



Department of Commerce Releases Strategy for Uranium and Other Materials Critical to U.S. Security and Economic Prosperity

June 5, 2019

The U.S. Department of Commerce (DOC) yesterday released its strategy for ensuring the U.S. has a secure and reliable supply of critical minerals that are vital to the nation's security and economic prosperity, but for which the U.S. is heavily reliant on imports. Uranium is among the 35 critical minerals, reinforcing its importance to our national security.

As the DOC's strategy indicates, the U.S. overwhelmingly relies on imports to meet the country's uranium needs. A growing portion of these imports comes from our global adversaries, increasing our vulnerability to hostile actions from foreign governments and other events that can disrupt uranium imports.

Strengthening America's critical mineral supply chains and defense industrial base is among the six calls to action outlined in the strategy. We absolutely agree.

Our country's nuclear power plants, which provide 20 percent of our electricity, are uniquely vulnerable to a disruption in uranium imports. Uranium is a critical material in the fuel for these plants. However, [U.S. uranium production in the first quarter of 2019](#) was down 83 percent from just the fourth quarter of 2018. The U.S. uranium mining industry is expected to produce less than 1 percent of the material that U.S. nuclear power plants need this year. This is less than half the uranium needed to fuel just one of the country's 97 operating commercial reactors.

Free market uranium in the U.S. and around the world is disappearing. [Data released last week by the U.S. Energy Information Administration](#) shows that Russia and its allies provided 44 percent of the uranium that U.S. utilities purchased in 2018. This is a 16 percent increase during just one year. Meanwhile, state-owned China National Uranium Corporation is purchasing the Rössing mine in Namibia, a major free market supplier of uranium for decades.

Uranium deliveries to the U.S. from Canada and Australia, important free market allies, declined 25 percent from 2017 to 2018. Free market uranium production in Canada is in decline for the same reasons as U.S. production – low prices brought on by oversupply from Russia and its allies. Only one uranium mine still operates in Canada and it has an expected remaining life of less than 10 years. Uranium mines in Australia are also slowing production and moving toward shutting down.

As with other critical minerals, such as rare earths, our increasing reliance on our strategic adversaries for uranium supply places our energy and national security at real risk of supply chain disruptions.

Designating uranium as a critical mineral is an important step toward recognizing the national security threat of imports and limiting our adversaries' growing dominance in the global market. Now it's time to act.

As outlined in their Section 232 petition, Energy Fuels Resources (USA) Inc. and Ur-Energy USA Inc., the only major U.S. uranium mining companies left, urge President Trump to implement two common-sense solutions that protect our national security by preserving U.S. uranium mining. We encourage him to enact a modest 25 percent quota for domestic uranium and a “Buy American” policy for U.S. government entities that use uranium. A properly designed quota will create a U.S. market environment for long-term contracts that can support the domestic industry’s recovery, while protecting national security and preventing the U.S. from becoming completely dependent on foreign sources of uranium.

The U.S. government recognizes that uranium is vital to our security and economic prosperity. Now we must act to protect the U.S. industry that provides this critical mineral.

About Energy Fuels: *Energy Fuels is a leading integrated U.S. uranium mining company, supplying U₃O₈ 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 U₃O₈ per year. The Nichols Ranch Processing Facility is an in-situ recovery production center with a licensed capacity of 2 million pounds of U₃O₈ per year. Alta Mesa is an in-situ recovery production center with a licensed capacity of 1.5 million pounds of U₃O₈ 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.*

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 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.