

Energy Fuels Announces Q2-2019 Results

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LAKEWOOD, Aug. 2, 2019 - [Energy Fuels Inc.](#) (NYSE American: UUUU; TSX: EFR) ("Energy Fuels" or the "Company") today reported its financial results for the quarter ended June 30, 2019. 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 U.S. dollars.

Highlights:

- At June 30, 2019, the Company had \$42.6 million of working capital, including \$16.6 million in cash, \$11.4 million in marketable securities, 485,000 pounds of finished uranium goods inventory, and 610,000 pounds of finished vanadium goods inventory.
- Vanadium production totaled 437,000 pounds of V_2O_5 for the quarter, and the Company expects to continue to produce 160,000 to 200,000 pounds of V_2O_5 per month through Q3-2019, subject to continued successful recovery and suitable sales prices.
- Uranium production totaled 19,000 pounds of U_3O_8 during the quarter.
- The Company completed no uranium sales of any significance during the quarter and continues to add to uranium inventories.
- The Company completed 98,000 pounds of vanadium sales into the steel industry during the quarter at an average price of \$7.87 per pound of V_2O_5 , following conversion of the Company's V_2O_5 product into ferrovandium. At the current time, the Company is selling only small quantities of vanadium, while mainly focusing on building V_2O_5 inventory for sale in the future as the Company expects prices to increase.
- The Company had an operating loss of \$11.5 million during the quarter, due primarily to an impairment to inventories of \$4.9 million as a result of low uranium prices and a decrease in vanadium prices during the quarter; the decision not to sell any uranium product during the quarter; and the decision to retain most of the Company's vanadium inventory for future sale.
- In April 2019, the Company completed a test mining program at its La Sal Complex and continued further operational readiness activities based on these encouraging results. The Company expects to continue these activities through Q3-2019. As of June 30, 2019, the Company had mined approximately 11,000 tons of mineralized material with an average grade of 1.472% V_2O_5 and 0.192% U_3O_8 from previously mined areas. While these numbers are not intended to represent the basis of a new resource estimate, the Company believes that the new mining methods that were tested are likely to result in reduced costs, higher grades, and higher value for mined material compared to historic mining methods, due to significantly improved grade control at the mine.
- On July 12, 2019, President Donald J. Trump issued a Presidential Memorandum pursuant to Section 232 of the Trade Expansion Act of 1962 (as amended), ordering the creation of the U.S. Nuclear Fuel Working Group (the "Working Group") to "examine the current state of domestic nuclear fuel production to reinvigorate the entire nuclear fuel supply chain, consistent with United States national security and nonproliferation goals." The Working Group has 90 days from July 12, 2019 to complete its recommendations to the President. The Company intends to continue supporting this initiative in Q3-2019 and believes it has the potential to result in actions that provide meaningful support to the U.S. uranium mining industry.
- On July 13, 2019, the Company announced that it had entered into a new processing agreement, whereby the owner of a formerly producing uranium mine in New Mexico will deliver cleanup material from the mine for processing and recovery of uranium at the Company's White Mesa Mill. Revenues payable to the Company are expected to be between \$700,000 and \$3.5 million. In addition, the Company will retain any uranium recovered from the material for its own account, which is expected to total between 10,000 and 70,000 pounds of U_3O_8 , or approximately \$250,000 to \$1.75 million at today's spot prices. Deliveries began in late-June 2019. The Company has proposed similar services to assist in the cleanup of Cold War era abandoned uranium mines on the Navajo Nation and other lands.
- On August 1, 2019, the Board of Directors (the "Board") of the Company appointed Mr. Alex G. Morrison to serve as a director.

Mark S. Chalmers, Energy Fuels' President and CEO stated:

"During Q2-2019, Energy Fuels continued to make important progress on a number of initiatives that have the potential to significantly improve the outlook for both our Company and the U.S. uranium mining industry as a whole.

"First, we were pleased that on July 12, 2019, President Donald Trump took meaningful action that has the potential to revive the U.S. uranium industry. In early 2018, we filed a Section 232 Petition asking the Administration to investigate uranium imports into the U.S., thereby embarking on a bold initiative to 'make American uranium great again.' We have truly come a long way since we first filed the Petition, and we believe this initiative has been a success, as the President recognized the relationship between domestic uranium mining and national security. Our issue now has the attention of the highest levels of the U.S. Government -- and probably the highest focus in several decades -- and we look forward to aggressively seeing this through to the end. I look forward to corresponding with shareholders in the coming months as the U.S. Nuclear Fuel Working Group completes its important work to 'reinvigorate the entire nuclear fuel supply chain,' which includes uranium mining.

"However, Energy Fuels is much more than Section 232. We recently announced the completion of a new processing agreement, under which we will assist in the cleanup of a formerly producing mine in New Mexico. We recently began taking deliveries of cleanup material at our White Mesa Mill, and this initiative is expected to result in a total of approximately \$1.0 to \$4.25 million of value for the Company. On a broader perspective, this is exactly the type of work we have proposed to the U.S. Environmental Protection Agency ("EPA") to assist in the cleanup of Cold War era abandoned uranium mines on the Navajo Nation and other nearby lands, with the EPA holding over \$1.5 billion set aside in trust for those purposes. It is our hope that this will be a demonstration of the White Mesa Mill's capabilities, professionalism and responsible operations. In addition, local Native American communities will see equipment removing contaminated soils from nearby lands, and trucks hauling it away, thereby having the potential of creating momentum to begin the large-scale cleanup of other sites in the region.

"We are also very happy with our vanadium production campaign; except prices failed to cooperate during the quarter. We brought our vanadium product to market very quickly and achieved extremely high purities. But, as it turned out, it wasn't quick enough. At the current time, we expect to continue producing vanadium through Q3-2019, due in large part to seasonal considerations, while only making selective sales. We are also moving forward with discussions to potentially sell our product at premium pricing to customers who require higher purities. If vanadium prices do not make a dramatic recovery in the next few months, we expect to build inventory to capture future price spikes and then shut down production to save this valuable asset for later recovery.

"Finally, I'd like to welcome Mr. Alex Morrison to the Board of the Company. Alex is an experienced and accomplished mining professional with many decades of experience with public companies both large and small, with a particular focus on finance, audit, and governance, including many years with PriceWaterhouseCoopers."

Selected Summary Financial Information:

\$000, except per share data	Three months ended June 30, 2019	Three months ended June 30, 2018
Results of Operations:		
Total revenues	\$ 3,071	\$ 26,973
Gross profit (loss)	(11,504)	7,120
Net income (loss) attributable to the company	(9,312)	7,149
Basic earnings (loss) per share	(0.10)	0.09
Diluted earnings (loss) per share	(0.10)	0.08

	As at June 30, 2019	As at December 31, 2018
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Financial Position:

Working capital	\$ 42,600	\$ 52,000
Property, plant and equipment	28,193	29,843
Mineral properties	83,539	83,539
Total assets	183,592	196,766
Total long-term liabilities	43,588	43,059

Overview

Operations and Sales Outlook Overview

The Company plans to extract and recover uranium from its Nichols Ranch Project in 2019 at reduced levels as its existing wellfields become depleted. This will continue until such time as the incremental cost of production exceeds the value of the pounds recovered. In addition, the Company expects to continue to extract and recover vanadium and uranium from pond solutions at its White Mesa Mill through September 2019, assuming vanadium prices remain at current levels or higher. If vanadium prices improve significantly from existing prices, the Company will evaluate continuing vanadium production beyond that time.

As a result of current low uranium market conditions, both ISR and conventional uranium recovery are being maintained at reduced levels until such time as market conditions improve sufficiently, either as a result of potential relief from the Working Group study and recommendations, or through improved uranium market fundamentals. Until such time as improvements in uranium market conditions are observed or suitable sales contracts can be entered into, the Company expects to defer further wellfield development at its Nichols Ranch Project. In addition, the Company will keep the Alta Mesa ISR Project and its conventional mining properties on standby. The Company is also seeking new sources of revenue, including new sources of Alternate Feed Materials and new fee processing opportunities at the Mill that can be processed under existing market conditions, largely unrelated to uranium sales prices. The Company will also continue its support of the Working Group and will evaluate additional acquisition and disposition opportunities that may arise.

Extraction and Recovery Activities Overview

During the six months ended June 30, 2019, the Company recovered approximately 40,000 pounds of U₃O₈. In the year ending December 31, 2019, the Company expects to recover approximately 50,000 to 125,000 pounds of U₃O₈. The Company also recovered approximately 760,000 pounds of high-purity vanadium pentoxide ("V₂O₅" or "black flake") during the six months ended June 30, 2019 and expects to continue to recover approximately 160,000 to 200,000 pounds of V₂O₅ per month during the third quarter of 2019, at which time the Company expects to place vanadium recovery operations at the Mill on standby, pending improvements in vanadium prices.

The Company has entered into no uranium sales commitments for 2019 thus far. Therefore, all 2019 uranium production is expected to be added to existing inventories. All V₂O₅ production is expected to be sold on the spot market or maintained in inventory.

ISR Activities

During the six months ended June 30, 2019, we extracted and recovered approximately 40,000 pounds of U₃O₈ from the Nichols Ranch Project. In the year ending December 31, 2019, the Company expects to produce approximately 50,000 to 70,000 pounds of U₃O₈ from Nichols Ranch.

As of June 30, 2019, the Nichols Ranch wellfields had nine header houses extracting uranium. Until such time as improvement in uranium market conditions is observed or suitable sales contracts can be procured, the Company intends to defer development of further header houses at its Nichols Ranch Project. The Company currently holds 34 fully-permitted, undeveloped wellfields at Nichols Ranch, including four additional wellfields at the Nichols Ranch wellfields, 22 wellfields at the adjacent Jane Dough wellfields, and eight wellfields at the Hank Project, which is fully permitted to be constructed as a satellite facility to the Nichols Ranch Plant. The Company currently expects to continue running the Nichols Ranch Project through the end of 2019. However, if market conditions do not improve significantly by that time as a result of the Working Group recommendations or otherwise, the Company expects to place this project on standby in early 2020.

The Company expects to continue to keep the Alta Mesa ISR Project on standby until such time as improvements in uranium market conditions are observed or suitable sales contracts can be procured.

Conventional Activities

Conventional Extraction and Recovery Activities

During the six months ended June 30, 2019, the Company produced 760,000 pounds of high-purity V₂O₅ from its Mill Pond Return program, as well as captured 7,700 pounds of U₃O₈ in the mill circuit. The Company is currently producing at full production rates of 160,000 to 200,000 pounds of V₂O₅ per month and approximately 6,500 pounds of U₃O₈ per month under this program. The Company expects to continue to recover vanadium and uranium at these rates during the third quarter of 2019, at which time the Company expects to place this program on standby, pending improvements in vanadium prices and taking into account seasonal considerations. Despite currently low vanadium prices, the Company plans to continue this program through the end of the third quarter of 2019, rather than place it on standby at this time, for two reasons: first, vanadium recoveries from Pond Returns are highest in the warm summer months, due to the higher concentrations of dissolved vanadium in the solutions as a result of the normal evaporative process during the warm summer months and other chemical reasons, thereby enabling us to produce vanadium at the lowest cost possible, with the marginal cost of production not including fixed Mill overhead currently at or near spot V₂O₅ prices; and secondly, the Company believes the price of vanadium is likely to increase at some point in the future, and running the program through the end of the third quarter will provide the Company with a significant quantity of V₂O₅ produced that can be sold opportunistically as future price volatility occurs. One of the benefits of the Mill's vanadium Pond Return program is that it can be stopped and restarted relatively quickly in response to changes in vanadium market conditions.

If vanadium and uranium recovery operations from the current Mill Pond Return program are put on standby at the end of the third quarter of 2019, as expected under current vanadium pricing conditions, the Company plans to utilize the resulting available Mill capacity by processing stockpiled Alternate Feed Materials in the fourth quarter of 2019.

Conventional Standby, Permitting and Evaluation Activities

During the six months ended June 30, 2019, the Company continued its test-mining and refurbishment program targeting vanadium at the fully-permitted La Sal Complex located on the Colorado Plateau. We completed the test-mining by the end of April 2019, and continued to pursue enhanced operational readiness targeting future commercial production. The goal of the program was to evaluate different mining approaches in previously mined-out areas that selectively target high-grade vanadium zones, thereby potentially increasing productivity and mined grades for vanadium and decreasing mining costs per pound of V₂O₅ and U₃O₈. During this program, the Company refurbished the La Sal and Pandora mines within the La Sal Complex and extracted approximately 11,000 tons of mineralized material. The Company expects to continue readiness activities through the third quarter of 2019. In addition, the Company completed a surface and underground drilling program at the La Sal Complex during the quarter ended June 30, 2019 in order to potentially expand the known uranium and/or vanadium resources available to mine.

During 2019, the Company plans to continue carrying out engineering, metallurgical testing, procurement and construction management activities at its Canyon Project, including additional bench and pilot plant scale metallurgical test work of the uranium/copper mineralization, and to continue pursuing any additional permitting actions that may be required to potentially recover copper at the White Mesa Mill. The timing of the Company's 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, sales requirements, and/or permits required for copper recovery at the Mill.

The Company is selectively advancing certain permits at its other major conventional uranium projects. The Company plans to accelerate the licensing and permitting of the Roca Honda Project, a large, high-grade conventional project in New Mexico, with the Record of Decision currently scheduled to be completed in 2021. The Company will also maintain required permits at the Company's conventional projects, including the Sheep Mountain Project and the Daneros Project. In addition, the Company will 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 the Company's forecasts. All of these projects serve as important pipeline assets for the Company's future conventional production capabilities, as market conditions warrant.

Sales

During the six months ended June 30, 2019, the Company completed no uranium sales of significance. The Company currently has no remaining contracts and is therefore fully unhedged to future uranium price increases.

The Company continued V₂O₅ shipments during the six months ended June 30, 2019 with initial quantities being allocated for conversion to ferrovandium ("FeV"), which was sold into spot metallurgical markets on a selective basis. At the current time, the Company is selling only small quantities of vanadium, while mainly focusing on building V₂O₅ inventory for sale in the future as prices are expected to increase. During the six months ended June 30, 2019, the Company completed sales of 150,000 pounds of vanadium at an average price of \$12.83 per pound. The Company expects to continue to sell finished vanadium product when justified into the metallurgical industry, as well as other markets that demand a higher purity product, including the aerospace, chemical, and potentially the vanadium battery industries. The Company expects to sell to a diverse group of customers in order to maximize revenues and profits. The Company is continuing to produce a high-purity vanadium product of 99.6%-99.7% V₂O₅. The Company believes there may be opportunities to sell certain quantities of this high-purity material at a premium to reported spot prices. The Company may also retain vanadium product in inventory for future sale, depending on vanadium spot prices at the time of production.

The Company also continues to pursue new sources of revenue, including additional Alternate Feed Materials and other sources of feed for the White Mesa Mill.

Trade Petition and United States Nuclear Fuel Working Group

The Company looks forward to the United States Nuclear Fuel Working Group's study and recommendations. The Company believes this initiative has the potential to result in actions that could

provide meaningful support to the uranium mining industry, including all or some of the remedies proposed in the Company's Petition. It should be noted, however, that there can be no certainty of the outcome of the Working Group's study and recommendations. No action could be taken or remedies granted, and any actions taken may not result in a meaningful or material remedy to the uranium mining industry. Therefore, the outcome of this process is uncertain.

Appointment of Alex G. Morrison as Director

On August 1, 2019, the Board of Directors (the "Board") of the Company appointed Mr. Alex G. Morrison to serve as a director of the Company pursuant to the Board's power to increase the size of the Board by up to one-third in number between annual meetings of shareholders. Mr. Morrison is an accomplished mining professional with strong management, technical, governance and financial skills in the precious and base metals industries. He also has significant hands-on experience in financial reporting, capital raising, audit, and deal-making. He is currently a board member of [Taseko Mines Ltd.](#), Gold Resources Corporation, and Gold Standard Ventures. He previously served as a director for [Pershing Gold Corp.](#) and Detour Gold Corporation. From 2007 to 2010, Mr. Morrison served as Vice President and Chief Financial Officer for [Franco-Nevada Corp.](#), and from 2002 to 2007, he served for Newmont Mining Corporation as Vice President, Information Technology, Vice President, Operations Services, Group Executive, Operations Services, and Group Executive, Internal Audit. Mr. Morrison also has 13 years of experience with PriceWaterhouseCoopers, where he provided business advisory, financial audit, and operational audit services to a diverse group of mining clients.

Mark S. Chalmers, P.E., of Energy Fuels, is a Qualified Person as defined by Canadian National Instrument 43-101 and has reviewed and approved the technical disclosure contained in this news release.

About Energy Fuels: Energy Fuels is a leading U.S.-based uranium mining company, supplying U3O8 to major nuclear utilities. The Company also produces vanadium from certain of its projects, as market conditions warrant. Its corporate offices are in Lakewood, Colorado near Denver, and all of its assets and employees are in the United States. Energy Fuels holds three of America's key uranium production centers: the White Mesa Mill in Utah, the Nichols Ranch in-situ recovery ("ISR") Project in Wyoming, and the Alta Mesa ISR Project in Texas. The White Mesa Mill is the only conventional uranium mill operating in the U.S. today, has a licensed capacity of over 8 million pounds of U3O8 per year, and has the ability to produce vanadium when market conditions warrant. The Nichols Ranch ISR Project is in operation and has a licensed capacity of 2 million pounds of U3O8 per year. The Alta Mesa ISR Project is currently on standby. In addition to the above production facilities, Energy Fuels also has one of the largest NI 43-101 compliant uranium resource portfolios in the U.S. and several uranium and uranium/vanadium mining projects on standby and in various stages of permitting and development. 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.

Cautionary Note 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: production and sales forecasts; costs of production; scalability, and the Company's ability and readiness to re-start or expand any of its existing projects to respond to any improvements in uranium market conditions; any expectations regarding vanadium opportunities, the Company's program for the recovery of vanadium from pond solutions, or the Company's ability to sell any of its vanadium product at a premium to spot prices or otherwise; the ability to quickly and inexpensively adjust vanadium production in response to evolving market conditions; the ability to generate cash flows during periods of elevated vanadium prices; the expected results from the vanadium test-mining program; the ability of the Company to secure any new sources of alternate feed materials or other processing opportunities at the White Mesa Mill; expected timelines for the permitting and development of projects; the Company's expectations as to longer term fundamentals in the market and price projections; expectations to become or maintain its position as a leading uranium company in the United States; the outcome of the U.S. Nuclear Fuel Working Group study, including the nature of any recommendations by the Working Group to the President of the United States; whether or not the President will act on any such recommendations and, if so, the nature of the action and remedy; and the expected benefits of any such remedies. 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," "budgets," "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: production and sales forecasts; costs of production; scalability, and the Company's ability and readiness to re-start or expand any of its existing projects to respond to any improvements in uranium market conditions; any expectations regarding vanadium opportunities, the Company's program for the recovery of vanadium from pond solutions, or the Company's ability to sell any of its vanadium product at a premium to spot prices or otherwise; the ability to quickly and inexpensively adjust vanadium production in response to evolving market conditions; the ability to generate cash flows during periods of elevated vanadium prices; the expected results from the vanadium test-mining program; the ability of the Company to secure any new sources of alternate feed materials or other processing opportunities at the White Mesa Mill; expected timelines for the permitting and development of projects; the Company's expectations as to longer term fundamentals in the market and price projections; expectations to become or maintain its position as a leading uranium company in the United States; the outcome of the U.S. Nuclear Fuel Working Group study, including the nature of any recommendations by the Working Group to the President of the United States; whether or not the President will act on any such recommendations and, if so, the nature of the action and remedy; the expected benefits of any such remedies; and the other factors described under the caption "Risk Factors" in the Company's most recently filed Annual Report on Form 10-K, 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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