Energy Fuels Announces Q3-2022 Results, Including Continued Robust Balance Sheet and Market-Leading U.S. Uranium & Rare Earth Positions

written by Raj Shah | November 4, 2022
Webcast on November 8, 2022

November 4, 2022 (Source) – **Energy Fuels Inc.** (NYSE American: UUUU) (TSX: EFR) **("Energy Fuels" or the "Company")** today reported its financial results for the quarter ended September 30, 2022. 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.shtml, on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com, and on the Company's website at www.energyfuels.com. Unless noted otherwise, all dollar amounts are in U.S. dollars.

Highlights:

- At September 30, 2022, the Company had a robust balance sheet with $122.3 million of working capital, including $77.1 million of cash and cash equivalents, $11.6 million of marketable securities, $27.3 million of inventory, and no short term (or long term) debt. At current commodity prices, the Company's product inventory has a value of $44.1 million.
- During the quarter ended September 30, 2022, the Company

incurred a net loss of $9.3 million, which includes increases in development, permitting and land holding costs and selling, general and administration costs associated with the Company's efforts to enhance its business processes and operational readiness for the current and future growth and activity in our uranium and rare earth element ("**REE**") operations.

- With recent uranium market strength and having secured three long-term uranium contracts with major U.S. utilities earlier this year, the Company has hired over 20 new employees and is beginning to perform the work needed to recommence production at one or more of our mines and ISR facilities, starting as soon as 2023. Until such time when the Company has ramped back up to commercial uranium production, we can rely on our significant uranium inventories to fulfill our new contract requirements.
- In June 2022, the U.S. Department of Energy ("**DOE**") issued a Request for Proposals ("**RFP**") to purchase uranium ("**U_3O_8**") for the new U.S. Uranium Reserve Program. The DOE states that they expect to purchase up to 1 million pounds of U_3O_8 inventory from up to four (4) qualified U.S. uranium producers with individual awards ranging from 100,000 pounds to 500,000 pounds. The uranium must be physically located at Honeywell's Metropolis Works conversion facility (the "**U.S. Converter**"). Energy Fuels believes it meets all qualifications to supply the Reserve, and the Company currently holds about 610,000 pounds of U_3O_8 at the U.S. Converter. The Company has submitted a bid to sell U_3O_8 to the Reserve, taking into consideration our long-term contract commitments and current and expected market conditions. There are no guarantees the DOE will purchase uranium from the Company under this RFP. Assuming the bid review process is not extended by DOE, the Company expects the DOE to issue the

awards by mid-November 2022, with deliveries expected to occur by the end of 2022 or early 2023.

- During the first nine months of 2022, the Company produced approximately 205 tonnes of mixed partially separated carbonate ("**RE Carbonate**"), containing approximately 95 tonnes of total rare earth oxides ("**TREO**"). Energy Fuels' partially separated RE Carbonate contains a higher concentration of valuable NdPr, roughly 32% – 34% NdPr, compared to our previously produced non-separated RE Concentrate which contained approximately 22% NdPr, and is the most advanced REE material being produced in the U.S. today. During Q4-2022, the Company expects to receive approximately 640 tonnes of monazite, which will be processed into partially separated RE Carbonate during Q4-2022 and Q1-2023.
- In May 2022, the Company announced it had entered into agreements to acquire a 58 square mile rare earth land position in Brazil (the "**Bahia Project**"). The Bahia Project is a well-known heavy mineral sand ("**HMS**") deposit that has the potential to feed the Company's White Mesa Mill with REE and uranium-bearing monazite sand for decades. Due diligence on the Bahia Project was completed at the end of August, at which time the Company advised the sellers that it intended to proceed with the purchases and was ready to commence closing procedures. After completion of a number of administrative logistics required in both the U.S. and Brazil, the mineral transfers were initiated in mid-October, and closing is currently expected to occur in late 2022 or early 2023 upon approval of the Brazilian governmental authorities reviewing the pending transfers. Upon acquisition, the Company plans to conduct an extensive exploration program to better define the HMS and monazite resource, including comprehensive sonic drilling (for a total phase 1 program

of 2,250 meters) and geophysical mapping, with the intent to undertake an Initial Assessment under SK-1300 (U.S.) and a Technical Report under NI 43-101 (Canada) during Q4-2023, to be completed in early Q1-2024.

- The Company is currently in active discussions with several additional sources of natural monazite sands around the world to significantly increase the supply of feed for our growing REE initiative.
- The Company continues to make excellent progress toward installing full REE separation capabilities at the Mill to produce both “light” and “heavy” separated REE oxides in the coming years. The Company plans to initially install a “light” REE separation circuit within the existing Mill facilities in the next 12-18 months with the expected ability to produce between 2,500 – 5,000 tonnes TREO (500 – 1,000 tonnes NdPr oxide or oxalates) per year. As this circuit would be constructed within existing Mill facilities, capital expenditures are expected to be low. The Company is also proceeding with the design, engineering and permitting of a separate crack and leach circuit and a second larger “light” and “heavy” separations circuit with capacity in the order of 10,000 – 15,000 tonnes TREO per year to provide additional REE processing capacity at the Mill in the coming years.
- During the first nine months of 2022, the Company sold approximately 642,000 pounds of existing inventory of vanadium (“**V_2O_5**“) (as ferrovanadium, “**FeV**“), for an average weighted net price of $13.69 per pound of V_2O_5. Vanadium markets have dropped in recent months. Therefore, the Company has halted sales of its inventory which currently stands at approximately 987,000 pounds of V_2O_5. However, the Company expects to resume sales as markets may improve in the future. The Company is evaluating the potential to resume vanadium recovery at the Mill in the future as

market conditions may warrant for future sale and to replace sold inventory, where its tailings pond solutions contain an estimated additional 1.0 to 3.0 million recoverable pounds of V_2O_5.

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

"Energy Fuels continues to strengthen our U.S. market leading position in uranium and rare earth elements, which are both critical to the clean energy transition. Energy Fuels has 'one-of-a-kind' competencies that are critical to uranium, rare earth elements, medical isotopes, and vanadium markets; namely our ability to process feedstocks that are naturally radioactive and recover critical materials needed for the clean energy transition. No other company in the U.S. can do the things Energy Fuels does. We are committed to advancing each of these initiatives in a disciplined manner, while working toward profitability and sustained cash flow.

"Uranium is the fuel for carbon-free nuclear energy, and nations around the world are embracing nuclear, as it provides reliable, carbon-free, baseload electricity. Governments in numerous countries, including the U.S., are supporting both existing and new nuclear to help solve national security, energy security, and carbon reduction challenges. We are saddened by the continuing atrocities being committed by Russian forces in Ukraine, and we stand by our partners in the U.S. nuclear industry and the U.S. government to shift away from Russian uranium and nuclear fuel imports as soon as practicable. As previously disclosed, Energy Fuels has signed new long-term uranium sales contracts with major U.S. nuclear utilities, with sales – and sales revenues – beginning in 2023. We are also excited to announce that we are making significant investments in a number of our existing mines and production facilities,

including hiring people, with an eye toward resuming large-scale uranium production very soon. We have been the only U.S. company to continue to produce uranium over the past several years, while maintaining several of our projects on standby status, which provides an excellent foundation from which we can build our production in the coming years. We look forward to maintaining our position as the largest U.S. uranium producer and being a long-term supplier of secure and responsibly sourced U.S. uranium that is insulated from geopolitical, transport, and other supply chain issues. We are also pleased to have been able to submit a bid to sell uranium to the U.S. government under the new U.S. Uranium Reserve, a program that resulted from the Company's 2018 Section 232 Petition, and we eagerly await the results of that bidding process.

"We also continue to make spectacular progress on rare earth elements. Indeed, we are pleased to announce that we plan to install a commercial-scale "light" rare earth separation circuit within the existing footprint of our White Mesa Mill in Utah that we expect to be operational in the next 12 – 18 months. We are already producing the most advanced rare earth product in the U.S. today, a high-purity, partially separated mixed rare earth carbonate. We expect to go one step further by producing up to 500 – 1,000 tonnes of NdPr oxide (or oxalates) per year by late-2023 or early-2024. If successful, we hope to be the 'first to market' in the U.S. for this high-value, advanced material. We anticipate selling our separated NdPr oxide (or oxalate) to major electric vehicle manufacturers in the U.S. and Europe, with a goal to significantly increase this capacity in coming years. This should position Energy Fuels as one of the 'go to' suppliers of advanced rare earth materials in the U.S. and one of the first companies that electric vehicle (EV) and other clean technology manufacturers look to for the raw materials they need. Ultimately, we plan to install the

capacity to produce over 3,000 tonnes of NdPr oxide, plus 250 tonnes of dysprosium oxide and 100 tonnes of terbium oxide per year, in the next 3-4 years, subject to licensing, commissioning, financing, offtake, market conditions, and sufficient monazite feedstock.

“On the monazite feedstock front, we continue to make excellent progress. With regard to our Bahia Project in Brazil, we continue to move diligently toward closing. The mineral transfers were initiated in mid-October after a number of administrative logistics required for closing were completed in both the U.S. and Brazil. Closing is scheduled to occur as soon as the transfers have been approved by the Brazilian governmental authorities reviewing the pending transfers, which we expect by the end of 2022 or in early 2023. Upon acquisition, the Company plans to conduct an initial phase of exploration drilling on the properties, totaling 2,250 meters, in order to maintain expected production timelines. In addition, we continue discussions with a number of monazite suppliers from around the world interested in partnering with Energy Fuels, and we are confident in our ability to secure monazite supply deals that ensure a ‘win-win’ for both Energy Fuels and our partners.

“Finally, we continue to make progress on medical isotopes with major players in the space. If we can successfully recover radioactive isotopes needed for emerging cancer treatments from our existing process streams, we will have secured yet another opportunity to generate significant cash flows in the next 5 to 10 years. We also continue to track vanadium markets to determine when to resume sales of our existing inventories and when to resume production.”

Webcast at 4:00 pm ET on November 8, 2022:

Energy Fuels will be hosting a video webcast on November 8,

2022 at 4:00 pm ET (2:00 pm MT) to discuss its Q3-2022 financial results, the outlook for 2022, uranium, rare earths, vanadium, and medical isotopes. To join the webcast and access the presentation and viewer-controlled webcast slides, please click on the link below:

Webcast Link

If you would like to participate in the webcast and ask questions, please dial in to 1-888-664-6392 (toll free in the U.S. and Canada).

A link to a recorded version of the proceedings will be available on the Company's website shortly after the webcast by calling 1-888-390-0541 (toll free in the U.S. and Canada) and by entering the code 619525#. The recording will be available until November 22, 2022.

Selected Summary Financial Information:

	Three months ended		**Nine months ended**				
	September 30,		**September 30,**				
$000's, except per share data	**2022**		**2021**		**2022**		**2021**
Results of Operations:							
Total revenues	$ 2,933		$ 715		$ 12,337		$ 1,524
Gross profit (loss)	1,404		(13)		4,497		796
Operating loss	(13,664)		(8,381)		(30,584)		(25,570)

Net loss attributable to the company	(9,167)		(7,870)		(41,950)		(29,562)
Basic and diluted net loss per common share	(0.06)		(0.05)		(0.27)		(0.21)

	As at		As at
$000’s	**September 30, 2022**		**December 31, 2021**
Financial Position:			
Working capital	$ 122,334		$ 143,190
Property, plant and equipment, net	20,899		21,983
Mineral properties	83,539		83,539
Total assets	279,084		315,446
Total long-term liabilities	14,531		13,805

Financial Discussion:

At September 30, 2022, the Company had $122.3 million of working capital, including $88.7 million of cash and cash equivalents and marketable securities and $27.3 million of inventory, including approximately 692,000 pounds of uranium and 987,000 pounds of high-purity vanadium, both in the form of immediately

marketable product. The current spot price of U_3O_8, according to TradeTech, is $52.50 per pound, and the current mid-point spot price of V_2O_5, according to Metal Bulletin, is $7.80 per pound. Based on those spot prices, the Company's uranium and vanadium inventories have a current market value of $36.3 million and $7.7 million, respectively, totaling $44.0 million. The Company also holds RE Carbonate inventory with a current value of $0.1 million, for total product inventory of $44.1 million at current commodity prices.

During the quarter ended September 30, 2022, the Company incurred a net loss of $9.3 million, compared to a net loss of $8.0 million for the third quarter of 2021, and a net loss of $42.0 million for the nine months ended September 30, 2022 compared to a net loss of $29.7 million during the first nine months of 2021. The increased net losses in 2022 are due primarily to a non-cash mark-to-market decrease in the value of investments accounted for at fair value of $13.7 million for the nine months ended September 30, 2022.

Operations Update and Outlook for 2022:

Overview

The Company continues to believe that uranium supply and demand fundamentals point to higher sustained uranium prices in the future. In addition, Russia's recent invasion of Ukraine and the recent entry into the uranium market by financial entities purchasing uranium on the spot market to hold for the long-term has the potential to result in higher sustained spot and term prices and, perhaps, induce utilities to enter into more long-term contracts with non-Russian producers like Energy Fuels to ensure security of supply and more certain pricing. Having recently secured three long-term uranium contracts with major U.S. utilities, the Company is beginning to perform the work

needed to recommence production at one or more of its mines and ISR facilities, starting as soon as 2023. Until such time when the Company has ramped back up to commercial uranium production, it can rely on its significant uranium inventories to fulfill its new contract requirements. To that end, the Company purchased an additional 68,552 pounds of U. S. origin U_3O_8 on the spot market in October 2022. The Company also continues to evaluate selling a portion of its inventories on the spot market in response to future upside price volatility, into the newly created U.S. Uranium Reserve Program, or for delivery into additional long-term supply contracts if procured. During the nine months ended September 30, 2022, the Company also sold a portion of its vanadium inventory into then strengthening markets.

The Company will also continue to seek new sources of revenue, including through its emerging REE business, as well as new sources of Alternate Feed Materials and new fee processing opportunities at the Mill that can be processed without reliance on current uranium sales prices. The Company is also seeking new sources of natural monazite sands (in addition to the pending acquisition of the Bahia Project) for its emerging REE business, is evaluating the potential to recover radioisotopes for use in the development of targeted alpha therapy medical isotopes for the treatment of cancer, and continues its support of U.S. governmental activities to assist the U.S. uranium mining industry, including the new U.S. Uranium Reserve Program and other efforts to restore domestic nuclear fuel capabilities.

Extraction and Recovery Activities Overview

During 2022, the Company plans to recover 130,000 to 140,000 pounds of uranium, which is an increase over our previous guidance of 100,000 to 120,000 pounds of uranium in 2022. This increased uranium production in 2022, combined with other

factors, has resulted in a delayed start of our second REE processing campaign in 2022, which is now expected to commence in November 2022 and carry over into Q1 2023. As a result, the Company now expects to produce approximately 205 tonnes of partially separated RE Carbonate in 2022 containing approximately 95 tonnes of high-value partially separated TREO, with the remaining production from the second 2022 REE processing campaign of approximately 410 tonnes of partially separated RE Carbonate containing approximately 200 tonnes of high-value partially separated TREO being packaged in and attributable to Q1 2023. The total expected production from this second 2022 campaign plus production to date in 2022 is equivalent to approximately 831 tons of non-separated RE Carbonate containing approximately 400 tonnes of non-separated TREO, which falls within our 2022 guidance of 650-1,000 tons of non-separated RE Carbonate containing 300-650 tonnes of non-separated TREO, although a portion of that total expected production will carry over into 2023.

No vanadium production is currently planned during 2022, though the Company sold some of its existing vanadium inventory into recent strong markets and is evaluating the potential to recommence vanadium production in 2023 or later years as market conditions may warrant for future sale and to replace sold inventory.

The Company secured three new long-term sales contracts with U.S. nuclear utilities in May 2022 and is continuing to strategically pursue additional uranium sales commitments with pricing expected to have both fixed and market-related components. The Company believes that recent price increases, volatility and focus on security of supply in light of Russia’s ongoing invasion of Ukraine have increased the potential for the Company to make uranium sales and procure additional term sales contracts with utilities at pricing that

sustains production and covers corporate overhead. Therefore, existing inventories may increase from 760,000 pounds of U_3O_8 (692,000 pounds as of September 30, 2022 plus 68,552 pounds acquired after quarter end) to 890,000 to 900,000 pounds of U_3O_8 at year-end 2022 or may increase to a lesser extent, or be reduced, in the event the Company sells a portion of its inventory on the spot market, to the U.S. Uranium Reserve Program, or pursuant to term contracts in 2022.

ISR Activities

The Company expects to produce insignificant quantities of U_3O_8 in the year ending December 31, 2022 from Nichols Ranch. Until such time when market conditions improve sufficiently, suitable term sales contracts can be procured, or the U.S. Uranium Reserve Program is expanded, the Company expects to maintain the Nichols Ranch Project on standby and defer development of further wellfields and header houses. 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. The Company expects to continue to keep the Alta Mesa Project on standby until such time that market conditions improve sufficiently, suitable term sales contracts can be procured, or the U.S. Uranium Reserve Program is expanded.

Conventional Activities

Conventional Extraction and Recovery Activities

During the nine months ended September 30, 2022, the Mill did not package any material quantities of U_3O_8, focusing instead on

developing its REE recovery business. During the nine months ended September 30, 2022, the Mill produced approximately 205 tonnes of partially separated RE Carbonate, containing approximately 95 tonnes of high value partially separated TREO. The Mill recovered small quantities of uranium during the Quarter, which were retained in circuit. During 2022, the Company expects to recover 130,000 to 140,000 pounds of uranium at the Mill as finished product. The Company expects to recover approximately 205 tonnes of partially separated RE Carbonate (equivalent to approximately 277 tonnes of non-separated RE Carbonate) containing approximately 95 tonnes of high value partially separated TREO (equivalent to approximately 128 tonnes of non-separated TREO) at the Mill during 2022. The Company expects to sell all or a portion of its mixed RE Carbonate to Neo Performance Materials ("**Neo**") or other global separation facilities and/or to stockpile it for future production of separated REE oxides at the Mill or elsewhere. The Company is in advanced discussions with several sources of natural monazite sands (in addition to the Bahia Project) to secure additional supplies of monazite sands, which if successful, would be expected to allow the Company to increase RE Carbonate production.

In addition to its 760,000 pounds of finished uranium inventories currently located at North American conversion facilities and at the Mill (692,000 pounds as of September 30, 2022 plus 68,552 pounds acquired after quarter end) and the 130,000 to 140,000 pounds of U_3O_8 expected to be produced in 2022, the Company has approximately 170,000 pounds of U_3O_8 contained in stockpiled Alternate Feed Materials and other ore inventory at the Mill that can be recovered relatively quickly in the future, as general market conditions may warrant (totaling about 1,060,000 to 1,070,000 pounds of U_3O_8 of total uranium inventory). The Company is also seeking to acquire

additional ore inventory from third party mine cleanup activities that can be recovered relatively quickly in the future.

The Company currently holds approximately 987,000 pounds of V_2O_5 in inventory, and there remains an estimated 1.0 to 3.0 million pounds of additional solubilized recoverable V_2O_5 remaining in tailings solutions awaiting future recovery, as market conditions may warrant.

Conventional Standby, Permitting and Evaluation Activities

During the nine months ended September 30, 2022, standby and environmental compliance activities continued at the fully permitted and substantially developed Pinyon Plain Project (uranium and, potentially, copper) and the fully permitted and developed La Sal Complex (uranium and vanadium). The Company increased its number of employees, and continued carrying out engineering, procurement and construction management activities, at its Pinyon Plain Project during the Quarter. The timing of the Company's plans to extract and process mineralized materials from these projects will be based on sustained improvements in general market conditions, procurement of suitable sales contracts and/or the expansion of the U.S. Uranium Reserve Program.

The Company is selectively advancing certain permits at its other major conventional uranium projects, such as the Roca Honda Project, which is a large, high-grade conventional project in New Mexico. The Company is also continuing to maintain required permits at its conventional projects, including the Whirlwind Project, which is now in the process of recommencing mining operations, and the Sheep Mountain Project. In addition, the Company will continue to evaluate the Bullfrog Project. Expenditures for certain of these projects have been adjusted to

coincide with expected dates of price recoveries based on the Company's forecasts. All of these projects serve as important pipeline assets for the Company's future conventional production capabilities, as market conditions may warrant.

Uranium Sales

During the three months ended September 30, 2022, the Company did not enter into any new uranium sales contracts, having just recently entered into three uranium sale and purchase agreements with major U.S. utilities in May 2022, constituting its first new long-term supply contracts since 2018. Having observed a marked uptick in interest from nuclear utilities seeking long-term uranium supply, the Company remains actively engaged in pursuing additional selective long-term uranium sales contracts. The Company submitted an offer to sell a portion of its inventories currently located at the ConverDyn conversion facility to the DOE's newly created U.S. Uranium Reserve Program. If the offer is accepted, the Company may complete some sales of uranium during 2022.

Vanadium Sales

As a result of strengthening vanadium markets, during the nine months ended September 30, 2022, the Company sold approximately 642,000 pounds of the Company's existing inventory of V_2O_5 (as FeV) at a net weighted average price of $13.69 per pound of V_2O_5. The Company expects to sell its remaining 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 2018/19 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.

RE Carbonate Sales

The Company commenced its ramp-up to commercial production of a mixed RE Carbonate in March 2021 and has shipped all of its RE Carbonate produced to-date to Neo's Silmet facility in Estonia, where it is currently being fed into their separation process. All RE Carbonate produced at the Mill in 2022 is expected to be sold to Neo for separation at Silmet. Until such time as the Company expects to permit and construct its own separation circuits at the Mill, production in future years is expected to be sold to Neo for separation at Silmet and, potentially, to other REE separation facilities outside of the U.S. To the extent not sold, the Company expects to stockpile mixed RE Carbonate at the Mill for future separation and other downstream REE processing at the Mill or elsewhere. During the quarter ended September 30, 2022, the Company sold approximately 89,000 kilograms of TREO at an average price of $25.03 per kilogram of TREO.

While the Company continues to ramp up its mixed RE Carbonate production and additional funds are spent on process enhancements, improving recoveries, product quality and other optimization, profits from this initiative are expected to be minimal until such time when monazite throughput rates are increased and optimized. However, even at the current throughput rates, the Company is recovering most of its direct costs of this growing initiative, with the other costs associated with ramping up production, process enhancements and evaluating future separation capabilities at the Mill being expensed as

underutilized capacity production costs applicable to RE Carbonate and development expenditures. Throughout this process, the Company is gaining important knowledge, experience and technical information, all of which will be valuable for current and future mixed RE Carbonate production and expected future production of separated REE oxides and other advanced REE materials at the Mill. As discussed above, the Company is planning to install a “light” separation circuit within existing Mill facilities and is evaluating installing a separate crack and leach circuit and full separation circuit at the Mill to produce both “light” and “heavy” separated REE oxides in the coming years, subject to successful licensing, financing, and commissioning and continued strong market conditions.

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, and is ramping up to full commercial-scale production of RE Carbonate. Its corporate offices are in Lakewood, Colorado near Denver, and all 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 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, as well as RE Carbonate from various uranium-bearing ores. The Nichols Ranch ISR Project is currently on standby and has a licensed capacity of 2 million pounds of U_3O_8 per year. The Alta Mesa ISR Project is also currently on standby and has a licensed capacity of 1.5 million pounds of U_3O_8 per year. In addition to the above production facilities, Energy Fuels also has one of the largest S-K 1300 and 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 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: production and sales forecasts; costs of production; any expectation that the Company will be awarded any sales under the U.S. Uranium Reserve; scalability, and the Company's ability and readiness to re-start, expand or deploy any of its existing projects or capacity to respond to any improvements in uranium market conditions or in response to the Uranium Reserve; any expectation as to future uranium, vanadium, RE Carbonate or REE market fundamentals or sales; any expectation as to recommencement of production at any of the Company's uranium mines or the timing thereof; any expectation regarding any remaining dissolved vanadium in the Mill's tailings facility solutions or the ability of the Company to recover any such vanadium at acceptable costs or at all; any expectation as to the ability of the Company to secure any new sources of Alternate Feed Materials or other processing opportunities at the Mill; any expectation as to timelines for the permitting and development of projects; any expectation as to longer term fundamentals in the market and price projections; any expectation as to the implications of the current Russian invasion of Ukraine on uranium, vanadium or other commodity markets; any expectation that the Company will maintain its*

position as a leading uranium company in the United States; any expectation with respect to timelines to production; any expectation that the Mill will be successful in producing RE Carbonate on a full-scale commercial basis; any expectation that Neo will be successful in separating the Mill's RE Carbonate on a commercial basis; 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 initiatives and the expected production capacity or capital and operating costs associated with any such production capabilities; any expectation that the Company will restore U.S. rare earth separation capabilities in the coming years; any expectation with respect to the future demand for REEs; any expectation with respect to the quantities of monazite sands to be acquired by Energy Fuels, the quantities of RE Carbonate to be produced by the Mill or the quantities of contained TREO in the Mill's RE Carbonate; any expectation that any additional supplies of monazite sands will result in sufficient throughput at the Mill to reduce underutilized capacity production costs and allow the Company to realize its expected margins on a continuous basis; any expectation that the Company may sell its separated NdPr oxide (or oxalate) to major electric vehicle manufacturers in the U.S. and Europe or that the Company may position itself as one of the "go to" suppliers of advanced rare earth materials in the U.S.; any expectation that the Bahia Project has the potential to feed the Mill with REE and uranium-bearing monazite sand for decades; any expectation that the Company will complete comprehensive sonic drilling and geophysical mapping at the Bahia Project or complete an Initial Assessment under SK-1300 (U.S.) and a Technical Report Technical Report under NI 43-101 (Canada) during Q4-2023 or Q1-2024, or otherwise; any expectation that the Company's evaluation of thorium and radium recovery at the Mill will be successful; any expectation that the potential

recovery of medical isotopes from any thorium or radium recovered at the Mill will be feasible; any expectation that any thorium, radium or other isotopes can be recovered at the Mill and sold on a commercial basis; any expectation as to the quantities to be delivered under existing uranium sales contracts, or that such contracts may help underpin the Company's uranium business for many years to come; any expectation that the Company will be successful in completing any additional contracts for the sale of uranium to U.S. utilities; any expectation that any existing or potential future uranium sales contracts will be at prices and quantities that provide an appropriate rate of return or sustain production and cover corporate overhead; any expectation that the value of the Company's investments accounted for at fair value may improve in future periods; and any expectation that the Company will generate net income in future periods. 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; processing and mining

difficulties, upsets and delays; permitting and licensing requirements and delays; changes to regulatory requirements; legal challenges; the availability of sources of Alternate Feed Materials and other feed sources for the Mill; competition from other producers; public opinion; government and political actions; available supplies of monazite sands; the ability of the Mill to produce RE Carbonate to meet commercial specifications on a commercial scale at acceptable costs; the ability of Neo to separate the RE Carbonate produced by the Mill to meet commercial specifications on a commercial scale at acceptable costs; market factors, including future demand for REEs; the ability of the Mill to be able to separate 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.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.

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