

Uranium Prices at a 17-Year High, Energy Fuels Rapidly Increases Uranium Production in 2024

written by InvestorNews | February 14, 2024

As shown in the chart below, the uranium spot price remains at its highest level since 2007, currently at [US\\$106/lb](#). A combination of [supply cutbacks](#) from major uranium producers (Kazatomprom etc) and increased demand has led to a uranium deficit, and higher uranium prices.

The longer term outlook for uranium got a boost in December 2023, when [more than 20 countries signed a declaration at COP28](#) that they would triple their nuclear energy capacity by 2050. Reuters [quotes](#): *“Global nuclear capacity now stands at 370 gigawatts, with 31 countries running reactors. Tripling that capacity by 2050 would require a significant scaling up in new approvals – and finance.”*

Also of interest is that [118](#) governments pledged to triple the world’s renewable energy capacity by 2030.

Uranium spot price – 25 year chart



Source: [Trading Economics](#)

Energy Fuels is a potential winner as they can rapidly grow their uranium production in the USA

[Energy Fuels Inc.](#) (NYSE American: UUUU | TSX: EFR) is the leading uranium producer in the USA and [according to the Company](#) have “produced 2/3 of all U.S. uranium since 2017”.

Energy Fuels [state](#) their goal as: “To create a profitable, high-margin U.S. critical mineral company –centered on uranium – that produces advanced materials needed for the clean energy transition.” Energy Fuels already produces uranium, vanadium, and rare earths (via processing).

Short-term uranium production plans

As [announced](#) on December 21, 2023, in response to strong uranium market conditions, Energy Fuels has commenced uranium production at 3 of its permitted and developed uranium mines located in Arizona and Utah (Pinyon Plain Mine, La Sal Mine at La Sal Complex, and Pandora Mine at La Sal Complex). Energy Fuels targets a [run rate of 1.1 – 1.4 million lbs. of U308 pa](#) from these mines by the end of 2024.

Next Energy Fuels [is preparing 2 additional uranium mines for production](#), including the Whirlwind Mine (Colorado) and the Nichols Ranch ISR Facility (Wyoming) [within 1 year](#); which combined have short-term potential to produce an additional 300-600,000 lbs. of U308 pa.

Energy Fuels is targeting to reach total uranium production of **over ~2 million lbs.** of low-cost production in the short-term ([in 2025](#)).

Energy Fuels is also evaluating total finished uranium production in 2024 from alternate feed materials of an additional [100-400,000 lbs.](#) of U308 pa.

Energy Fuels targets to reach over 2 million lbs of low cost uranium production in 2025

Proven U.S. Uranium Production

Leading U.S. Portfolio – Up to 2 Million Lbs. of Short-Term, Low-Cost Production



White Mesa Mill (Utah) – In Production

- **The only** conventional uranium & vanadium mill in US – plus REE's & recycling



Nichols Ranch ISR (Wyoming) – Pre-Production

- Fully-licensed & developed; 1.2 million lbs. of U_3O_8 produced (2014 -2019)



Pinyon Plain Mine (Arizona) – In Production

- Licensed & developed high-grade uranium mine in production



La Sal Complex (Utah) – In Production

- Series of licensed/developed uranium & vanadium mines; 2 in production

3 large-scale projects in permitting (Sheep Mountain; Roca Honda & Bullfrog) have potential to produce additional 4+ million lbs. U_3O_8 per year

Source: [Energy Fuels company presentation](#)

Energy Fuels is guiding that they expect 200,000 lbs. of U3O8 sales in 2024 under long-term contracts, plus potential to sell additional uranium on spot market.

Looking out a bit further, Energy Fuels has 3 large scale projects in permitting (Sheep Mountain, Roca Honda, Bullfrog) that have the potential to produce an additional 4+ million lbs. U3O8 pa in the mid-term.

Closing remarks

Energy Fuels is clearly set to have a huge year in 2024 as they focus to significantly ramp up uranium production (and commission Phase 1 of their NdPr production). In regards to uranium pricing, Energy Fuels uses a pricing formula which maintains exposure to the upside, while limiting downside and adjusting for inflation. They are also seeking additional spot sales and long term contracts as prices rise. Longer term Energy Fuels say they have licensed capacity to reach “over 10 million

[pounds of U₃O₈ per year](#)” which is more capacity than any other U.S. company.

Energy Fuels trades on a market cap of [US\\$1.075 billion](#) and a PE ratio (TTM) of [10.31](#).

Contract to supply the U.S. Uranium Reserve puts Energy Fuels in the pilot’s seat for 2023

written by Tracy Weslosky | February 14, 2024

The uranium market had a reasonable 2022 with [uranium prices up by 12%](#). The question on everyone’s mind is what will uranium prices do in 2023?

Given that the world needs to move away from fossil fuels and that nuclear offers reliable baseload power, smart nuclear looks to be a solid bet for the world’s energy future, especially with nuclear energy fueled by uranium now providing the U.S. with 50% of its zero carbon power.

Uranium prices trending higher in recent years



Source: [Trading Economics](#)

Uranium demand vs supply

In the last few years experts have been predicting that we will soon see [uranium deficits](#) accompanied by the higher prices needed to encourage new production. The late 2021 uranium price spike and continued rise in prices in 2022 suggests that uranium's time has finally arrived.

Energy Fuels CEO and President, Mark Chalmers, agrees: "Uranium is benefiting from a wave of investment into nuclear energy to address energy security and climate issues. At the same time, there are major questions on uranium supply."

Number one U.S. uranium producer Energy Fuels awarded a contract to sell \$18.5 million of uranium to the U.S. Uranium Reserve

[Energy Fuels Inc.](#) (NYSE American: UUUU | TSX: EFR) boasts that they are the "[largest U.S uranium producer](#), with more production facilities, capacity & experience than other U.S. companies".

Its size and low-cost production has led to numerous contracts, including one to sell a base quantity of [3 million pounds of total U308 deliveries over the next 8 years](#) scheduled to start this year. This already significant amount could increase up to 4.2 million pounds of deliveries, if all options are exercised. The uranium is to be sold using a pricing formula which maintains exposure to market upside, while limiting downside & adjusting for inflation.

In addition Energy Fuels [announced](#) on December 16, 2022, that it had been awarded a contract to sell \$18.5 million of uranium to the U.S. Uranium Reserve. Energy Fuels expects to complete the sale of uranium for the Uranium Reserve to NNSA during Q1-2023.

Mark S. Chalmers, CEO and President of Energy Fuels, [talks about the announced contract](#):

“Energy Fuels is pleased to contribute to U.S. energy security by supplying U.S.-origin uranium to the U.S. uranium reserve. Russia’s invasion of Ukraine has highlighted America’s troubling dependence on Russia and its allies for our nuclear fuel and uranium supply, and the need for the U.S. to rebuild its uranium and nuclear fuel capabilities. Today, nuclear energy provides the U.S. with roughly 20% of all electricity, and 50% of our clean, carbon-free electricity... For the past several years, U.S. uranium production has been near-zero and our only uranium conversion facility has been shut-down. The Uranium Reserve is a small, but important, step toward resolving this untenable situation.”

Energy Fuels is much more than just a uranium producer, also producing rare earths, vanadium, medical isotopes, and recycling operations (of materials that contain uranium)

The core of Energy Fuels is their U.S. uranium assets and production, but they offer much more.

Energy Fuels' White Mesa Mill in Utah is the only existing facility in North America currently processing monazite ore to recover uranium, but also removing other radioactive elements and producing advanced rare earths products. In [March 2022](#) the company began commercial scale rare earths separation & production of mixed rare earths carbonate, containing [32%-34% NdPr](#). Energy Fuels has a [pilot-scale solvent extraction \(SX\) rare earths separation](#) operation capable of producing 1-2 kg of NdPr oxide per day. Their plan is to expand this to [500-1,000MT of NdPr oxide per year](#) by 2023-24. There is also a [plan to produce heavy rare earths](#) by 2026-27 at their White Mesa Mill.

Energy Fuels' White Mesa Mill is also a significant U.S. producer of vanadium. In 2022 the Company sold [~575,000 lbs.](#) of vanadium at an average price of \$13.44/lb. Energy Fuels is selectively selling existing inventory (currently ~1 million lbs.) into market strength.

Medical isotopes are in critical demand. Energy Fuels [state](#) that there are "several isotopes required for emerging cancer therapies ("targeted alpha therapy") that naturally occur in the White Mesa Mill's existing uranium & REE process streams" and that they are "evaluating the potential to recover radium to create a U.S. supply chain for this critical element."

Energy Fuels comparison to other North American uranium companies

Market Position – Uranium

NORTH AMERICAN SPACE AS OF DECEMBER 12, 2022¹

COMPANY	MARKET CAP (US\$M)	WORKING CAPITAL (US\$M)	TOTAL DEBT (US\$M)	URANIUM INVENTORY (M.LBS.)	URANIUM	RARE EARTHS	VANADIUM	MEDICAL ISOTOPIES	RECYCLING
Cameco	\$9,621	\$1,333	(\$740)	8.2	✓	✗	✗	✗	✗
NexGen Energy	\$2,019	\$98 ²	(\$55) ²	✗	✓	✗	✗	✗	✗
Uranium Energy Corp	\$1,285	\$94 ⁴	\$0	1.8 ⁴	✓	✗	✗	✗	✗
EF ENERGY FUELS	\$964	\$182⁵	\$0	0.76	✓	✓	✓	✓	✓
Denison Mines	\$960	\$38 ²	\$0	2.5	✓	✗	✗	✗	✗
Fission Uranium	\$441	\$40 ²	(\$6)	✗	✓	✗	✗	✗	✗
Ur-Energy	\$263	\$43	(\$12)	0.32	✓	✗	✗	✗	✗
Peninsula Energy	\$105 ³	\$28	\$0	0.30	✓	✗	✗	✗	✗

¹ This chart reflects the most recent publicly available information. Energy Fuels' information is disclosed in its Form 10-Q for the quarter ended September 30, 2022.

² Cdn\$ = US\$0.734

³ Aus\$ = US\$0.675

⁴ Announced additional purchases of uranium on the open market with deliveries to occur during 2023 - 2026.
⁵ Energy Fuels is selling its Alta Mesa Project for \$120 million to enCore Energy, with closing expected by the end of 2022 or early 2023. Purchase price to include \$60M cash + \$60M convertible note. Working Capital number includes \$60M cash.

Source: [Company presentation](#)

Closing comments

Energy Fuels looks ready to benefit in 2023 as market dynamics are in place to boost demand and prices for uranium. The company has a large existing inventory of both uranium and vanadium and the ability to quickly ramp up supply as shown by its recent contract to sell \$18.5 million of uranium to the U.S. Uranium Reserve. Energy Fuels has an added bonus in that they also give investors exposure to a growing portfolio of green energy related metals and technology – including rare earths NdPr, vanadium, and recycling materials that contain natural uranium.

Energy Fuels trades on a current market cap of [US\\$978 million](#), a 2023 PE of [11.8x](#).

With interest focused on smart nuclear, Sunday Mine complex mining operations prepare to restart in the New Year

written by Tracy Weslosky | February 14, 2024

The global energy crisis is causing chaos in 2022. This is a key topic at this year's climate conference (COP27), currently underway in Egypt; never mind the Critical Minerals Summit I just hosted on scalability challenges in Toronto yesterday for the Critical Minerals Institute. FACT: The world needs to switch to renewables but right now is suffering energy price shocks as Russia and OPEC hold the world to ransom. Global natural gas prices have [roughly doubled](#) the past year, and have risen even faster in Europe. Coal prices have skyrocketed higher the past year [from US\\$148/t to US\\$339/t](#). Oil prices have also [risen significantly](#) in 2022. Little wonder we have a global inflation problem, as energy and oil prices push up the price to produce and deliver everyday items.

Climate change enthusiasts would say the answer is solar, wind, hydro and energy storage; however the truth is right now we rapidly need more baseload power and to move away from coal and gas as quickly as possible.

The answer is smart [nuclear](#). This idea is supported by [President Biden](#) and even [Elon Musk](#). Now to boost nuclear energy we need more uranium, ideally sourced not from Russia or Kazakhstan, which is another [potential problem](#).

Western uranium producers have been idling their mines for years waiting for the uranium surplus to decline, leading to higher

uranium prices. Judging by the 2022 uranium price action ([now at ~US\\$50](#)) and forecasts for uranium deficits in the next few years, that time has now arrived.

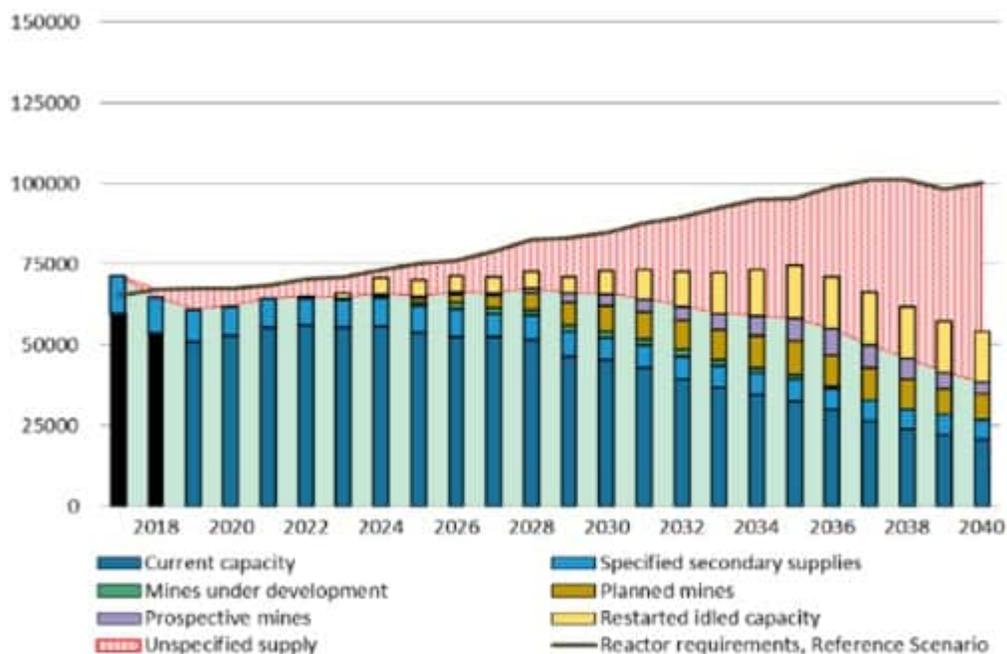
Today we look at a promising uranium company that also thinks uranium's time has finally come.

The company is [Western Uranium & Vanadium Corp.](#) (CSE: WUC | OTCQX: WSTRF).

Uranium demand is set to potentially exceed supply from now to 2040

Projection Uranium Production to 2040- Reference Scenario Supply (tonnes U)⁽¹⁾

Figure 7: Reference Scenario supply, tU



⁽¹⁾ Source: The Nuclear Fuel Report: Global Scenarios for Demand and Supply Availability 2019-2040

[Source](#): Western Uranium & vanadium company presentation

Western Uranium & Vanadium Corp. (“Western”)

The world is short of affordable energy and demand is only set to grow further, especially as we rapidly move to electrification of the transport sector. The quote below sums up the current situation very well.

In a November 2022 market update Western President & CEO [commented](#):

“Western currently is observing positive catalysts across multiple levels of the nuclear fuel and uranium markets. At a micro-level the projected supply / demand imbalance is expanding.....There are multiple data points pointing to a depletion of the secondary supply overhang, which was prevalent for the last decade. At a macro-level, the electrification transition and climate change initiatives have increased global support for nuclear. Further, Russia’s invasion of Ukraine and the ensuing global energy crisis has focused attention on security of supply and supply chain risks.”

Right now in the U.S, there are less than a handful of uranium producers. Western is probably the lowest market cap of them all and is ready to quickly scale up uranium production.

Sunday Mine complex mining operations are targeted to restart in January 2023

In some very good news for investors, Western [announced](#) only last week, that as of January 2023 they will restart mining operations at their Sunday Mine Complex. Western [stated](#):

“Western has completed the build-out of its in-house mining capability. Additional employees for the first mining team have been hired over the last two months, facilities have been upgraded, and equipment and vehicles have been acquired and readied for deployment.....Mining operations are targeted to restart in January 2023.”

Western’s Sunday Mine Complex in Colorado USA



[Source](#): Western Uranium & vanadium company presentation

The Western Uranium & Vanadium market cap is [C\\$64 million](#), InvestorIntel will follow up in early 2023 to update our audience on how progress is going at the Sunday Mine Complex restart. Stay tuned,

Dev Randhawa on Fission 3.0

and why ESG Investors are Looking at Uranium

written by InvestorNews | February 14, 2024

In a recent InvestorIntel interview, Peter Clausi speaks with Dev Randhawa, Chairman and CEO of [Fission 3.0 Corp.](#) (TSXV: FUU | OTCQB: FISOF) about the rising market interest in uranium and exploring for uranium in Canada's Athabasca Basin, the world's leading source of high-grade uranium.

In this InvestorIntel interview, which may also be viewed on YouTube ([click here to subscribe to the InvestorIntel Channel](#)), Dev went on to say how Fission 3.0 has been able to stake a portfolio of near-surface high-grade uranium assets in close proximity to other major uranium discoveries. Led by the team that founded Fission Uranium Corp. (TSX: FCU | OTCQX: FCUUF) and made the Patterson Lake South (PLS) high-grade uranium discovery, Dev said that Fission 3.0 has significant insider ownership which aligns the management's interest with that of the shareholders. Dev also highlighted the uranium supply deficit and the rising interest in the sector. He added, "...it is the only energy that is carbon-free, has no footprint yet can provide baseload power."

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

About Fission 3.0 Corp.

Fission 3.0 Corp. is a Canadian based resource company specializing in the strategic acquisition, exploration and development of uranium properties and is headquartered in Kelowna, British Columbia. Common Shares are listed on the TSX Venture Exchange under the symbol "FUU".

To learn more about Fission 3.0 Corp., [click here](#)

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