

# Energy Fuels Announces Q1-2024 Results, Including Continued Net Income, Continued Successful Uranium Ramp-Up, Commissioning Rare Earth Oxides Production, and Steps to Secure World-Scale Sources of Heavy Mineral Sands and Monazite

written by Raj Shah | May 3, 2024

Conference Call and Webcast on May 6, 2024

May 03, 2024 ([Source](#)) – Energy Fuels Inc. (NYSE American: UUUU) (TSX: [EFR](#)) (“Energy Fuels” or the “Company”) today reported its financial results for the quarter ended March 31, 2024. The Company’s Quarterly Report on Form 10-Q 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](http://www.sec.gov/edgar), on the System for Electronic Data Analysis and Retrieval + (“SEDAR+”) at [www.sedarplus.ca](http://www.sedarplus.ca), 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.

- **Recorded Net Income of Over \$3 Million:** During the three months ended March 31, 2024, the Company earned net income

of \$3.64 million, or \$0.02 per common share, including operating income of \$2.02 million.

- **Robust Balance Sheet with Over \$220 million of Liquidity and No Debt:** As of March 31, 2024, the Company had \$222.54 million of working capital including \$54.78 million of cash and cash equivalents, \$140.80 million of marketable securities (uranium stocks and interest-bearing securities), \$28.25 million of inventory, and no debt.
- **Over \$20 Million of Additional Liquidity from Market Value of Inventory:** At current commodity prices, the Company's product inventory has a market value of approximately \$40.82 million, while the balance sheet reflects product inventory carried at cost of \$19.96 million.
- **Uranium Drives Revenue:** The Company sold 300,000 pounds of uranium concentrates (" $U_3O_8$ ") at a weighted average price of \$84.38 per pound for \$25.31 million, which resulted in a gross profit of \$14.26 million and an average gross margin of 56%.
- **SX "Phase 1" REE Separation Circuit Development Completed:** The Phase 1 modification and enhancements to the existing solvent extraction ("**SX**") circuit at the Company's White Mesa Mill (the "**Mill**") were completed in Q1-2024, and the Mill expects to complete commissioning of the new circuit in Q2-2024.
- **Well-Stocked to Capture Market Opportunities:** As of March 31, 2024, the Company held 385,000 pounds of finished  $U_3O_8$ , 905,000 pounds of finished vanadium (" $V_2O_5$ "), and 11 tonnes of finished high purity, partially separated mixed rare earth carbonate ("**RE Carbonate**") in inventory. The Company holds an additional 495,000 pounds of  $U_3O_8$  as raw materials and work-in-progress inventory (for total finished, raw material and work-in-progress inventory of 880,000 pounds of  $U_3O_8$ ), along with an estimated 1 – 3

million pounds of solubilized  $V_2O_5$  in tailings solutions that could be recovered in the future. Additionally, at March 31, 2024 the Company had 480 tonnes of REE raw materials (monazite concentrate) in inventory.

### **Capitalizing on Strong Uranium Pricing:**

- During the three months ended March 31, 2024, the Company sold 300,000 pounds of  $U_3O_8$  for \$25.31 million or a realized sales price of \$84.38 per pound. These sales resulted in a gross profit of \$14.26 million (\$47.54 per pound of  $U_3O_8$ ), or a 56% gross margin.
- The Company recently renewed an alternate feed agreement with one of our key customers, providing the Company with an estimated long-term, multi-year, low-cost source of 11,000 to 30,000 pounds of  $U_3O_8$  per year.
- During the three months ended March 31, 2024, the Company continued uranium ore production at its Pinyon Plain (Arizona), La Sal (Utah) and Pandora (Utah) mines.
- Once production is fully ramped up at these mines, which is expected by mid- to late-2024, the Company expects to be mining at a run-rate of 1.1 to 1.4 million pounds of newly mined  $U_3O_8$  per year.
- During 2024, the Company expects to produce approximately 150,000 to 500,000 pounds of finished  $U_3O_8$  from newly mined conventional ore, stockpiled ore, and recycled alternate feed materials, depending on the timing of the ramp up of production at the Company's Pinyon Plain, La Sal and Pandora mines, and Mill schedule, while increasing to higher levels of production in 2025 and beyond.
- The Company expects to offer to buy uranium and uranium/vanadium ore from third-party miners in the vicinity of the Mill during 2024, which has the potential

to contribute to the Company's production profile.

- On April 30, the U.S. Senate approved by unanimous consent the Prohibiting Russian Uranium Imports Act, which bans the import of Russian uranium products into the U.S. Under the ban, which commences 90 days after enactment and terminates in 2040, all imports of uranium products from Russia will be banned, subject to waivers in the event "no alternative viable source of low-enriched uranium is available to sustain the continued operation of a nuclear reactor or U.S. nuclear energy company." The Company expects President Joe Biden to sign the bill into law in the coming days.
- In anticipation of continued strength in uranium markets, the Company is preparing two additional mines in Colorado and Wyoming (Whirlwind and Nichols Ranch) for expected production in 2025. If market conditions remain strong, the Whirlwind and Nichols Ranch mines could potentially increase Energy Fuels' uranium production to a run-rate of over two million pounds of  $U_3O_8$  per year as early as 2025.
- The Company is advancing permitting and other pre-development activities on its large-scale Roca Honda, Sheep Mountain and Bullfrog uranium properties for additional uranium production in the future, which could expand the Company's uranium production to a run-rate of up to five million pounds of  $U_3O_8$  per year in the coming years.
- The Company continues to evaluate uranium resource and development acquisition and other potentially accretive opportunities as they may arise.
- As of May 1, the spot price of  $U_3O_8$  was \$92.00 per pound and the long-term price of  $U_3O_8$ , which is the price most relevant for long-term uranium sales contracts, was \$80.00 per pound, according to data from TradeTech.

## Rare Earth Element Ramp-Up:

- The Mill's REE production is complementary to its uranium production and does not diminish the Mill's uranium capacity or production profile in any way.
- The development of the "Phase 1" REE Separation circuit at the Mill was completed on-schedule at the end of Q1-2024, at a cost that is expected to be \$7 million to \$9 million below the \$25 million budget.
- During Q2-2024, the Company expects to produce about 25 – 35 tonnes of separated neodymium praseodymium ("NdPr") oxide and 10 to 20 tonnes of a "heavy" samarium plus ("SM+") mixed rare earth carbonate as it commissions the Phase 1 REE Separation circuit, after which time the Company expects to begin processing uranium ore and alternate feed materials for the large-scale production of uranium at the Mill for the remainder of the year and through mid-2026.
- The Mill's Phase 1 REE separation circuit is expected to have the capacity to produce approximately 800 to 1,000 tonnes of separated NdPr oxide per year. For reference, 1,000 tonnes of NdPr can be used in enough permanent REE magnets to power up to 1 million electric vehicles ("EVs") per year. Subject to securing sufficient monazite feed, "Phase 1" capacity is expected to position Energy Fuels in the coming years as one of the world's leading producers of separated NdPr outside of China.
- Due to the significant opportunity in REEs, Energy Fuels is engineering further enhancements at the Mill to increase NdPr oxide production capacity to approximately 4,000 tonnes – 6,000 tonnes per year by 2027 ("Phase 2"), and to add a separate crack and leach circuit to allow for the simultaneous operation of the Mill's conventional ore and REE processing circuits. The Company also intends to

produce separated dysprosium (“**Dy**”), terbium (“**Tb**”) and potentially other advanced REE materials in the future from monazite and potentially other REE process streams by 2028 (“**Phase 3**”). Phase 2 and Phase 3 are subject to permitting, financing and receipt of sufficient monazite feed.

- To secure cost-effective and reliable supplies of monazite ore, Energy Fuels is securing positions in several heavy mineral sand (“**HMS**”) deposits around the World, which produce monazite sand as a low-cost byproduct of primary ilmenite and rutile (titanium) and zircon (zirconium) production. Monazite sands are a rich source of the ‘magnetic’ REEs used in EVs and a variety of clean energy and advanced technologies.
- The Company has made significant progress in developing its Bahia HMS project in Brazil (the “**Bahia Project**”). Based on preliminary, historical resource estimates, the Company believes the Bahia Project has the potential to supply approximately 3,000 – 10,000 tonnes per year (“**tpa**”) of monazite sand concentrate to the Mill (depending on production rates), containing approximately 1,500 – 5,000 tonnes of total rare earth oxides (“**TREO**”) per year potentially for decades.<sup>1</sup> During the first half of 2023, the Company completed 2,266 meters of sonic drilling to confirm and further delineate the rare earth, titanium, and zirconium mineralization. The Company is currently awaiting the results from the 2023 drilling campaign. In Q1-2024, the Company commenced further sonic drilling. Additionally, the Company completed bulk test work on a 2.5 tonne sample in March 2024 and is currently collecting a larger 15 tonne sample for additional process test work. The Company expects to complete a U.S. Subpart 1300 of Regulation S-K (“**S-K 1300**”) and Canadian National Instrument 43-101 (“**NI 43-101**”) compliant mineral resource

estimate on the Bahia Project during 2024.

- On April 21, 2024, the Company announced that it had 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) AUS\$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 at the time of announcement of approximately AUS\$375 million. The Transaction will be effected by way of a scheme of arrangement under Australia’s Corporations Act (the “**Scheme**”) and is subject to a number of conditions precedent, including the receipt of certain government approvals and the approval of the shareholders of Base Resources.
- Base Resources owns the Toliara Mineral Sand Project in Madagascar (the “**Toliara Project**”), which is a world-class, advanced-stage, low-cost, and large-scale HMS project. In addition to its stand-alone, ilmenite, rutile (titanium) and zircon (zirconium) production capability, the Toliara Project also contains large quantities of monazite. According to a Definitive Feasibility Study (the “**Toliara DFS2**”) on titanium and zirconium minerals and a Preliminary Feasibility Study (the “**Toliara Monazite PFS**”) on monazite, the Toliara Project boasts a net present value (“**NPV**”) of \$2.0 billion at a 10% discount rate, with expected monazite production of approximately 17,000 tpa in its first phase, ramping up to a maximum of 27,795 tpa in its second phase, averaging 21,800 tpa over the life of

the project.<sup>2</sup> Energy Fuels believes its U.S.-based REE separation capabilities have the potential to increase these valuations materially. The Toliara Project is subject to negotiation of fiscal terms applying to the Project with the Madagascar government and the receipt of certain Madagascar government approvals and actions, including the lifting of a suspension on development at the Toliara Project pending negotiation of fiscal terms and the addition of Monazite recovery to the existing mine permit, before development may commence.

- On December 27, 2023, the Company announced that it had entered into a non-binding Memorandum of Understanding (“**MOU**”) with Astron Corporation Limited (“**Astron**”) to jointly develop the Donald Project in Australia. The Donald Project is a well-known HMS and rare earth deposit that the Company believes could provide the Mill with another near-term, low-cost, and large-scale source of monazite sand for the recovery of REE oxides along with the contained uranium. The Donald Project has most licenses and permits in place (or at an advanced stage of completion). The MOU sets out in broad terms the basis upon which the parties would enter into an Australian incorporated Venture under which Energy Fuels would invest up to AUS\$180 million (approximately \$117 million at current exchange rates) to earn up to a 49% interest in the Venture. In addition, the Company would issue to Astron common shares having a value of up to \$17.5 million. Based on a Definitive Feasibility Study (the “**Donald DFS**”), the Donald Project has the potential to produce approximately 7,000 to 8,000 tonnes of monazite per year during its first phase, and 13,000 to 14,000 tonnes during its second phase,<sup>3</sup> and is expected by the Company to be another low-cost source of feed for the



Mill's REE production. Although the Company is currently in the process of completing due diligence and negotiating definitive agreements with Astron, there can be no assurance that the Company will enter into definitive agreements to govern the Venture, or if entered into, the terms will be as set out in the MOU, or that the transaction will be completed.

- Together, the Bahia, Toliara, and Donald Projects have the potential to supply the Mill with over 50,000 tonnes of low cost monazite sand per year, assuming the Toliara Project and Donald Project are secured and all three projects are ramped up to full expected production capacity.
- On April 24, 2024, the Company released an AACE International ("**AACE**") Class 4 Pre-Feasibility Study (not a Pre-Feasibility Study subject to or intended to be compliant with NI 43-101 or S-K 1300) dated April 22, 2024, indicating globally competitive capital and operating costs for its planned Phase 2 expanded REE oxide production at the Mill (the "**Mill PFS**"). 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 tonnes per annum ("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. The Mill PFS can be viewed on the Company's website, [www.energyfuels.com](http://www.energyfuels.com).
- Upon successful completion of the Base Resources

transaction, Energy Fuels plans to update the Toliara DFS2 and the Toliara 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 facility capable of producing approximately 3,000 tpa of NdPr oxide to a 40,000 – 60,000 tpa Monazite process facility 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 required permits and licenses.

### **Vanadium Highlights:**

- The Company produces high purity  $V_2O_5$  from time-to-time and carries that material in inventory for sale into market strength, most recently during Q1-2023 when the Company sold approximately 79,344 pounds of  $V_2O_5$  for a realized sales price of \$10.98 per pound.
- The Company currently holds approximately 905,000 pounds of  $V_2O_5$  in inventory.
- As of May 1, the spot price of  $V_2O_5$  was \$5.87 per pound, according to data from Fastmarkets.

### **Medical Isotope Highlights:**

- The Company continued advancing its program to evaluate the potential to recover radioisotopes from its process streams for use in emerging targeted alpha therapy (“TAT”) cancer therapeutics.
- In June 2023, the Utah Division of Waste Management and Radiation Control issued the Company a research and

development (“R&D”) license for the recovery of R&D quantities of Ra-226 at the Mill.

- During 2024, the Company intends to complete engineering on the R&D pilot facility for the production of Ra-226 at the Mill; to set up the first stages of the pilot facility; and to produce R&D quantities of Ra-226 at the Mill for testing by end-users of the product.

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

“Energy Fuels maintained our momentum from 2023, by reporting continued profitability in Q1-2024, driven mainly by uranium. We also continued to make extraordinary progress diversifying into the complementary HMS and rare earth oxide businesses.

“During the quarter, we made profitable uranium sales into our portfolio of long-term utility contracts, and we completed two opportunistic spot sales averaging nearly \$103 per pound of  $U_3O_8$ , enabled by our significant uranium inventories backed by our near-term low-cost uranium production capacity. From these sales, we maintained high gross margins, averaging roughly 56%, contributed to in large part by our low-cost alternate feed material and other historic uranium production which we have maintained in inventory pending increased uranium prices such as we see today.

“We recently renewed a multi-year alternate feed agreement with one of our key customers, providing the Company with a long-term, low-cost source of  $U_3O_8$ . Finally, the ramp-up of our conventional mines in Arizona and Utah continues to proceed on budget and on schedule. We plan to begin processing alternate feed materials for the production of uranium starting in Q3-2024, followed by a conventional ore run later in 2024 or 2025. In order to optimize recoveries and minimize downtime, it is necessary to build a large stockpile of conventional ore

before processing it at the Mill. While we build the necessary uranium stockpile, we are commissioning our new rare earth separation circuit.

“We continue to make extraordinary progress on rare earth elements by leveraging our uranium capabilities and permits. We completed the modifications and enhancements to the Mill’s SX circuit, by adding up to 1,000 tonnes of NdPr separation capabilities through the development of our Phase 1 REE separation circuit. This means Energy Fuels’ White Mesa Mill now has one of the largest rare earth separation circuits in the World, ex China. This is obviously highly strategic. During Q2, we plan to process stockpiled monazite and produce roughly 25 – 35 tonnes of separated NdPr oxide, along with 10 – 20 tonnes of a ‘heavy’ mixed rare earth concentrate, as we commission the new circuit.

“Once the NdPr run is complete, we will shift our focus to processing alternate feed materials and conventional ore for uranium recovery later in 2024, through mid- 2026. By 2026 or 2027, we expect to have significant quantities of monazite from our newly secured mineral sand projects. We also plan to have a dedicated monazite crack-and-leach facility completed or under construction by that time. We are carefully calibrating Mill and mine schedules to accommodate both uranium and rare earths production, without diminishing the capacity for either, in a clear optimization and diversification strategy.

“We are also making spectacular progress toward securing, large-scale, low-cost sources of monazite that the Mill can process into rare earth oxides in the future. Early on, it became very apparent that to become a low-cost, world-scale rare earth oxide producer, we needed to secure our own supply chains for monazite to better control our costs and production schedules. Monazite sand from HMS projects is clearly one of the best, lowest cost

source of rare earths, due to excellent natural distributions of both the 'light' and 'heavy' rare earths needed for magnets, high total and 'magnet' rare earth grades, and the fact that it is produced as a low-cost byproduct of primary titanium and zirconium mineral production.

"We acquired the Bahia HMS Project in Brazil in 2023, which we are advancing toward production. In December 2023, we announced an MOU to acquire a 49% interest in the Donald Mineral Sand Project in Australia, which is moving forward toward definitive agreements. We also recently announced a proposed acquisition of Base Resources, which owns the Toliara Project in Madagascar. Many experts believe the Toliara Project is one of the world's premier mineral sand deposits, due to its massive scale, projected low costs, and the high quality and payability of its ilmenite, rutile, zircon and rare earth minerals. Between these three projects, assuming successful acquisition and/or development of the Toliara Project, Donald Project and Bahia Project, we will have secured up to approximately 50,000 tpa of monazite to supply the Mill, with an expected ramp-up during 2026 – 2028. This quantity of monazite would contain estimated recoverable quantities of up to roughly 5,000 tpa of NdPr oxide, 200 tpa of Dy oxide, and 70 tpa of Tb oxide.

"Importantly, upon the successful completion of the Base Resources acquisition, 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.

“We also released the results of the Mill PFS demonstrating that the Mill is expected to have low capital and operating costs that we believe are among the lowest in the World. Now that we are securing our supply chains and demonstrating our commercial viability and competitiveness, we are in the process of advancing discussions with commercial customers on sales opportunities, and the U.S. government on sales and financial support.

“Another key benefit of our HMS project acquisitions that cannot be overlooked, is diversification into the HMS market, which is independent of the uranium and REE markets. The Toliara Project is recognized as a world-class HMS project based on the contained ilmenite and rutile (titanium) and zircon (zirconium), without any reliance on monazite or REEs, and if developed and operating is expected to generate significant cash flows independent of the prices of uranium and REEs.

“At Energy Fuels, we are building a diversified, U.S.-based critical minerals company, centered on our core uranium processing capabilities. Our goal is to create a profitable company able to withstand the business cycles associated with many critical minerals. We plan to be globally competitive in these markets, offering commercial and government customers a reliable, low-cost U.S. alternative.”

#### **Conference Call and Webcast at 9:00 am ET on May 6, 2024:**

Energy Fuels will be hosting a conference call and webcast on **May 6, 2024** at 9:00 am ET (7:00 am MT) to discuss our Q1-2024 financial results, the outlook for the remainder of 2024, and our uranium, rare earths, vanadium, and medical isotopes initiatives.

To instantly join the conference call by phone, please use the following link to easily register your name and phone number.

After registering, you will receive a call immediately and be placed into the conference call: [RAPIDCONNECT](#)

Alternatively, you may dial in to the conference call 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 the call by following this link: [WEBCAST](#)

A replay of the call will be available until May 20, 2024 by calling (888) 390-0541 and entering the replay code, 812214#

**Selected Summary Financial Information:**

	Three Months Ended March 31,	
<i>(In thousands, except per share data)</i>	2024	2023
<b>Results of Operations:</b>		
Uranium concentrates revenues	\$ 25,314	\$ 18,470
Vanadium concentrates revenues	—	871
Total revenues	25,426	19,613
Gross profit	14,374	11,347
Operating income (loss)	2,021	(405)
Net income attributable to the company	3,638	114,264

Basic net income per common share		0.02		0.72
Diluted net income per common share		0.02		0.72
<i>(In thousands)</i>	<b>March 31, 2024</b>		<b>December 31, 2023</b>	<b>Percent Change</b>
<b>Financial Position:</b>				
Working capital	\$ 222,543		\$ 222,335	— %
Current assets	228,069		232,695	(2) %
Mineral properties	122,406		119,581	2 %
Property, plant and equipment, net	29,799		26,123	14 %
Total assets	405,787		401,939	1 %
Current liabilities	5,526		10,360	(47) %
Total liabilities	18,097		22,734	(20) %

## QUALIFIED PERSON

THE TECHNICAL INFORMATION IN THIS PRESS RELEASE RELATING TO THE TOLIARA PROJECT AND DONALD PROJECT HAS BEEN PREPARED IN ACCORDANCE WITH JORC STANDARDS, AND THE TECHNICAL INFORMATION RELATING TO THE BAHIA PROJECT HAS BEEN PREPARED BASED ON HISTORICAL EXPLORATION RESULTS REPORTED BY A PREVIOUS OWNER OF THE PROJECT, ALL OF WHICH TECHNICAL INFORMATION HAS BEEN REVIEWED ON BEHALF OF THE COMPANY BY DANIEL KAPOSTASY, VP,



TECHNICAL SERVICES OF ENERGY FUELS RESOURCES (USA) INC., A QUALIFIED PERSON UNDER BOTH S-K 1300 AND NI 43-101. THE JORC COMPLIANT TECHNICAL INFORMATION CONTAINED HEREIN RELATING TO THE TOLIARA PROJECT WAS DISCLOSED BY BASE RESOURCES ON DECEMBER 14, 2023. THE JORC COMPLIANT TECHNICAL INFORMATION CONTAINED HEREIN RELATING TO THE DONALD PROJECT WAS DISCLOSED BY ASTRON ON JUNE 27, 2023. THE TECHNICAL INFORMATION CONTAINED HEREIN RELATING TO THE BAHIA PROJECT IS BASED ON THE COMPANY'S PRELIMINARY CALCULATIONS USING THE GRADES AND QUANTITIES ESTIMATED IN 16 DIFFERENT EXPLORATION REPORTS PREPARED BY THE PREVIOUS OWNER AND FILED WITH THE BRAZILIAN GOVERNMENT'S NATIONAL AGENCY OF MINERALS (ANM) OVER SEVERAL YEARS (2011-2019). A QUALIFIED PERSON HAS NOT DONE SUFFICIENT WORK TO CLASSIFY ANY OF THIS TECHNICAL INFORMATION RELATING TO THE TOLIARA PROJECT, DONALD PROJECT OR BAHIA PROJECT AS BASED ON CURRENT NI 43-101 OR S-K 1300 ESTIMATES OF MINERAL RESOURCES, MINERAL RESERVES OR EXPLORATION RESULTS. ACCORDINGLY, ENERGY FUELS IS NOT TREATING ANY OF THIS TECHNICAL INFORMATION AS BASED ON CURRENT ESTIMATES OF MINERAL RESOURCES, MINERAL RESERVES, OR EXPLORATION RESULTS AND IS TREATING THE INFORMATION DISCUSSED ABOVE RELATING TO THE TOLIARA PROJECT, DONALD PROJECT AND BAHIA PROJECT AS HISTORICAL IN NATURE.

## **ABOUT ENERGY FUELS**

*Energy Fuels is a leading US-based 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 rare earth element ("REE") materials, including mixed REE carbonate, and plans to produce commercial quantities of separated REE oxides in the future. 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 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 [www.energyfuels.com](http://www.energyfuels.com).

**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 critical minerals company or as the leading producer of uranium in the U.S.; any expectation

with respect to timelines to production; any expectation as to rates of production; any expectation as to quantities of uranium, NdPr oxides or other products to be produced in 2024 or in any subsequent years; any expectation that production rates will increase in 2025 or in any future years; any expectation that the Company's permitting efforts will be successful and as to any potential future production from any mines that are in the permitting or development stage; any expectation that the Company will purchase uranium and uranium/vanadium ores from third party miners in 2024 or at all; any expectation as to future uranium sales, the price of any such sales or the gross profits or gross margins from any such sales; any expectations with respect to the Company's planned exploration programs; any expectation that the Mill's REE production will not diminish the Mill's uranium production profile in any way; any expectation that Energy Fuels will be successful in developing U.S. separation, or other value-added U.S. REE production capabilities at the Mill, or otherwise, including the timing of any such Phase 1, Phase 2, Phase 3 or other initiatives and the expected production capacity or capital costs associated with any such production capabilities; any expectation that the Company's Phase 1 separation facility will position the Company as one of the world's leading producers of NdPr outside of China; any expectation as to the quantity of  $U_3O_8$ , RE Carbonate and  $V_2O_5$  the Company may hold as raw material and work-in-progress inventory or solubilized in tailings solution and the Company's ability to recover any such inventories in the future; any expectation with respect to the quantities of monazite to be acquired by Energy Fuels, or the quantities of RE Carbonate or REE oxides to be produced by the Mill; any expectation that the Company is well-stocked to capture market opportunities; any expectation that the Company may sell its separated NdPr oxide to electric vehicle manufacturers; any expectation that the Bahia Project will be a cost-effective and

reliable supply of monazite ore for the Mill; any expectation that the Company will complete an S-K 1300 and NI 43-101 compliant mineral resource estimate for the Bahia Project during 2024, or otherwise; any expectation that the Company's due diligence will be satisfactory and that the Company will enter into definitive agreements to jointly develop the Donald Project, the expected production levels associated with the Donald Project if it progresses and that, if developed, the Donald Project would be expected to be a low-cost source of feed for the Company's REE production at the Mill; any expectation that the Scheme will be completed or if completed, completed on the terms and time proposed; 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 expectations as to the net present value of the Toliara Project; any expectation that any production at the Toliara Project or Mill will be world or globally competitive; 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; the estimates and projections contained in the Toliara DFS2, Toliara 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 Toliara DFS2, Toliara Monazite PFS and Mill PFS in conformity with NI-43-101 and S-K 1300; any expectation that the Company will generate positive cash flows 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 discussions with numerous U.S. government agencies and other offices; any expectation that Energy Fuels will be successful in agreeing on 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 entering the REE metal, alloy, and magnet-making space, in order to fully-integrate the entire REE magnet supply chain; 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; any expectation that Toliara will become a world-class HMS project; any expectation that the Company will be successful in securing monazite from additional sources on satisfactory commercial terms or at all; any expectation about the long-term opportunity in REEs; any expectation that, if developed and operating, the Toliara Project will generate significant cash flows independent of the prices of uranium and REEs; any expectation that diversification into three commodity markets (uranium, REEs and HMS) will allow the Company to withstand fluctuations in the various commodity prices; any expectation that the Company will be successful in building a diversified, U.S.-based critical minerals company, centered on our core uranium processing and proven capabilities; any expectation that the Company will be successful in creating a profitable company able to withstand the business cycles associated with many critical minerals; any expectation that the Company will be globally competitive in its markets, offering commercial and government customers a

reliable, low-cost U.S. alternative; any expectation that the Company will complete engineering on its R&D pilot facility for the production of Ra-226 at the Mill, will set up the first stage of the pilot facility, and produce R&D quantities of Ra-226 at the Mill for testing by end-users of the product or at all; any expectation that the Company's evaluation of radioisotope recovery at the Mill will be successful; any expectation that the potential recovery of medical isotopes from any radioisotopes recovered at the Mill will be feasible; any expectation that any radioisotopes that can be recovered at the Mill will be sold on a commercial basis; any expectation as to the quantities to be delivered under existing uranium sales contracts; any expectation that the Company will be successful in completing any additional contracts for the sale of uranium to U.S. utilities on commercially reasonable terms or at all; any expectation that the Company will continue to selectively capitalize on spot market sales opportunities; and any expectation as to future uranium, vanadium, HMS or REE prices or market conditions. 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: 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 on fiscal terms for the Toliara Project 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 Toliara 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 Toliara Project; the failure of the Company to provide or obtain the necessary financing required to develop the Toliara Project; available supplies of monazite; the ability of the Mill to produce RE Carbonate, REE oxides or other REE products to meet commercial specifications on a commercial scale at acceptable costs or at all; market factors, including future demand for REEs; 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 Toliara DFS2, Toliara Monazite PFS and Mill PFS; actual results may differ from all such estimates and projections; the ability of the Mill to recover radium or other radioisotopes at reasonable costs or at all; market prices and demand for medical isotopes; 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](http://www.sec.gov/edgar), on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca), 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.*

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<sup>1</sup> This estimated production capability is based on the Company's preliminary calculations using the grades and quantities estimated in 16 different Exploration Reports prepared by the previous owner and filed with the Brazilian Government's National Agency of Minerals (ANM) over several years (2011-2019). These grades and quantities should be considered historical in nature since there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource. A qualified person has not done sufficient work to classify this historical estimate as current, and Energy Fuels is not treating this historical estimate as current – see disclosure under "Qualified Person."



<sup>2</sup> The financial and production information relating to the Toliara Project's mineral sands is based on the Toliara Monazite PFS prepared on December 14, 2023, which relies in part on the Toliara DFS2 prepared on September 27, 2021. The Toliara Monazite PFS constituted a "Pre- Feasibility Study" and the Toliara DFS2 constituted a "Feasibility Study" in each case 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 those studies were estimated in accordance with JORC. The results from those studies may not be comparable to (as the case may be) data or estimates under either NI 43-101 or S-K 1300– see disclosure under "Qualified Person."

<sup>3</sup> The information relating to the Donald Project's estimated monazite production is based on the Donald DFS prepared on June 27, 2023. This study constituted a "Feasibility Study" for the purposes of JORC, and the Ore Reserves underpinning this study were estimated in accordance with JORC. The results from this study may not be comparable to (as the case may be) data or estimates under either NI 43-101 or S-K 1300– see disclosure under "Qualified Person."

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