

Trump says lack of uranium is threat to national security

“Currently, the United States imports approximately 93 percent of its commercial uranium, compared to 85.8 percent in 2009.” is an excerpt from the Presidential Memorandum on the Effect of Uranium Imports on the National Security and Establishment of the United States Nuclear Fuel Working Group published on Saturday, July 13th.

The conclusion? “...a fuller analysis of national security considerations with respect to the entire nuclear fuel supply chain is necessary at this time.”

While Trump did “...not concur with the Secretary’s finding that uranium imports threaten to impair the national security of the United States as defined under section 232 of the Act.” He did “...agree that the Secretary’s findings raise significant concerns regarding the impact of uranium imports on the national security with respect to domestic mining...”

Bottom line? Trump says the issue is bigger than just quotas and in another 90-days “the Working Group, through the Assistant to the President for National Security Affairs and the Assistant to the President for Economic Policy, shall submit a report to the President setting forth the Working Group’s findings and making recommendations to further enable domestic nuclear fuel production if needed.”

More specifically, he states that: **“I agree with the Secretary that the United States uranium industry faces significant challenges in producing uranium domestically and that this is an issue of national security.** The United States requires domestically produced uranium to satisfy Department of Defense (DOD) requirements for maintaining effective military capabilities – including nuclear fuel for the United States

Navy’s fleet of nuclear-powered aircraft carriers and nuclear-powered submarines, source material for nuclear weapons, and other functions.”

Meanwhile, the endless miscommunications throughout the media and regurgitated through social media that pummeled stocks with U.S. based sources of uranium on Friday that were the catalyst for some sizable volume and strong downward pressure on stocks with U.S. based uranium sources.

Ur-Energy Inc. (NYSE American: URG | TSX: URE) placing a news release out on Friday after their stock had been halted that clearly stated that no news had been released, here is a snapshot of what transpired on the market on Friday.

◆ Name	Last Price	◆ Change	◆ Volume	◆ Market Cap
▶  UEC URANIUM ENERGY CORP	\$1.07	-\$0.37 -25.69%	15.8M	\$193.33M
▶  WUC WESTERN URANIUM & VANADIUM CORP	\$1.18	-\$0.12 -9.23%	160.4k	\$35.5M
▶  URE UR ENERGY INC	\$0.79	-\$0.41 -34.17%	2.0M	\$126.19M
▶  URG UR-ENERGY INC	\$0.615	-\$0.315 -33.87%	13.3M	\$98.23M
▶  UUUU ENERGY FUELS INC	\$1.93	-\$1.11 -36.51%	20.5M	\$181.01M
▶  EFR ENERGY FUELS INC	\$2.51	-\$1.47 -36.93%	4.6M	\$235.4M

And today? The story continues to spin as the NY Times headline on page 10 reads “Trump Rejects Trade Barriers on Foreign Uranium, Saying it Poses No Threat”. Title is quite misleading as you can see from the excerpts we have quoted above from the POTUS site; it is, however, cleverly positioned – pinned below a column titled “Rehearsing for a Shadow War Against a Foe Embraced by Trump”.

The best summary on this matter was issued via a news release from the two companies that submitted Petition 232, Energy Fuels Inc. (NYSE American: UUUU | TSX: EFR) and Ur-Energy Inc. (NYSE American: URG | TSX: URE) yesterday. Their news release, titled President Trump Announces that the Significant Challenges Facing U.S. Uranium Mining Are a National Security Issue is full of hard-hitting uranium data, it starts with: **"The entire front end of the U.S. nuclear fuel cycle is under siege. The American uranium mining industry will produce less than 1 percent of the uranium needed to fuel U.S. nuclear power plants this year.** The only domestic uranium conversion facility in the U.S. shut down in 2017, and we lack any domestic uranium enrichment capability for national security applications."

They go on to add: "The Trump administration has identified uranium as critical to the nation's security and economic prosperity, but the U.S. overwhelmingly relies on imported uranium. Uranium deliveries from state-owned companies in Russia , Kazakhstan and Uzbekistan increased 16 percent from 2017 to 2018, according to the U.S. Energy Information Administration. These countries provided 44 percent of the uranium imported in the U.S. last year. Meanwhile, U.S. mines produced 37 percent less uranium from 2017 to 2018, reaching a record low. Deliveries from Canada and Australia, allied nations whose production is also in steep decline due to the flood of uranium from state-owned companies, declined by 25 percent."

So, while Trump has "at this time" disagreed to quotas – he does agree that the U.S. uranium industry faces significant challenges in producing uranium domestically. And that this is an issue of national security that is both relevant and timely, which is why it requires a Working Group with 90-days to assess and get back to him. Better yet, he also said we need to study the importance of re-establishing the frontend of the Nuclear fuel cycle. Finally, a chance for all of us to

benefit from a better understanding of the entire nuclear supply chain as whole in the United States.