (Urenco's Capenhurst plant)
United States	Conversion (ConverDyn's Metropolis plant) and enrichment (Centrus at Piketon, Ohio, and Urenco's New Mexico plant)

Kazakhstan, which supplies more than 40% of the world's mined uranium, is not a member.[29]

22. United States Department of Energy 2026. 'U.S. Department of Energy Awards $2.7 Billion to Restore American Uranium Enrichment'. Accessed November 2026. **23.** World Nuclear News 2026. 'US, EU bodies report on nuclear fuel market situation'. Accessed November 2026. **24.** Governments of Canada, France, Japan, the United Kingdom and the United States 2023. 'Civil nuclear fuel cooperation between Canada, France, Japan, the United Kingdom and the United States: statement'. Accessed November 2026. **25.** United States Department of Energy 2024. 'Sapporo 5 release joint statement calling for like-minded nations to join commitment to secure a reliable nuclear fuel supply chain'. Accessed November 2026. **26.** World Nuclear News 2023. 'US takes steps to jump-start overseas SMR deployments'. Accessed November 2026. **27.** Government of the United Kingdom 2023. 'Nuclear fuel supply: multilateral alliance between UK and international partners'. Accessed November 2026. **28.** Nuclear Engineering International 2023. 'G7 nations aim to cut dependence on Russian nuclear technology'. Accessed November 2026. **29.** Amosova N and Grae S 2026. 'Front-end nuclear fuel supply cooperation: Turning allied interdependence into strategic advantage'. Accessed November 2026.

Where does Australia fit?

Australia is a stable, rules-based supplier, and its uranium already plays a growing part in Western fuel supplies.

15%
of United States uranium deliveries in 2025 came from Australia[30]

10.5%
of European Union uranium deliveries in 2024 came from Australia[31]

Supply is also about security. Reactors need a steady supply of uranium fuel and have no practical substitute for it.[32]

Cauldron's view is that if Australia becomes an integral part of its partners' energy systems, by supplying fuel they cannot easily replace, those partners will have a direct interest in Australia's own security and success.

Analysts at the Australian Strategic Policy Institute make a similar case for critical minerals. They argue that Australia's strategic value is tied to becoming an integrated supply-chain partner, and that supplying key minerals can anchor Australia's role in the Indo-Pacific's emerging energy and technology order.[33]

What would this mean for Western Australia?

Subject to policy change in WA, Cauldron proposes to mine uranium at its Yanrey Uranium Project, which has about 55 million pounds of uranium oxide in mineral resources,[34] using ISR. Only the first step of the fuel chain would take place in Western Australia: producing uranium oxide concentrate for export. This is the same step carried out in South Australia today.[32]

Australia exports uranium only for peaceful, civilian purposes. It cannot be used to develop nuclear weapons.[35]

For further information, see our factsheet: 'Peaceful use of uranium and global safeguards'.

> **There would be significant benefits to Western Australia.**

UP TO
9,000
jobs[36]

GREATER THAN
$1 billion
per year in direct economic contribution[36]

Mining companies pay royalties to the State Government on the minerals they produce.[37] Uranium would diversify Western Australia's royalty base.

For further information, see our factsheet: 'The uranium mining ban in Western Australia'.



Drill rigs exploring for uranium at Cauldron's Yanrey Uranium Project, Western Australia

Contact us

Cauldron Energy Ltd (Cauldron) is an Australian mineral exploration and resource development company listed on the Australian Securities Exchange (ASX:CXU).

Email: jonathan.fisher@cauldronenergy.com.au
Phone: +61 407 981 867
Website: https://www.cauldronenergy.com.au/

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30. World Nuclear News 2026. 'US, EU bodies report on nuclear fuel market situation'. Accessed November 2026. **31.** Euratom Supply Agency 2025. 'Market Observatory'. Accessed November 2026. **32.** Cauldron Energy 2025. 'Submission to the Economics and Industry Standing Committee: Inquiry into the role of Western Australia in the global effort on decarbonisation'. Accessed November 2026. **33.** Coyne J 2025. 'Australia must make the most of the US's critical-minerals pivot. The Strategist, Australian Strategic Policy Institute'. Accessed November 2026. **34.** Cauldron Energy 2026. 'CXU adds 13.6Mlbs eU3O8 at Yanrey, a 32% increase'. Accessed November 2026. **35.** Australian Government Department of Foreign Affairs and Trade 2026. 'Australian Safeguards and Non-Proliferation Office (ASNO), Australia's Uranium Export Policy'. Accessed November 2026. **36.** Chamber of Commerce and Industry of Western Australia 2024. 'Uranium mining worth $1b and 9,000 jobs: CCIWA report'. Accessed November 2026. **37.** Government of Western Australia 2025. 'Mineral Royalties in Western Australia'. Accessed November 2026.