America's Uranium Crisis:
Domestic Mining Industry Needs a Market Solution, Not Policy Fixes

March 22, 2019

In 2019, more than 99 percent of the uranium needed to operate America's nuclear power plants will come from other countries and increasingly from U.S. adversaries. This presents a profound national security threat.

But a group of U.S. nuclear utilities and the nuclear energy industry's trade association continue to protest the rationale for the Section 232 investigation into the national security implications of dependency on uranium imports. Nuclear utilities and the domestic uranium mining industry should agree on the need to safeguard U.S. national security.

However, earlier this month, the trade association sent a letter to the U.S. Department of Commerce (DOC) claiming that our country's extreme dependence on uranium imports does not threaten national security. That letter also outlined several policy recommendations that the group developed with almost no input from the American companies that operate U.S. mines and, more importantly, with no input from Energy Fuels and Ur-Energy.

Our two companies exited those discussions because of the involvement of foreign entities, including Russian state-owned companies. These companies report directly to Moscow and it is hard to see how they have U.S. interests in mind. They should not be giving input on matters directly related to our national security.

The policy recommendations that the trade association offered to the DOC include: 1) establish tax credits for utilities that purchase domestic uranium; 2) increase the inventory of the government's American Assured Fuel Supply; and 3) request that the Department of Energy and Department of Defense study fuel supply viability.

Energy Fuels and Ur-Energy agree that these policies can help the domestic uranium mining industry over the long term and support the utilities as they transition a fraction of their purchases from cheap, state-subsidized uranium to a reliable and secure U.S. supply. However, these policies will require congressional action and months, if not years, of study. They are not enough to ensure our national security and do not provide the timely relief necessary to preserve the domestic uranium mining industry and rebuild the nuclear fuel supply chain.

The industry needs a market solution. Our companies recommend a quota that, in effect, reserves 25 percent of the U.S. market for domestic uranium and a "Buy American" policy for

U.S. government agencies that use uranium. These solutions will protect U.S. national security and provide the immediate relief that domestic uranium miners need.

Nuclear utilities cite economic pressures as a reason to oppose our proposed remedies. However, uranium purchases only account for about 6 percent of a nuclear power plant's operating costs. The 25 percent quota would result in roughly a 0.2 percent increase in the average electric bill. For an average monthly electric bill of approximately $110, that cost is about 20 cents.

Given that eight top utilities had $18.8 billion of combined net income in 2017, it is safe to assume that their cries of economic pain are overstated.

As DOC completes its investigation, we respectfully ask that U.S. utilities play a constructive role in this important process. Domestic uranium miners and nuclear utilities seek to advance clean, carbon-free electricity. We should also be on the same side of U.S. national security.

About Energy Fuels: *Energy Fuels is a leading integrated U.S. uranium mining company, supplying U_3O_8 to major nuclear utilities. Its corporate offices are in Denver, Colorado, and all of its assets and employees are in the western United States. Energy Fuels holds three of America's key uranium production centers, the White Mesa Mill in Utah, the Nichols Ranch Processing Facility in Wyoming, and the Alta Mesa Project in Texas. The White Mesa Mill is the only conventional uranium mill operating in the U.S. today and has a licensed capacity of over 8 million pounds of U_3O_8 per year. The Nichols Ranch Processing Facility is an in-situ recovery production center with a licensed capacity of 2 million pounds of U_3O_8 per year. Alta Mesa is an in-situ recovery production center with a licensed capacity of 1.5 million pounds of U_3O_8 per year, which is currently on care and maintenance due to low uranium prices. Energy Fuels also has the largest uranium resource portfolio in the U.S. among producers, and uranium mining projects located in a number of Western U.S. states, including one producing in-situ recovery project, mines on standby, and mineral properties in various stages of permitting and development. Energy Fuels also produces vanadium as a co-product of its uranium production from certain of its mines on the Colorado Plateau, as market conditions warrant. 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.*

About Ur-Energy: *Ur-Energy is a U.S. uranium mining company with corporate and operations offices in Denver, Colorado and Casper, Wyoming. Ur-Energy operates the Lost Creek in-situ recovery uranium facility in south-central Wyoming. Ur-Energy has produced, packaged and shipped more than 2.5 million pounds from Lost Creek since the commencement of operations. Applications are under review by various agencies to incorporate our LC East project area into the Lost Creek permits, and to construct and operate at our Shirley Basin Project. Ur-Energy is engaged in uranium mining, recovery and processing activities in the United States, including the acquisition, exploration, development and operation of uranium mineral properties. The primary trading market for Ur-Energy's common shares is the NYSE American under the* *trading symbol "URG;" Ur-Energy's common shares also trade on the Toronto Stock Exchange under the trading symbol "URE." Ur-Energy's website is [www.ur-energy.com.](http://www.ur-energy.com)*

Cautionary Note Regarding Forward-Looking Statements: *Certain information contained in this statement, including any information relating to: the impacts of our geopolitical rivals and adversaries, including China, on national security and uranium supply in the U.S.; the expected increases in foreign state-subsidized imports of uranium in coming years, increasingly from our adversaries; the potential of the U.S. to be unable to sustain an independent nuclear fuel cycle and to become 100% dependent on foreign parties; the cost to utilities and their customers of proposed remedies in the Section 232 uranium trade action; the outcome of the Department of Commerce Section 232 investigation, including whether the Secretary of Commerce will make a recommendation to the President and the nature of the recommendation; whether the President will act on the recommendation and, if so, the nature of the action and remedy; and any other statements regarding Energy Fuels' or Ur-Energy's future expectations, beliefs, goals or prospects; constitute forward-looking information within the meaning of applicable securities legislation (collectively, "forward-looking statements"). All statements in this news release that are not statements of historical fact (including statements containing the words "expects," "does not expect," "plans," "anticipates," "does not anticipate," "believes," "intends," "estimates," "projects," "potential," "scheduled," "forecast," "budget" and similar expressions) should be considered forward-looking statements. All such forward-looking statements are subject to important risk factors and uncertainties, many of which are beyond Energy Fuels' and Ur-Energy's ability to control or predict. A number of important factors could cause actual results or events to differ materially from those indicated or implied by such forward-looking statements, including without limitation factors relating to: the expected increases in foreign state-subsidized imports of uranium in coming years including imports from China; the expected further negative impacts of such imports from China and elsewhere on U.S. uranium production and national security, including the depletion of stockpiles held by the Department of Energy; the outcome of the Department of Commerce Section 232 investigation, including whether or not the Secretary of Commerce will make a recommendation to the President and the nature of the recommendation; whether or not the President will act on the recommendation and, if so, the nature of the action and remedy; and other risk factors as described in Energy Fuels' and Ur-Energy's most recent annual reports on Form 10-K and quarterly financial reports. Energy Fuels and Ur-Energy assume no obligation to update the information in this communication, except as otherwise required by law. Additional information identifying risks and uncertainties is contained in Energy Fuels' and Ur-Energy's filings with the various securities commissions which are available online at www.sec.gov and www.sedar.com. Forward-looking statements are provided for the purpose of providing information about the current expectations, beliefs and plans of the management of Energy Fuels and Ur-Energy relating to the future. Readers are cautioned that such statements may not be appropriate for other purposes. Readers are also cautioned not to place undue reliance on these forward-looking statements, that speak only as of the date hereof.*