Ur-Energy Announces Multi-Year Uranium Sales Agreement

written by Raj Shah | August 9, 2022

August 8, 2022 (Source) – **Ur-Energy Inc.** (NYSE American:URG)(TSX:URE) (the "Company" or "Ur-Energy") is pleased to announce that it has signed a multi-year sales agreement with a leading U.S. nuclear utility to supply uranium produced from a project owned and operated by the Company's U.S. subsidiaries, including Lost Creek.

Completing this supply agreement marks the first step of Ur-Energy's strategic product marketing plan by which the Company intends to commit a portion of its future uranium production into term sales agreements with U.S. based nuclear utilities. This initial agreement calls for the annual delivery of a base amount of 200,000 pounds of uranium concentrates over a six-year period beginning in the second half of 2023. Sales prices are anticipated to be profitable on a Company-wide, all-in cost basis and are escalated annually from the initial pricing in 2023.

Ur-Energy believes this agreement reflects the U.S. utilities desire to support domestic uranium production from a proven producer. Pursuant to the Company's request, the sales agreement is conditioned on Ur-Energy securing additional contractual commitments to support a development decision. Ur-Energy is in ongoing discussions with other domestic utilities with the objective of layering in sufficient additional term offtake contracts to incentivize a full ramp up of production at Lost Creek.

In addition to its efforts to secure contracts with utilities, Ur-Energy has recently submitted a bid proposal to the U.S.

Department of Energy (“DOE”) in response to DOE’s solicitation for the purchase of up to one million pounds of domestically produced uranium to implement the Uranium Reserve Program. Ur-Energy maintains approximately 324,000 pounds of U.S. produced and housed inventory that is ready to sell to the U.S. government to help establish the Uranium Reserve or to supplement early deliveries of uranium to utility customers.

The licensed annual capacity of the operating Lost Creek Mine is 2.2 million pounds U_3O_8. A total of 2.2 million pounds can be processed in the plant, of which up to 1.2 million pounds can be produced from the surrounding wellfields. Since beginning production in 2013, the Lost Creek Mine has produced 2.7 million pounds of U_3O_8 and currently continues production at a reduced level. A drilling and wellfield construction program, initiated at Lost Creek in Q4 2021, is progressing with the objective of expediting production ramp up and facilitating our ability to deliver into offtake agreements.

About Ur-Energy

Ur-Energy is a uranium mining company operating the Lost Creek *in-situ* recovery uranium facility in south-central Wyoming. We have produced, packaged, and shipped approximately 2.6 million pounds U_3O_8 from Lost Creek since the commencement of operations. Ur-Energy has all major permits and authorizations to begin construction at Shirley Basin, the Company’s second *in situ* recovery uranium facility in Wyoming and is in the process of obtaining remaining amendments to Lost Creek authorizations for expansion of Lost Creek. Ur-Energy is engaged in uranium recovery and processing activities, including the acquisition, exploration, development, and operation of uranium mineral properties in the United States. The primary trading market for Ur-Energy’s common shares is on the NYSE American under the symbol “URG.” Ur-Energy’s common shares also trade on the

Toronto Stock Exchange under the symbol “URE.” Ur-Energy’s corporate office is located in Littleton, Colorado and its registered office is located in Ottawa, Ontario.

FOR FURTHER INFORMATION, PLEASE CONTACT

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Cautionary Note Regarding Forward-Looking Information

This release may contain “forward-looking statements” within the meaning of applicable securities laws regarding events or conditions that may occur in the future (*e.g.,* whether additional sales agreements will be secured in a timely fashion to complement this agreement; whether the specified sales prices will be profitable to the Company; the timing for contract awards under the new national Uranium Reserve and whether our bid proposal will be accepted; and timing to determine future development and construction priorities, including completion of our advanced development program at Lost Creek, and the impact the program will have on ramp-up) and are based on current expectations that, while considered reasonable by management at this time, inherently involve a number of significant business, economic and competitive risks, uncertainties and contingencies. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as “plans,” “expects,” “does not expect,” “is expected,” “is likely,” “estimates,” “intends,” “anticipates,” “does not anticipate,” or “believes,” or variations of the foregoing, or statements that certain actions, events or results “may,” “could,” “might” or “will be taken,” “occur,” “be achieved” or “have the potential to.” All statements, other than statements of historical fact, 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 any forward-looking statements include, but are not limited to, capital and other costs varying significantly from estimates; failure to establish estimated resources and reserves; the grade and recovery of ore which is mined varying from estimates; production rates, methods and amounts varying from estimates; delays in obtaining or failures to obtain required governmental, environmental or other project approvals; inflation; changes in exchange rates; fluctuations in commodity prices; delays in development and other factors described in the public filings made by the Company at www.sedar.com and www.sec.gov. Readers should not place undue reliance on forward-looking statements. The forward-looking statements contained herein are based on the beliefs, expectations and opinions of management as of the date hereof and Ur-Energy disclaims any intent or obligation to update them or revise them to reflect any change in circumstances or in management’s beliefs, expectations or opinions that occur in the future.

SOURCE: Ur-Energy Inc.