Energy Fuels Engages Constantine Karayannopoulos & Brock O'Kelley to Assist in Developing U.S. Rare Earth Element Commercial & Technical Strategies; CEO to Discuss Rare Earths at Mining Conference Today

written by Raj Shah | May 21, 2020

May 21, 2020 (Source) – *Move Intensifies Energy Fuels' Pursuit of Commercially Viable Rare Earth Production Capacity in the U.S. that Could Process Multiple Ore Inputs and Recycle Contained Uranium to Generate Clean Nuclear Power*

Energy Fuels Inc. (NYSE American: UUUU;TSX: EFR) ("Energy Fuels"), the leading producer of uranium in the United States, is pleased to announce that it has entered into consulting agreements with Constantine Karayannopoulos and Brock O'Kelley, two rare earth element ("REE") industry experts who each have decades of experience producing commercially viable rare earth products, to aid in the development and implementation of commercial and technical REE strategies for the new U.S. REE program Energy Fuels is pursuing.

A chemical engineer by training with more than 25 years of experience in the rare earth industry, Mr. Karayannopoulos is Chairman of Neo Performance Materials (TSX:NEO), one of the world's leading producers of rare earth engineered and magnetic materials, with integrated supply chains across the globe. Mr. O'Kelley played a key role in the operation of the Mountain Pass, California rare earth processing facility during the 1990s and 2000s. Both are industry veterans with extensive knowledge of REE processing facility design, start-up, operations, and downstream value-added manufacturing of advanced REE products.

Energy Fuels is currently evaluating minor modifications to its operations, complementary to its uranium business, to enable the processing uranium- and thorium-bearing rare earth ores at its fully licensed and operational White Mesa Mill (the "Mill) in Utah. These ores are expected to come from third parties, either through ore purchase, tolling, or other arrangements, and Energy Fuels expects to produce a commercially viable rare earth concentrate or concentrates, while also recycling and recovering uranium from these ores. The rare earth concentrates would then be available for commercial sale to third party REE oxide separation and recovery facilities in the U.S. and elsewhere, and/or potentially for further refinement and REE separation and recovery at the Mill.

Removal and recovery of the uranium and thorium from rare earth ores is the key aspect of Energy Fuels' value proposition, as many rare earth separation and recovery facilities are not able to handle uranium or thorium from a technical or regulatory standpoint. The White Mesa Mill has a 40 year history of responsibly handling, processing and recycling uranium and thorium bearing materials. Therefore, it has the potential to provide a crucial link in a commercially viable U.S rare earth supply chain. It should be noted that Energy Fuels intends to continue to focus on its current uranium mining and production

operations, and possibly enhance that production by recovering the contained uranium from REE ores for sale into the nuclear fuel cycle.

Presentation at Mining Conference: Energy Fuels is also pleased to announce that CEO Mark Chalmers will be a keynote speaker at VirtualInvestorConferences.com today (Thursday, May 21, 2020) at 1:30 pm Eastern. Mr. Chalmers intends to discuss this rare earth opportunity further. Mr. Chalmers' presentation can be viewed by clicking this link.

"Energy Fuels is extremely excited to bring Constantine Karayannopoulos and Brock O'Kelley on board to advance our entry into the rare earth space in the U.S.," stated Mark S. Chalmers, President and CEO of Energy Fuels. "Over the past year or so, Energy Fuels has been actively evaluating this rare earth opportunity. We are quickly coming to the conclusion that the White Mesa Mill may be an ideal U.S. facility to process rare earth element ore streams and produce rare earth concentrates. Mr. Karayannopoulos and Mr. O'Kelley will assist Energy Fuels in the commercial and technical aspects of this endeavor. Mr. Karayannopoulos established Neo Material Technologies into a unique REE materials company, which is currently one of the World's leading producers of REEs and a broad range of light and heavy rare earth engineered products outside of China. Neo was acquired for Cdn$1.3 billion in 2012 by Molycorp, the operator of the rare earth mine and processing facility in Mountain Pass, California. Neo maintained its cash flow and profitability, despite Molycorp's 2015 reorganization. Mr. O'Kelley worked with Mr. Karayannopoulos at Molycorp as Technology Fellow and Vice President of Technology. He is currently an associate professor at the Colorado School of Mines working with REE related projects. Energy Fuels looks forward to working with these two industry veterans in developing our REE business in the U.S. and in advancing our

relationships in this sector. Between Mr. Karayannopoulos, Mr. O'Kelley, and ANSTO of Sydney, Australia, we believe Energy Fuels is truly assembling a top flight team capable of building a successful U.S. REE business."

Mr. Chalmers continued: "We are also very excited about how this project will further the Company's sustainability program, which we believe is one of Energy Fuels' defining features and what sets us apart from our peers. At Energy Fuels, we are proud to be able to say that the very heart of our business – uranium production at state-of-the-art U.S. processing facilities – helps address global climate change, reduces air pollution, and makes the world a healthier and cleaner place. Uranium is the fuel for carbon-free, emission-free baseload nuclear power – one of the cleanest forms of energy in the world. We also recycle uranium and vanadium, thereby helping to ensure that the world's resources are not wasted. Under our planned U.S. rare earth business, we will not only be recycling uranium from rare earth ore streams that would otherwise be lost, we will be helping to produce rare earth elements, which are key components of numerous modern technologies. ***From a sustainability perspective, not only will Energy Fuels provide critical rare earth elements used in many advanced technologies and clean energy applications, we will also provide recycled uranium to fuel carbon-free nuclear energy and power these technologies. This is a remarkable clean energy story.***"

About Constantine Karayannopoulos: Mr. Karayannopoulos is currently the Chairman of the Board of Neo Performance Materials Inc. ("Neo"), a position he has held since 2016. He began his career in REE's in 1994, when he helped found Advanced Material Resources ("AMR"). Mr. Karayannopoulos later became North American Sales Manager, Global Sales Manager/Chair of AMR's China joint ventures, Vice President/General Manager of AMR's REE Business Unit, and eventually Chief Operating Officer.

In 2005, Mr. Karayannopoulos became CEO of the company, which was renamed Neo Material Technologies Inc. Neo established itself as a unique global REE specialty value-added materials company and, with strong cash flow, grew to 11 plants and 1,500 employees around the world, with sales in excess of $800 million and EBITDA of approximately $300 million in 2011. In June 2012, Neo was acquired by Molycorp for Cdn$1.3 billion. At that time, Mr. Karayannopoulos joined the board of Molycorp as Vice Chair. He became interim CEO of Molycorp in December 2012 and Chair in December 2013. While Neo stayed profitable and cash flow positive, Moycorp began a Chapter 11 reorganization in 2015. Following Molycorp's restructuring, Neo, renamed Neo Performance Materials, emerged under the ownership of Oaktree, a Los Angeles-based fund who appointed Mr. Karayannopoulos Chairman of the Board in September 2016. Neo again became a public company with a listing on the Toronto Stock Exchange in November 2017. Mr. Karayannopoulos is also a co-founder and Chair of Neo Lithium Corp. He is a member of the Advisory Board at the University of Toronto's Department of Chemical Engineering and Applied Chemistry, a Director of the Canada China Business Council, a member of the Advisory Board of KES7, a private merchant bank specializing in energy and technology transactions, and Lithium Royalties Corp. He holds Bachelor and Master of Applied Science degrees in Chemical Engineering from the University of Toronto.

About Brock O'Kelley: Mr. O'Kelley's career in REE's has spanned 30 years, beginning in 1985 with Molycorp at the Louviers, Colorado separation facility as a process engineer. In 1990, Mr. O'Kelley was transferred to Molycorp's Mountain Pass, California REE mine as Superintendent of the Rare Earth Separations plant. Over the years, he held a variety of positions of increasing responsibility at Mountain Pass, including Operations Manager, Technology Manager, Director of Technology, and Technology

Fellow and Vice President of Technology. Mr. O'Kelley is a graduate of the Colorado School of Mines with a Bachelor of Science in Mineral Processing and Extractive Metallurgy. In 2016, Mr. O'Kelley returned to the Colorado School of Mines as a Research Associate Professor for the Kroll Institute for Extractive Metallurgy where he has assisted graduate students with REE-related projects.

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

***Cautionary Notes:** 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 is not limited to, statements with respect to: any expectation that the Company will be successful in entering the REE space and will have the opportunity to process uranium-bearing ores for the creation of rare earth concentrates or recovery of REEs, at all or on commercial terms; any expectation that Mr. Karayannopoulos and Mr. O'Kelley will aid in the development and implementation of commercial and technical REE strategies for the Company's new REE program; any expectation as to the duration of Mr. Karayannopoulos' and Mr. O'Kelley's engagement with the Company; any expectation that the Company will be able to advance its relationships in the REE sector; any expectation that the Mill might be an ideal U.S. facility, or crucial link, capable of processing rare earth element ore streams, either through ore-purchase, tolling or other arrangements, or that the Mill can play a key role in bringing the REE supply chain back to the U.S.; any expectation that the Company can leverage its existing licenses, infrastructure and capabilities at the Mill to also produce rare earth concentrates or REE's; and any expectation that the Company will maintain its position as a leading US-based uranium mining company. 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: any expectation that the Company will be successful in entering the REE space and will have the opportunity to process uranium-bearing ores for the creation of rare earth concentrates or recovery of REEs, at all or on commercial terms; any expectation that Mr. Karayannopoulos and Mr. O'Kelley will aid in the development and implementation of commercial and technical REE strategies for the Company's new REE program; any expectation as to the duration of Mr. Karayannopoulos' and Mr. O'Kelley's engagement with the Company; any expectation that the Company will be able to advance its relationships in the REE sector; any expectation that the Mill might be an ideal U.S. facility, or crucial link, capable of processing rare earth element ore streams, either through ore-purchase, tolling or other arrangements, or that the Mill can play a key role in bringing the REE supply chain back to the U.S.; any expectation that the Company can leverage its existing licenses, infrastructure and capabilities at the Mill to also produce rare earth concentrates or REE's; any expectation that the Company will maintain its position as a leading US-based uranium mining company; 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.

It should further be noted that the ability of the Company to successfully enter into the rare earth sector is subject to a number of technical, regulatory, commercial and government funding factors, and there can be no certainty with respect to those factors. Therefore, the outcome of this initiative remains uncertain.