

Ur-Energy readies its Lost Creek mine and in-situ processing facility for a Uranium Bull Market in 2022

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The uranium market is back. The uranium price rose very strongly in H2 2021 and is now consolidating, having reached [US\\$46.45/lb](#). Demand for baseload nuclear power should only increase this decade as the world looks to de-carbonize and move away from coal power. Is this the beginning of a uranium bull market?



Source: [Trading Economics](#)

Today's company announced in November 2021 its intention to prepare for "full production-ready status" at their U.S uranium mine with production able to begin following preparations in Q1 2022.

The company is [Ur-Energy Inc.](#) (NYSE American: URG | TSX: URE). Ur-Energy operates its flagship Lost Creek 'in-situ recovery' uranium mine and facility in south-central Wyoming, USA. The Lost Creek Mine and facility has been on [care and maintenance](#) awaiting higher uranium prices. When operational, Ur-Energy is among the top two U.S uranium producers and is a global low-cost uranium producer. It also owns the Shirley Basin, Lucky Mc mine, and Last Soldier uranium projects in the USA as well as the Excel Gold Project in Nevada.

Ur-Energy uses a uranium in situ recovery process at their Lost Creek Mine which has a lower environmental impact



Source: [Ur-Energy website](#)

In the November 1, 2021 [announcement](#) Ur-Energy Chairman and CEO, Jeff Klenda stated:

“In addition to the release of our 2021 Q3 results we are pleased to announce **the commencement of a development program at Lost Creek that will advance us from reduced operations to full production-ready status**. As of October 27, 2021, we had more than \$40 million in cash and **285,000 pounds of U.S. produced U_3O_8 in inventory** worth approximately \$13.4 million, stored at the conversion facility...”

“Throughout the prolonged downturn of the uranium market... we optimized our production processes, conducted extensive maintenance, and readied the Lost Creek plant for full production. Now we are seeing a fundamental shift in the uranium market, as evidenced by a 70 percent rise in the spot price from earlier year lows and are taking active measures to better prepare for immediate start up when warranted.”

Note: Bold emphasis is by the author.

Fast forward to today and we still have similar strong uranium prices as in November 2021 and, we are in Q1, 2022. This means we can reasonably expect Ur-Energy to soon announce a move from reduced operations to full production operations.

Huge expansion of uranium production potential for Ur-Energy

Lost Creek is capable of ramping up to an annualized run rate of one million pounds of uranium production.

CEO Klenda [stated](#): “Our second uranium ISR project, Shirley Basin, stands ready for development and construction. Having

received all remaining major approvals for Shirley Basin earlier this year, we have effectively doubled the Company's licensed and permitted production capacity."

U.S. uranium Reserve update and Build Back Better plan

In June 2021 World Nuclear News [reported](#): "The request notes that the DOE Office of Nuclear Energy and the National Nuclear Security Administration are working to develop and implement the reserve which received an enacted USD75 million in FY21 but does not request funds for the program in FY22."

Then in September 2021, the U.S Federal register [stated](#): "The Department of Energy (DOE) published the Request for information (RFI) to invite public comment on topics related to the Establishment of the DOE's Uranium Reserve program on August 11, 2021."

[The Nuclear Energy Institute](#) highlights 2022 as potentially being a good year for nuclear, with the Build Back Better Act poised to hopefully pass in early 2022, which includes a production tax credit (PTC) for electricity generated by nuclear power plants in operation today.

Closing remarks

A stronger uranium price is looking positive for the uranium miners in 2022. Constrained supply and strengthening demand are near-term positives. In the longer term, the move away from coal powered baseload energy to nuclear energy is another potential positive this decade for uranium.

Ur-Energy is a top two U.S uranium producers, currently preparing to start up production again at their Lost Creek Mine. The Company can rapidly ramp back up its uranium supply and has an additional capacity that can be developed in the near term,

particularly at Shirley Basin.

Ur-Energy trades on a market cap of US\$266 million. Will 2022 be the year U.S uranium miners finally bring back lost production capacity? We will soon see.

**Up 207% over the past year,
Ur-Energy's revenue is
'forecast' to rise
exponentially in the next 2
years**

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Uranium prices have grinded higher in 2021 and the outlook has never looked better for U.S uranium miners with forecast uranium deficits in the years ahead. US uranium producers are well placed to benefit from the Biden policies that understand the importance of nuclear and securing uranium. Right now the USA produces virtually zero uranium and is dependent upon Russia (including Russia controlled sources in Kazakhstan) for [about 50%](#) of their uranium supply. [20%](#) of U.S electricity relies on nuclear as does much of the U.S Navy fleet.

[Ur-Energy Inc.](#) (NYSE American: URG | TSX: URE) is among the top two U.S uranium producers and is a global low cost uranium producer. Ur-Energy operates the Lost Creek in-situ recovery uranium facility in south-central Wyoming, USA, currently on

hold due to the uranium prices bear market. The stock is having a stellar year, [up 207%](#) over the past year boosted by improving uranium prices and positive uranium policy from the Biden administration.

Ur-Energy's stock has been rising with the beginning of what looks to be a new uranium bull market



Source: [Yahoo finance](#)

An update on Ur-Energy

Over the past year, the Company has been working on their expansion plans. Ur-Energy now has all major permits and authorizations to begin construction at Shirley Basin, the Company's second in situ recovery uranium facility in Wyoming and is in the process of obtaining remaining amendments to Lost Creek authorizations for expansion of Lost Creek.

At Lost Creek, the mine is [currently on care and maintenance](#) awaiting higher uranium prices or suitably priced long term contracts.

Ur-Energy's revenue is 'forecast' to rise exponentially the next 2 years

Based on an online [analyst's forecasts](#), Ur-Energy is set to grow revenues from US\$8 million in 2021 (close to zero in operating profits) to US\$24 million in 2022 (US\$24 million in operating profits), and to US\$75 million in 2023 (US\$40 million in operating profits). That's a tremendous forecast revenue rise and would be mostly due to the anticipated ramp up in uranium production by Ur-Energy, forecast uranium deficits with stronger uranium pricing, and the U.S plan to establish a US\$150 million pa U.S. uranium reserve building program over the next 10 years.

Joining the broad-market Russell 3000® Index

[Announced](#) on June 7, 2021, Ur-Energy is set to join the broad-market Russell 3000® Index as of June 28, 2021. This is a significant milestone achievement for the Company. Approximately \$17.9 trillion is currently benchmarked to FTSE Russell indexes. Ur-Energy Chairman and CEO Jeff Klenda, [stated](#):

“Ur-Energy is excited to be included in the Russell 3000® Index. This listing reflects the significant increase in our market capitalization over the past several months, and our continued effort to build shareholder value. Inclusion in the Russell 3000® is significant as the Russell indexes are widely followed by the investment community. We believe inclusion in the Russell index provides us with the opportunity to expand our shareholder registry as we continue to progress our strategic initiatives and maintain operational readiness until we ramp-up production operations at our Lost Creek Project.”

Closing remarks

All indicators are pointing to higher priced uranium. A key being forecast global deficits the next 5 years+ due to strong demand and constrained supply. Another is that the Biden administration is pro smart nuclear, and the U.S wanting to achieve an independent supply of critical materials such as uranium. The only way to do this is by buying uranium from ally countries or more ideally from U.S producers on long term contracts that are profitable for the miners. Existing U.S demand to feed the U.S's nuclear reactors and military plus supply to build the reserve are all critical priorities right now for the USA.

Ur-Energy is ideally positioned in the USA to play a very significant part in restoring U.S energy security and the U.S uranium reserve. This helps explain why the stock has already

run ahead by 207% in the past year and now trades on a market cap of US\$316 million. The stock may well take a short-term pause but the next decade looks very strong for Ur-Energy.

Further learning

[Ur-Energy's Jeff Klenda on Biden's interest in nuclear energy, US utilities 'just-in-time deliveries' for uranium and being the lowest cost producer of uranium in the U.S. \(video\)](#)

Jeffrey Klenda on the staying power of Ur-Energy's uranium project and the dangers of the Russian Suspension Agreement

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"When you talk about our quarter and our seventh year we are very pleased," Jeffrey Klenda, Chairman, President, and CEO of [Ur-Energy Inc.](#) (NYSE American: URG | TSX: URE), told InvestorIntel's Tracy Weslosky in an interview. "We started production in August of 2013. The thing that is most astonishing about it is that during that time we have emerged as one of the lowest cost producers, not just in North America but globally."

"Our recovery rate is in excess of 90%," Klenda told InvestorIntel. "We are still producing out of our first mine unit, seven years after we first started production there. That is extraordinary considering that most mine units last about two to three years before they are done. It's a beast of a project."

We are in the second mine unit now and we have ten mine units to go after this. So, it is going to be a long life project.”

Jeffrey went on to speak about the Russian Suspension Agreement. He said that the Agreement has morphed into a way for Russian companies to dump nuclear fuel into the US market. As a result, the US has developed an inordinate dependency on the Russian supply. He cautioned, “it is an unwise energy policy and it is downright dangerous national security policy.”

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

Disclaimer: Ur-Energy Inc. is an advertorial member of InvestorIntel Corp.

The Perfect Market Storm: Critical Materials, Cleantech and COVID-19

written by Tracy Weslosky | January 19, 2022

There seems to be a misguided notion (with some) that isolation means we have more time to waste. Far from reality, I am certain that many of you, like me are looking at your inbox wondering where or how to wade into the depth of quality deals and opportunities upon us...

Would like to kick your morning coffee off with a special nod to our longstanding friends from [Avalon Advanced Materials Inc.](#) (TSX: AVL | OTCQB: AVLNF) whose \$AVL soared 50% yesterday. We have been supporters of #Avalon since Don Bubar first did an

interview with me in 2009 (with Jack Lifton) and introduced me to rare earths. And indeed, there is news flow in the rare earths a-n-d throughout the critical materials sector that is literally ricocheting from source-to-source online...

[How to follow?](#)

Jack Lifton, Clint Adam Smyth and I just launched the [TechnologyMetals.com](https://www.TechnologyMetals.com) site to manage the influx of critical materials' news (and experts) we are communicating with regularly. Jack's interview with Dr. David Dreisinger on [Search Minerals Inc.](#) (TSXV: SMY) last week was purely outstanding (in my opinion) as he describes David as "the leading authority on solvent extraction process". This is a hot topic that we touch on in our weekly update that we just started...[click here to access a preview](#)

And associated technologies relating to cleantech? We saw [Exro Technologies Inc.](#) (CSE: XRO | OTCQB: EXROF) stock move up 30% yesterday! Interviewing CEO Sue Ozdemir on how Exro makes "electric motors faster, stronger and greener" for InvestorIntel on Wednesday: we will get this up live as fast as we can!

Uranium continues to maintain a much-deserved interest, let me point you in the right direction for a quick update – Matt Bohlson's piece from last week titled, [The DoE's plan to rebuild the uranium sector and 'pull America's nuclear industrial base back from the brink of collapse'...](#) reinforces the sustainability themes we are touting on the Technology Metals Show. Arranging interviews as we speak with Mark Chalmers of [Energy Fuels Inc.](#) (NYSE: UUUU | TSX: EFR) and Jeff Klenda of [Ur-Energy Inc.](#) (NYSE: URG | TSX: URE) as they "stand to be the major beneficiaries, especially given they started the whole S232 petition back in January 2018" you should see those live on InvestorIntel next week.

And yes, we are following the biotech and life sciences market. If you subscribe to our AI driven market updates on InvestorChannel.com – you can catch the 20 companies, we are following in the race for vaccinations...[click here](#)

Speaking of AI technology, we would like to ensure that you are aware of the news that was put out by [Predictmedix Inc.](#) (CSE: PMED | OTCQB: PMEDF) yesterday titled – [Predictmedix Files Patent for Mass Screening for Infectious Diseases Such As #COVID19](#)



1 YR stock Chart for Predictmedix Inc. (CSE: PMED) – Source: TD Waterhouse

And speaking on the war against the COVID-19, [StageZero Life Sciences Ltd.](#) (TSX: SZLS) put out the following news on April 20th [StageZero Life Sciences Initiates Testing for COVID-19 In the USA](#)

Remember, click here to subscribe to the [InvestorChannel](#) for daily market updates on the Canadian, US and Hong Kong markets – and to follow InvestorIntel's stock watchlist for Gold, Uranium, Rare Earths and of course, COVID-19...