

# Technology Metals Report (02.16.2024): Australia makes Nickel a 'Critical', Hastings Rare Earth Deal with Baotou, and Uranium Market Continues to Rise

written by Tracy Weslosky | February 16, 2024

Welcome to the latest issue of the Technology Metals Report (TMR), brought to you by the [Critical Minerals Institute](#) (CMI). In this edition, we compile the most impactful stories shared by our members over the past week, reflecting the dynamic and evolving nature of the critical minerals and technology metals industry. Among the key stories featured in this report are the Australian government's decision to classify nickel as a 'critical' mineral, entitling it to support from a significant stimulus fund, and the emerging competitive landscape in Africa as Western countries endeavor to reduce China's dominance in the critical minerals sector, particularly in cobalt production.

This week's report also highlights various strategic collaborations and developments, including Hastings Technology Metals Ltd.'s (ASX: HAS) offtake agreement with Baotou Sky Rock for the Yangibana Project, and the U.S. Department of Energy's funding allocation for projects aimed at extracting rare earth elements and critical minerals from coal-based resources. Furthermore, we cover the notable surge in uranium prices to a 17-year high and the strategic expansion plans by Energy Fuels Inc., alongside LG Energy Solution's efforts to secure lithium supply through a second agreement with WesCEF. Lastly, we touch

on the advancements in battery technology, such as the pilot production of battery-grade purified phosphoric acid by First Phosphate Corp. and the formation of the China All-Solid-State Battery Collaborative Innovation Platform (CASIP) by leading Chinese battery and automobile manufacturers, including CATL and BYD, aiming to propel the development of all-solid-state batteries.

**Australia classifies nickel as a 'critical' mineral to protect ailing industry (February 16, 2024, [Source](#))** – The Australian government has recognized nickel as a critical mineral, making it eligible for support from a A\$6 billion stimulus fund due to concerns over the nickel industry's decline, exacerbated by a supply glut from Indonesia and falling EV demand. This move aims to protect thousands of jobs and key producers like IGO Limited (ASX: IGO) and BHP Group (ASX: BHP | NYSE: BHP) from the impacts of falling nickel prices, which have dropped 43% in the past year. BHP has announced a significant impairment charge on its Nickel West division, highlighting the industry's dire situation. The government's intervention, including potential low-interest loans and grants, is a response to the challenges posed by cheaper Indonesian nickel, driven by Chinese investment and a ban on nickel ore exports from Indonesia. This situation has led to reduced investment and operational suspensions in Australia's nickel sector, threatening its survival and the country's ambition to develop alternative supply chains to China.

**West challenges China's critical minerals hold on Africa (February 16, 2024, [Source](#))** – In a significant development in the global minerals market, China's CMOC Group has surpassed Glencore PLC (LSE: GLEN) to become the leading producer of cobalt, primarily through its operations at the Kisanfu mine in the Democratic Republic of Congo. This surge in production has created one of the largest cobalt surpluses in recent years,

despite a drastic fall in cobalt prices. Western countries, recognizing the strategic importance of cobalt and other critical minerals for clean energy and military applications, are challenging China's dominance in Africa. They are particularly focused on the rich copper and cobalt reserves in the Copperbelt region, which spans Zambia and the Congo. Western entities, including companies backed by prominent investors like Bill Gates and Jeff Bezos, are venturing into this region, despite political and infrastructural challenges. The U.S. and other Western nations are supporting infrastructure and energy projects to facilitate mining and reduce logistical costs. Efforts to de-risk mining in the Copperbelt include upgrading rail lines and developing solar power projects. Meanwhile, the Congolese government is asserting more control over its mineral resources, revising deals with Chinese companies and aiming to formalize artisanal mining to secure a fairer share of the revenue from its mineral wealth. This marks a pivotal shift in the geopolitics of critical minerals, highlighting the strategic competition between the West and China over Africa's mineral resources.

**Hastings And Baotou Sky Rock Sign Binding Term Sheet For Integrated Tolling And Offtake Arrangement (February 16, 2024, [Source](#))** – Hastings Technology Metals Ltd. (ASX: HAS) has entered into a binding term sheet with Baotou Sky Rock Rare Earth New Material Co., Ltd for an integrated tolling and offtake arrangement concerning the Yangibana Project's rare earth concentrate. This arrangement allows Hastings to toll treat its concentrate in China, transforming it into separated rare earth oxides, and sell them, improving Hastings' revenue and cash flows beyond previous models. The agreement, lasting seven years with a possible five-year extension, guarantees a minimum of 10,000tpa of concentrate processing. This deal complements Hastings' existing contract with thyssenkrupp and is part of

negotiations with other potential customers for further offtake agreements. The updated financial model reflecting this integrated approach will support the project's funding, showcasing significantly enhanced project economics, including a notable increase in post-tax NPV, IRR, and life of mine free cashflow, while reducing the capital payback period.

**The Up and Coming Uranium Boom (February 15, 2024, [Source](#))** – In an interview with Hallgarten + Company's Christopher Ecclestone and the [Critical Minerals Institute](#)'s (CMI) Tracy Weslosky, the discussion centered around the uranium market's burgeoning prospects. Ecclestone expressed skepticism regarding the effectiveness of a US ban on Russian uranium, suggesting that Russian uranium could be rerouted through Kazakhstan. He highlighted the challenges Western countries might face in replacing Russian uranium sources. Ecclestone described the uranium market as vibrant, contrasting it with the stagnation in battery metals, and emphasized uranium's unique investment appeal. He advised investors to focus on proven assets from previous booms, cautioning against investing in new, unproven fields. Ecclestone also critiqued the hype around thorium and small modular nuclear reactors, advocating for their potential but also indicating a need for realism. Lastly, he mentioned Argentina and the Athabasca region as key areas for uranium investment, highlighting the importance of geographic and asset-based considerations in the uranium industry.

**DOE Awards \$17M To Conduct FEED Studies for Production of Rare Earth Elements, Critical Minerals (February 15, 2024, [Source](#))** – The U.S. Department of Energy (DOE) is allocating over \$17 million to three projects for extracting rare earth elements and critical minerals from coal-based resources. Funded by the Bipartisan Infrastructure Law, this initiative aligns with President Biden's Investing in America agenda to diminish reliance on foreign critical minerals vital for clean energy

technologies, including solar panels and electric vehicles. Leveraging America's substantial coal reserves and waste, the projects aim to foster a self-reliant supply chain, enhance national security, support environmental sustainability, and create quality jobs. This strategic move towards utilizing domestic resources for critical mineral production underscores a significant push towards energy independence, aligning economic revitalization with clean energy advancements.

**India to Capitalise on Coveted 'Critical Minerals Club' to Acquire Overseas Assets (February 15, 2024, [Source](#))** – India is strategically enhancing its position in the global critical minerals market by focusing on acquiring overseas assets through collaborations with Western countries and leveraging partnerships within the US-led Minerals Security Partnership (MSP). This international coalition aims to ensure reliable critical mineral supply chains amidst global disruptions. India, which joined the MSP in 2023, is encouraging public sector undertakings (PSUs) like Coal India Limited, NLC India Ltd., and NTPC Ltd. to secure strategic assets in lithium, cobalt, and graphite to bolster its green energy transition and manufacturing capabilities in electronics, including electric vehicles and semiconductors. Deals have been made, notably with Australia and countries in South America and Africa, to secure these essential materials. The initiative reflects India's ambition to become self-reliant in critical minerals crucial for the technology-driven world economy, particularly as it aims to accelerate its green energy transition and indigenous manufacturing.

**Uranium Prices at a 17-Year High, Energy Fuels Rapidly Increases Uranium Production in 2024 (February 14, 2024, [Source](#))** – Uranium prices have surged to a 17-year high at \$106/lb, driven by reduced supply and increased demand, with [Energy Fuels Inc.](#) (NYSE American: UUUU | TSX: EFR) poised to benefit

significantly. The uranium market's optimism is further bolstered by a commitment from over 20 countries at COP28 to triple nuclear energy capacity by 2050, highlighting a significant shift towards nuclear energy to meet clean energy goals. Additionally, 118 governments have pledged to triple renewable energy capacity by 2030. Energy Fuels, the leading uranium producer in the USA, has initiated production at three mines, targeting a significant increase in uranium output to over 2 million lbs by 2025, alongside exploring additional production avenues. With uranium's strategic importance in the clean energy transition underscored, Energy Fuels is leveraging favorable market conditions and long-term growth prospects, underlined by its ambitious expansion and production plans.

**LG Energy signs 2nd agreement with WesCEF to expand lithium supply (February 13, 2024, [Source](#))** – LG Energy Solution from South Korea and Wesfarmers Chemicals, Energy, and Fertilisers (WesCEF) from Australia have signed their second agreement to expand LG's lithium supply chain. WesCEF will supply LG with 85,000 tons of lithium concentrate, expected to yield about 11,000 tons of lithium hydroxide, sourced from the Mt. Holland project in Western Australia, set to start in early 2025. This agreement builds on a previous deal for 50,000 tons of lithium hydroxide in 2022. Additionally, LG Energy is focusing on expanding its presence in India's electric vehicle market, already leading in supplying battery cells to e-scooter makers. In 2023, LG secured a deal with Chile's SQM for 100,000 tons of lithium for seven years, highlighting its efforts to bolster its supply chain amidst increasing lithium demand for rechargeable batteries.

**First Phosphate Corp. Completes Pilot Production of LFP Battery-Grade Purified Phosphoric Acid (February 13, 2024, [Source](#))** – [First Phosphate Corp.](#) (CSE: PHOS) announced the successful completion of a pilot project that converts high purity

phosphate concentrate into battery-grade purified phosphoric acid (PPA) for the lithium iron phosphate (LFP) battery industry. In collaboration with Prayon Technologies SA, the company has transformed phosphate concentrate into merchant grade phosphoric acid and then into PPA, conforming to food and battery-grade specifications. This achievement enables the production of LFP cathode active material and battery cells from a North American source of battery-grade PPA. First Phosphate aims to integrate its mining operations in Quebec, Canada, into the supply chains of LFP battery producers, emphasizing high purity, responsible production, and a low carbon footprint.

**CATL, BYD, others unite in China for solid-state battery breakthrough (February 12, 2024, [Source](#))** – In a bold move to spearhead the electric vehicle (EV) revolution, China's leading battery and automobile manufacturers, including CATL and BYD, have joined forces under the government-led China All-Solid-State Battery Collaborative Innovation Platform (CASIP). Established in January, CASIP aims to commercialize all-solid-state batteries by 2030, enhancing EV performance with greater energy density and safety. This initiative, uniting industry rivals and leveraging AI technology, seeks to position China at the forefront of the next-generation battery technology, challenging current leaders like Japan and Western countries. With the participation of major companies and state support, China is poised to transform the EV market and maintain its global leadership in automotive battery innovation.

#### **Investor.News Critical Minerals Media Coverage:**

- February 15, 2024 – The Up and Coming Uranium Boom <https://bit.ly/3uAUdcv>
- February 14, 2024 – Uranium Prices at a 17-Year High, Energy Fuels Rapidly Increases Uranium Production in 2024 <https://bit.ly/48wVY8N>



## **Investor.News Critical Minerals Videos:**

- February 13, 2024 – Tom Drivas on the 3 world-renowned rare earths experts on Appia's Critical Minerals Advisory Committee <https://bit.ly/49bVMNj>

## **Critical Minerals IN8.Pro Member News Releases:**

- February 15, 2024 – First Phosphate and Integrals Power sign Joint Development Agreement to Produce Environmentally Compliant Battery Grade Iron III Phosphate Precursor for the LFP Battery Industry <https://bit.ly/3uDdslR>
- February 14, 2024 – Imperial Mining Announces Effective Date of New Trading Symbols after TSXV Approves of Name Change to Scandium Canada Ltd. <https://bit.ly/48hRyl0>
- February 13, 2024 – Western Uranium & Vanadium Mining Operations Update <https://bit.ly/4bvDKHr>
- February 13, 2024 – Donald Swartz, CEO American Rare Earths, to speak at “The Future Panel” <https://bit.ly/3UF2M05>
- February 13, 2024 – First Phosphate Corp. Completes Pilot Production of LFP Battery-Grade Purified Phosphoric Acid <https://bit.ly/3P51pF5>
- February 13, 2024 – Defense Metals Updates Metallurgical Test Work and Preliminary Feasibility Study Progress for its Wicheeda Rare Earth Elements Project <https://bit.ly/3HYiV9R>
- February 13, 2024 – Power Nickel extends resource mineralization at Nisk Main <https://bit.ly/49aJCE9>
- February 12, 2024 – F3 Hits 66.8% U3O8 over 0.5m within 42.4% over 2.0m at JR <https://bit.ly/3HUa60a>



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# Upward price pressure from the impact of potential Russian uranium sanctions

written by InvestorNews | February 16, 2024

In this InvestorIntel interview, Tracy Weslosky talks with [Western Uranium & Vanadium Corp.](#)'s (CSE: WUC | OTCQX: WSTRF) President, CEO, and Director George Glasier about possible causes of the recent upward pressure on uranium prices and his views on the current uranium market.

George comments about the potential impacts of banning Russian uranium. He states: "The sanction on Russian uranium is in the works right now...the market is saying that it is likely to happen...over a period of time that will cause demand for uranium to switch from Russian and Kazakhstan likely to non-Russian, non-Kazakhstan uranium...it's going to take a higher price to justify this non-Russian, non-Kazakhstan production."

George gives his view on where the uranium price is likely to go in the next 2 years. He also discusses Western Uranium & Vanadium's Sunday Mine production potential. When combined with the Company's other project, total uranium production is targeted to produce ~2 million pounds of uranium per year over a 20+ years period.

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

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# About Western Uranium & Vanadium Corp.

Western Uranium & Vanadium Corp. is a Colorado-based uranium and vanadium conventional mining company focused on low-cost near-term production of uranium and vanadium in the western United States, and the development and application of kinetic separation.

To learn more about Western Uranium & Vanadium Corp., [click here](#).

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If you have any questions surrounding the content of this interview, please contact us at +1 416 792 8228 and/or email us direct at [info@investorintel.com](mailto:info@investorintel.com).

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## Uranium and Rumors of Wars

written by InvestorNews | February 16, 2024

*"You will hear of wars and rumors of wars, but see to it that you are not alarmed. Such things must happen, but the end is still to come."* Matthew 24:6.

Recently, rumors about uranium have moved markets. When it comes to rumors, Matthew 24:6 speaks for itself. But let's also look to [Bloomberg News](https://www.bloomberg.com/news), which is not quite the Bible but is still considered reliable:

*"The Biden administration is pushing lawmakers to support a \$4.3 billion plan to buy enriched uranium directly from domestic producers to wean the U.S. off Russian imports of the nuclear-reactor fuel. ... Shares of uranium companies surged."*

Which prompts me to wonder, were you one of those uranium share

buyers, dear reader?

After all, the idea of stock trading is to buy the rumor. And definitely, this talk of a massive U.S. government uranium buy is a very good rumor.

But the other half of that old market aphorism about buying rumors is to sell the news. So, what's the "news" about U.S. uranium? I'll tell you a few things about that in just a moment.

Meanwhile, you may be wondering how long to hold and remain in the uranium play.

Should you sit tight, or even buy more uranium shares in the expectation of more gains? Or should you, perhaps, take some of the upside off the table sooner versus later? Because after all, there are risks in holding and waiting. Again, we'll dig into this below.

First, it's about time that something big happened in the U.S. nuclear space. If for no other reason this rumor of a future government buy is upbeat because over the past three decades, so little has happened with U.S. nuclear, aside from a long and seemingly inexorable rundown.

Indeed, the past decade has been immensely frustrating to investors who trade the uranium space in the U.S. or any other country. We've seen numerous false starts, trips, stumbles, range-bound trading and even serious downward, capital-killing moves.

But now, along comes the Biden administration and drops a hint of supposed multibillions flowing into the sector. Which prompts an immediate question, what is there to buy out there? Again, hang on for a moment.

Answering that query requires understanding some history. And

the quick rundown is that from the 1940s to the 1970s, the U.S. pioneered much of the world's nuclear science and technology – with the assistance of foreign scientists and allies, to be sure.

The World War II-era Manhattan Project speaks for itself, along with its programmatic successor the Atomic Energy Commission (AEC). And of course, the Soviet Union had its own, parallel massive program throughout the Cold War.

By the 1980s the U.S. had built a vast nuclear complex, ranging from uranium mines and mills through the entire processing cycle. The U.S. enriched uranium fuel for nuclear power production, as well as super-enriched the metal for bomb-grade materials.

Equally important, by the 1980s the U.S. had a sizeable workforce within the nuclear space, well up into several hundred thousand people. These ranged from miners in the field to processors, and technicians, to top-level scientists and engineers inside the labs, processing plants and other industrial landscape.

Also, and just as important, in the 1980s the U.S. could boast of an entire educational pipeline that trained people in skilled trades related to nuclear, up to the most advanced academic research.

The short version of what happened is that almost all of those people, and most of the training pipeline, long ago atrophied and fell apart. Today, the U.S. labor force, from mines to laboratories is a pale shadow of what it used to be.

With this setup, let's now focus on where the U.S. nuclear industry stands. That is, just what kind of bang for the buck (pardon the phrase) will the U.S. government get for dropping

well over \$4 billion onto the country's nuclear space?

The first question is how much uranium does the U.S. produce right now? And the answer is, just about none. Okay, slightly more than z-e-r-o. In fact, in 2021 the amount of uranium mined in the U.S. was 10 tonnes, or 21,000 pounds per the U.S. Department of Energy (DOE).

In the context of global mining, in which well over 50,000 tonnes have been produced per year, worldwide, over the past two decades, U.S. output of primary uranium ore in 2021 was negligible, if not statistical noise.

And yes, perhaps that 2021 number – 10 tonnes – shocks you. It is so small that it's negligible. But consider year 2020, when the U.S. output number was even smaller; so small that the DOE didn't even publish it. Rumor has it that the U.S. produced all of 6 tonnes of uranium in 2020.

Meanwhile, it's worth examining the U.S. mining workforce in the uranium space. And fortunately, DOE tracks those numbers as well.

In 2021 the U.S. had 32 people working in uranium mining, and 52 workers in processing. Total of 84. Yes, seriously. Those are DOE numbers, not typos.

Looking at the industry with a wider aperture, from exploration to mining, processing and environmental reclamation, total U.S. employment in primary uranium currently totals around 200.

Think about it. That's 200 people in uranium, out of a vast U.S. population of about 350 million. Another way of saying it is that the U.S. has almost no skilled workforce for uranium production.

The next question that may pop into one's head is how does the

U.S. keep its fleet of power plants running – civilian and military – if the country produces so little uranium? Easy, the U.S. imports nuclear fuel from Kazakhstan, Canada, Namibia, Australia and many other countries, including... yes... Russia.

And along those lines, Russia has a very robust uranium sector, ranging from mines and mills to processing and enriching. No, there's no shortage of uranium-related facilities or workforce in Russia.

Which gets us back to those rumors of the U.S. government dropping \$4.3 billion into the U.S. uranium sector.

Obviously, that kind of government money will move the needle for the overall industry.

With the prospect of \$4.3 billion dangling out there, we may see mines hiring miners, mills hiring new workers, processors hiring people, solid demand for engineers and scientists (from where/what schools, one might ask?).

We'll also see demand for all manner of new equipment with which to do the work, because much of the legacy U.S. nuclear complex is old and in bad shape, if not closed and idled.

But really, don't kid yourself. This proposed – rumored – whack of new government money will not solve the nation's nuclear problem. There are some things you just cannot buy with money, and creating an instant workforce in the nuclear sector is one of them.

Doubtless, many nuclear-related companies will benefit from an infusion of federal funds. Think of [Energy Fuels Inc.](#) (NYSE American: UUUU | TSX: EFR), [Fission Uranium Corp.](#) (TSX: FCU | OTCQX: FCUUF), [Ur-Energy Inc.](#) (NYSE American: URG | TSX: URE), [Uranium Energy Corp.](#) (NYSE American: UEC) and more.



Canada's [Cameco Corp.](#) (TSX: CCO | NYSE: CCJ) will likely benefit as well, along with the **Global X Uranium ETF**, an exchange traded fund focused on the uranium sector.

And there are downstream firms that will benefit over time. These include **Centrus Energy**, a Maryland-based firm that is building an enrichment facility in Ohio, and **ConverDyn**, a joint venture between [Honeywell International Inc.](#) and **General Atomics** that provides uranium conversion services.

So, we'll wait and see what happens here. Federal money? Well, it's nice and will create some great trades. But to build a new U.S. nuclear sector will take a generation, plus... a serious plan written by serious people.

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## Ur-Energy, Hedging the uranium supply against the chaos of war

written by InvestorNews | February 16, 2024

The big question right now is what will Putin do next? Last week U.S President [Biden banned Russian oil and gas imports](#). Will Russia respond by banning uranium exports to the USA? That would certainly cause a huge drama given that Russia largely controls the uranium market ([41%](#) of supply from Kazakhstan, 6% from Russia) and the USA's dependence on uranium to power [19%](#) of the electricity grid and a significant part of its navy which is nuclear powered.

In anticipation of a possible Russian uranium export ban or

supply shock, the uranium price has been moving higher since the war began. At the current uranium price of [US\\$60/lb](#) the outlook for uranium producers is looking dramatically improved.

**Uranium prices have spiked higher since the Russia-Ukraine war began on February 24, 2022**



Source: [Trading Economics](#)

[Ur-Energy Inc.](#) (NYSE American: URG | TSX: URE) is among the top two U.S uranium producers (when operational). Ur-Energy operates their 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. Ur-Energy also owns [several other projects](#) including the Shirley Basin Project (construction ready), Lucky Mc Mine, and Last Soldier uranium projects in the USA as well as the Excel Gold Project in Nevada, USA.

**A summary of U-Energy’s uranium projects in the USA**



Source: [Ur-Energy website](#)

The recent good news for Ur-Energy investors can be summed up from the following two key announcements:

1. [November 1, 2021](#) – Ur-Energy announces Lost Creek development program to advance readiness to ramp up uranium production. Ur-Energy stated: “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.”

2. [March 9, 2022](#) – “The economic analyses within the Lost Creek report continue to support the potential viability of the property. Total future life of mine (LoM) production (without additional exploration) is modeled to be 12.3 million pounds from 2022 to 2036 with LoM operating costs estimated to be \$16.34 per pound. All in, the estimated total costs per pound, including royalties and extraction taxes, is estimated at \$33.61 per pound before income tax of \$8.72 per pound. Pricing used in the analysis ranged from \$50.80 to \$66.04 per pound.....The Property has a calculated before tax internal rate of return (IRR) of 72.2 percent and a before tax net present value (NPV) of \$210.9 million applying an 8% discount rate. When income taxes are included in the calculation, the **after-tax IRR is 66.8 percent and the after tax NPV is \$156.8 million.**”

*Note: Bold emphasis by the author.*

## Lost Creek update

Minimal controlled production continued at Lost Creek throughout 2021 in recognition of market conditions. Ur-Energy has all required permits for operations within the first three mine units at Lost Creek and expects to have the final permit to allow operations within the HJ and KM Horizon at LC East and additional mine units at Lost Creek this year. Ur-Energy is in the process of obtaining remaining additional amendments to Lost Creek authorizations for expansion of the Lost Creek Mine.

Lost Creek recently received an amendment to its license allowing expansion of mining activities within the existing Lost Creek Project and the adjacent LC East Project. [The license now](#)

[allows annual plant production of up to 2.2 million pounds  \$U\_3O\_8\$](#) , which includes wellfield of up to 1.2 million pounds  $U_3O_8$  and toll processing of up to 1 million pounds  $U_3O_8$ . Additional approvals (as referenced above) for this expansion are expected in H2 2021.

At the current uranium price of [US\\$60/lb](#) it looks highly likely we will very soon hear an announcement of Lost Creek production restarting.

### **Shirley Basin update**

In addition to Lost Creek, Ur-Energy can bring on their Shirley Basin Project. It has a [before tax IRR of 105.6% and NPV8% of \\$129.7 million](#). Ur-Energy has all major permits and authorizations to begin construction at Shirley Basin, the Company's second in situ recovery uranium facility in Wyoming, USA.

### **2021 year end results**

Ur-Energy's 2021 results are not important given that there was virtually zero (251 pounds of  $U_3O_8$ ) uranium production and no sales. Ur-Energy [reported](#): "As of December 31, 2021, we had cash resources consisting of cash and cash equivalents of \$46.2 million. No sales of  $U_3O_8$  were necessary in 2021. The Company had a net loss of \$22.9 million or \$0.12 per common share."

Ur-Energy, [new CEO](#), John Cash [stated](#):

"We are encouraged by the dramatic increase in domestic and global support for nuclear power, as it is increasingly recognized as the only plausible solution to climate change. Ur-Energy is in the enviable position of being able to quickly ramp up and participate in an improving uranium market and, in addition, we could immediately deliver up to 284,000 pounds

U<sub>3</sub>O<sub>8</sub> into the Uranium Reserve Program, currently being established by the U.S. Department of Energy. On March 3, 2022, we had \$44.7 million in cash, plus our ready to sell U.S. produced inventory, worth approximately \$14.4 million at recent spot prices. Additionally, we continue to advance the construction of header house 2-4 to expedite production when market signals allow us to ramp up at Lost Creek.”

## **Closing remarks**

Uncertainty of uranium supply from Russia and Russian controlled sources such as Kazakhstan is leading to a surge in uranium prices, up almost 50% in the past 3 weeks since the Russia-Ukraine war commenced.

At current prices, Ur-Energy’s two key projects Lost Creek and Shirley Basin would be highly profitable as per recent economic studies done at uranium prices similar to today’s price. All of this means it is highly likely we will soon see the resumption of uranium production by Ur-Energy at Lost Creek Mine in the near term. It also times well with the U.S.’s intentions to build up a reserve of uranium and the recent [White House Fact Sheet](#) aiming to build USA supply chains for key materials.

For investors looking at a hedge against the war, then look no further than uranium. And if Putin bans exports of Russian controlled uranium to the USA and others, then expect to see uranium prices closer to US\$100/lb, than to today’s price of US\$60/lb.

Ur-Energy trades on a market cap of [US\\$380 million](#). Looks appealing.