

# Energy Fuels Announces 2019 Results

written by Raj Shah | March 17, 2020



NYSE AMERICAN: UUUU  
TSX: EFR

March 16, 2020 ([Source](#)) – **Energy Fuels Inc.** (NYSE American: **UUUU**; TSX: **EFR**) (“**Energy Fuels**” or the “**Company**”) today reported its financial results for the year ended December 31, 2019. The Company’s annual report on Form 10-K

has been filed with the U.S. Securities and Exchange Commission (“**SEC**”) and may be viewed on the Electronic Document Gathering and Retrieval System (“**EDGAR**”) at [www.sec.gov/edgar.shtml](http://www.sec.gov/edgar.shtml), on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) at [www.sedar.com](http://www.sedar.com), and on the Company’s website at [www.energyfuels.com](http://www.energyfuels.com). Unless noted otherwise, all dollar amounts are in U.S. dollars.

## Highlights:

- At December 31, 2019, the Company had \$17.7 million in cash and marketable securities plus \$22.8 million of inventory, including 515,000 pounds of uranium and 1,600,000 pounds of vanadium in the form of immediately marketable product.
- On February 20, 2020, the Company strengthened its balance sheet by completing a bought-deal financing for net proceeds of \$15.1 million and has raised approximately \$4.0 million on the Company’s At the Market (“**ATM**”) program in 2020. These amounts are in addition to the Company’s cash, marketable securities and marketable inventories balances, which totaled \$40.5

million at December 31, 2019.

- Uranium production totaled 70,000 pounds of  $U_3O_8$  for the year due to the Company's focus on vanadium production at its White Mesa Mill, the only conventional uranium and vanadium mill currently operating in the U.S.
- Vanadium production totaled 1,800,000 pounds of high-purity  $V_2O_5$  for the year. Production ceased during Q4-2019 due to weakened vanadium market conditions and lowered recoveries resulting from normal seasonal variances; however, substantial quantities of dissolved vanadium remain in the Company's tailings management system to be recovered at a later date.
- No material uranium sales were completed during the year, and the Company is strategically maintaining its uranium inventory for future sales in anticipation of higher uranium prices, potentially as a result of the creation of a new U.S. uranium reserve (as discussed below) or other U.S. government support, or due to generally improved uranium market fundamentals.
- The Company completed 200,000 pounds of vanadium sales during the year at an average price of \$11.06 per pound. At this time, the Company is selling only small quantities of vanadium, instead focusing on maintaining its strong  $V_2O_5$  inventory for sale in the future to capitalize on potential future price increases in vanadium markets that are often volatile.
- The Company had an operating loss of \$40.6 million during 2019, due in part to an impairment of inventories of \$14.4 million as a result of low uranium prices and a decrease in vanadium prices during the latter half of 2019.
- The Company continued to make progress in its efforts to have the U.S. government provide support for the U.S. uranium mining industry. On February 10, 2020, the President announced a proposed FY-2021 budget (the

**“President’s Budget”**), which includes a request for \$150 million per year for the next 10 years to create a U.S. uranium reserve. The Company views this news as being very positive for established U.S. uranium producers such as Energy Fuels. This action followed a July 12, 2019 Presidential Memorandum issued pursuant to Section 232 of the Trade Expansion Act of 1962, as amended, ordering the creation of the U.S. Nuclear Fuel Working Group (the **“Working Group”**) to “examine the current state of domestic nuclear fuel production to reinvigorate the entire nuclear fuel supply chain, consistent with United States national security and nonproliferation goals.” Aside from the President’s Budget, the Working Group has not issued its own announcement relating to its recommendations, if any. U.S. government officials, including U.S. Energy Secretary Dan Brouillette, however, have publicly stated that the U.S. government will be issuing a Working Group report in the near future. The Company will continue to support this effort to revive the domestic uranium industry for purposes of energy and national security in 2020.

**Mark S. Chalmers, Energy Fuels’ President and CEO, stated:**

“Before giving you my views on Energy Fuels’ achievements in 2019, I’d like to say a few words about the global COVID-19 crisis. The world is currently focused on containing the spread of the virus, and equity markets are experiencing significant volatility. At Energy Fuels, we are taking steps to respond to this evolving situation as well. In addition to protecting the safety and health of our employees, we are also acting aggressively to conserve our financial resources. Our ongoing focus on proactively maintaining a strong balance sheet, including the bought-deal financing we completed in mid-February, is particularly important in today’s environment. We

support the Trump Administration's efforts to contain the virus and bolster the U.S. economy, and we will continue to seek immediate relief for U.S. uranium miners when and where it is appropriate, while also recognizing that the government is managing complex public health and financial challenges. We think Energy Fuels is in the best financial position of any U.S. uranium miner to weather the current storm. We wish all patients of the virus a full and speedy recovery."

"To say that 2019 was an interesting year for Energy Fuels would be an understatement! At the beginning of the year, we were swelling with optimism. We were increasingly positive that our Section 232 Petition would lead to support for U.S. uranium miners and millers. In addition, vanadium prices were high and, to our knowledge, we were the only company in the world to successfully respond and resume primary vanadium production. Unfortunately, due to a sharp decline in vanadium prices during the year and delays in government action to support U.S. uranium producers, we were not able to realize all of the benefits of our efforts in 2019. Nonetheless, we are extremely proud of what we accomplished, and we believe our achievements during the year have placed us in a position to generate considerable shareholder value in 2020 and beyond.

"Our Section 232 Petition, which Energy Fuels played a key role in bringing about in 2018, gained traction when, in July 2019, President Trump announced that he was creating the Working Group. While this decision was unexpected, we were optimistic that the government recognized the urgent need for action to help support domestic uranium miners, as well as uranium conversion and enrichment, to bolster U.S. energy and national security. We received further good news in February 2020, when President Trump announced his President's Budget, which included a \$150 million per year, 10-year, \$1.5 billion plan to support domestic uranium miners through the creation of a U.S. uranium

reserve. We believe this is likely to be very positive for Energy Fuels, as we are an established U.S. uranium miner with a proven track-record of successful and environmentally responsible large-scale uranium production.

“Since 2006, uranium facilities currently owned by Energy Fuels have supplied roughly 34% of all uranium produced in the U.S., putting us second only to Cameco during this period, who produced a little over 50%. We have proven that our people and facilities can cost-effectively put large quantities of U.S. uranium in the can when called upon to do so. For the U.S. uranium reserve to be a success, we are urging the U.S. government to spend their money wisely on established, proven production facilities, including those we operate.”

“Today, there are only four to five production facilities currently producing uranium in the U.S., and we own two of them, as well as have a 3<sup>rd</sup> facility on standby. This includes our White Mesa Mill in Utah, which is the only remaining conventional uranium mill left in the U.S., and which also has the ability to process vanadium, alternate feed materials, and uranium-bearing material produced from land cleanups (such as abandoned uranium mines from the Cold War era). In addition, our Nichols Ranch in-situ recovery (“**ISR**”) Facility in Wyoming is currently in production and has produced over 1,200,000 pounds of uranium since 2014. We also have 515,000 pounds of produced uranium in inventory, which can potentially be sold into a government program. I personally continue to dedicate a large portion of my time and energy to advocating for a government support program. And, I can affirmatively state that we have many high-level supporters in Washington, DC who are helping to achieve a concrete, positive outcome.

“We also made excellent progress on other fronts. Our 2019 vanadium production campaign exceeded our expectations in many

ways. We built 1,600,000 pounds of vanadium inventory, which now provides us with the unique ability to capitalize on any future price spikes unlike our competitors. In addition, we made significant equipment upgrades, optimized our procedures, and continually lowered our cost of vanadium production throughout the year with substantial dissolved vanadium yet to be recovered from our tailings management system. Outside of our control, however, was the price of vanadium, which slid nearly 70% during the year. As a result, we ceased vanadium production at the end of Q4-2019. Energy Fuels is also pursuing discussions with government and private entities about the potential for processing rare earth elements at our White Mesa Mill. Energy Fuels is primarily a uranium miner. However, as our uranium business develops, we are well positioned to capture additional value through vanadium, and potentially rare earth element recovery, in the future.

“As previously announced, we are continuing to operate at the White Mesa Mill through a new processing agreement, under which we are assisting in the cleanup of a formerly producing uranium mine in New Mexico. Through this project, we are generating significant revenue and are showing the U.S. Environmental Protection Agency (“**EPA**”) and the Navajo Nation that we can be a strong partner in the cleanup of Cold War era abandoned uranium mines (“**AUMs**”) in the Four Corners Region of the U.S. To this end, we have agreed to participate in a small, pilot-scale cleanup project on a site located on the Navajo Nation. While this project is not intended to generate much cash flow, we believe it is an important step toward securing a stronger position in this program, for which the EPA currently has access to over \$1.7 billion and which we as a Company want to be a part of, both from a fiscal perspective and because it is the right and environmentally sound thing to do.

“In conclusion, I am extremely proud of what Energy Fuels

achieved in 2019, despite unforeseen setbacks, and what it means for our future. While these achievements have not yet manifested in higher share prices or on our financial statements, I am excited for the new and developing opportunities in front of us and the unmatched optionality our company's business strategy represents to shareholders."

### **Selected Summary Financial Information:**

\$000, except per share data	<b>Year ended December 31, 2019</b>		<b>Year ended December 31, 2018</b>		<b>Year ended December 31, 2017</b>	
<b>Results of Operations:</b>						
Total revenues	\$	5,865	\$	31,721	\$	31,046
Gross profit (loss)		1,918		16,969		11,641
Net income (loss) attributable to the company		(37,978)		(25,245)		(27,766)
Basic and diluted loss per share		(0.40)		(0.30)		(0.39)
\$000's	<b>As at December 31, 2019</b>		<b>As at December 31, 2018</b>			
<b>Financial Position:</b>						
Working capital	\$	20,534	\$	52,000		

Property, plant and equipment		26,203		29,843
Mineral properties		83,539		83,539
Total assets		175,720		196,766
Total long- term liabilities		22,475		43,059

## Outlook

### Overview

#### Operations and Sales Outlook Overview

In response to the President's Budget, the Company is evaluating activities aimed towards increasing uranium production at all or some of our production facilities, including the currently operating White Mesa Mill and Nichols Ranch ISR Facility, as well as the Alta Mesa ISR Facility, La Sal Complex, and Canyon Mine, which are currently on standby, as market conditions may warrant. The Company may commence such activities, prior to confirmation of Congressional appropriations and prior to the definition of all implementation details, as market conditions may warrant, recognizing that there can be no guarantee that the required appropriations will be forthcoming or that the implementation details will be satisfactory, and that the outcome of this process is therefore uncertain. Alternatively, the Company may defer commencing any such activities until further clarification on implementation of the President's Budget is published and/or Congressional appropriations are obtained, or market conditions otherwise warrant. No decisions on any project-specific actions to be taken in response to the President's Budget have been made at this time.



Subject to any actions the Company may take in response to the President's Budget, the Company plans to extract and/or recover limited amounts of uranium from its Nichols Ranch Project in 2020, as its existing wellfields are nearing depletion. In addition, during 2020, the Company expects to recover uranium at the White Mesa Mill from in-circuit uranium inventories extracted from the recent vanadium pond-return campaign, and from alternate feed materials. The vanadium pond-return campaign that was conducted in 2019 was brought to a close in early 2020.

Subject to any actions the Company may take in response to the President's Budget, both ISR and conventional uranium recovery is expected to be maintained at reduced levels, as a result of current uranium market conditions, until such time when market conditions improve sufficiently. Subject to any actions the Company may take in response to the President's Budget, until such time that improvement in uranium market conditions is observed or suitable sales contracts can be entered into, the Company expects to defer further wellfield development at its Nichols Ranch Project. In addition, subject to any actions the Company may take in response to the President's Budget, the Company expects to keep the Alta Mesa Project and its conventional mining properties on standby.

The Company is also seeking new sources of revenue, including new sources of alternate feed materials and new fee processing opportunities at the White Mesa Mill that can be processed under existing market conditions (i.e., without reliance on current uranium sales prices). The Company will also continue its support of U.S. governmental activities to support the domestic uranium mining industry and will evaluate additional acquisition and disposition opportunities that may arise.

#### Extraction and Recovery Activities Overview

During the year ended December 31, 2019, the Company recovered approximately 70,000 pounds of  $U_3O_8$ , all of which were for the account of the Company. The Company also recovered approximately 1,807,000 pounds of  $V_2O_5$ , all of which were for the account of the Company. The Company expects to recover approximately 125,000 to 175,000 pounds of  $U_3O_8$  in the year ending December 31, 2020 for its own account, and zero pounds of  $U_3O_8$  for the account of others. The Company also expects to package vanadium remaining from in-process pond solution recovery in 2019 of 59,000 pounds  $V_2O_5$  in 2020.

The Company has strategically opted not to enter into any uranium sales commitments for 2020. Therefore, subject to any actions the Company may take in response to the President's Budget and general market conditions, all 2020 uranium production is expected to be added to existing inventories. Subject to any actions the Company may take in response to the President's Budget, both ISR and conventional uranium extraction and/or recovery is expected to continue to be maintained at reduced levels until such time that improvements in uranium market conditions are observed or suitable sales contracts can be entered into. All  $V_2O_5$  production is expected to be sold on the spot market if prices rise significantly above current levels, but otherwise maintained in inventory.

### *ISR Activities*

We extracted and recovered approximately 70,000 pounds of  $U_3O_8$  from the Nichols Ranch Project for the year ended December 31, 2019. The Company expects to produce approximately 6,000 pounds of  $U_3O_8$  in the year ending December 31, 2020 from Nichols Ranch.

As of December 31, 2019, the Nichols Ranch wellfields had nine

header houses extracting uranium. Subject to any actions the Company may take in response to the President's Budget, until such time as improvement in uranium market conditions is observed or suitable sales contracts can be procured, the Company expects to defer development of further header houses at its Nichols Ranch Project. The Company currently holds 34 fully-permitted, undeveloped wellfields at Nichols Ranch, including four additional wellfields at the Nichols Ranch wellfields, 22 wellfields at the adjacent Jane Dough wellfields, and eight wellfields at the Hank Project, which is fully permitted to be constructed as a satellite facility to the Nichols Ranch Plant.

Subject to any actions the Company may take in response to the President's Budget, the Company expects to continue to keep the Alta Mesa Project on standby until such time as improvements in uranium market conditions are observed or suitable sales contracts can be procured.

### *Conventional Activities*

#### Conventional Extraction and Recovery Activities

The White Mesa Mill recovered no pounds of  $U_3O_8$  during the year ended December 31, 2019, as operations focused solely on vanadium recovery from dissolved vanadium in the Mill's tailings management system not recovered from previous processing activities ("**Pond Return**"). The White Mesa Mill recovered approximately 1,807,000 pounds of  $V_2O_5$  in 2019 from Pond Return, all for the account of the Company. During 2020 the Company expects to recover approximately 120,000 to 170,000 pounds of  $U_3O_8$  at the White Mesa Mill from in-circuit uranium inventories extracted from the recent vanadium pond-return campaign and alternate feed materials. In addition, there remains an estimated 1.5 to 3.0 million pounds of solubilized recoverable  $V_2O_5$  inventory in the tailings facility awaiting future recovery

as market conditions may warrant.

The White Mesa Mill has historically operated on a campaign basis whereby uranium and/or vanadium recovery is scheduled as mill feed, cash needs, contract requirements, and/or market conditions may warrant. The Company currently expects that planned uranium production from alternate feed materials and receipt of uranium-bearing materials from mine cleanup activities will keep the Mill in operation through all or most of 2020. The Company is also actively pursuing opportunities to process new and additional alternate feed material sources and new and additional low-grade ore from third parties in connection with various uranium clean-up requirements. Successful results from these activities would allow the Mill to extend the current campaign through 2020 and beyond. In addition, if improvements in uranium market conditions are observed, or conventional mines are ramped up in response to the President's Budget, the Company would expect to be able to keep the Mill operating over a considerably longer period of time.

#### Conventional Standby, Permitting and Evaluation Activities

During the year ended December 31, 2019, the Company completed its test-mining and refurbishment program targeting vanadium at its fully-permitted La Sal Complex located on the Colorado Plateau. We completed the test-mining in April 2019 and continued to pursue enhanced operational readiness targeting future commercial production. The goal of the test-mining program was to evaluate different mining approaches in previously mined-out areas that selectively target high-grade vanadium zones, thereby potentially increasing productivity and mined grades for vanadium and decreasing mining costs per pound of  $V_2O_5$  and  $U_3O_8$ . During this program, the Company refurbished the La Sal and Pandora Mines within the La Sal Complex and extracted approximately 11,000 tons of mineralized material. In

addition, the Company completed a surface and underground drilling program at the La Sal Complex in 2019 in order to potentially expand the uranium and/or vanadium resources.

Subject to any actions the Company may take in response to the President's Budget, during 2020 and general market conditions, the Company plans to continue carrying out engineering, metallurgical testing, procurement and construction management activities at its Canyon Project, including additional bench and pilot plant scale metallurgical test work of the uranium/copper mineralization, and to continue pursuing any additional permitting actions that may be required to potentially recover copper at the White Mesa Mill. Subject to any actions the Company may take in response to the President's Budget, the timing of the Company's plans to extract and process mineralized materials from this project will be based on the results of this additional evaluation work, along with market conditions, available financing, sales requirements, and/or permits required for copper recovery at the Mill.

## *Sales*

During the year ended December 31, 2019, the Company completed \$0.07 million of uranium sales. The Company currently has no remaining contracts and is therefore fully unhedged to future uranium price increases.

At the current time, the Company is selling only small quantities of vanadium, while mainly focusing on maintaining  $V_2O_5$  inventory for sale in the future, as prices are expected to increase. During the year ended December 31, 2019, the Company completed sales of 202,325 pounds of vanadium at an average price of \$11.06 per pound. The Company expects to continue to sell finished vanadium product when justified into the metallurgical industry, as well as other markets that demand a

higher purity product, including the aerospace, chemical, and potentially the vanadium battery industries. The Company expects to sell to a diverse group of customers in order to maximize revenues and profits. The vanadium produced in the recent pond return campaign was a high-purity vanadium product of 99.6%-99.7%  $V_2O_5$ . The Company believes there may be opportunities to sell certain quantities of this high-purity material at a premium to reported spot prices. The Company may also retain vanadium product in inventory for future sale, depending on vanadium spot prices and general market conditions.

The Company also continues to pursue new sources of revenue, including additional alternate feed materials and other sources of feed for the White Mesa Mill.

#### *Bought Deal Financing*

On February 20, 2020, the Company closed a bought deal public offering of common shares made pursuant to an underwriting agreement dated February 13, 2020 between the Company and a syndicate of underwriters led by Cantor Fitzgerald & Co. as lead underwriter and sole book-runner, and H.C. Wainwright & Co., LLC, Eight Capital, Haywood Securities Inc. and Roth Capital Partners, LLC (the “**Offering**”). Pursuant to the Offering, the Company issued an aggregate of 11,300,000 common shares at a price of \$1.47 per share for gross proceeds of \$16,611,000. The Company received net proceeds, after commissions and fees, of \$15.1 million from the Offering.

#### *Working Group Update and U.S. President’s Budget for Fiscal Year 2021*

On July 12, 2019, in response to our Section 232 Petition, the President of the United States issued a memorandum, titled “*Memorandum on the Effect of Uranium Imports on the National Security and Establishment of the United States Nuclear Fuel*”

*Working Group.*" In his memorandum, the President acknowledged he has "significant concerns regarding the impact of uranium imports on the national security with respect to domestic mining," and concluded that "a fuller analysis of national security considerations with respect to the entire nuclear fuel supply chain is necessary at this time." In his memorandum, he also established the Working Group, comprised of members of his cabinet and other government officials, to study U.S. nuclear fuel production, including uranium mining, in order "to develop recommendations for reviving and expanding domestic nuclear fuel production" and to "reinvigorate the entire nuclear fuel supply chain, consistent with United States national security and nonproliferation goals."

On February 10, 2020, the President published his President's Budget for fiscal year 2021 (October 1, 2020 through September 30, 2021). The President's Budget "Supports Nuclear Fuel Cycle Capabilities," and states that "[o]n July 12, 2019, the President determined that '...the United States uranium industry faces significant challenges in producing uranium domestically and that this is an issue of national security.' The President's Budget establishes a Uranium Reserve for the United States to provide additional assurances of availability of uranium in the event of a market disruption." Table 25-1 of the President's Budget seeks congressional appropriations of \$150 million per year over the next 10 years (totaling \$1.5 billion over that timeframe) for uranium purchases. For fiscal 2021 (October 1, 2020 through September 30, 2021), the President's Budget seeks an appropriation of \$150 million, "to remain available until expended," as the appropriation for the first year of this 10-year program. The President's Budget states that "Establishing a Uranium Reserve provides assurance of availability of uranium in the event of a market disruption and supports strategic U.S. fuel cycle capabilities. This action addresses immediate

challenges to the production of domestic uranium and reflects the Administration's Nuclear Fuel Working Group (NFWG) priorities. The NFWG will continue to evaluate issues related to uranium supply chain and fuel supply."

The proposed President's Budgeted activities are subject to appropriation by the Congress of the United States, and the details of implementation of activities in the President's Budget have not yet been defined. As a result, there can be no certainty of the outcome of the President's Budget or any further evaluations of the Working Group. Therefore, the outcome of this process remains uncertain. If the required appropriations are not made by Congress, or if the President does not implement the activities contemplated by the President's Budget, or implements them in a way that does not provide the required support for the Company's activities, and uranium and vanadium markets do not otherwise improve, or as market conditions may otherwise dictate, we may reduce our operational activities as required in order to minimize our cash expenditures while preserving our asset base for increased production in the future as market conditions may warrant.

#### *The Company's Plans in Response to the President's Budget*

As stated above, in response to the President's Budget, the Company is evaluating activities aimed towards increasing uranium production at all or some of its production facilities, subject to general market conditions. No decisions on any project-specific actions to be taken in response to the President's Budget have been made at this time.

#### *Convertible Debentures*

On July 24, 2012, the Company issued Cdn\$22,000,000 aggregate principal amount of Convertible Debentures, with Cdn\$20,860,000 (\$16,061,000) currently outstanding. The



Convertible Debentures, which were amended on August 4, 2016, will mature on December 31, 2020 and are convertible into Common Shares of the Company at the option of the holder at a conversion price, subject to certain adjustments, of Cdn\$4.15 per share at any time prior to redemption or maturity. The Convertible Debentures may be retired at any time in whole or in part at a price equal to 101% of their face value or at maturity at their face value either through the payment of cash or the issuance of Common Shares based on a 5% discount to the then prevailing market price of the Common Shares, at the Company's option.

The net proceeds of the Offering of \$15.1 million and the \$4.0 million raised on the Company's ATM program since December 31, 2019 provide the Company with an additional \$19.03 million in cash raised in 2020 to add to the Company's cash and cash equivalents and marketable securities and inventories (which totaled \$40.5 million as at December 31, 2019). This gives the Company added flexibility to ramp-up production at its properties in response to the President's Budget, as market conditions may warrant. It also provides the Company with the ability, as market conditions may warrant, to elect to redeem all or a portion of its existing Convertible Debentures for cash prior to or at maturity, along with its existing right to repay the Convertible Debentures in whole or in part in Common Shares at maturity, to the extent the Convertible Debentures are not converted by the holders thereof or refinanced with replacement Convertible Debentures by the Company in whole or in part prior to maturity.

### *Minimize Costs*

The Company will continue to seek ways to minimize the costs of maintaining its critical properties in a state of readiness for potential improvements in market conditions, and is evaluating

whether additional cost-cutting measures may be warranted at this time as a result of recent declines in general market conditions.

**Mark S. Chalmers, P.E., of Energy Fuels**, is a Qualified Person as defined by Canadian National Instrument 43-101 and has reviewed and approved the technical disclosure contained in this news release.

**About Energy Fuels:** Energy Fuels is a leading U.S.-based uranium mining company, supplying  $U_3O_8$  to major nuclear utilities. The Company also produces vanadium from certain of its projects, as market conditions warrant. Its corporate offices are in Lakewood, Colorado near Denver, and all of its assets and employees are in the United States. Energy Fuels holds three of America's key uranium production centers: the White Mesa Mill in Utah, the Nichols Ranch in-situ recovery ("ISR") Project in Wyoming, and the Alta Mesa ISR Project in Texas. The White Mesa Mill is the only conventional uranium mill operating in the U.S. today, has a licensed capacity of over 8 million pounds of  $U_3O_8$  per year, and has the ability to produce vanadium when market conditions warrant. The Nichols Ranch ISR Project is in operation and has a licensed capacity of 2 million pounds of  $U_3O_8$  per year. The Alta Mesa ISR Project is currently on standby. In addition to the above production facilities, Energy Fuels also has one of the largest NI 43-101 compliant uranium resource portfolios in the U.S. and several uranium and uranium/vanadium mining projects on standby and in various stages of permitting and development. The primary trading market for Energy Fuels' common shares is the NYSE American under the trading symbol "UUUU," and the Company's common shares are also listed on the Toronto Stock Exchange under the trading symbol "EFR." Energy Fuels' website is.

**Cautionary Note Regarding Forward-Looking Statements:** This news

release contains certain "Forward Looking Information" and "Forward Looking Statements" within the meaning of applicable United States and Canadian securities legislation, which may include, but are not limited to, statements with respect to: production and sales forecasts; costs of production; scalability, and the Company's ability and readiness to re-start or expand any of its existing projects to respond to any improvements in uranium market conditions; any expectation that the Company may be able to recover copper from its Canyon project at the White Mesa Mill or otherwise; any expectation regarding potentially increasing productivity and mined grades for vanadium and decreasing mining costs per pound of  $V_2O_5$  and  $U_3O_8$  as a result of the vanadium test-mining program or otherwise; any expectations regarding vanadium opportunities, the Company's program for the recovery of vanadium from pond solutions, remaining dissolved vanadium in tailings facility solutions, future production opportunities, or the Company's ability to sell any of its vanadium product at a premium to spot prices or otherwise; the ability of the Company to secure any new sources of alternate feed materials or other processing opportunities at the White Mesa Mill; expected timelines for the permitting and development of projects; the Company's expectations as to longer term fundamentals in the market and price projections; expectations to become or maintain its position as a leading uranium company in the United States; any expectation as to how the President's Budget will be implemented and the timing of implementation; any expectation with respect to timelines to production; any expectation that Energy Fuels is well-positioned to be a primary supplier of the uranium needed for the Uranium Reserve; any expectation that the Company may be able to sell its uranium and vanadium inventories at potentially higher prices in the future; any expectation that Congress will make the requested appropriations; any expectations relating to the Company's flexibility regarding the repayment of its existing

convertible debentures; and any expectations as to the Company's ability to implement any additional cost-cutting measures. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans," "expects," "does not expect," "is expected," "is likely," "budgets," "scheduled," "estimates," "forecasts," "intends," "anticipates," "does not anticipate," or "believes," or variations of such words and phrases, or state that certain actions, events or results "may," "could," "would," "might" or "will be taken," "occur," "be achieved" or "have the potential to." All statements, other than statements of historical fact, herein are considered to be forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements express or implied by the forward-looking statements. Factors that could cause actual results to differ materially from those anticipated in these forward-looking statements include risks associated with: production and sales forecasts; costs of production; scalability, and the Company's ability and readiness to re-start or expand any of its existing projects to respond to any improvements in uranium market conditions; any expectation that the Company may be able to recover copper from its Canyon project at the White Mesa Mill or otherwise; any expectation regarding potentially increasing productivity and mined grades for vanadium and decreasing mining costs per pound of  $V_2O_5$  and  $U_3O_8$  as a result of the vanadium test-mining program or otherwise; any expectations regarding vanadium opportunities, the Company's program for the recovery of vanadium from pond solutions, remaining dissolved vanadium in tailings facility solutions, future production opportunities, or the Company's ability to sell any of its vanadium product at a premium to spot prices or otherwise; the ability of the Company

to secure any new sources of alternate feed materials or other processing opportunities at the White Mesa Mill; expected timelines for the permitting and development of projects; the Company's expectations as to longer term fundamentals in the market and price projections; expectations to become or maintain its position as a leading uranium company in the United States; any expectation as to how the President's Budget will be implemented and the timing of implementation; any expectation with respect to timelines to production; any expectation that Energy Fuels is well-positioned to be a primary supplier of the uranium needed for the Uranium Reserve; any expectation that the Company may be able to sell its uranium and vanadium inventories at potentially higher prices in the future; any expectation that Congress will make the requested appropriations; any expectations relating to the Company's flexibility regarding the repayment of its existing convertible debentures; any expectations as to the Company's ability to implement any additional cost-cutting measures; and the other factors described under the caption "Risk Factors" in the Company's most recently filed Annual Report on Form 10-K, which is available for review on EDGAR at [www.sec.gov/edgar.shtml](http://www.sec.gov/edgar.shtml), on SEDAR at [www.sedar.com](http://www.sedar.com), and on the Company's website at [www.energyfuels.com](http://www.energyfuels.com). Forward-looking statements contained herein are made as of the date of this news release, and the Company disclaims, other than as required by law, any obligation to update any forward-looking statements whether as a result of new information, results, future events, circumstances, or if management's estimates or opinions should change, or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader is cautioned not to place undue reliance on forward-looking statements. The Company assumes no obligation to update the information in this communication, except as

*otherwise required by law.*