

President Trump's support of US uranium producers awaits the Nuclear Fuel Working Group report

The Nuclear Fuel Working Group (NFWG) is due to release its report to President Trump in the next few days (by mid October) and a positive outcome is going to be needed to help re-establish the US domestic uranium supply chain. Whilst a positive report is no guarantee, it is hard to see President Trump not supporting US uranium producers, especially when considering how much the US relies on uranium.

[20%](#) of US energy comes from nuclear plants yet the US has almost no uranium production. I highly doubt that President Trump would want to be vulnerable to any Chinese or Russian threats to US uranium supply. On top of electricity production, the US military depends on uranium supply needed to fuel the US warships that run on nuclear fuel.

The Nimitz class is a class of ten nuclear-powered US aircraft carriers



US relies on Russia for uranium, and China and India are increasing their demand for uranium

Since the 1990's the US has sourced uranium from outside the US, mostly from other countries like Canada, Australia, and Russia. While both Canada and Australia are close economic allies maybe the same can't be said about Russia/Kazakhstan.

China in particular is building many nuclear reactors as a way to reduce pollution from coal power stations. It is quite likely one day we may see Russian uranium choose to go to China and not to the US. That day may be sooner than we think given the current trade war tensions being stirred up by the US.

India is also a rising nuclear country planning to source uranium from Russia. Just recently Russia inked an action plan for expanding its [civil nuclear partnership](#) comprising a second site for Russian nuclear reactors in India. The two countries intend to develop a project of six nuclear power units of Russian design at a new site in India. When Russia contracts to build nuclear reactors in other countries it

bundles the sale of nuclear fuel thus creating a captive supply relationship.

The Nuclear Fuel Working Group (NFWG)

The NFWG has been mandated to determine what to do about the issues raised in the Section 232 investigation, and they have until mid October 2019 to provide recommendations to the President.

Under Section 232 of the Trade Expansion Act, President Trump concluded that trade barriers on uranium imports were not warranted. The President formed the Nuclear Fuel Working Group to examine the entire fuel supply chain and conduct a fuller analysis of national security issues therein. There are two major issues this Group should address:

1. Protect and plan for defense infrastructure needs.
2. Provide some sort of assistance to support domestic uranium supply.

Some possible conclusions for the NFWG would be:

- Increase US uranium reserves.
- Subsidize US uranium producers or place quotas on foreign state owned subsidized uranium imports or both. Tariffs are unlikely, but tax breaks or incentives may be possible.
- Other measures to boost the US nuclear fuel supply chain and compete on a level playing field. One example might be fast tracking uranium mining licences and permits.

In any case we there is a good chance we will see some kind of boost for US uranium producers.

Three uranium companies to consider

[Energy Fuels Inc.](#) (TSX: EFR | NYSE American: UUUU) is a leading integrated US-based uranium mining company. Their 100% owned [White Mesa Mill](#) in Utah is the only fully-licensed and

operating conventional uranium mill in the United States, having a 21% share of all US produced uranium (2011-2015).

[Western Uranium & Vanadium Corp.](#) (CSE: WUC | OTCQX: WSTRF) current key focus is the Sunday Mine Vanadium Project located in western San Miguel County, Colorado. The Company has a total uranium resource of 70,000,000+ lbs. The Company has several previous producing uranium mines that could go back online at minimal CapEx pending a favourable result from the working group.

[Blue Sky Uranium Corp.](#) (TSXV: BSK | OTCQB: BKUCF) is one of Argentina's best-positioned uranium & vanadium exploration companies with more than 4,000 km² (400,000 ha) of prospective tenements. Blue Sky's close proximity of properties and targets provides the potential for an integrated, low-cost uranium-vanadium producing operation, making Blue Sky an excellent candidate to be the first near-term uranium producer in Argentina.

The US uranium industry awaits President Trump's Nuclear Fuel Working Group findings

On July 13, 2019, President Donald Trump did not go ahead with the Department of Commerce recommendations which proposed (under Section 232 of the Trade Expansion Act) to have US Uranium users source up to 25% of their uranium from domestic mines. It's not all bad news however as President Trump created a [working group](#) to review the country's nuclear fuel

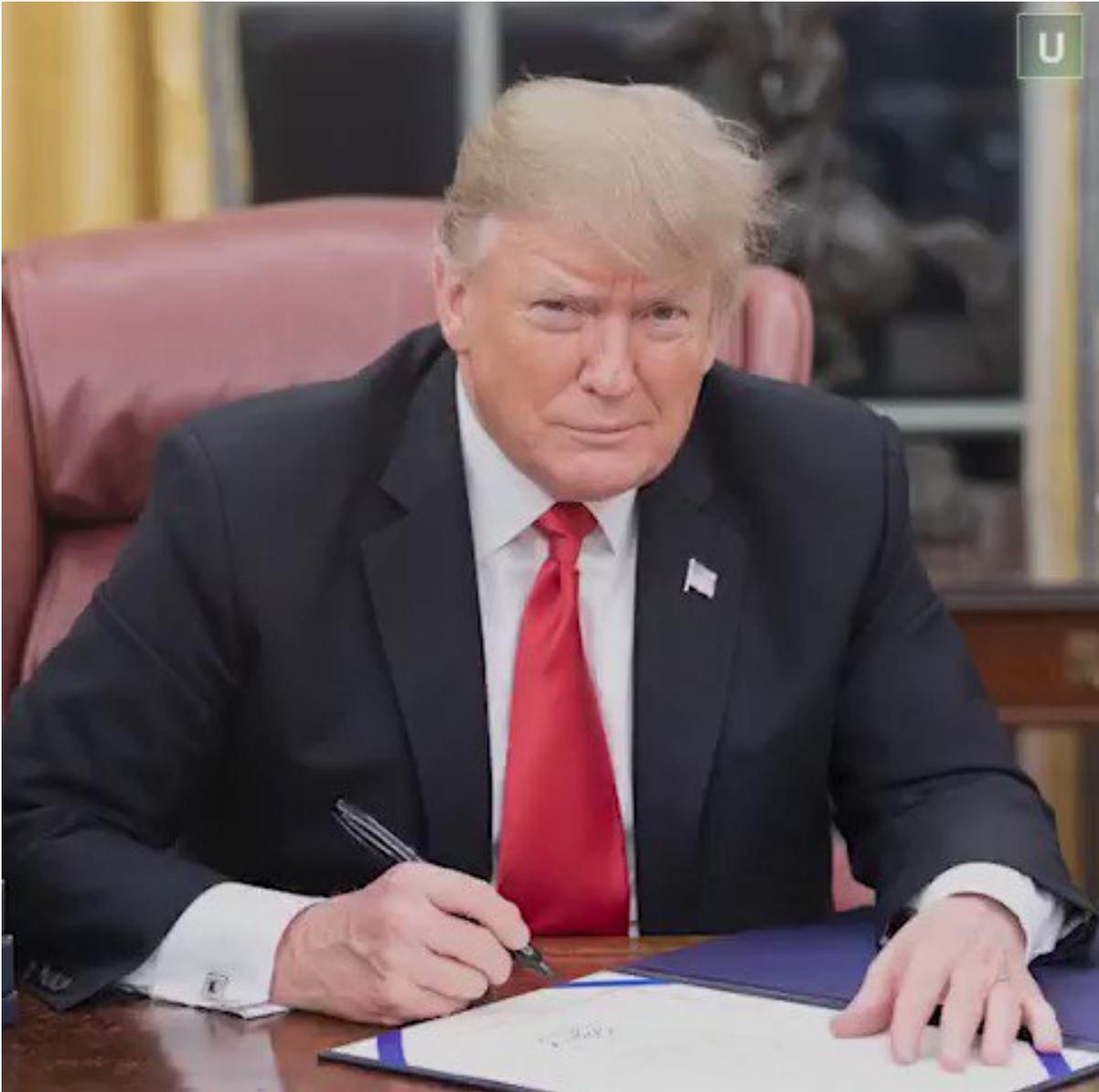
supply chain over the next 90 days. The President is asking the group to identify other ways to boost the domestic uranium industry. The report/recommendation for President Trump from the Nuclear Fuel Working Group (NFWG) is expected by 10/10/2019 (or about 2 weeks from now).

The problem on the domestic supply side is that over 92% of the uranium used in nuclear reactors is imported from abroad, largely from Russia and Kazakhstan. For this reason, Trump has agreed that the impact of the supply chain on national security warrants further review.

A more holistic look at nuclear fuel production includes uranium mining, milling, conversion and enrichment. Remedies like quotas could still be on the table, but the creation of the Working Group opens up other ways to support the domestic industry including direct support, support to U.S. utilities for buying U.S. uranium products, tax breaks, regulatory reform, and other similar actions.

Energy Fuels has [stated](#): “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.”

Trump to soon review the NFWG recommendations on the US uranium sector



The Nuclear Energy Institute (NEI) has made some suggestions

Uranium mining companies and supporters of the quota had [cited](#) the potential economic benefits by viewing the quota as an opportunity to revitalize domestic uranium mining. They have [claimed](#) it would increase domestic uranium mining revenue from \$150 million to \$700 million, and U.S. uranium companies would go from producing 1.4 million pounds of uranium a year to 11 million pounds a year. The Nuclear Energy Institute (NEI) is also urging the Trump administration to authorize funds through the 1950 Defence Production Act, to procure domestic fuel for defence requirements and boost federal reserve's of uranium for nuclear power utilities. In the letter, the NEI urges unspecified direct payments to either a

U.S. utility or domestic uranium producer for sale of U.S. origin uranium to a utility.

In a July 12th memorandum, President Trump noted that “the United States uranium mining industry faces significant challenges in producing uranium domestically and that this is an issue of national security.”

Three uranium companies to consider

[Energy Fuels Inc.](#) (TSX: EFR | NYSE American: UUUU) is a leading integrated US-based uranium mining company. Their 100% owned [White Mesa Mill](#) in Utah is the only fully-licensed and operating conventional uranium mill in the United States, having a 21% share of all US produced uranium (2011-2015). The mill has an annual capacity of 8 million lbs of uranium, and in 2017 produced 366,000 lbs of uranium concentrate, and re-processed a further 946,000 lbs. Additionally, Energy Fuels recently announced the completion of a new processing agreement, under which they will assist in the cleanup of a formerly producing mine in New Mexico. Energy Fuels also has recently begun taking deliveries of cleanup material at their 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. This is the exact type of work they 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. The EPA is holding over \$1.5 billion set aside in trust for those purposes.

[Western Uranium & Vanadium Corp.](#) (CSE: WUC | OTCQX: WSTRF) current key focus is the Sunday Mine Vanadium Project located in western San Miguel County, Colorado. The complex consists of five individual mines covering approximately 3,800 acres and 221 unpatented claims. The Company has a total uranium resource of 70,000,000+ lbs. The Company has several previous producing uranium mines that could go back online at minimal CapEx pending a favourable result from the working group.

[Blue Sky Uranium Corp.](#) (TSXV: BSK | OTCQB: BKUCF) is one of Argentina's best-positioned uranium & vanadium exploration companies with more than 4,000 km² (400,000 ha) of prospective tenements. Argentina is the largest generator of electricity from nuclear energy in South America and is working to further expand its nuclear energy sector with additional power plants but currently lacks domestic uranium production. Blue Sky's close proximity of properties & targets provides the potential for an integrated, low-cost uranium-vanadium producing operation, making Blue Sky an excellent candidate to be the first near-term uranium producer in Argentina.

The US uranium industry only has about 2 weeks now to wait for the recommendations from the Nuclear Fuel Working Group. The mere fact the group was agreed to be set up suggests the outcome will be favourable to the US uranium miners. My expectation is the US uranium miners may receive a boost in the form of tax breaks or other incentives, and true to Trump's history he may place tariffs on uranium imports into the US, especially from subsidized uranium sources. In any event, it is hoped by the uranium industry to give it a much needed boost.

It has been a tough past decade for the US uranium industry with uranium spot prices below production costs, so finally, the US uranium industry should get a break, and hopefully prosper again.

Brien Lundin talks about the bull market atmosphere for

gold (and uranium) in New Orleans this year

“We cover every investment sector. We start off with geopolitics and drill down to every investment sector. We cover economic trends and everything that affects every major investment sector. Jim Blanchard started the conference in 1974 as a gold event... We are known as the preeminent event for metals and mining stocks especially in a bull market atmosphere like we have going on right now.” States Brien Lundin, CEO of Jefferson Financial, Inc. and Host and Producer of the [New Orleans Investment Conference](#), in an interview with InvestorIntel’s Tracy Weslosky.

Brien went on to say that the gold sector is in a bull market which is confirmed by the movement in the gold prices, big mining stocks and also in the silver sector. He added that as the bull market progresses junior mining stocks will witness positive movement as well including the uranium sector and other strategic metals like rare earths. Brien said, “If this is anything like the early 2000s and I think it shows all the signs of being just that, then we will have another five to seven years of a tremendously positive upturn in gold and silver but also lots of other opportunities emerging.”

Brien also provided an update on the New Orleans Investment Conference. He said that the conference has a long history of attracting insightful people on the geopolitical and economic stages. Legendary figures like Margaret Thatcher, Alan Greenspan, Ayn Rand and many more have spoken at the event in the past. This year the conference has a list of speakers that includes Stephen Moore, a renowned economist who was recently nominated for the Fed, controversial political commentator Kevin D. Williamson, Doug Casey, Peter Boockvar, Dennis Gartman, Peter Schiff and many experts in metal and mining. Brien further added that these experts save their best

recommendations to unveil them at the conference which is the best place to find opportunities.

To access the complete interview, [click here](#)

How wars hype demand for critical materials

It's the 1950s and there is a new enemy to fight during the cold war, communism. In response to this threat, and during the actual battle in the Korean War, the US implemented the Defense Production Act of 1950 (DPA 1950). The act allowed the government to dramatically pump up the production of materials seen as critical for national defense. The effect was huge with development extending into Canada's Elliot Lake region.

The cold war story is done but it set the stage for the second act which started this past summer. The players are the same. So are the scenes. And so is the potential for a dramatic mining story.

Back then, the Act of 1950 gave government executive authority to spur the domestic industry to rapidly build capacity to provide the essential materials needed for defense, similar to the War Measures Act for WWII. In the 1950s the Act covered activities for the Armed Forces, the Atomic Energy Commission and other departments concerned with national defense.

With this act in hand, the US military met the arms and technology challenge of the atomic age and built its atomic arsenal and stockpile of uranium. Actually, there was very little domestic uranium production or resources in the US. Instead, they looked to their neighbours and allies in Canada

to source their needs.

A mining camp rises to the call

Elliot Lake sits at the center of the largest deposit of uranium known in North America at the time. The Elliot Lake mining camp launched into existence with the help of the Eldorado Mining and Refining Company. This Canadian government-owned agency provided a guarantee to buy over C\$1 billion of uranium over five years – enough to make a jaw-dropping 15,000 atomic bombs – to supply the contract with US Atomic Energy Commission and their military. The contract started in 1957 and continued for five years.

Never before in Canada was so much money funneled so fast into one location. Over C\$300 million at the time (current value of C\$2.74 billion) served to build 11 mines in the area.

A different war today

There is a new arms race on now. Or is it the same one? Today it is called a trade war. There are the same foes, the communists. This time, the fight is for defense, security and technology. Rare earths are now being weaponized as part of the US-China trade dispute. These elements are vital to fuel the new race to win technological supremacy and to answer the green energy challenge.

Recently President Trump made an addition to the materials covered under the DPA 1950 to [include rare earth elements](#). President Trump highlighted the urgency of this need by quipping that the US buy Greenland, in part for its rare earth deposits. The US is also in talks with Australia, one of the few producers of rare earths outside of China, who controls the market.

New demand today points to the same location

If history can serve us, why not look near home to the

substantial rare earth deposits in Canada, the closest neighbour and ally to the US?

Significant resources of rare earth elements lay waiting in the Elliot Lake camp. In fact the grade of rare earths is approximately 3x as high as the uranium in the same deposits. In the past, it was the largest commercial producer of rare earth elements in Canada. The mines in Elliot Lake simply closed due to market prices for uranium, not resource depletion.

The largest company in the area that holds these resources is [Appia Energy Corp.](#) (CSE: API | OTCQB: APAAF) where I am a long-term holder of their stock. Appia is in the north part of the Elliot Lake camp. From estimates, their compliant and historic resources in Elliot Lake could host approaching one billion pounds of rare earth elements, in addition to the known uranium. Several of the resource zones are open for substantial expansion.

Elliot Lake contains known deposits. The history of past production proves the rare earth resources exist at Elliot Lake and are recoverable within an established major mining camp. The site has the capacity to work for decades.

Appia is also looking for rare earth elements and uranium in Saskatchewan. At that location, their Alces Lake project hosts some of the highest reported grades for rare earth elements in the world.

Now that rare earth elements are listed as critical in this new era of technology, security and defense why not use the powers of the DPA 1950 to secure them with the help of Canadian allies as in the cold war? Why not in the same place? The camp is there, ready for act two.

InvestorIntel invites you to the New Orleans Investment Conference – November 1-4, 2019

For 45 years, and through some of the most turbulent and dangerous times in investing, the record shows there is no better place to find profits and safety than the legendary New Orleans Investment Conference. The conference brings together an unparalleled group of investment experts and covers a diverse range of topics including mining (including precious metals gold and silver), energy metals, Artificial Intelligence, fintech, cannabis, electrification of transportation, and the latest mega-trends. Powerful new trends such as clean energy, e-sports, streaming media and 5G will all be covered at the conference.



**2019 top line speakers at the New Orleans Investment
Conference**

At this year's event, speakers include Stephen Moore, Kevin D. Williamson, Peter Schiff, Dennis Gartman, Doug Casey, Danielle DiMartino Booth, Peter Boockvar, Chris Martenson, Adam Taggart, Rick Rule, Ross Gerber, Brien Lundin and dozens more!



**In Today's Uncertain World,
There's Only One Sure Investment**

Gartman *Martenson* *Casey* *Schiff* *Boockvar*
Lundin *Larson* *DiMartino Booth* *Moore* *Williamson* *Gerber* *Rule*

***No wonder investors are flocking to the world's oldest,
most exclusive and profitable investment event.***

Panel discussions

A great format, the group panel discussions, allows investors to hear from a variety of panel experts discussing a topic of interest. At this year's event panels will discuss "The Next Big Thing(s) in Tech", "Opportunities in real estate", "Key trends in energy, the economy, the environment and technology", and much more.

InvestorIntel will be at the New Orleans Investment Conference

Founder and CEO of InvestorIntel Tracy Weslosky states: "We have been participating in this event over the last dozen plus years due to the volume of influencers in the resource sector that attend the New Orleans Investment Conference. Not only do the speakers set the tone for the market for the upcoming year, but the audience is full of knowledgeable investors that respect the impact of geopolitical issues on their portfolio. Let me add, this conference lead by Brien Lundin lends

credibility to the value of relationships in business as no one has a better rolodex in the industry than Brien.”

Access to the best analysts and investors in the world

The New Orleans Investment Conference is a must visit event. Investors and experts are brought together in an environment of learning. Furthermore, the conference focuses to bring in the most sophisticated and successful individual investors – mavericks who don't follow the herd, but rather search for valuable, unhedged and unbiased information.

We hope to see you there.

To Register For New Orleans 2019 just call 1-800-648-8411 or click on this link to learn more and register: [CLICK HERE.](#)

Note: If you attend New Orleans 2019 and don't make back at least four times the money you paid to register – in six months or less – just let the conference organizers know. They will happily give you a prompt, hassle-free refund on your entire registration fee.

Feel free to bring your partner, as this year's conference event will also bring the best of New Orleans to you, with gala celebrations and receptions throughout the event!

New Orleans flavor gala celebrations and receptions throughout the event



Investors showing quiet confidence that Trump's working group recommendations will see a revival of the US domestic uranium industry

The uranium Section 232 discussion continues. President Trump recently created the [U.S. Nuclear Fuel Working Group](#) (Working Group) to develop recommendations for reviving and expanding domestic nuclear fuel supply and production, following on from industry demands in Section 232 Petition. Remember [20% of US energy](#) comes from nuclear plants, yet the US has almost no

uranium production. The U.S. Department of Commerce Section 232 Report on uranium will soon be made public.

According to [Energy Fuels Inc.](#) (NYSE American: UUUU | TSX: EFR), the Working Group being set up shows that President Trump clearly recognizes that the [decline of domestic nuclear fuel production](#) is a U.S. national security issue. The Working Group has been mandated to determine what to do about the issues raised in Proposition 232 (now Section 232 Petition) and they have until mid-October 2019 to provide recommendations to the President.

A brief reminder of Section 232 Petition

Section 232 Petition initiated by Energy Fuels looked at a 25% domestic (US) production quota for uranium, for national security reasons. The Petition highlighted industry concerns that cheap uranium is being dumped onto the US market. US uranium miners have to compete with state-subsidized mines in Russia and its allies in Kazakhstan. This means US uranium miners are operating at a loss or at best break-even levels.

It is understood that the US Commerce Department and other U.S. government agencies now recognize that Russia, China and their allies are working to control the global nuclear fuel market and marginalize the U.S. This also represents a national security threat as the U.S. needs domestically sourced uranium for defense purposes and general nuclear energy production.

The US Nuclear Fuel Working Group

With all this information, the current administration is taking a more holistic look at nuclear fuel production under the name of the U.S. Nuclear Fuel Working Group. This includes uranium mining, milling, conversion and enrichment. Remedies like quotas could still be on the table, but the creation of the Working Group opens up other ways to support the domestic industry including direct support, support to U.S. utilities

for buying U.S. uranium products, tax breaks, regulatory reform, and other similar actions.

Insider buying by Energy Fuels management

Energy Fuels is very optimistic that something positive will come from this for the U.S. uranium mining and milling industry. This optimism extends to senior management of Energy Fuels who continue insider buying of company stock. On August 7, 2019 CEO Mark Chalmers bought 12,398 shares and on that same date, COO Paul Goranson bought 11,900 shares.

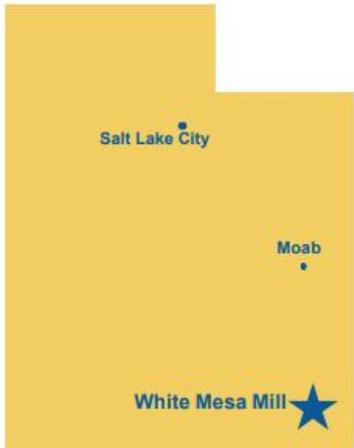
Energy Fuels Inc.

[Energy Fuels Inc.](#) is the US number 1 producer of uranium and vanadium. The Company's White Mesa Mill boasts a licensed capacity of over 8 million pounds of U3O8 per year that provides Energy Fuels with significant production scalability.

URANIUM + VANADIUM

WHITE MESA MILL
THE ONLY CONVENTIONAL URANIUM & VANADIUM MILL IN THE U.S.

<p style="font-size: 24pt; font-weight: bold; color: #0056b3;">493,000 lbs.</p> <p style="font-size: 12pt; color: #0056b3;">2018 U₃O₈ Production</p>	<p style="font-size: 24pt; font-weight: bold; color: #0056b3;">424,000 lbs.</p> <p style="font-size: 12pt; color: #0056b3;">U₃O₈ Processed for 3rd Party in 2018</p>	<p style="font-size: 24pt; font-weight: bold; color: #0056b3;">8M+ lbs.</p> <p style="font-size: 12pt; color: #0056b3;">Annual licensed capacity</p>
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The map shows the state of Utah in yellow. Salt Lake City is marked with a dot in the north. Moab is marked with a dot in the east. White Mesa Mill is marked with a blue star in the south.

- Uranium
 - In production today
 - The largest uranium production facility in the U.S.
- Vanadium
 - In production today
 - Separate vanadium circuit; very high-purity product
 - Significant past V₂O₅ production
- Other Business Opportunities
 - Alternate feed materials and land cleanup work
 - 3rd party toll milling (no agreements in place at this time)

Energy Fuels stands to be a significant beneficiary if there are positive recommendations from the U.S. Nuclear Fuel

Working Group. In particular, should a dual uranium pricing mechanism be adopted or US producers subsidized, then this will put Energy Fuels in an enviable position having the only operating conventional uranium mill in the U.S.

Recent Energy Fuels insider buying of their stock suggests management are quietly confident that Trump's working group recommendations will see a revival of the US domestic uranium industry.