



## **EIA Report Shows Continued Collapse of U.S. Uranium Mining**

*Production Reached Record Lows in 2018*

**May 21, 2019**

American uranium mining is in crisis. The latest numbers from the U.S. Energy Information Administration (EIA) set off the tolling of death bells – not just for our once robust industry, but for our national security.

Uranium production in the United States continued to decline in 2018, reaching its lowest level since record keeping began in the late 1940s. U.S. uranium mining companies produced 721,000 pounds of uranium from primary production in 2018, 37 percent less than in 2017, [according to the EIA](#).

That means that last year the American uranium mining industry supplied U.S. nuclear utilities with less than 2 percent of the material needed to fuel the nuclear power plants that provide 20 percent of our country's electricity. The other 98 percent was imported, increasingly from Russia and its allies. It is lunacy to hand over to adversarial countries control of an industry that literally helps keep our lights on and safeguards our nation.

Based on recent trends and the [EIA's production report for the first quarter of 2019](#), domestic uranium production is expected to be even lower this year. In the first quarter of 2019, U.S. production of uranium was 58,481 pounds, down 83 percent from the fourth quarter of 2018 and 74 percent from the first quarter of 2018. Uranium produced during the first quarter of 2019 came from just four U.S. facilities, two fewer than in the fourth quarter of 2018.

In 2019, the domestic uranium mining industry will likely produce less than 1 percent of the material that U.S. nuclear power plants need annually. This will amount to less than half the uranium needed to fuel one of the 98 operating commercial reactors in the U.S.

The global free market uranium industry is dying. Uranium mining companies in traditional U.S. allies cannot compete against subsidized material coming from government-owned companies. Right now, more than 60 percent of newly mined uranium comes from state-owned enterprises that unfriendly nations control, most of which is shipped solely through the port of St. Petersburg, Russia.

This crisis is why, in January 2018, Energy Fuels and Ur-Energy filed with the U.S. Department of Commerce (DOC) a Section 232 petition that encourages President Trump to protect U.S. national security by preserving domestic uranium mining. We proposed two common-sense solutions in our petition: a modest 25 percent quota for domestic uranium and a "Buy American" policy for U.S. government entities that use uranium. The quota is designed to create a U.S. market environment for long-term contracts that can support the domestic industry's recovery.

In July 2018, the DOC initiated an investigation into the effects on national security of uranium imports. Commerce Secretary Ross submitted the resulting report to President Trump in mid-April. The president has 90 days after the report was submitted to decide what, if any, trade actions to take.

While we have not seen the DOC report, the national security threat we face because of uranium imports is clear. We encourage President Trump to use his authority to protect our national security and this critical sector of the U.S. economy.

**About Energy Fuels:** *Energy Fuels is a leading integrated U.S. uranium mining company, supplying U<sub>3</sub>O<sub>8</sub> 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<sub>3</sub>O<sub>8</sub> per year. The Nichols Ranch Processing Facility is an in-situ recovery production center with a licensed capacity of 2 million pounds of U<sub>3</sub>O<sub>8</sub> per year. Alta Mesa is an in-situ recovery production center with a licensed capacity of 1.5 million pounds of U<sub>3</sub>O<sub>8</sub> 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](http://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 Russia and its allies, on national security and uranium supply in the U.S.; the expected increases in foreign state-subsidized imports of uranium in coming years including imports from Russia and its allies; the outcome of the Department of Commerce Section 232 investigation, including whether the President will act on the recommendations of the Department of Commerce and/or the suggested remedies advanced by the petition submitted by Ur-Energy and Energy Fuels; whether the proposed remedies will secure U.S. nuclear fuel infrastructure and specifically the uranium mining industry's future; 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 impacts of our geopolitical rivals and adversaries, including Russia and its allies on national security and uranium supply in the U.S.; the expected increases in foreign state-subsidized imports of uranium in coming years including imports from Russia and its allies; the outcome of the Department of Commerce Section 232 investigation, including whether the President will act on the recommendations of the Department of Commerce and/or the suggested remedies advanced by the petition submitted by Ur-Energy and Energy Fuels; whether the proposed remedies will secure U.S. nuclear fuel infrastructure and specifically the uranium mining industry's future; 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](http://www.sec.gov) and [www.sedar.com](http://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.*