

# **Insider buying at Energy Fuels looks to be a positive sign for the American uranium market**

Following the early February news that President Trump's FY2021 budget provisioned for a U.S. uranium reserve of US\$150 million pa, there has been increased insider activity from a prominent US uranium miner likely to benefit.

As Trump allocates \$150 million per annum to establish a U.S. uranium reserve the Department of Energy's Office of Nuclear Energy (NE) commented: "NE is asking for \$150 million to set up a uranium reserve to further protect the nation's energy security interests. The new program will help to re-establish the nation's nuclear fuel supply chain through the domestic production and conversion of uranium. The reserve is expected to support the operation of at least two U.S. uranium mines."

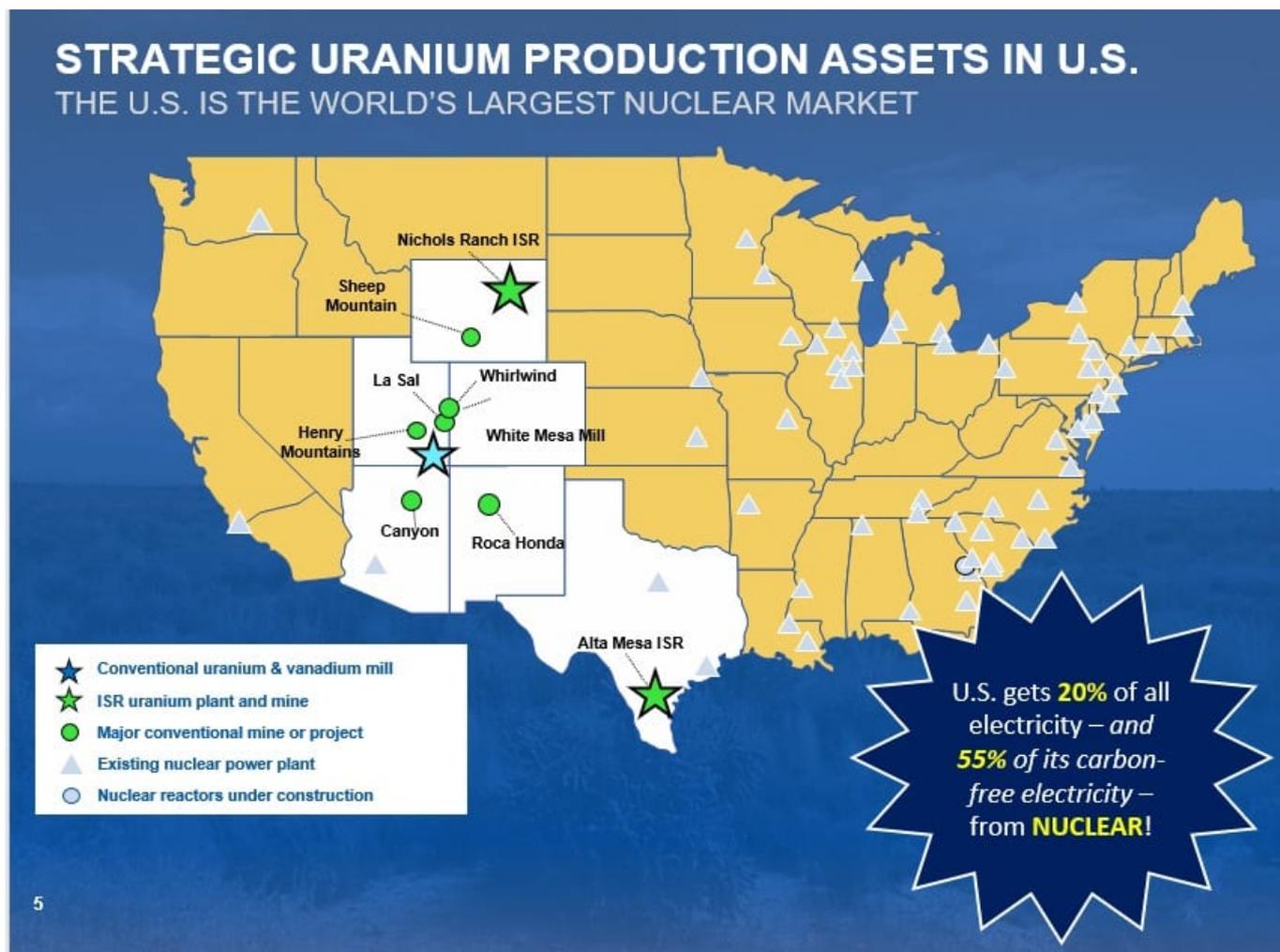
Given the two US uranium miners that started the Section 232 Petition were Energy Fuels Inc. (NYSE American: UUUU | TSX: EFR) and Ur-Energy Inc. (NYSE American: URG | TSX: URE), it could be a guide that these two US uranium producers have a strong potential to benefit.

## **Recent insider trading in US uranium miner Energy Fuels**

InvestorIntel has confirmed from management that insiders have purchased 62,390 shares on the open market in the past week, giving insiders a total of about 2 million shares. The top ten shareholders are institutions holding in total ~17%.

Given the current coronavirus market rout, Energy Fuels is currently trading at US\$1.16, well below the price company insiders were paying just a few days ago.

Energy Fuels has a market cap of US\$133 million, and an analyst's consensus price target of C\$3.65, representing 132% upside.



In case Energy Fuels Inc. (TSX: EFR | NYSE: UUUU) is new to you, Energy Fuels is one of only three US uranium miners still in production. Energy Fuels supplies U308 to major nuclear utilities. Energy Fuels also has the largest uranium resource portfolio in the U.S. among producers with an ability to rapidly scale up production if needed.

Energy Fuels holds three of America's key uranium production facilities with a combined licensed capacity of 11.5m lbs. of U308/year:

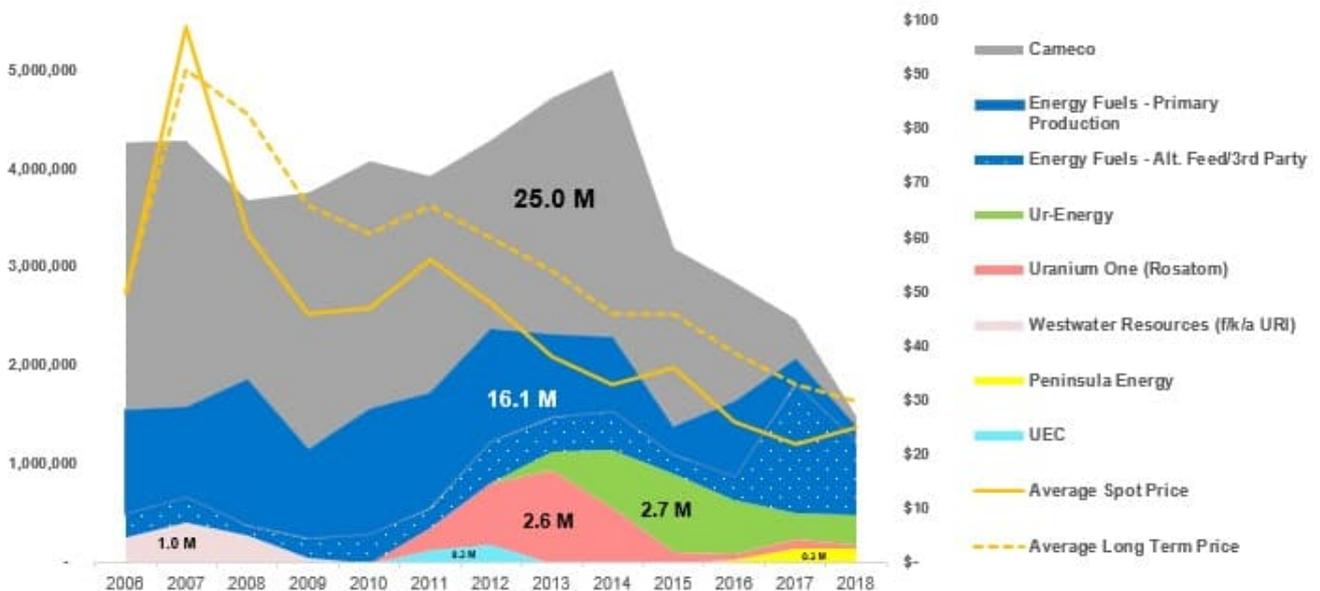
1. The White Mesa Mill in Utah is a fully-licensed and operating conventional uranium mill. It has a licensed capacity of over 8 million pounds of U308 per year. It

is the only producing conventional uranium & vanadium mill in the U.S.

2. The Nichols Ranch Processing Facility in Wyoming is an in-situ recovery production center with a licensed capacity of 2 million pounds of U3O8 per year.
3. The Alta Mesa Project in Texas is an in-situ recovery production center with a licensed capacity of 1.5 million pounds of U3O8 per year, which is currently on hold (care & maintenance).

**The Energy Fuels advantage – Able to ramp up uranium supply quickly**

## U.S. URANIUM PRODUCTION (2006 – 2018)<sup>1</sup> 85% FROM ASSETS NOW OWNED BY CAMECO & ENERGY FUELS



**Companies with proven assets are best positioned to respond to improved markets**

### Closing remarks

The ability to quickly scale up uranium production is definitely a huge advantage for Energy Fuels going forward.

Analysts are bullish on Energy Fuels with a price target representing over 100% upside. Insiders have been actively

buying up Energy Fuels shares the past week and the US uranium sector is waiting to see how the US Government awards the US\$150 million of allocated funds to uranium miners.

It is still too early to know any possible details of future US government supply contracts (prices, volumes); however, speculation is accumulating that Energy Fuels is likely to be offered a contract sometime in the foreseeable future.

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## **Dr. Spencer on a rising uranium market?**

June 26, 2018 – “The uptick has been in the last couple of weeks. There is a certain excitement in the market. It started late last year with Cameco and the Kazaks taking almost 15% of world production off the market. Since then there have been a couple of other transactions that have taken about 30% of uranium supply off the market. The market is just starting to react. For the first time we are starting to see an uptick in the uranium price that I think is going to be sustainable.” States Dr. Richard Spencer, CEO, President and Director of U308 Corp. (TSX: UWE | OTCQB: UWEFF), in an interview with InvestorIntel Corp. CEO Tracy Weslosky.

**Tracy Weslosky:** Richard, I was noticing, when we were doing some analysis this last week, what seems to be an uptick of interest in uranium. I think you had mentioned to me previously that you have seen a turnaround happen over the last several months. Can you talk to us about this?

**Richard Spencer:** Tracy it is less than that. The uptick has been in the last couple of weeks. There is a certain excitement in the market. It started late last year with

Cameco and the Kazaks taking almost 15% of world production off the market. Since then there have been a couple of other transactions that have taken about 30% of uranium supply off the market. The market is just starting to react. For the first time we are starting to see an uptick in the uranium price that I think is going to be sustainable.

**Tracy Weslosky:** Why? We have waited 4 or 5 years. I have been a closeted uranium bull. Actually, I have not been that big of a closeted uranium bull. Why now? We know there is a shortage for uranium. Why recently? It is a geopolitical issue or what is making this happen?

**Richard Spencer:** I think part of it is a geopolitical thing. I think the U.S. is recognizing that it imports 93% of its uranium. We are starting to hear the U.S. talk about the strategic side of its power grid needing reliable baseload power without increasing the carbon footprint. It is reliability of the power that is driving that move in the U.S. and Trump's administration is saying, hey we need reliable power in this country and we cannot have these nuclear power stations shutting down. Bellefonte, they just got approval to go ahead with the construction of their power plant or continue with the power plant in the U.S., which it is just huge news...to access the complete interview, [click here](#)

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