

Energy Fuels Announces Agreement for Transformational Acquisition of Base Resources, Creating a Global Leader in Critical Minerals Production with a Focus on Uranium, Rare Earth Elements and Heavy Mineral Sands

written by Raj Shah | April 21, 2024

- *The acquisition will include Base Resources' 100%-owned advanced, world-class Toliara heavy mineral sands project in Madagascar ("Toliara" or the "Project"), which includes a long-life, high-value and low cost monazite stream, produced as a byproduct of primary titanium and zirconium production.*
- *Toliara monazite production to be processed at Energy Fuels' 100%-owned White Mesa Mill (the "Mill") into separated rare earth element ("REE") oxides, at low capital and operating cost, setting a new paradigm for low-cost, globally competitive U.S.-centered rare earth oxide production.*
- *The transaction will also secure Base Resources' mine development and operations team, who have a successful track-record of designing, constructing, and profitably operating a world-class heavy mineral sands operation*

in Africa.

- *Energy Fuels is currently engaged in high-level discussions with various U.S. government agencies and other offices who provide support for critical mineral projects, domestically and abroad.*
- *The transaction is complementary to and further strengthens Energy Fuels' U.S.-leading uranium production capability and plans.*
- *Senator Mike Lee, the Senior Senator from Utah and a member of the Senate Committee on Energy and Natural Resources, stated: "I'm grateful to Energy Fuels for their work to ensure the United States has a domestic critical mineral source. The acquisition of Base Resources and the Toliara project will only further their capacity and ability to produce minerals needed for defense, technology, and everyday life."*
- *Conference call on Monday, April 22, 2024 at 8:00 am ET.*

April 21, 2024 ([Source](#)) – Energy Fuels Inc. (NYSE American: UUUU) (TSX: [EFR](#)) ("**Energy Fuels**" or the "**Company**"), a leading U.S. producer of uranium, REEs, and vanadium, is pleased to announce that it has executed a definitive Scheme Implementation Deed (the "**SID**") with Base Resources Limited (ASX: BSE) (AIM: BSE) ("**Base Resources**") pursuant to which Energy Fuels has agreed to acquire 100% of the issued shares of Base Resources (the "**Transaction**") in consideration for (i) 0.0260 Energy Fuels common shares (the "**Share Consideration**") and (ii) A\$0.065 in cash, payable by way of a special dividend by Base Resources to its shareholders (the "**Cash Consideration**", and together with the Share Consideration, the "**Scheme Consideration**") for each Base Resources ordinary share held, for a total equity value of approximately A\$375 million¹. The Transaction will be effected by way of a scheme of arrangement under Australia's Corporations Act (the "**Scheme**"). Unless otherwise indicated in this news

release, all references to dollars or \$ are references to United States dollars.

KEY TRANSACTION HIGHLIGHTS

- *The Transaction will unlock significant value for both Energy Fuels and Base Resources shareholders due to valuable and clearly identifiable synergies.*
- *Base Resources' Toliara project in Madagascar is a world-class, advanced-stage, low-cost, and large-scale heavy mineral sands project. In addition to its stand-alone, ilmenite, rutile (titanium) and zircon (zirconium) (collectively, "**Ilmenite and Zircon**") production capability, the Project also contains large quantities of Monazite which is a rich source of the 'magnet' REEs used in electric vehicles ("**EVs**") and a variety of clean energy and advanced technologies.*
- *Subject to receipt of further required Government of Madagascar approvals, the Monazite can be recovered as a byproduct of Ilmenite and Zircon production at low incremental cost, thereby adding to Toliara's world-class Ilmenite and Zircon capability at a cost of production that the Company expects to be globally competitive and will position Energy Fuels to be a first-tier REE oxide producer.*
- *Once in production, the Monazite from Toliara will provide a large portion of the raw materials needed for Energy Fuels' rapidly expanding and world-competitive REE oxide production facility at the Mill. Since 2021, Energy Fuels has proven its technical capabilities, speed-to-market, and competitiveness in a manner that is not being accomplished by any other facility in North America, first by processing Monazite to produce a mixed REE carbonate at the Mill, which it has been selling into the commercial*

REE market since 2021, and now by the commissioning of its Phase 1 NdPr separation facility at the Mill.

- Energy Fuels is currently engaged in high-level discussions with numerous U.S. government agencies and other offices who provide financial support for critical mineral projects within the U.S. and internationally, which may include grants, low-interest debt, non- or limited-recourse debt, loan guarantees, and other support vehicles.
- Energy Fuels is also releasing an AACE International (“**AACE**”) Class 4 Pre-Feasibility Study (not a Pre-Feasibility Study subject to or intended to be compliant with National Instrument 43-101 (“**NI 43-101**”) or Subpart 1300 of Regulation S-K (“**S-K 1300**”) dated April 22, 2024, prepared by Roger Mason, Engineering Manager, WSP USA Environment & Infrastructure Inc., indicating globally competitive capital and operating costs for its planned Phase 2 expanded REE oxide production at the Mill (the “**Mill PFS**”), which will be filed on the Electronic Document Gathering and Retrieval System (“**EDGAR**”) at www.sec.gov/edgar, and will be available on the System for Electronic Document Analysis and Retrieval Plus (“**SEDAR+**”) at www.sedarplus.ca, and on the Company’s website at www.energyfuels.com.
- With the Mill’s unique, globally competitive, U.S.-based REE production capability, Energy Fuels is uniquely positioned to unlock significant value from Toliara’s low-cost Monazite production, in a manner that the Company believes no other facility in the U.S. is capable of at this time.
- Monazite from Toliara will also provide material quantities of low-cost uranium production at the Mill over the life of the Project, which will supplement Energy Fuels’ U.S.-leading uranium production capacity.

- *This addition of a low-cost source of REE raw materials to Energy Fuels' globally competitive U.S. REE production infrastructure, along with a sustainable low-cost source of uranium production, is expected to be highly accretive to Energy Fuels' shareholders on a net asset value per share basis, with potential to unlock significant further upside.*
- *As part of this Transaction, Energy Fuels will also access Base Resources' proven leadership and heavy mineral sands operations team, which has an exceptional record of responsible asset development, construction, commissioning and profitable production in Africa. The Base Resources team will not only continue to oversee the development and operation of Toliara but will also enhance Energy Fuels' heavy mineral sands teams in Australia and Brazil, thus allowing the Company to maximize the value of all projects to the Company's shareholders.*
- *The offer is unanimously recommended by Base Resources' Board of Directors and Base Resources has also received voting intention statements from each of Base Resources' two major shareholders, confirming that they each intend to vote in favor of the Scheme². Those two shareholders respectively hold 26.5% and 24.8% of Base Resources' shares. In addition, each of Base Resources' directors, holding (in aggregate) an additional 1.2% of Base Resources' shares, has confirmed their intention to vote in favor of the Scheme².*
- *Energy Fuels will host an investor webcast and conference call on **April 22, 2024 at 8:00 a.m. Eastern Time (10:00 p.m. Australian Eastern Standard Time).***

Mark S. Chalmers, President and CEO of Energy Fuels stated: "The acquisition of Base Resources and the Toliara project represents

a monumental leap forward for the Company, as we continue to execute on a truly revolutionary REE, uranium and critical mineral combined strategy. For the past four-plus years, Energy Fuels has innovated a new way to produce critical minerals, that we believe is more cost competitive than traditional approaches, by leveraging our uranium processing expertise and infrastructure to develop a secure, U.S.-centric REE oxide supply chain.

“At the same time, we plan to maintain our leadership and profitability in our core U.S.-based uranium business without diminishing our uranium capabilities or uranium growth potential in any way. In fact, Toliara will provide a steady, low-cost source of uranium for the Company over the life of the Project.

“To date, we have secured long-term sources of REE concentrate through offtake (Chemours), and direct ownership (the Company’s 100% owned Bahia Project in Brazil once developed, and potentially 100% ownership of Base Resources’ Toliara project, and further potential offtakes through a joint venture being negotiated with Astron Corporation Limited (the Astron Donald Project in Australia)). Toliara is expected to be the cornerstone source of feedstock supply to the Mill, with the scale to provide an average of 21,800 tonnes of rare earth-bearing Monazite per year at a cost that we believe will be at or below other leading global REE producers, including those in China.

“Energy Fuels has proven its REE processing capabilities at our Mill in Utah, as we have commercially produced a high-purity mixed REE carbonate since 2021. We recently completed construction of and are currently commissioning the Phase 1 REE separation circuit at the Mill, designed to produce up to 1,000 tonnes of NdPr oxide per year, which would be sufficient to supply enough ‘magnet’ REE oxides to produce 500,000 to 1

million EVs per year. We have also released the Mill PFS announcing what we believe to be globally competitive capital and REE production costs. Based on these highly compelling economics and the expected consummation of the Base Resources and Astron transactions, Energy Fuels is also planning to update the Phase 2 REE separation infrastructure for the Mill to expand our production capacity to 4,000 to 6,000 tonnes of NdPr oxide per year, along with 150 – 225 tonnes of Dy oxide and 50 – 75 tonnes of Tb oxide per year, which would supply enough ‘magnet’ REE oxides to power 3 to 6 million EVs per year. This would put Energy Fuels in the REE oxide production capacity category of the other major ‘western’ REE suppliers.

“We plan to supply REE oxides to U.S., European and Asian EV, wind energy and other clean energy manufacturers, along with emerging commercial REE metal-making, alloying, and magnet-making facilities now under development in the U.S. We also plan to be a reliable supplier to the U.S. defense industry, which could include offtake for other REE oxides, besides the ‘magnet’ oxides, contained in Monazite. This acquisition, along with the Mill’s current and planned REE separation capability, will go a long way in establishing a ‘western’ REE supply chain. Energy Fuels is also in high-level discussions with numerous U.S. government agencies and offices that support critical mineral projects, and we look forward to advancing these discussions as we continue to build our REE business.

“The transaction will not only secure a world-class project for Energy Fuels at a highly attractive acquisition price compared to the fundamental value of the Project but will also secure a mine development and operations team with a successful track-record of designing, constructing, and profitably operating a world-class heavy mineral sands operation in Africa.”

Tim Carstens, Managing Director of Base Resources, commented:

“This transaction reflects the exceptional quality of the Toliara project and the efforts of the Base Resources team over several years to advance the project towards construction readiness. The combined company will have the financial and technical capability to not only build Toliara into one of the best critical mineral projects in the world, but also to develop an integrated value chain for the rare earth elements that are essential to the global energy transition. Shareholders of Base Resources will receive both a compelling and immediate premium, and the opportunity to further participate in the market recognition and development of a company with a unique diversified position in the critical minerals landscape.”

ABOUT TOLIARA

The Toliara project is a world-class, advanced-stage, large-scale critical mineral deposit underpinned by the Ilmenite, Zircon and Monazite-rich Ranobe deposit in southwest Madagascar.

On September 27, 2021, Base Resources released the outcomes of its updated and enhanced Definitive Feasibility Study (“**DFS2**”)³ for the Toliara project, which calculated an after-tax NPV₁₀ (10% discount rate) of \$1 billion, after-tax IRR of 23.8%, undiscounted life-of-mine free cash flows of \$5.9 billion, and initial capital expenditures of \$520 million to achieve first production. According to DFS2, the Ranobe deposit’s estimated Ore Reserves of 904 million tonnes at 6.1% heavy mineral, are sufficient to support an initial 38-year mine life⁴. These results are based on the production of Ilmenite and Zircon alone.

The Ranobe deposit also contains large quantities of Monazite, which is a rich source of the ‘magnet’ REEs; neodymium and praseodymium (“**NdPr**”), Dysprosium (“**Dy**”) and Terbium (“**Tb**”), used in EVs and a variety of clean energy and advanced

technologies, that can be recovered as a byproduct of Ilmenite and Zircon production at the Project.

In response to rising demand for REEs, on December 14, 2023, Base Resources released a Pre-Feasibility Study for Toliara⁵ on the production of Monazite through the concentration of the existing waste stream from the DFS2 mineral sands processing facilities (the “**Monazite PFS**”). Based on the combined outcomes of DFS2 and the Monazite PFS, Toliara has an overall after-tax NPV₁₀ (10% discount rate) of \$2.0 billion, after-tax IRR of 32.4%, undiscounted life of mine free cash flows of \$10.7 billion, and initial capital expenditures of \$591 million, which included additional incremental capital expenditures of \$71 million for Monazite production, over the 38-year mine life. As the Monazite is an add-on to the stand-alone Ilmenite and Zircon production and would be produced through concentration of the waste stream from processing of the mined Ore Reserves, the Mineral Resources and Reserves at the Project did not change. The Monazite PFS thus demonstrated that world-class Monazite production capability can be added to Toliara’s already stand-alone, world-class Ilmenite and Zircon production capability at a low incremental cost of production, thereby allowing the Monazite production to withstand low or variable REE oxide markets.

Toliara is expected to be Energy Fuels’ cornerstone source of Monazite supply, providing a long-term and large-scale supply of Monazite (21,800 tonnes per annum (“**tpa**”) average Monazite production), to the Mill for processing into REE oxides and other advanced REE materials, along with the recovery of contained uranium. As the Monazite will be a very low-cost byproduct of Toliara’s primary Ilmenite and Zircon production, the total cost of production of REE oxides at the Mill is expected to be low-cost and globally competitive.

Processing Monazite from Toliara will also add approximately 75,000 lbs of low-cost uranium production (at an incremental cost of approximately \$8 per pound) per year at the Mill, totaling approximately 3 million pounds of recovered U_3O_8 over the life of the Project. This will provide a reliable low-cost stream of uranium production at the Mill that will be able to withstand lower uranium prices and will supplement Energy Fuels' U.S.-leading uranium production capacity from other mines and sources.

Base Resources has a proven leadership and mineral sands operations team with an exceptional record of responsible and profitable production at its now winding down heavy mineral sands project in Kwale County, Kenya, all of whom are expected to join the Energy Fuels management team upon completion of the Transaction. The Base Resources team will continue to manage Toliara and will enhance Energy Fuels' teams in Australia and Brazil, thus allowing the Company to maximize the value of all projects to shareholders.

Although the Toliara project holds a mining permit that allows production of Ilmenite, Rutile and Zircon, development at the Project was suspended by the Government of Madagascar pending negotiation of fiscal terms applying to the Project. With the recent adoption of a new Mining Code in Madagascar and Base Resources and the Government of Madagascar making sound progress on fiscal terms negotiations, the Company believes the suspension will be lifted, and required legal and fiscal stability achieved, during 2024. Aspects intended to facilitate the inclusion of Monazite on the Project's mining permit as soon as reasonably practicable after fiscal terms are agreed are included in the scope of current negotiations. However, there can be no assurance as to the timing of completion of fiscal terms negotiations and lifting of the current suspension, the timing for achieving sufficient legal and fiscal stability or

the timing for approval of the addition of Monazite to the mining permit. If such approvals are not obtained, or obtained on terms less favorable than expected, this could delay any final investment decision in relation to the Project or prevent or otherwise have a significant effect on the development of the Project or ability to recover Monazite from the Project.

Highlights of Toliara's economics are presented below:

	<i>Unit</i>	Monazite PFS ^{1,3}	Mineral Sands DFS2 ^{2,3}	Combined Mineral Sands + Monazite ³
NPV ₁₀ (discount rate of 10%), Post-Tax, Real	<i>US\$ millions</i>	999	1,008	2,006
NPV ₈ (discount rate of 8%) Post-Tax, Real	<i>US\$ millions</i>	1,281	1,385	2,666
IRR	%	78.6 %	23.8 %	32.4 %
Initial (Stage 1) Capex	<i>US\$ millions</i>	71	520	591
Construction Period (Stage 1)	<i>Months</i>	29	27	27
Stage 2 Capex	<i>US\$ millions</i>	N/A	137	137
Construction Period (Stage 2)	<i>Months</i>	N/A	21	21
Capital Payback Period (Stage 1 + 2)	<i>Years</i>	1.0	4.5	3.6

Life of Mine (LOM)	<i>Years</i>	38	38	38
LOM Free Cash Flow	<i>US\$ millions</i>	4,733	5,922	10,655
LOM Operating Costs + Royalty	<i>US\$/t ore mined</i>	0.98	3.78	4.92
LOM Operating Costs + Royalty	<i>US\$/t produced</i>	1,089	88	112
LOM Revenue	<i>US\$/t produced</i>	8,648	306	477
LOM Cash Margin	<i>US\$/t produced</i>	7,559	218	365
LOM Revenue: Cost of Sales Ratio	<i>Ratio : 1</i>	7.9	3.5	4.3

Notes:		
	1)	Note the Monazite PFS (14 December 2023) contemplates selling the Monazite from the Toliara project to a third party at world Monazite prices. In contrast, the combined company would transport the Monazite to the Mill for additional processing and separation. The numbers in this table do not reflect any downstream processing or margins at the Mill.
	2)	The DFS2 is dated 27 September 2021.

	3)	<p>The Monazite PFS and DFS2 constituted a “Pre-Feasibility Study” and “Feasibility Study” (respectively) for the purposes of JORC.</p> <p>Additionally, the Monazite PFS was based on Mineral Resources, and DFS2 was based on Ore Reserves, which, in each case, were estimated in accordance with JORC. The results from these studies and such estimates may not be comparable to data or estimates under either NI 43-101 or S-K 1300 – see note below under “Qualified Person”.</p>
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MILL SYNERGIES

On April 22, 2024, Energy Fuels will release its Mill PFS projecting globally competitive capital and operating costs for planned expanded REE oxide production at the Mill. The Mill is currently commissioning its Phase 1 NdPr separation facility, which has been constructed within the Mill’s existing solvent extraction building and is designed to process up to 10,000 tpa of Monazite to produce up to 1,000 tpa of NdPr oxide.

The economics detailed in the Mill PFS are for the Phase 2 expansion of REE separation capacity in one or more additional facilities at the Mill, capable of processing 30,000 tpa of Monazite to produce approximately 3,000 tpa of NdPr oxide. The Mill PFS shows globally competitive capital expenditures of \$348 million for the 30,000 tpa Phase 2 separation facility and an average processing cost of \$29.88/kg NdPr. This analysis does not include any capital or operating costs associated with the recovery of Dy and Tb or any revenues associated with the sales of those “heavy” REE oxides.

Upon completion of the Transaction, Energy Fuels plans to update the DFS2 and the Monazite PFS and re-issue those reports in a form that complies with NI 43-101 and S-K-1300, and that also updates and incorporates the results of the Mill PFS to expand

Phase 2 production capacity from a 30,000 tpa Monazite process plant capable of producing approximately 3,000 tpa of NdPr oxide to a 40,000 – 60,000 tpa Monazite process plant capable of producing approximately 4,000 – 6,000 tpa of NdPr oxide, along with Dy and Tb oxides.

The details of the Mill PFS are presented below:

	<i>Unit</i>	NdPr Production at the Mill ¹
Capital Costs to Construct Phase 2 Separation Facility at the Mill	<i>US\$ millions</i>	348
Operating Cost \$/kg NdPr	<i>US\$</i>	29.88
Plant Capacity ²	<i>Monazite tpa</i>	30,000
Notes:		
	1)	The Mill PFS addresses the production of NdPr alone from processing Monazite. It does not address or attribute any costs or value to the significant quantities of Dy and Tb that will also be recovered from the Monazite at the Mill. This will be updated in the future to also address Dy and Tb production from Monazite.

		<p>The Mill PFS assumes a Phase 2 separation facility capacity of 30,000 tpa of Monazite. With the planned Monazite production from the Company's Bahia Project in Brazil, the planned acquisition of Toliara, the potential acquisition of an interest in the Astron Donald Project, and other potential Monazite acquisitions, Energy Fuels plans to update the Mill PFS based on an increased Monazite throughput of 40,000 – 60,000 tpa, which would generate 4,000 – 6,000 tpa of NdPr, 150 – 225 tpa of Dy, and 50 – 75 tpa of Tb. The Phase 2 separation facility is subject to completion of engineering design and receipt of any required permits and licenses.</p>
	2)	

See the Mill PFS, which will be available on the Company's website at www.energyfuels.com and on SEDAR and EDGAR, for important information about its scope, key assumptions, qualifications and risks.

TRANSACTION OVERVIEW AND TIMELINE

Under the terms of the Scheme, if approved, each Base Resources shareholder will receive (i) 0.0260 Energy Fuels common shares and (ii) A\$0.065 in cash, payable by way of a special dividend, representing an implied price of A\$0.30 per Base share⁴.

The Scheme Consideration represents a premium of 173% to the Base Resources' 20-day volume weighted average price up to and including April 19, 2024 of A\$0.11. Immediately following implementation of the Scheme, Energy Fuels and Base Resources shareholders will own approximately 83.6% and 16.4%⁶ of Energy Fuels post-closing, respectively.

The Scheme is subject to customary closing conditions, including: (a) approval by at least 75% of the number of votes cast, and more than 50% of the number of Base Resources

shareholders present and voting, at the meeting of the shareholders of Base Resources to approve the Scheme (the **“Scheme Meeting”**); (b) approval by the Federal Court of Australia; (c) the Independent Expert concluding that the Scheme is in the best interests of Base Resources shareholders; (d) certain government and regulatory approvals, including the Foreign Investment Review Board of Australia, Malagasy Competition Council, the TSX and the NYSE American; (e) no material adverse change or prescribed event to Base Resources or Energy Fuels; and (f) other customary closing conditions.

The SID also contains customary deal protection mechanisms, including a “no shop” and “no talk” provision, “matching rights” and “notification rights” for Energy Fuels, subject to customary exceptions, and a termination fee payable by Base Resources in certain circumstances in the amount of 1% of the Transaction Value (or US\$2.4 million). The SID also provides for a reverse break fee in the same amount payable by Energy Fuels in certain circumstances.

A Scheme Booklet setting out the key terms of the Scheme, the Independent Expert’s report, and the reasons for the Base Resources directors’ recommendation will be sent to all Base Resources shareholders in due course. The Scheme Meeting is expected to be held in late July / early August 2024 with the Transaction anticipated to close in the third quarter of 2024, subject to satisfaction of all conditions, including receipt of all necessary approvals.

Full details of the terms and conditions of the Scheme are set out in the SID that will be available on Energy Fuels’ SEDAR+ profile at www.sedarplus.ca, and on Energy Fuels’ EDGAR profile at www.sec.gov/edgar.

BOARD OF DIRECTORS’ RECOMMENDATION AND SHAREHOLDER SUPPORT

The Board of Directors of Energy Fuels has unanimously approved the Scheme, including, without limitation, the Scheme Consideration.

The Board of Directors of Base Resources has unanimously recommended that all Base Resources shareholders vote in favor of the Scheme at the Scheme Meeting, in the absence of a superior proposal and subject to the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of Base Resources shareholders. Subject to those same qualifications, each director of Base Resources intends to vote (or cause to be voted) all Base Resources shares which they own or control in favor of the Scheme, representing approximately 1.2% of the issued and outstanding Base Resources shares.

In addition, Base Resources' two largest shareholders, Pacific Road Capital Management GP II Limited and Pacific Road Capital II Pty Limited (owning 26.5% of Base Resources shares on issue) and Sustainable Capital Ltd (owning 24.8% of Base Resources shares on issue), have each provided a voting intention statement to Base Resources confirming that they intend to vote all of the Base Resources shares that they hold or control in favor of the Scheme, subject to no superior proposal emerging and the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of shareholders.

ADVISORS AND COUNSEL

In connection with the Scheme, Energy Fuels has engaged BMO Capital Markets and SCP Resource Finance as its financial advisers, and Dentons Canada LLP as its Canadian legal counsel, Dentons Australia Limited as its Australian legal counsel and Dorsey & Whitney LLP as its U.S. legal Counsel. Base Resources

has engaged Azure Capital as its financial adviser, and Herbert Smith Freehills as its Australian legal advisor.

INVESTOR CALL AND WEBCAST

Energy Fuels will be hosting a conference call and webcast on Monday, April 22, 2024 at 8:00 am ET (10:00 pm Australian Eastern Standard Time) to discuss the transaction.

You may dial in to the conference call, and participate in Q&A, by calling 1-888-664-6392, and you will be connected to the call by an Operator.

You may also access viewer-controlled Webcast slides and/or stream audio of the call, by following this link: [WEBCAST](#)

A replay of the call will be available until May 6, 2024 by calling (888) 390-0541 or (416) 764-8677 and entering the replay code, 227391#

The investor call presentation slides can be viewed on the Company's website at www.energyfuels.com.

QUALIFIED PERSON

THE TECHNICAL INFORMATION IN THIS PRESS RELEASE HAS BEEN PREPARED IN ACCORDANCE WITH JORC STANDARDS AND REVIEWED ON BEHALF OF THE COMPANY BY DAN KAPOSTASY, VP, TECHNICAL SERVICES OF ENERGY FUELS RESOURCES (USA) INC., A QUALIFIED PERSON UNDER BOTH SK-1300 AND NATIONAL INSTRUMENT 43-101 REGULATIONS. THE JORC COMPLIANT MINERAL RESOURCES AND RESERVES CONTAINED HEREIN WERE DISCLOSED BY BASE RESOURCES ON DECEMBER 14, 2023. A QUALIFIED PERSON HAS NOT DONE SUFFICIENT WORK TO CLASSIFY THESE ESTIMATES AS CURRENT NI 43-101 OR S-K 1300 ESTIMATES OF MINERAL RESOURCES, MINERAL RESERVES OR EXPLORATION RESULTS. ACCORDINGLY, ENERGY FUELS IS NOT TREATING THESE ESTIMATES AS A CURRENT ESTIMATE OF MINERAL RESOURCES, MINERAL RESERVES, OR EXPLORATION

RESULTS AND IS TREATING THE INFORMATION DISCUSSED ABOVE RELATING TO TOLIARA AS HISTORICAL IN NATURE.

ABOUT ENERGY FUELS

Energy Fuels is a leading US-based uranium and critical minerals company. The Company, as the leading producer of uranium in the United States, mines uranium and produces natural uranium concentrates that are sold to major nuclear utilities for the production of carbon-free nuclear energy. Energy Fuels recently began production of advanced REE materials, including mixed REE carbonate, and plans to produce commercial quantities of separated REE oxides commencing in 2024. Energy Fuels also produces vanadium from certain of its projects, as market conditions warrant, and is evaluating the recovery of radionuclides needed for emerging cancer treatments. Its corporate offices are in Lakewood, Colorado, near Denver, and substantially all its assets and employees are in the United States. Energy Fuels holds two of America's key uranium production centers: the White Mesa Mill in Utah and the Nichols Ranch in-situ recovery ("ISR") Project in Wyoming. The White Mesa Mill is the only conventional uranium mill operating in the US 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, as well as REE products, from various uranium-bearing ores. The Nichols Ranch ISR Project is on standby and has a licensed capacity of 2 million pounds of U_3O_8 per year. The Company recently acquired the Bahia Project in Brazil, which is believed to have significant quantities of titanium (ilmenite and rutile), zirconium (zircon) and REE (monazite) minerals. In addition to the above production facilities, Energy Fuels also has one of the largest NI 43-101 compliant uranium resource portfolios in the US and several uranium and uranium/vanadium mining projects in production, 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".

ABOUT BASE RESOURCES

Base Resources is an Australian based, African focused, mineral sands producer and developer with a track record of project delivery and operational performance. Base Resources operates the established Kwale Operations in Kenya and is developing the Toliara project in Madagascar. Base Resources is an ASX and AIM listed company. Further details about Base Resources are available at www.baseresources.com.au.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

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: any expectation that the Company will maintain its position as a leading U.S.-based uranium and critical minerals company or as the leading producer of uranium in the U.S.; any expectation that the Scheme will be completed or if completed, completed on the terms and time proposed; any expectation that the Transaction will unlock significant value to both Energy Fuels and Base Resources shareholders due to valuable and immediate synergies; any expectation as to production levels or timing or duration of production from the Toliara Project or any of the Company's other mines or projects; any expectations as to costs of production at the Toliara Project, the Mill or any of the Company's mines or other projects; any expectation that any production at the Toliara Project or Mill will be world or

globally competitive; and any expectation that Energy Fuels will be in a position to unlock the value of Toliara's low-cost Monazite, including in a manner that no other facility in the U.S. is capable of doing, or at all; any expectation that the Transaction will be highly accretive to Energy Fuels' shareholders on a net asset value per share basis, with potential to unlock significant further upside, or at all; any expectation that the addition of the Base Resources team will allow the Company to maximize the value of the Company's projects; any expectation that Energy Fuels' Phase 1 REE separation facility will be commissioned successfully; any expectation that the Phase 2 separation facility will complete engineering design or will receive all required permits and licenses; any expectation that Energy Fuels will construct its Phase 2 REE separation facility; any expectation that the Mill PFS will be published as anticipated on April 22, 2024, or at all; the estimates and projections contained in the DFS2, Monazite PFS and Mill PFS, including, without limitation, any estimates of mineral resources and reserves; any expectation that the Company will upgrade and re-issue the DFS2, Monazite PFS and Mill PFS in conformity with NI-43-101 and S-K 1300; any expectation that the Project will operate and the combined company will generate positive cash flow as the U.S. – based REE market is developing, or in the event of fluctuations in REE prices; any expectation that Energy Fuels is well-capitalized and will be able to meet its working capital, project financing and other financial commitments; any expectation that Energy Fuels will be successful in its high-level discussions with numerous U.S. government agencies and other offices that provide financial support for critical mineral projects within the U.S. and internationally or that Energy Fuels will be successful in obtaining any grants, low-interest debt, non- or limited-recourse debt, loan guarantees, or other support vehicles from any such agencies or offices, or at all; any expectation that

Energy Fuels will be successful in agreeing fiscal terms with the Government of Madagascar or in achieving sufficient fiscal and legal stability; any expectation that the current suspension relating to the Project will be lifted in the near future or at all; any expectation that the additional permits for the recovery of Monazite at the Project will be acquired on a timely basis or at all; any expectation that the Company will be successful in becoming a reliable, globally diversified, multi-decade supplier of U.S.-produced magnet REE oxides to EV manufacturers and other end-users; any expectation that the Company will be successful in entering the REE metal, alloy, and magnet-making space, in order to fully-integrate the entire REE magnet supply chain; any expectation that the Company will be successful in securing any additional low-cost Monazite concentrates globally, or at all; any expectation that the Mill will successfully continue to operate to the highest global standards for the protection of human health and the environment; any expectation that the Company will be successful in advancing its REE initiatives or that it will be successful in installing REE production capacity at the Mill and the timing of installation of any such production capacity; any expectation as to the success of the Company's permitting programs, including any permitting required for the construction and operation of the planned Phase 2 separation facility at the Mill; and any expectation that Toliara will become a world-class heavy mineral sands project. 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: satisfying various conditions to closing the Scheme; commodity prices and price fluctuations; engineering, construction, processing and mining difficulties, upsets and delays; permitting and licensing requirements and delays; changes to regulatory requirements; legal challenges; the availability of feed sources for the Mill; competition from other producers; public opinion; government and political actions; the failure of the Government of Madagascar to agree fiscal terms or provide the approvals necessary to achieve sufficient fiscal and legal stability on acceptable terms and conditions or at all; the failure of the current suspension affecting the Project to be lifted on a timely basis or at all; the failure of the Company to obtain the required permits for the recovery of Monazite from the Project; the failure of the Company to provide or obtain the necessary financing required to develop the Project; available supplies of Monazite; the ability of the Mill to produce rare earth carbonate, rare earth element oxides or other rare earth element products to meet commercial specifications on a commercial scale at acceptable costs or at all; market factors, including future demand for rare earth elements; the ability of the Mill to be able to separate radium or other radioisotopes at reasonable costs or at all; the estimates and projections in the updated technical reports to be prepared in compliance with NI 43-101 and S-K 1300 may differ from the estimates and projections contained in the DFS2, Monazite PFS and Mill PFS; actual results

may differ from all such estimates and projections; 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, on SEDAR at www.sedar.com, and on the Company’s website at 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.

Cautionary Note for U.S. Investors Concerning Mineral Resources and Reserves

CERTAIN TECHNICAL DISCLOSURE CONTAINED IN THIS NEWS RELEASE HAS BEEN PREPARED IN ACCORDANCE WITH JORC. JORC CODE DIFFERS FROM THE REQUIREMENTS OF THE U.S. SECURITIES AND EXCHANGE COMMISSION (“SEC”), INCLUDING S-K 1300, AND THEREFORE INFORMATION CONTAINED IN THIS NEWS RELEASE MAY NOT BE COMPARABLE TO SIMILAR INFORMATION DISCLOSED IN FILINGS WITH THE SEC BY DOMESTIC UNITED STATES COMPANIES SUBJECT TO THE SEC’S REPORTING AND DISCLOSURE REQUIREMENTS.

1	Based on (a) Base Resource's fully diluted ordinary shares on issue of 1,239,116,949 (including performance rights that will vest by virtue of the Transaction), (b) a share exchange ratio of 0.0260, (c) Energy Fuels' closing share price on April 19, 2024 of US\$5.84 per share and (d) A\$0.065 per Base Resources share in cash.
2	In the absence of a superior proposal and subject to the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of shareholders.
3	The financial information relating to the Ranobe deposit's mineral sands is based on the definitive feasibility study prepared on September 27, 2021. This study constituted a "Feasibility Study" for the purposes of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 Edition ("JORC") and the Ore Reserves underpinning this study were estimated in accordance with JORC. The results from this study and the estimated Ore Reserves may not be comparable to (as the case may be) data or estimates under either NI 43-101 or S-K 1300– see note below under "Qualified Person".
4	The JORC estimate of Ore Reserves is presented for informational purposes only. A qualified person has not done sufficient work to classify these estimates as current NI 43-101 or S-K 1300 estimates of mineral resources, mineral reserves, or exploration results. Energy Fuels is not treating these estimates as a current estimate of mineral resources, mineral reserves, or exploration results – see note below under "Qualified Person".

5	<p>The production and financial information relating to the Ranobe deposit's monazite is based on the pre-feasibility study prepared on December 14, 2023. This study constituted a "Pre-Feasibility Study" for the purposes of JORC and the Mineral Resources underpinning this study were estimated in accordance with JORC. The results from this study and the estimated Mineral Resources may not be comparable to (as the case may be) data or estimates under either NI 43-101 or S-K 1300 – see note below under "Qualified Person".</p>
6	<p>Based on Base fully diluted ordinary shares on issue of 1,239,116,949 (including performance rights that will vest by virtue of the Transaction), Energy Fuels undiluted common shares on issue of 163,651,897 and a share exchange ratio of 0.026.</p>

SOURCE Energy Fuels Inc.

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