Ur-Energy's Shirley Basin In Situ Uranium Project Receives All Major Permits Effectively Doubling Licensed and Permitted Production Capacity of Company

written by Raj Shah | May 6, 2021

May 6, 2021 (Source) – **Ur-Energy Inc.** (NYSE American:URG)(TSX:URE) (the "Company" or "Ur-Energy") is pleased to announce that the State of Wyoming and the EPA have completed their respective reviews of the Shirley Basin In Situ Uranium Project (the "Project") and have issued the final Source and Byproduct Material License, Permit to Mine, and Aquifer Exemption for the Project. These three approvals represent the final major permits required to begin construction of the Shirley Basin project. We received BLM final approval of the Project, following its NEPA review process, in April 2020.

In addition to the recent receipt of a License Amendment to include the LC East and KM amendment areas in our existing Lost Creek license (*See* Ur-Energy News Release, March 29, 2021), these Shirley Basin license and permit approvals effectively double our authorized Wyoming-based uranium recovery production capacity.

The Shirley Basin Project hosts 8.8M pounds of Measured and Indicated Uranium Resources contained in 1.915M short tons at an average grade of 0.23% U_3O_8 as disclosed in our Preliminary Economic Assessment Shirley Basin Uranium Project (January 27,

2015). The Company plans three relatively shallow mining units at the Project, where we have the option of either building out a complete processing plant with drying facilities or a satellite plant with the ability to send loaded ion exchange resin to our Lost Creek Project for processing. The Shirley Basin processing facility throughput shall not exceed an average daily flow rate equivalent to 6,000 gallons per minute or a maximum instantaneous flow rate of 6,500 gallons per minute, excluding restoration flow. The annual production of dried yellowcake (U_3O_8) from wellfield production and toll processing of loaded resin or yellowcake slurry shall not exceed 2M pounds equivalent of dried U_3O_8 product. The brownfield Project is within an historic mining district with existing access, power, waste disposal facility and shop buildings onsite. The Project is construction ready, since delineation and exploration drilling were completed historically. Additionally, all wellfield, pipeline and header house layouts are finalized. Historic production from the Shirley Basin mine, including 1.5M pounds U_3O_8 from in situ mining, was 28.3M pounds U_3O_8.

Company Chairman and CEO Jeff Klenda stated, “The in situ technology now used to recover uranium across the globe was likely first commercially utilized at the Shirley Basin Mine beginning in 1963 with two successful mine units. We are excited to bring this technology back to its birthplace and believe our predecessors would be proud of how far their technology has come.”

The Company remains prepared to expand wellfield production within the already fully permitted areas of Lost Creek to an annualized run rate of approximately one million pounds when conditions warrant. Our long-tenured operational and professional staff have significant levels of experience and adaptability which will allow for an easier transition back to

full operations. Lost Creek operations can increase to full production rates in as little as six months following a “go” decision, simply by developing additional header houses within the fully permitted Mine Unit 2 (“MU2”). Development expenses during the six-month ramp up period in MU2 are estimated to be approximately $14 million and are almost entirely related to further well installation and header house construction costs. We are prepared to ramp up and to deliver our Lost Creek production inventory to the national uranium reserve being established by the U.S. Department of Energy pursuant to funding and directive of Congress. (*See* Ur-Energy News Release, December 22, 2020.)

In February 2021, we raised gross proceeds of $15.2 million through an underwritten public offering. Our cash position as of February 24, 2021, was $18.6 million. In addition to our strong cash position, we have nearly 285,000 pounds of finished, ready-to-sell inventory, worth approximately $8.6 million at recent spot prices. The financing allows us to preserve our existing inventory for higher prices. The financing provides us adequate funds to maintain and enhance operational readiness, for possible future acquisitions, and for general working capital purposes.

John K. Cooper, Ur-Energy Senior Geologist, SME Registered Member, and a Qualified Person as defined by NI 43-101, has reviewed and approved the technical disclosure contained in this news release.

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 from Lost Creek since the commencement of

operations. Ur-Energy now 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 mining, 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.

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Cautionary Note Regarding Forward-Looking Statements:

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.*, the timing for remaining authorizations amending the Lost Creek permits, to allow for recovery in the KM horizon and LC East Project; the timing for establishment of the national uranium reserve, its impact on the domestic uranium market, and the Company's role in the program; the timing to determine future operational plans to ramp up production at Lost Creek and/or to develop and construct for operations at Shirley Basin; the ability to readily and cost-effectively ramp up at Lost Creek at currently projected development expenses; anticipated life of mine at Shirley Basin

Project; and whether the Company's recent financing provides adequate funds to maintain operational readiness and support possible acquisitions) and are based on current expectations that, while considered reasonable by management at this time, inherently involve a number of significant business, economic, technical 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; fluctuations in commodity prices; failure to establish estimated resources; the grade and recovery of mineral resources which are 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; changes to regulatory and legal requirements; inflation; changes in exchange rates; 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.