

In-house production key to making Energy Fuels the world's lowest cost producer of rare earth metals

Energy Fuels takes giant step towards complete, in-house, vertical integration in the production of rare earth permanent magnet alloys

Energy Fuels Inc. (NYSE American: UUUU | TSX: EFR) has just this week announced that it will buy, subject to due diligence, a huge Brazilian deposit of heavy mineral sands, which it will mine to produce a concentrated mineral mix that will contain zircon, ilmenite (titanium), and monazite. This concentrate is expected to be sold to partner companies, which will extract the zircon and ilmenite as payables, and the residual monazite, a waste product in zircon/ilmenite processing, will be conveyed at a nominal cost (as part of the arrangement to supply the heavy mineral sands to partners) to Energy Fuels' White Mesa, Utah, where the monazite will be cracked and leached to extract a clean rare earth content as a mixed carbonate and to extract and sell or legally dispose of its uranium and thorium content.

Energy Fuels is already buying, and processing monazite produced in the above way from the zircon/ilmenite operations of Chemours in Georgia, but the Brazilian purchase will allow Energy Fuels to diversify and lower its cost of monazite concentrates.

The in-house production of monazite rich heavy mineral sands

by Energy Fuels will be the foundation of its program for the vertically integrated (in-house) production of rare earth metals and alloys from (in-house) separated and purified individual and blended rare earth salts.

Energy Fuels operates the only operating uranium processing "mill" in the United States and the only facility in the United States in the U.S. capable of processing monazite for the recovery of uranium for sale to nuclear power plants, and the recovery or legal disposal of the thorium and other radionuclides associated with monazite.

The company has already begun processing purchased monazite into a mixed rare earth carbonate, and currently has the capacity to produce thousands of tons of such mixed rare earth carbonates per year. Energy Fuels' mixed carbonate is the most advanced rare earth product being produced at a commercial scale in the U.S. today. The company is also making major strides in producing separated and refined individual and blended rare earth products at its mill.

Comparatively, monazite contains up to 50% more of the recoverable core magnet metals, neodymium and praseodymium than the bastnaesite mined at Mountain Pass, California.

Energy Fuels is finalizing a scoping study for a dedicated, rare earths, solvent extraction separation system and is finalizing the commercialization of a new rare earth metals and alloys production process demonstration.

Within 24-36 months Energy Fuels has the potential to be the world's lowest-cost producer of separated individual rare earths and will therefore the lowest cost producer of rare earth metals and alloys. No government subsidies have been needed. Just managerial knowledge, experience, and skill.

Energy Fuels already is a major domestic supplier of uranium and vanadium. In fact, the company announced at its AGM, earlier this week, that it has signed a decade long supply

deal with two American utilities to provide them with more than 4,000,000 lbs of uranium. This contract will bring in more than USD\$200,000,000 over its life.

Energy Fuels is a producing and growing domestic American critical metals processing hub.

Disclosure: Jack Lifton is a member of the Advisory Board for Energy Fuels Inc., and may hold securities or options in some of the companies mentioned in the above article.