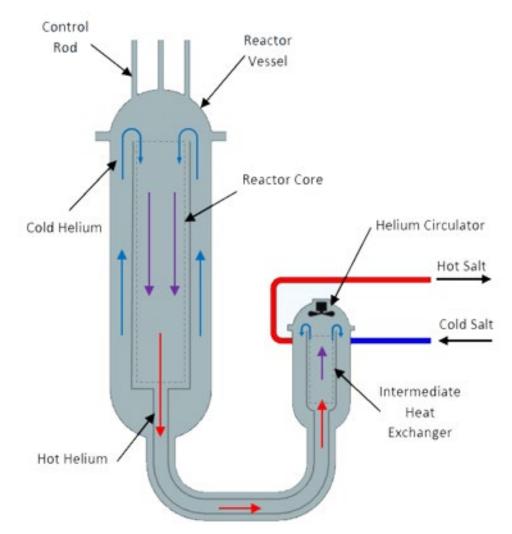
How it Works - Overview of USNC's Micro Modular Reactor[®] (MMR[®]) Technology

At a high level, here is how the MMR works:

- Heat is created through controlled fission process
- Fully Ceramic Micro-encapsulated[®] (FCM[®]) fuel ensures containment of fission products
- Helium gas passes through the reactor core via a closed loop and removes the heat produced by the fission process
- Hot helium passes through a heat exchanger; heat is transferred to a molten salt system
- Cooled helium is recirculated back through the reactor core
- Hot molten salt transported from nuclear plant to the adjacent plant
- Adjacent plant uses heat from molten salt to generate electricity or for other purposes
- Cooled molten salt is returned to the nuclear plant, FCM fuel ensures helium remains free of fission products





Safety is Our Priority





Advanced safety systems are inherently built into the design of the MMR.

No active safety systems – only "passive"

 Reactor safely shuts down in absence of electrical power, operator action or engineered control actions

No external power or water required to operate and cool the reactor

- Heat generated by the core is removed through the natural convection of helium
- There are no sudden temperature rises the reactor controls and switches itself off in the unlikely event of an accident

Environmental protection

• Fission products are locked in the fuel particles permanently due to ceramic fuel coating; no additional containment is necessary

Helium gas is the primary coolant; the most benign cooling medium available

- Inert helium gas means there can be no flashing or boiling possible
- Cannot react chemically with fuel or reactor core components

Non-proliferation

- FCM fuel cannot be re-processed, can only be used to generate heat
- MMR reactor core is sealed in the graphite blocks the fuel cannot be accessed
- No on-site fueling means no handling or processing of fuel required

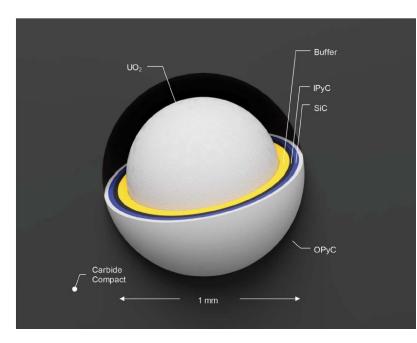
Physical security

Underground design provides external hazard protection

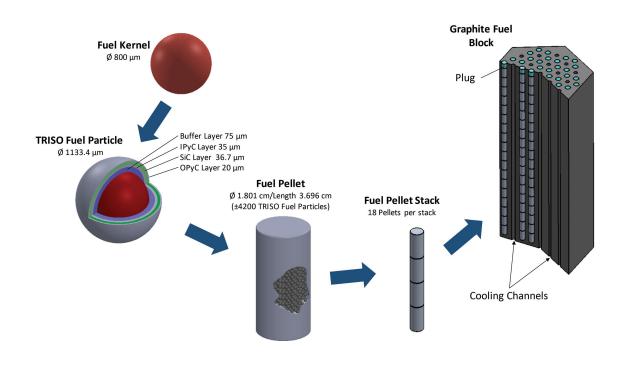
A Key Component for Safety

USNC's Fully Ceramic Micro-encapsulated[®] (FCM[®]) Fuel

- Low-enriched uranium FCM fuel pellets
- Manufactured with Triple Coated Isotropic (TRISO) fuel particles, whose primary purpose is to retain fission products and radioactive materials during operations
- One particle is the size of the tip of a ballpoint pen
- Fuel particles are compacted in specially designed silicon carbide pellets



- Particles are highly proliferation resistant and provide environmental protection during and after operations
- Based on a reliable and historically proven technology resulting in two extra and very strong barriers against potential radioactivity release



Safely Managing Wastes at Chalk River

- Low and intermediate level radioactive wastes will be managed on-site before storage at a long-term licensed facility
- The reactor will operate for its lifetime on a single load of fuel. Following station operations, used fuel will be managed on-site before going to an off-site facility managed by the Nuclear Waste Management Organization (NWMO) which is responsible for the management of used fuel in Canada
- Conventional solid waste, construction waste and hazardous materials will be managed at licensed off-site facilities
- Sewage will be managed through the existing Chalk River site infrastructure