Geiger Counter (GCL)

GCL's portfolio is set up to maximise the potential in a sustained rally in uranium.

Update
13 February 2026

Overview

Geiger Counter (GCL)'s portfolio has been positioned to maximise any sustained rally in uranium prices with investments in the most operationally geared miners, and particularly in those with the greatest sensitivity to higher commodity prices. Managers Rob Crayfourd and Keith Watson's thesis is that the well-established huge shortfall of uranium supply over the coming five to ten years can only lead to rising prices for the mineral and its producers. They have built a portfolio of companies they think will outperform if prices reset sustainably higher, with a strong bias to developers over producers, companies that haven't sold forward production, and those that have easily expandable brownfield sites.

Uranium and uranium miners have delivered exceptional returns over the past year, with the commodity price up 31% in January 2026 alone and GCL's shares 45% (see **Performance**). Nuclear has become well established as an essential provider of power to the artificial intelligence industry and indeed an essential part of a future energy mix in a lower emissions world. Geopolitical tensions have increased the appeal of nuclear over fossil fuels, too, and started a scramble for production and refinement in the West or Western-friendly countries. GCL is heavily invested in companies with strategically well-situated assets in jurisdictions that are loosening regulation to boost production — chiefly Canada and the US. The jewel in the crown of the **Portfolio** is the massive position in NexGen, owner of the largest new mine in the pipeline, which could potentially produce c. 15% of current global production when it is up and running, and which is due for final approval in the coming months.

GCL's discount is volatile, and is 8.4% at the time of writing, with one for five subscription rights, currently in the money, to be exercised on 01/05/2026 (see **Discount**). The **Gearing** was a punchy 21% as of the end of December, illustrating the managers' high conviction in the investment proposition.

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Analyst's View

We think believers in the uranium story should strongly consider an investment in GCL. If uranium prices do indeed reset higher on a sustained basis, the portfolio looks to have strong outperformance potential versus the commodity or the ETFs. The rally so far has been focussed on the most liquid and best-known stocks, or those with a name tied to the small modular reactor story. GCL, on the other hand, is positioned in those companies that should see the greatest impact on their earnings from higher prices, and so as the market comes to discriminate and the rally broadens, it should hopefully outperform. In the shorter term, we think the expected final approval for NexGen's exciting Rook 1 project this summer could see a significant rerating of this very large position.

The case for nuclear is strongly rooted in the huge demand for power for AI data centres, with uranium offering another way to play this story than the expensive tech stocks. It is also rooted in geopolitics, with expansion of nuclear by China boosting demand, and political tensions between China and the US firmly establishing a need to find new supply in friendly locations. The shift to nuclear should therefore represent a secular trend with potentially low correlation to the economic cycle or stock markets.

That said, share price and NAV volatility should be expected on the way. This industry has been very sensitive to newsflow in recent years, and being relatively small and illiquid can quickly overreact to political or regulatory announcements. This is a high-risk, high-potential-return trade which GCL is set up to maximise.

BULL
Generational repricing of uranium could be on the cards
Exposure to assets with strong operational gearing maximises return potential
Massive shortfall of supply in coming years should support prices

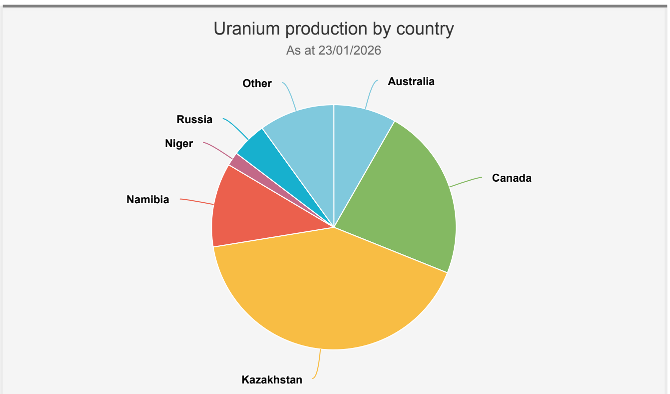
BEAR
Volatility in NAV and share price to be expected, with fund-level gearing contributing
Highly concentrated portfolio brings stock-specific risk
Rapprochement between Russia and the US and/or increased production from Kazatomprom could be negative for the sector

Portfolio

Geiger Counter (GCL) offers concentrated, high conviction exposure to the uranium mining industry. Managers Rob Crayfourd and Keith Watson have positioned the portfolio in companies that have high operational gearing and earnings geared to the uranium price, expecting a multi-year repricing of the industry in the light of massive investment plans from governments and businesses. These have been designed to provide the power needed for AI while reducing emissions and increasing the energy independence of the West.

Uranium is a commodity with fairly limited supply, a lot of which is located in Kazakhstan and thereby under the influence of Russia. Western mining assets are largely located in Canada, while there are some deposits in Namibia, which sits between West and East figuratively, although with heavy Chinese influence. Industry projections of supply fall well short of the demand from the projects expected to come online in the coming years. This creates a strong backdrop for uranium prices. The market is very small compared to other commodities such as iron ore, oil or copper, with very little trading in comparison. Until recently, there were no futures tracking the commodity, the spot price being reported at month's end by Cameco, averaging the trades of a handful of major buyers. Industrial buyers — i.e. the operators of nuclear power plants — are very price-insensitive, with the fuel itself making up only around 6% to 7% of their operating costs. A doubling in price would therefore be of no real concern, and might not even have to be passed on to customers. For all these reasons, the upcoming supply crunch hasn't been factored into the spot price and the valuations of the miners — perhaps until very recently.

Fig.1: Production By Location



Source: CQS, BMO Capital Markets

An added complication is Western governments and multinationals are strongly incentivised to find sources that aren't dependent on Russian or Chinese influence, thanks to the ongoing strategic decoupling and confrontation. China is expanding its nuclear power capacity at a far faster rate than the US and Europe. In fact, it is currently opening ten new plants each year, which puts the US' recent massive investment in ten new plants to be in construction by 2030 in context. China has 59 nuclear reactors and 37 in construction, with another 44 planned and 145 proposed. It is therefore a key competitor for the fuel, and determined to ensure its own supply is secure. It is also setting itself up as a potential exporter of the technology and engineering required to build new nuclear plants for overseas partners.

Uranium prices were weak for roughly ten years after the Fukushima disaster of 2011. A turn away from nuclear power will have had an effect, but perhaps more importantly, Kazatomprom of Kazakhstan, the world's largest producer of uranium, turned on the taps and expanded its production five-fold. While the company can keep its cards close to its chest, Rob and Keith argue that the evidence is that Kazatomprom now has to resort to lower-grade deposits to maintain production, meaning it doesn't have the same capacity to crank up supply, while its current plans are all incorporated in projections of the supply shortfall. Additionally, Kazakhstan has raised taxes on the industry, which disincentivises its growing production. Meanwhile, the high cost of sulphuric acid, necessary for mining, has increased its costs. There is also the political dimension to consider. With Russia and China drawing closer together, and Kazakhstan within Russia's sphere of influence, there is danger in being dependent on supply from Kazatomprom, which is likely to encourage strategic investment in other sources by Western buyers and could even lead to price divergence. Potentially, Kazatomprom could contract all its supply to non-Western customers. Russia still allows uranium to be sold to the West via its refineries, it being carved out of the current sanction regimes, but this cannot be assured in future, and past threats by Russia to block supply have led to sharp spikes in the price.

All these factors explain the current positioning of GCL. The portfolio is heavily biased towards developers, who have the greatest gearing towards a higher commodity price. There is a preference for companies with assets that benefit from the anticipated stronger pricing environment, such as uncontracted developers in Western-friendly jurisdictions such as US and Canada. The managers note that Western reactors need to increase their contracting levels to replace lost Russian supply or simply diversify their fuel sources. The portfolio is positioned to have high gearing to rallying uranium prices, in companies with high operating leverage — meaning shipping extra product has the greatest hit to the bottom line — and in assets which should be in higher demand in a more polarised geopolitical world. Meanwhile, Rob and Keith have significant fund-level **Gearing** too, further increasing GCL's performance potential in a bull market for the commodity, and illustrating the strength of the managers' conviction in their investment thesis.

GCL owns a highly concentrated portfolio involving a big bet on NexGen Energy of Canada, which plays into these themes. NexGen's main asset is the Rook I Project in Saskatchewan, Canada, which is a planned exploitation of the high-grade Arrow uranium deposit. Rook 1 could produce 20–30m pounds of uranium annually, which compares to a current total annual production of c. 120mlb. As such, it is a huge asset of strategic and economic importance. It's worth noting that the expected supply deficit assumes this project comes online, which underlines its importance. The project is going through the final stage of regulatory approval, with a congressional hearing concluding in February 2026 and a decision expected soon after. NexGen is essentially entirely a play on this one asset — the company produces nothing at the moment. However, its market cap of $5.8bn compares to $38.5bn for Cameco, which produced around 23mlbs last year. The potential returns to NexGen if the price starts to factor in the expected production are therefore huge, with the market cap c. 6 times smaller than Cameco at present. Developing the mine will take time, and Rook I is currently expected to start delivering product in 2030. There is, therefore, plenty of time for volatility along the way. However, the potential gains, particularly if a new, higher level for uranium prices is established, are exceptional, explaining Rob and Keith's high conviction. In fact, as NexGen has doubled over the past year, maintaining a reasonable position has become challenging. They tell us they won't add to it when it is more than 25% of the portfolio, and note they would be open to reducing it at an appropriate valuation, but stress that it remains the most attractive risk-reward in the sector in their view.

Top-Ten Holdings, As At 30/11/2025

HOLDING	NET ASSETS (%)	MARKET CAP (US$BN)	ASSET EXPOSURE
Nexgen Energy	27.80%	5.8	Canada
UR-Energy	14.90%	0.3	US
Paladin Energy	12.90%	2.4	Namibia/ Canada
Cameco	7.00%	38.5	Canada, Kazakhstan
Energy Fuels	7.00%	3.4	Canada/US
TOTAL	**69.60%**		

Source: CQS

Ur-Energy is a tiny company by comparison, with a lot of its value lying in the location of its mines within the US. The managers note the company is cheaper than the larger producers, but has plenty of near-term production potential in a strategically important location. Ur-Energy is bringing a new mine online in Wyoming this year, while it also has other assets in that state. The US declared uranium a critical mineral last year, meaning funding and permitting should be expedited, while a presidential executive order shortly after directed federal agencies to fast-track permits for mineral projects, including uranium.

Australian-listed Palladin Energy brings exposure to assets in Namibia, something of a neutral zone geopolitically, meaning they should be exploitable by Western buyers if trade barriers continue to strengthen. Its main Langer Heinrich Mine was restarted in 2018 and has plenty of expansion potential.

Cameco and Energy Fuels are more conventional plays in the sector, the former being the largest producer in the West and the latter the largest US-based producer. The shares of both have done exceptionally well in the most recent rally. We think this reflects them being easy first purchases for generalist investors, spotting the trend in uranium. Rob and Keith highlight that Cameco's assets are dwindling — its main Cigar Lake deposit in particular — while it has sold forward most of its production for many years, meaning it has limited exposure to higher uranium prices. Energy Fuels also doesn't have the highest quality assets, in their view. GCL's portfolio is positioned in those companies with the highest sensitivity to a sustained repricing of uranium due to the huge supply shortfall, which the managers argue should be seen in share price returns as the rally gets established.

With 70% in the largest five positions, GCL is highly concentrated. Uranium mining is a specialist industry, and Rob and Keith are mining sector experts; GCL is therefore a truly active product, offering huge outperformance potential if the managers have made the right calls. Clearly, there are risks involved, but the large position in NexGen has a clear thesis which is hard to dispute. Outside the top five positions, there is a long tail of holdings, with 65 investments in all. This includes some speculative investments held for potential returns of many times the invested money but a potential loss of only one times that capital, as well as some warrants which offer pure optionality.

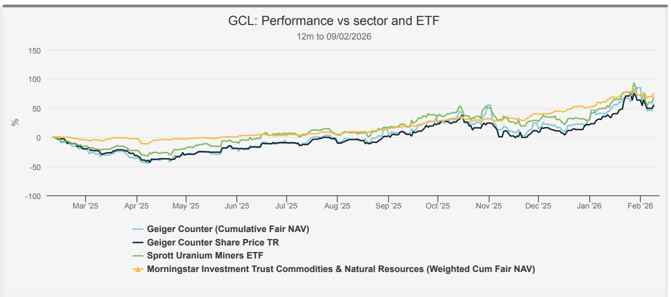
Gearing

GCL has access to cheap debt via a prime brokerage arrangement with BNP Paribas. Rob and Keith are able to borrow at just 83bps over SONIA via a bank overdraft, while some smaller trusts struggle to arrange debt facilities at all. The managers have been happy to take very punchy positions when they think the opportunity is there, and as of 31/12/2025, the net gearing position was 21.7%. In recent months, gearing has ticked up thanks to buybacks reducing the share count, but in the light of some strong performance over 2025, Rob and Keith don't feel the need to increase the geared position, although the prospectus limits the trust to 25% of net gearing anyway, as of the time of first investment, so there is not a lot of headroom. Gearing has been consistently within a high range in the past few years as the market for uranium has been strong. This increases the return potential, but has also contributed to the volatility in performance.

Performance

In recent years, nuclear energy has become established as a key part of the future energy mix, which will allow a reduction in emissions from fossil fuels and more energy independence for Western countries. This will require lots more uranium, and as a result, we have seen strong returns for uranium and for the uranium miners that GCL invests in. Over the past year, the trust has delivered a NAV total return of 57.1% (to 09/02/2026), while the share price is up 54.5%. The chart below shows that an ETF tracking the Sprott Uranium Pure Play Index is up 68.2%, as the more mature businesses have led the latest leg of the rally.

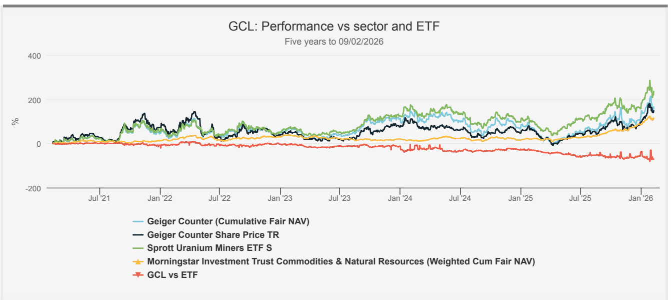
Fig.2: One-Year Performance



Source: Morningstar
Past performance is not a reliable indicator of future results.

Nuclear's renaissance dates roughly from the reopening of economies after the pandemic in 2021. In this period, some investors did the sums on renewables, their cost and capacity to contribute towards net-zero goals. Additionally, growing trade tensions between the US and China, and then the West and Russia in the aftermath of the invasion of Ukraine has brought into focus the strategic importance of reducing energy reliance on potentially hostile countries. The five-year chart below shows that GCL has delivered exceptional returns, the NAV up c. 1.6 times, or 166%, and the share price 148%. The ETF is up 236%. We think it is critical to acknowledge the volatility, though: there have been a number of significant drawdowns during the period. As a small and relatively illiquid sector, uranium can move significantly on newsflow, even while the direction of travel has remained positive and supported by slow-moving policy and strategy.

Fig.3: Five-Year Performance



Source: Morningstar
Past performance is not a reliable indicator of future results.

We also show the cumulative relative performance of GCL versus the ETF in the chart. It is clear that the underperformance has essentially come over the past 12–18 months, for the most part in the current bull run for the sector. In this period, nuclear was really established as a source of the vast amounts of energy required for the artificial intelligence industry. Amazon has established plans to develop hundreds of small modular reactors (SMR), Meta has signed huge deals to take nuclear energy to power its data centres, while Google has signed a deal to power its own data centres with SMRs. At the same time, the US government has announced funding for a new generation of nuclear plants to facilitate the energy demand for this strategically vital industry. The largest stock in the sector, Cameco, has outperformed, as have some specific names attached to the nascent SMR industry. We think this represents money flooding to the largest, most liquid and best-known names first.

The case for GCL is that its exposure to developers and to the sources of the supply that will be needed to meet the current shortfall is far higher than the ETF, and so as what we think is a generational repricing continues, GCL is far more geared to a higher uranium price. The key asset is the investment in NexGen, which we discuss in detail in the **Portfolio section** above, but more broadly, GCL is overweight developers, overweight companies with new assets likely to come on board in the coming years, and those with greater operational gearing. Crucially, Cameco, around 20% of the index, has sold forward almost all its supply, locking in relatively low prices. Their reports show that if the price of uranium averages $140 a pound in 2027, representing a little under twice its current price, Cameco will receive an average of $78 for its product, which rises slightly to $82 the next year and $89 in 2029. Meanwhile, Cameco's valuation has soared to around 2.5x NPV, while NexGen, the owner of what will become the largest uranium asset outside Kazakhstan and therefore a vital strategic site, is trading on just 1x NPV, even as the final approval for the mine is in process. Rob and Keith argue that a combination of this low valuation and the far higher operational gearing means that NexGen should outperform handsomely once the market starts to discriminate. In our view, its positioning and portfolio-level gearing mean GCL is set up to outperform as the rally continues and broadens, but share price and NAV volatility should be expected on the way.

Dividend

The company does not intend to pay dividends, and has not done so in recent years.

Management

GCL is managed by Rob Crayfourd and Keith Watson. They also run the broad commodities trust CQS Natural Resources Growth and Income (CYN) and gold mining specialist Golden Prospect Precious Metals (GPM) together, and have managed all three portfolios for over a decade (since 2015). Prior to joining CQS, Rob was an equity analyst focussing on the resources sector for HSBC and the Universities Superannuation Scheme. He has a degree in Geology.

Keith was a senior natural resources analyst at Mirabaud, previously director of mining research at Evolution Securities, and has a degree in Applied Physics. Prior to this, Keith was a portfolio manager with Scottish Amicable Investment Managers with responsibility for mining and energy sectors.

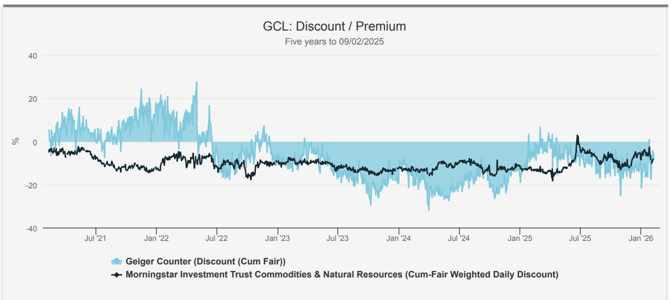
Both are mining specialists, with good familiarity with the management teams they have met with many times over the years and with the dynamics of the industry.

In April 2024, CQS was acquired by Manulife Investment Management of Canada. The board is made up of directors with highly relevant professional experience in the engineering, mining and asset management sectors.

Discount

GCL's discount has tended to be volatile for a few reasons. With a relatively small market cap, liquidity is lower, while the significant gearing increases the volatility of the NAV. Additionally, GCL is the only specialist way to play a single theme, which has gone in and out of favour over the years. Another factor to bear in mind is that shareholders have annual subscription rights. These allow them to buy, on 30/04 each year, one share for every five they own, paying the price on 01/05 of the previous year. In years when the share price has risen, and these rights are therefore in the money, shareholders can buy more shares at a discount. GCL's NAV and share price can both be volatile, and so the rights can go in and out of the money. This itself can feed back into more volatility in the discount. The strong gains over the last year mean full take-up of the rights is to be expected. This would lead to NAV per share dilution, but this is already factored into the NAV used to calculate the discount in the chart below. We think that as the date for the exercise of subscription rights draws near, the shares are likely to trade closer to par or even above as long as they remain in the money. There is the risk that the discount widens once the new shares are issued, but given the momentum behind the industry, we think investors are more likely to hold on to the new shares this time.

Fig.4: Discount



Source: Morningstar

During periods in which the shares have traded on a discount, the board has engaged in a program of stock buybacks to provide liquidity, increase the NAV per ordinary share and potentially narrow the discount. There is no set discount target for the buyback programme.

Charges

GCL's latest ongoing charges figure (OCF) is 2.11%, calculated as of 31/12/2024. However, given the strong rally in the value of the portfolio since then, we expect the OCF to be lower on an ongoing basis and a lower number to be reported when it is calculated as of the end of 31/12/2025. Higher fees are typical for smaller trusts, but the growth of the NAV and the likely high take-up of the upcoming subscription rights mean the NAV is now substantially higher, and so charges should be lower in the coming years. That said, GCL is the only investment trust focussed on this specialist area, and we think the NAV potential is more significant than the exact level of fees. The OCF includes a management fee worth 1.375% of the NAV after bank borrowings are added back.

ESG

CQS Investment Management views ESG factors as significant drivers influencing financing costs, risk assessment, valuations and performance. The assessment, integration and engagement of ESG factors are a crucial part of the Investment Manager's responsible investment commitment. By embedding responsible investment into its investment process, the Investment Manager seeks to enhance its ability to identify value, investment opportunity, risk and, critically, to generate the best possible returns and outcomes for its clients.

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