

LAKWOOD, CO, Aug. 5, 2016 /CNW/ - [Energy Fuels Inc.](#) (NYSE MKT:UUUU; TSX:EFR) ("Energy Fuels" or the "Company"), today reported its financial results for the quarter ended June 30, 2016. The Company's quarterly report on Form 10-Q has been filed with the U.S. Securities and Exchange Commission ("SEC"), and may be viewed on the Electronic Document Gathering and Retrieval System ("EDGAR") at www.sec.gov/edgar.shtml, on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com, and on the Company's website at www.energyfuels.com. Unless noted otherwise, all dollar amounts are in US dollars.

Financial and Operational Highlights for the Quarter-Ended June 30, 2016:

- \$7.0 million of total revenue was realized by the Company.
- Gross Profit of \$1.3 million from mining and milling operations was realized by the Company, resulting in an 18% Gross Profit margin.
- 100,000 pounds of U₃O₈ sales were completed by the Company pursuant to a long-term contract at an average realized price of \$70.00 per pound.
- The Company recovered 80,000 pounds of U₃O₈ from Nichols Ranch and 108,000 pounds of U₃O₈ from conventional sources.
- At June 30, 2016, the Company had \$24.6 million of working capital, including cash and cash equivalents of \$14.4 million and approximately 360,000 pounds of uranium concentrate inventory.
- A net loss of \$10.4 million was realized by the Company, including \$3.5 million of development, permitting, and land holding costs primarily related to wellfield construction and continued shaft-sinking at the Canyon Project.
- Shaft-sinking operations continue at the Canyon Project. The shaft, which is expected to be constructed to a total depth of 1,470 feet, is currently at a depth of approximately 1,100 feet. An underground drilling program to further evaluate the Canyon deposit has commenced.

Acquisition Highlights for the Quarter-Ended June 30, 2016:

- On June 16, 2016, the Company completed the acquisition of EFR Alta Mesa LLC ("Alta Mesa") (formerly named Mesteña Uranium, LLC), and the Alta Mesa Project through the issuance of 4.55 million shares. The acquisition of the Alta Mesa Project is expected to expand Energy Fuels' lower-cost uranium recovery operations. The Alta Mesa Project includes a fully-licensed and existing ISR processing plant currently on care and maintenance. With certain capital expenditures and wellfield development, the project is expected to resume uranium recovery operations upon sufficient improvement in uranium prices.
- On May 27, the Company completed the acquisition of the remaining 40% interest in the Roca Honda Project from Sumitomo Corporation through the issuance of 1.21 million shares as well as an additional \$4.5 million of cash payable upon first commercial mining extraction from the property. The Company now owns 100% of the Roca Honda Project, which is one of the largest and highest-grade uranium projects in the U.S. and is in an advanced stage of permitting.

Stephen P. Antony, Energy Fuels' President and CEO stated: "During the last quarter, Energy Fuels continued to execute its business plan and meet guidance. We made excellent progress in strengthening our lower-cost uranium production portfolio, as we acquired the Alta Mesa ISR Project, extracted 80,000 pounds of uranium from eight header-houses at the Nichols Ranch ISR Project, packaged 108,000 pounds from conventional sources, and continued shaft-sinking and resource evaluation at our Canyon Project. In addition, we affirm our previously announced 2016 guidance of 550,000 pounds of contract sales and 950,000 pounds of uranium recovery.

"Unfortunately, the price of uranium continues to disappoint in 2016. Put simply, the world is over-supplied with uranium today and end-user demand is not yet sufficient to catalyze an uplift in prices. Amid this market uncertainty, we continue to deliver into our above-market long-term contracts, control costs, rationalize our asset portfolio, and preserve Energy Fuels' optionality to significantly increase production when prices improve. As an example, while we expect to recover just under one million pounds of uranium in 2016, we currently have over 11.5 million pounds of uranium recovery capacity, and an industry-leading U.S.-based uranium resource portfolio to feed into that capacity. I would argue that no other uranium mining company can claim these levels of scalability."

Selected Summary Financial Information:

\$000, except per share data	Three months ended June 30, 2016	Six months ended June 30, 2016
Results of Operations:		
Total revenues	\$ 7,006	\$ 25,002
Gross profit	1,288	8,760
Net loss attributable to the company	(10,408)	(19,216)
Basic and diluted earnings (loss) per share (0.20)		(0.38)

\$000's	As at June 30, 2016	As at December 31, 2015
Financial Position:		
Working capital	\$ 24,600	\$ 34,869
Property, plant and equipment	40,314	29,069
Mineral properties	93,630	91,031
Total assets	201,469	192,280
Total long-term liabilities	41,542	38,675

Overview:

The Company expects to recover approximately 950,000 pounds of U₃O₈ for the year ending December 31, 2016, as further described below.

The Company currently has finished goods inventory and uranium extraction and recovery capabilities that exceed the commitments contained in its existing sales contracts. As a result, both ISR and conventional uranium extraction and/or recovery have been, and are expected to continue to be, maintained at conservative levels until such time as market conditions improve sufficiently and/or the Company requires cash to meet its business needs.

ISR Uranium Segment:

In response to market conditions, we currently plan to recover approximately 300,000 pounds of U₃O₈ from our ISR segment for the year ending December 31, 2016.

At June 30, 2016, the Nichols Ranch wellfields had eight header houses extracting uranium. The Company plans to complete a ninth header house by the end of 2016. Further header houses will be completed as production needs and market conditions warrant.

Permitting of the adjacent Jane Dough Property is continuing and is expected to be completed in advance of our need to begin wellfield construction at this location. Also, the Hank Project is fully permitted to be constructed as a satellite facility to the Nichols Ranch Plant.

Conventional Uranium Segment:

The Company expects the White Mesa Mill to recover approximately 650,000 pounds of U₃O₈ for the year ending December 31, 2016.

The Company is planning to recover approximately 425,000 pounds of U₃O₈ extracted from its Pinenut Project. During 2016, the Company also expects to recover approximately 225,000 pounds of U₃O₈ from alternate feed materials during the corresponding period.

The White Mesa Mill has historically operated on a campaign basis, whereby uranium recovery is scheduled as mill feed, cash needs, contract requirements, and/or market conditions may warrant. Once the Pinenut ore processing for 2016 concludes (expected to be in late 2016), the Company expects to recover uranium from certain alternate feed sources and process certain

uranium bearing solutions into mid-2017. Once these processes are completed the Company expects to place uranium recovery activities at the Mill on standby until additional mill feed becomes available. The Mill will dry and package material from the Nichols Ranch Plant and continue to receive and stockpile alternate feed materials for future milling campaigns.

The Company is continuing shaft-sinking activities at the Canyon Project and has completed the installation of new equipment and infrastructure to optimize shaft sinking rates and realize construction cost savings. We have also commenced additional underground drilling to further evaluate the deposit. The timing of our plans to extract and process mineralized materials from this project will be based on the results of this additional evaluation work, along with market conditions, available financing, and sales requirements.

The Company expects to continue to pursue permitting activities at certain of its conventional projects, including the Roca Honda Project and the Sheep Mountain Project. The Company will also continue to evaluate the Bullfrog Property at its Henry Mountains Project. Expenditures for certain of these projects have been adjusted to coincide with expected dates of price recoveries based on our forecasts.

Sales:

For 2016, the Company forecasts sales under its existing long-term contracts to total approximately 550,000 pounds of U₃O₈. Of this total, 400,000 pounds were delivered in the first half of the year with the remaining amount to be delivered in the third quarter of the year. The prices for material sold under the existing long-term contracts are either fixed or at floors. The average sales price under the Company's long-term contracts is expected to be higher in 2016 than 2015 levels.

The Company also sold 50,000 pounds of U₃O₈ to a utility based on spot prices at the time of the contract. The Company is currently monitoring market conditions for additional sales opportunities. The Company expects to sell an additional 200,000 pounds of U₃O₈ in the second half of the year. Selective additional spot sales may be made as necessary to generate cash for operations and development activities.

In 2017, the Company expects to have existing inventory or expected production to meet all of its commitments to sell 620,000 pounds of uranium under its existing long-term contracts at average sales prices higher than 2016 levels.

The Company is actively focused on its forward looking liquidity needs, especially in light of the current depressed uranium markets. The Company is evaluating its ongoing fixed cost structure as well as decisions related to project retention, advancement and development. Significant development activities, if warranted, will require that we arrange for financing in advance of planned expenditures.

About Energy Fuels: Energy Fuels is a leading integrated US-based uranium mining company, supplying U₃O₈ to major nuclear utilities. 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 ISR production center with a licensed capacity of 2 million pounds of U₃O₈ per year. Alta Mesa is an ISR production center currently on care and maintenance. Energy Fuels also has the largest NI 43-101 compliant 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 ISR project, mines on standby, and mineral properties in various stages of permitting and development. The Company's common shares are listed on the NYSE MKT under the trading symbol "UUUU", and on the Toronto Stock Exchange under the trading symbol "EFR". The Company's Debentures are listed on the Toronto Stock Exchange under the trading symbol "EFR.DB."

CONVERSION FROM IFRS TO U.S. GAAP

As previously announced, effective January 1, 2016, the Company became a 'U.S. domestic issuer' for SEC reporting purposes and is therefore required to prepare its financial statements in accordance with United States Generally Accepted Accounting Principles ("U.S. GAAP"). All prior financial statements and selected financial data have been converted from International Financial Reporting Standards ("IFRS") into U.S. GAAP for all periods required to be presented in the financial statements and selected financial data.

ADDITIONAL NON-US GAAP FINANCIAL PERFORMANCE MEASURES

The Company has included the additional non-US GAAP measure "Gross Profit" in the financial statements and in this news release. Management noted that "Gross Profit" provides useful information to investors as an indication of the Company's principal business activities before consideration of how those activities are financed, sustaining capital expenditures, corporate and exploration and evaluation expenses, finance income and costs, and taxation.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This news release contains certain "Forward Looking Information" and "Forward Looking Statements" within the meaning of applicable Canadian and United States securities legislation, which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company and its projects, including: production and sales forecasts; expected timelines for the permitting and development of projects; the Company's expectations as to longer term fundamentals in the market and price projections; the Company's expectations as to expenditures and cost reductions; the Company's ability to preserve its cash resources and maintain its resource base; scalability, and the Company's ability to be able to restart or increase production as market conditions warrant; the ability of the Company to realize the expected benefits of the Alta Mesa and Roca Honda acquisitions; the expected development and evaluations at the Canyon Project; the expected costs at the Company's Nichols Ranch Project, Canyon Project, and other projects and facilities; expectations that sufficient mill feed will be available to sustain future campaigns at the White Mesa Mill; and expectations to become or maintain its position as a leading uranium company in the United States. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects", "does not expect", "is expected", "is likely", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "does not anticipate", or "believes", or variations of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur", "be achieved" or "have the potential to". All statements, other than statements of historical fact, herein 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 those anticipated in these forward-looking statements include: risks associated with estimating production, forecasting future price levels necessary to support production, scalability, and the Company's ability to restart or increase production in response to any increase in commodity prices; risks inherent in the Company's and the industry's forecasts or predictions of future uranium prices; risks of delays in obtaining permits and licenses that could impact expected production levels or increases in expected production levels; risks in meeting expected timelines for the development of projects; government and third party actions with respect to supplies of secondary sources of uranium; fluctuations or changes in the market prices of uranium; risks associated with the integration of the Alta Mesa and Roca Honda acquisitions; risks associated with the expected development and evaluations at the Canyon Project; risks associated with estimated expected costs at the Company's Nichols Ranch Project, Canyon Project, and other projects and facilities; the risk that sufficient mill feed will not be available to sustain future campaigns at the White Mesa Mill; the risk that uranium prices will not reach the levels required to justify further development or production at the Company's projects, including the White Mesa Mill, the Nichols Ranch Project, the Alta Mesa Project and the Roca Honda Project; the risk that the Company will not be able to enter into suitable term uranium sales contracts in the future to support future development and production decisions; and the other factors described under the caption "Risk Factors" in the Company's Annual Report on Form 10-K dated March 15, 2016, which is available for review on EDGAR at www.sec.gov/edgar.shtml, on SEDAR at www.sedar.com, and on the Company's website at www.energyfuels.com. Forward-looking statements contained herein are made as of the date of this news release, and the Company disclaims, other than as required by law, any obligation to update any forward-looking statements whether as a result of new information, results, future events, circumstances, or if management's estimates or opinions should change, or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader is cautioned not to place undue reliance on forward-looking statements. The Company assumes no obligation to update the information in this communication, except as otherwise required by law.

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