ENERGY FUELS INC.
(Exact name of registrant as specified in its charter)

Ontario, Canada  98-1067994
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

225 Union Blvd., Suite 600
Lakewood, Colorado  80228
(Address of principal executive offices) (Zip Code)

(303) 974-2140
(Registrant’s telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

<table>
<thead>
<tr>
<th>Title of each class</th>
<th>Trading Symbol(s)</th>
<th>Name of each exchange on which registered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common shares, no par value</td>
<td>UUUU</td>
<td>NYSE American</td>
</tr>
<tr>
<td></td>
<td>EFR</td>
<td>Toronto Stock Exchange</td>
</tr>
</tbody>
</table>

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X]  No [ ]

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes [X]  No [ ]
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerate filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer [   ] Accelerated filer [X]
Non-accelerated filer [   ] Smaller reporting company [   ]
Emerging growth company [X]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [   ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act): Yes [   ] No [X]

As of August 2, 2019, the registrant had 96,434,010 common shares, without par value, outstanding.
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<td>ITEM 4. MINE SAFETY DISCLOSURE</td>
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<td>ITEM 5. OTHER INFORMATION</td>
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</tbody>
</table>

SIGNATURES

3
CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report and the exhibits attached hereto (the “Quarterly Report”) contain “forward-looking statements” within the meaning of applicable United States (“U.S.”) and Canadian securities laws. Such forward-looking statements concern Energy Fuels Inc.’s (the “Company” or “Energy Fuels”) anticipated results and progress of the Company’s operations in future periods, planned exploration, and, if warranted, development of its properties, plans related to its business, and other matters that may occur in the future. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, schedules, assumptions, future events, or performance (often, but not always, using words or phrases such as “expects” or “does not expect,” “is expected,” “is likely,” “budget,” “scheduled,” forecasts,” intends,” “anticipates” or “does not anticipate,” “continues,” “plans,” “estimates,” “intends,” or “believes,” and similar expressions or variations of such words and phrases or statements stating that certain actions, events or results “may,” “could,” “would,” “might,” or “will” be taken, occur or be achieved) are not statements of historical fact and may be forward-looking statements.

Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Energy Fuels believes that the expectations reflected in these forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct, and such forward-looking statements included in, or incorporated by reference into, this Quarterly Report should not be unduly relied upon. This information speaks only as of the date of this Quarterly Report.

Readers are cautioned that it would be unreasonable to rely on any such forward-looking statements and information as creating any legal rights, and that the statements and information are not guarantees and may involve known and unknown risks and uncertainties, and that actual results are likely to differ (and may differ materially) and objectives and strategies may differ or change from those expressed or implied in the forward-looking statements or information as a result of various factors. Such risks and uncertainties include risks generally encountered in the exploration, development, operation, and closure of mineral properties and processing and recovery facilities. Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation:

- risks associated with mineral reserve and resource estimates, including the risk of errors in assumptions or methodologies;
- risks associated with estimating mineral extraction and recovery, forecasting future price levels necessary to support mineral extraction and recovery, and the Company’s ability to increase mineral extraction and recovery in response to any increases in commodity prices or other market conditions;
- uncertainties and liabilities inherent to conventional mineral extraction and recovery and/or in-situ uranium recovery operations;
- geological, technical and processing problems, including unanticipated metallurgical difficulties, less than expected recoveries, ground control problems, process upsets, and equipment malfunctions;
- risks associated with the depletion of existing mineral resources through mining or extraction, without replacement with comparable resources;
- risks associated with identifying and obtaining adequate quantities of alternate feed materials and other feed sources required for operation of the White Mesa Mill in Utah;
- risks associated with labor costs, labor disturbances, and unavailability of skilled labor;
- risks associated with the availability and/or fluctuations in the costs of raw materials and consumables used in the Company’s production processes;
- risks and costs associated with environmental compliance and permitting, including those created by changes in environmental legislation and regulation, and delays in obtaining permits and licenses that could impact expected mineral extraction and recovery levels and costs;
• actions taken by regulatory authorities with respect to mineral extraction and recovery activities;

• risks associated with the Company’s dependence on third parties in the provision of transportation and other critical services;

• risks associated with the ability of the Company to obtain, extend or renew land tenure, including mineral leases and surface use agreements, on favorable terms or at all;

• risks associated with the ability of the Company to negotiate access rights on certain properties on favorable terms or at all;

• the adequacy of the Company's insurance coverage;
• uncertainty as to reclamation and decommissioning liabilities;

• the ability of the Company’s bonding companies to require increases in the collateral required to secure reclamation obligations;

• the potential for, and outcome of, litigation and other legal proceedings, including potential injunctions pending the outcome of such litigation and proceedings;

• the ability of the Company to meet its obligations to its creditors;

• risks associated with paying off indebtedness at its maturity;

• risks associated with the Company’s relationships with its business and joint venture partners;

• failure to obtain industry partner, government, and other third party consents and approvals, when required;

• competition for, among other things, capital, mineral properties, and skilled personnel;

• failure to complete and integrate proposed acquisitions and incorrect assessments of the value of completed acquisitions;

• risks posed by fluctuations in share price levels, exchange rates and interest rates, and general economic conditions;

• risks inherent in the Company’s and industry analysts’ forecasts or predictions of future uranium, vanadium and copper price levels;

• fluctuations in the market prices of uranium, vanadium and copper, which are cyclical and subject to substantial price fluctuations;

• risks associated with the Company's uranium sales, if any, being required to be made at spot prices, unless the Company is able to enter into new long-term contracts at satisfactory prices in the future;

• risks associated with the Company's vanadium sales, if any, generally being required to be made at spot prices;

• failure to obtain suitable uranium sales terms at satisfactory prices in the future, including spot and term sale contracts;

• failure to obtain suitable vanadium sales terms at satisfactory prices in the future;

• risks associated with asset impairment as a result of market conditions;

• risks associated with lack of access to markets and the ability to access capital;

• the market price of Energy Fuels’ securities;

• public resistance to nuclear energy or uranium extraction and recovery;

• risks associated with inaccurate or nonobjective media coverage of the Company's activities and the impact such coverage may have on the public, the market for the Company's securities, government relations, permitting activities and legal challenges, as well as the costs to the Company of responding to such coverage;

• uranium industry competition, international trade restrictions and the impacts on world commodity prices of foreign state subsidized production;

• risks associated with the Company's involvement in industry petitions for trade remedies, including the costs of pursuing such remedies and the potential for negative responses or repercussions from various interest groups, consumers of uranium and participants in other phases of the nuclear fuel cycle;
• risks related to potentially higher than expected costs related to any of the Company's projects or facilities;

• risks associated with the Company’s ability to recover vanadium from pond solutions at the White Mesa Mill, with potentially higher than expected costs for any such recoveries, and the Company’s ability to sell any recovered vanadium at satisfactory price levels;

• risks related to the Company’s ability to recover copper from our Canyon uranium project ores;

• risks related to securities regulations;

• risks related to stock price and volume volatility;

• risks related to the Company’s ability to maintain our listing on the NYSE American and Toronto Stock Exchanges;

• risks related to the Company’s ability to maintain our inclusion in various stock indices;

• risks related to dilution of currently outstanding shares, from additional share issuances, depletion of assets or otherwise;

• risks related to the Company’s lack of dividends;

• risks related to recent market events;

• risks related to the Company's issuance of additional common shares under our At-the-Market ("ATM") program or otherwise to provide adequate liquidity in depressed commodity market circumstances;

• risks related to acquisition and integration issues;

• risks related to defects in title to the Company's mineral properties;

• risks related to the Company's outstanding debt; and
• risks related to the Company's securities.

This list is not exhaustive of the factors that may affect our forward-looking statements. Some of the important risks and uncertainties that could affect forward-looking statements are described further under the section heading: Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations of this Quarterly Report. Although we have attempted to identify important factors that could cause actual results to differ materially from those described in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, believed, estimated, or expected. We caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. Except as required by law, we disclaim any obligation to subsequently revise any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events. Statements relating to “Mineral Reserves” or “Mineral Resources” are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the Mineral Reserves and Mineral Resources described may be profitably extracted in the future.

We qualify all the forward-looking statements contained in this Quarterly Report by the foregoing cautionary statements.
Cautionary Note to United States Investors Concerning Disclosure of Mineral Resources

The Company is a U.S. Domestic Issuer for United States Securities and Exchange Commission ("SEC") purposes, most of its shareholders are U.S. residents, the Company is required to report its financial results under U.S. Generally Accepted Accounting Principles, and its primary trading market is the NYSE American. However, because the Company is incorporated in Canada and also listed on the Toronto Stock Exchange ("TSX"), this Quarterly Report contains certain disclosure that satisfies the additional requirements of Canadian securities laws, which differ from the requirements of United States’ securities laws. Unless otherwise indicated, all reserve and resource estimates included in this Quarterly Report, and in the documents incorporated by reference herein, have been prepared in accordance with Canadian National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") and the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") classification system. NI 43-101 is a rule developed by the Canadian Securities Administrators (the “CSA”), which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects.

Canadian standards, including NI 43-101, differ significantly from the requirements of SEC Industry Guide 7, and reserve and resource information contained herein, or incorporated by reference in this Quarterly Report, and in the documents incorporated by reference herein, may not be comparable to similar information disclosed by companies reporting reserve and resource information under SEC Industry Guide 7. In particular, and without limiting the generality of the foregoing, the term “resource” does not equate to the term “reserve” under SEC Industry Guide 7. Under SEC Industry Guide 7 standards, mineralization may not be classified as a “reserve” unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. Under SEC Industry Guide 7 standards, a “final” or “bankable” feasibility study is required to report reserves; the three-year historical average price, to the extent possible, is used in any reserve or cash flow analysis to designate reserves; and the primary environmental analysis or report must be filed with the appropriate governmental authority.

SEC Industry Guide 7 disclosure standards historically have not permitted the inclusion of information concerning “Measured Mineral Resources,” “Indicated Mineral Resources” or “Inferred Mineral Resources” or other descriptions of the amount of mineralization in mineral deposits that do not constitute “reserves” by SEC Industry Guide 7 standards. United States investors should also understand that “Inferred Mineral Resources” have a great amount of uncertainty as to their existence and as to their economic and legal feasibility. It cannot be assumed that all or any part of an “Inferred Mineral Resource” will ever be upgraded to a higher category. Under Canadian rules, estimated “Inferred Mineral Resources” may not form the basis of feasibility or pre-feasibility studies. United States investors are cautioned not to assume that all or any part of Measured or Indicated Mineral Resources will ever be converted into mineral reserves. Investors are cautioned not to assume that all or any part of an “Inferred Mineral Resource” exists or is economically or legally mineable.

Disclosure of “contained pounds” or “contained ounces” in a resource estimate is permitted and typical disclosure under Canadian regulations; however, SEC Industry Guide 7 historically only permitted issuers to report mineralization that does not constitute “reserves” by SEC standards as in-place tonnage and grade without reference to unit measures. The requirements of NI 43-101 for identification of “reserves” are also not the same as those of SEC Industry Guide 7, and reserves reported by the Company in compliance with NI 43-101 may not qualify as “reserves” under SEC Industry Guide 7 standards. Accordingly, information concerning mineral deposits set forth herein may not be comparable to information made public by companies that report in accordance with SEC Industry Guide 7 standards.

On October 31, 2018, the SEC adopted the Modernization of Property Disclosures for Mining Registrants (the “New Rule”), introducing significant changes to the existing mining disclosure framework to better align it with international industry and regulatory practice including NI 43-101. The SEC adopted a two-year transition period for registrants to come into compliance with the New Rule. Accordingly, the Company will need to bring its disclosure into compliance in 2021. At this time, the Company does not know the full effect of the New Rule on its mineral resources and reserves and therefore the disclosure related to the Company’s mineral resources and reserves may be significantly different when computed using the requirements set forth in the New Rule.
PART I
ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

8
ENERGY FUELS INC.
Condensed Consolidated Statements of Operations and Comprehensive Income (Loss)
(unaudited) (Expressed in thousands of U.S. dollars, except per share amounts)

<table>
<thead>
<tr>
<th></th>
<th>Three months ended</th>
<th></th>
<th>Six months ended</th>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>June 30,</td>
<td></td>
<td>June 30,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2019</td>
<td>2018</td>
<td>2019</td>
<td>2018</td>
</tr>
<tr>
<td>Revenues</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uranium concentrates</td>
<td>$ 66</td>
<td>$ 26,777</td>
<td>$ 66</td>
<td>$ 28,015</td>
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<tr>
<td>Vanadium concentrates</td>
<td>773</td>
<td>—</td>
<td>1,941</td>
<td>—</td>
</tr>
<tr>
<td>Alternate feed materials processing and other</td>
<td>2,232</td>
<td>196</td>
<td>2,734</td>
<td>212</td>
</tr>
<tr>
<td>Total revenues</td>
<td>3,071</td>
<td>26,973</td>
<td>4,741</td>
<td>28,227</td>
</tr>
<tr>
<td>Costs and expenses applicable to revenues</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costs and expenses applicable to uranium concentrates</td>
<td>63</td>
<td>10,670</td>
<td>63</td>
<td>11,908</td>
</tr>
<tr>
<td>Costs and expenses applicable to vanadium concentrates</td>
<td>928</td>
<td>—</td>
<td>1,460</td>
<td>—</td>
</tr>
<tr>
<td>Costs and expenses applicable to alternate feed materials and other</td>
<td>1,695</td>
<td>—</td>
<td>2,079</td>
<td>—</td>
</tr>
<tr>
<td>Total costs and expenses applicable to revenues</td>
<td>2,686</td>
<td>10,670</td>
<td>3,602</td>
<td>11,908</td>
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<tr>
<td>Other operating costs</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Impairment of inventories</td>
<td>4,906</td>
<td>1,339</td>
<td>6,082</td>
<td>2,349</td>
</tr>
<tr>
<td>Development, permitting and land holding</td>
<td>1,399</td>
<td>998</td>
<td>5,741</td>
<td>2,598</td>
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<td>Standby costs</td>
<td>1,251</td>
<td>1,386</td>
<td>2,335</td>
<td>3,898</td>
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<tr>
<td>Accretion of asset retirement obligation</td>
<td>481</td>
<td>458</td>
<td>994</td>
<td>917</td>
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<tr>
<td>Selling costs</td>
<td>127</td>
<td>23</td>
<td>137</td>
<td>88</td>
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<tr>
<td>Intangible asset amortization</td>
<td>—</td>
<td>2,502</td>
<td>—</td>
<td>2,502</td>
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<tr>
<td>General and administration</td>
<td>3,725</td>
<td>2,477</td>
<td>7,476</td>
<td>7,247</td>
</tr>
<tr>
<td><strong>Total operating income (loss)</strong></td>
<td><strong>(11,504)</strong></td>
<td><strong>7,120</strong></td>
<td><strong>(21,626)</strong></td>
<td><strong>(3,280)</strong></td>
</tr>
<tr>
<td>Interest expense</td>
<td>(362)</td>
<td>(475)</td>
<td>(691)</td>
<td>(967)</td>
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<tr>
<td>Other income</td>
<td>2,552</td>
<td>499</td>
<td>869</td>
<td>562</td>
</tr>
<tr>
<td><strong>Net income (loss)</strong></td>
<td>(9,314)</td>
<td>7,144</td>
<td>(21,448)</td>
<td>(3,685)</td>
</tr>
<tr>
<td>Items that may be reclassified in the future to profit and loss</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Foreign currency translation adjustment</td>
<td>(771)</td>
<td>225</td>
<td>(907)</td>
<td>(238)</td>
</tr>
<tr>
<td>Unrealized loss on available-for-sale assets</td>
<td>—</td>
<td>(156)</td>
<td>—</td>
<td>(380)</td>
</tr>
<tr>
<td><strong>Other comprehensive income (loss)</strong></td>
<td>(771)</td>
<td>69</td>
<td>(907)</td>
<td>(618)</td>
</tr>
<tr>
<td><strong>Comprehensive income (loss)</strong></td>
<td>$ (10,085)</td>
<td>$ 7,213</td>
<td>$ (22,355)</td>
<td>$ (4,303)</td>
</tr>
<tr>
<td>Net income (loss) attributable to:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owners of the Company</td>
<td>$ (9,312)</td>
<td>$ 7,149</td>
<td>$ (21,439)</td>
<td>$ (3,673)</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>(2)</td>
<td>(5)</td>
<td>(9)</td>
<td>(12)</td>
</tr>
<tr>
<td><strong>$ (9,314)</strong></td>
<td><strong>$ 7,144</strong></td>
<td><strong>$ (21,448)</strong></td>
<td><strong>$ (3,685)</strong></td>
<td></td>
</tr>
<tr>
<td>Comprehensive income (loss) attributable to:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owners of the Company</td>
<td>$ (10,083)</td>
<td>$ 7,218</td>
<td>$ (22,346)</td>
<td>$ (4,291)</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>(2)</td>
<td>(5)</td>
<td>(9)</td>
<td>(12)</td>
</tr>
<tr>
<td><strong>$ (10,085)</strong></td>
<td><strong>$ 7,213</strong></td>
<td><strong>$ (22,355)</strong></td>
<td><strong>$ (4,303)</strong></td>
<td></td>
</tr>
<tr>
<td>Basic income (loss) per share</td>
<td>$ (0.10)</td>
<td>$ 0.09</td>
<td>$ (0.23)</td>
<td>$ (0.05)</td>
</tr>
<tr>
<td>Diluted income (loss) per share</td>
<td>$ (0.10)</td>
<td>$ 0.08</td>
<td>$ (0.23)</td>
<td>$ (0.05)</td>
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</tbody>
</table>
See accompanying notes to the condensed consolidated financial statements.
### ENERGY FUELS INC.

**Condensed Consolidated Balance Sheets**

*(unaudited)* *(Expressed in thousands of U.S. dollars, except share amounts)*

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<thead>
<tr>
<th></th>
<th>June 30, 2019</th>
<th>December 31, 2018</th>
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<tbody>
<tr>
<td><strong>ASSETS</strong></td>
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<td></td>
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<tr>
<td><strong>Current assets</strong></td>
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<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$16,581</td>
<td>$14,640</td>
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<tr>
<td>Marketable securities</td>
<td>11,434</td>
<td>27,061</td>
</tr>
<tr>
<td>Trade and other receivables, net</td>
<td>850</td>
<td>1,191</td>
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<tr>
<td>Inventories, net</td>
<td>18,574</td>
<td>16,550</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>870</td>
<td>1,411</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>48,309</td>
<td>60,853</td>
</tr>
<tr>
<td>Inventories, net</td>
<td>1,772</td>
<td>1,772</td>
</tr>
<tr>
<td>Operating lease right of use asset</td>
<td>1,063</td>
<td>—</td>
</tr>
<tr>
<td>Investments accounted for at fair value</td>
<td>721</td>
<td>1,107</td>
</tr>
<tr>
<td>Plant, property and equipment, net</td>
<td>28,193</td>
<td>29,843</td>
</tr>
<tr>
<td>Mineral properties, net</td>
<td>83,539</td>
<td>83,539</td>
</tr>
<tr>
<td>Restricted cash</td>
<td>19,995</td>
<td>19,652</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$183,592</td>
<td>$196,766</td>
</tr>
<tr>
<td><strong>LIABILITIES AND EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>$5,369</td>
<td>$7,921</td>
</tr>
<tr>
<td>Current portion of operating lease liability</td>
<td>308</td>
<td>—</td>
</tr>
<tr>
<td>Current portion of warrant liabilities</td>
<td>—</td>
<td>662</td>
</tr>
<tr>
<td>Current portion of asset retirement obligation</td>
<td>32</td>
<td>270</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>5,709</td>
<td>8,853</td>
</tr>
<tr>
<td>Warrant liabilities</td>
<td>5,412</td>
<td>5,621</td>
</tr>
<tr>
<td>Operating lease liability</td>
<td>904</td>
<td>—</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>—</td>
<td>2,724</td>
</tr>
<tr>
<td>Asset retirement obligation</td>
<td>20,217</td>
<td>18,834</td>
</tr>
<tr>
<td>Loans and borrowings</td>
<td>17,055</td>
<td>15,880</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>49,297</td>
<td>51,912</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Common shares, without par value, unlimited shares authorized; shares issued and outstanding 95,551,357 at June 30, 2019 and 91,445,066 at December 31, 2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>481,053</td>
<td>469,303</td>
</tr>
<tr>
<td>Accumulated deficit</td>
<td>(353,497)</td>
<td>(332,058)</td>
</tr>
<tr>
<td>Accumulated other comprehensive income</td>
<td>2,936</td>
<td>3,843</td>
</tr>
<tr>
<td><strong>Total shareholders' equity</strong></td>
<td>130,492</td>
<td>141,088</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>3,803</td>
<td>3,766</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>134,295</td>
<td>144,854</td>
</tr>
<tr>
<td><strong>Total liabilities and equity</strong></td>
<td>$183,592</td>
<td>$196,766</td>
</tr>
</tbody>
</table>

Commitments and contingencies (Note 14)

See accompanying notes to the condensed consolidated financial statements.
### ENERGY FUELS INC.

**Condensed Consolidated Statements of Changes in Equity**

*(unaudited)* *(Expressed in thousands of U.S. dollars, except share amounts)*

<table>
<thead>
<tr>
<th>Balance at December 31, 2018</th>
<th>Common Stock</th>
<th>Accumulated other comprehensive income</th>
<th>Total shareholders' equity</th>
<th>Non-controlling interests</th>
<th>Total equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shares</td>
<td>Amount</td>
<td>Deficit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>91,445,066</td>
<td>$ 469,303</td>
<td>$(332,058)</td>
<td>$ 3,843</td>
<td>$ 141,088</td>
<td>$ 3,766</td>
</tr>
<tr>
<td>Net loss</td>
<td></td>
<td>(12,127)</td>
<td></td>
<td>(12,127)</td>
<td>(7)</td>
</tr>
<tr>
<td>Other comprehensive loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shares issued for cash by at-the-market offering</td>
<td>754,712</td>
<td>2,471</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share issuance cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(62)</td>
</tr>
<tr>
<td>Share-based compensation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shares issued for exercise of stock options</td>
<td>33,906</td>
<td>102</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shares issued for the vesting of restricted stock units</td>
<td>850,150</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shares issued for consulting services</td>
<td>18,848</td>
<td>52</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at March 31, 2019</td>
<td>93,102,682</td>
<td>$ 472,987</td>
<td>$(344,185)</td>
<td>$ 3,707</td>
<td>$ 132,509</td>
</tr>
<tr>
<td>Net loss</td>
<td></td>
<td>(9,312)</td>
<td></td>
<td>(9,312)</td>
<td>(2)</td>
</tr>
<tr>
<td>Other comprehensive loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shares issued for cash by at-the-market offering</td>
<td>2,141,817</td>
<td>6,595</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shares issued to settle liabilities</td>
<td>266,272</td>
<td>847</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share issuance cost</td>
<td></td>
<td>(151)</td>
<td></td>
<td>(151)</td>
<td>(151)</td>
</tr>
<tr>
<td>Share-based compensation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shares issued for exercise of stock options</td>
<td>20,899</td>
<td>44</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shares issued for exercise of warrants</td>
<td>1,450</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shares issued for consulting services</td>
<td>18,237</td>
<td>63</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions attributable to non-controlling interest</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at June 30, 2019</td>
<td>95,551,357</td>
<td>$ 481,053</td>
<td>$(353,497)</td>
<td>$ 2,936</td>
<td>$ 130,492</td>
</tr>
</tbody>
</table>
### Common Stock

<table>
<thead>
<tr>
<th>Shares (in thousands)</th>
<th>Amount</th>
<th>Deficit</th>
<th>Accumulated other comprehensive income</th>
<th>Total shareholders’ equity</th>
<th>Non-controlling interests</th>
<th>Total equity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at December 31, 2017</strong></td>
<td>74,366,824</td>
<td>$ 430,383</td>
<td>$(306,813)</td>
<td>$ 2,289</td>
<td>$ 125,859</td>
<td>$ 3,883</td>
</tr>
<tr>
<td>Net loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other comprehensive loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Shares issued for cash by at-the-market offering</strong></td>
<td>711,253</td>
<td>1,176</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share issuance cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share-based compensation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Shares issued for the vesting of restricted stock units</strong></td>
<td>899,192</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash paid to fund employee income tax withholding due upon vesting of restricted stock units</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Balance at March 31, 2018</strong></td>
<td>75,977,269</td>
<td>$ 431,818</td>
<td>$(317,635)</td>
<td>$ 1,602</td>
<td>$ 115,785</td>
<td>$ 3,876</td>
</tr>
<tr>
<td>Net loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other comprehensive loss</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Shares issued for cash by at-the-market offering</strong></td>
<td>10,504,702</td>
<td>21,442</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share issuance cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share-based compensation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Shares issued for consulting services</strong></td>
<td>164,538</td>
<td>311</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Balance at June 30, 2018</strong></td>
<td>86,646,509</td>
<td>$ 453,555</td>
<td>$(310,486)</td>
<td>$ 1,671</td>
<td>$ 144,740</td>
<td>$ 3,871</td>
</tr>
</tbody>
</table>

See accompanying notes to the condensed consolidated financial statements.
ENERGY FUELS INC.
Condensed Consolidated Statements of Cash Flows
(unaudited)(Expressed in thousands of U.S. dollars)

<table>
<thead>
<tr>
<th></th>
<th>Six months ended</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>June 30,</td>
<td>2019</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net loss for the period</td>
<td>$ (21,448)</td>
<td></td>
</tr>
<tr>
<td>Items not involving cash:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depletion, depreciation and amortization</td>
<td>625</td>
<td>3,150</td>
</tr>
<tr>
<td>Stock-based compensation</td>
<td>1,784</td>
<td>1,722</td>
</tr>
<tr>
<td>Change in value of convertible debentures</td>
<td>493</td>
<td>(320)</td>
</tr>
<tr>
<td>Change in value of warrant liabilities</td>
<td>(1,115)</td>
<td>1,081</td>
</tr>
<tr>
<td>Accretion of asset retirement obligation</td>
<td>994</td>
<td>917</td>
</tr>
<tr>
<td>Unrealized foreign exchange losses (gains)</td>
<td>(216)</td>
<td>(236)</td>
</tr>
<tr>
<td>Impairment of inventories</td>
<td>6,082</td>
<td>2,349</td>
</tr>
<tr>
<td>Revision of asset retirement obligation</td>
<td>151</td>
<td>—</td>
</tr>
<tr>
<td>Other non-cash expenses</td>
<td>974</td>
<td>464</td>
</tr>
<tr>
<td>Changes in assets and liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase) decrease in inventories</td>
<td>(7,079)</td>
<td>4,954</td>
</tr>
<tr>
<td>Decrease (Increase) in trade and other receivables</td>
<td>343</td>
<td>(2,192)</td>
</tr>
<tr>
<td>Decrease (increase) in prepaid expenses and other assets</td>
<td>541</td>
<td>(3,404)</td>
</tr>
<tr>
<td>Decrease in accounts payable and accrued liabilities</td>
<td>(2,397)</td>
<td>(1,637)</td>
</tr>
<tr>
<td>Cash paid for reclamation and remediation activities</td>
<td>—</td>
<td>(151)</td>
</tr>
<tr>
<td>Changes in deferred revenue</td>
<td>(2,724)</td>
<td>—</td>
</tr>
<tr>
<td></td>
<td>(22,992)</td>
<td>3,012</td>
</tr>
<tr>
<td><strong>INVESTING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of mineral properties and plant, property and equipment</td>
<td>—</td>
<td>(13)</td>
</tr>
<tr>
<td>Maturities and sales of marketable securities</td>
<td>16,116</td>
<td>—</td>
</tr>
<tr>
<td>Cash received from sale of Reno Creek</td>
<td>—</td>
<td>2,940</td>
</tr>
<tr>
<td></td>
<td>16,116</td>
<td>2,927</td>
</tr>
<tr>
<td><strong>FINANCING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issuance of common shares for cash, net of issuance cost</td>
<td>8,853</td>
<td>22,053</td>
</tr>
<tr>
<td>Cash paid to fund employee income tax withholding due upon vesting of restricted stock units</td>
<td>—</td>
<td>(914)</td>
</tr>
<tr>
<td>Repayment of loans and borrowings</td>
<td>—</td>
<td>(1,682)</td>
</tr>
<tr>
<td>Cash received from exercise of warrants</td>
<td>5</td>
<td>—</td>
</tr>
<tr>
<td>Cash received from exercise of stock options</td>
<td>146</td>
<td>—</td>
</tr>
<tr>
<td>Cash received from non-controlling interest</td>
<td>46</td>
<td>—</td>
</tr>
<tr>
<td></td>
<td>9,050</td>
<td>19,457</td>
</tr>
<tr>
<td><strong>CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH DURING THE PERIOD</strong></td>
<td>2,174</td>
<td>25,396</td>
</tr>
<tr>
<td>Effect of exchange rate fluctuations on cash held in foreign currencies</td>
<td>110</td>
<td>(1,264)</td>
</tr>
<tr>
<td>Cash, cash equivalents and restricted cash - beginning of period</td>
<td>34,292</td>
<td>40,701</td>
</tr>
<tr>
<td><strong>CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF PERIOD</strong></td>
<td>$ 36,576</td>
<td>$ 64,833</td>
</tr>
<tr>
<td><strong>Supplemental disclosure of cash flow information:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net cash paid during the period for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td>$ 691</td>
<td>$ 988</td>
</tr>
<tr>
<td>Warrant liability transferred to equity upon exercise</td>
<td>$ 2</td>
<td>—</td>
</tr>
</tbody>
</table>
See accompanying notes to the condensed consolidated financial statements.
1. THE COMPANY AND DESCRIPTION OF BUSINESS

Energy Fuels Inc. was incorporated under the laws of the Province of Alberta and was continued under the Business Corporations Act (Ontario).

Energy Fuels Inc. and its subsidiary companies (collectively “the Company” or “EFI”) are engaged in uranium extraction, recovery and sales of uranium from mineral properties and the recycling of uranium bearing materials generated by third parties. As a part of these activities the Company also acquires, explores, evaluates and, if warranted, permits uranium properties. The Company’s final uranium product, uranium oxide concentrates (“U₃O₈” or “uranium concentrates”), is sold to customers for further processing into fuel for nuclear reactors. The Company produces vanadium as a co-product of its uranium recovery from certain of its mines as market conditions warrant and from time to time from solutions in its tailing impoundment system.

The Company is an exploration stage mining company as defined by the United States (“U.S.”) Securities and Exchange Commission (“SEC”) Industry Guide 7 (“SEC Industry Guide 7”) as it has not established the existence of proven or probable reserves on any of our properties.

2. BASIS OF PRESENTATION

The consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States (“U.S. GAAP”) and are presented in thousands of U.S. dollars, except per share amounts. Certain footnote disclosures have share prices which are presented in Canadian dollars (“Cdn$”).

The condensed consolidated financial statements included herein have been prepared by the Company, without audit, pursuant to the rules and regulations of the SEC. Certain information and note disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures included are adequate to make the information presented not misleading.

In management’s opinion, these unaudited condensed consolidated financial statements reflect all adjustments, consisting solely of normal recurring items, which are necessary for the fair presentation of the Company’s financial position, results of operations and cash flows on a basis consistent with that of the Company’s audited consolidated financial statements for the year ended December 31, 2018. However, the results of operations for the interim periods may not be indicative of results to be expected for the full fiscal year. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto and summary of significant accounting policies included in the Company’s annual report on Form 10-K for the year ended December 31, 2018 with the following addition to the inventory policy included below.

**Inventories**

In-process and concentrate inventories include the cost of the material processed from the stockpile, as well as production costs incurred to extract uranium bearing fluids from the wellfields, and all costs to recover the uranium into concentrates, recover vanadium concentrates from pond solutions or process through the White Mesa Mill. Finished uranium or vanadium concentrate inventories also include costs of any finished product purchased from the market. Recovery costs typically include labor, chemical reagents and directly attributable mill and plant overhead expenditures.

The condensed consolidated financial statements include the accounts of the Company and its subsidiaries. All inter-company accounts and transactions have been eliminated.
3. **MARKETABLE SECURITIES**

The following table summarizes our marketable securities by significant investment categories as of June 30, 2019:

<table>
<thead>
<tr>
<th></th>
<th>Cost Basis</th>
<th>Gross Unrealized Losses</th>
<th>Gross Unrealized Gains</th>
<th>Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketable debt securities</td>
<td>$10,198</td>
<td>—</td>
<td>$98</td>
<td>10,296</td>
</tr>
<tr>
<td>Marketable equity securities</td>
<td>1,062</td>
<td>(535)</td>
<td>611</td>
<td>1,138</td>
</tr>
<tr>
<td>** Marketable securities**</td>
<td>$11,260</td>
<td>(535)</td>
<td>709</td>
<td>11,434</td>
</tr>
</tbody>
</table>

(1) Marketable debt securities are comprised primarily of U.S. government notes, and also includes U.S. government agencies and tradeable certificates of deposits.

The following table summarizes our marketable securities by significant investment categories as of December 31, 2018:

<table>
<thead>
<tr>
<th></th>
<th>Cost Basis</th>
<th>Gross Unrealized Losses</th>
<th>Gross Unrealized Gains</th>
<th>Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketable debt securities</td>
<td>$25,523</td>
<td>(5)</td>
<td>83</td>
<td>25,601</td>
</tr>
<tr>
<td>Marketable equity securities</td>
<td>1,062</td>
<td>(549)</td>
<td>947</td>
<td>1,460</td>
</tr>
<tr>
<td>** Marketable securities**</td>
<td>$26,585</td>
<td>(554)</td>
<td>1,030</td>
<td>27,061</td>
</tr>
</tbody>
</table>

(1) Marketable debt securities are comprised primarily of U.S. government notes, and also includes U.S. government agencies, and tradeable certificates of deposits.

During the six months ended June 30, 2019 and 2018, we did not recognize any other-than-temporary impairment losses.

The following table summarizes the estimated fair value of our investments in marketable debt securities with stated contractual maturity dates, accounted for as available-for-sale securities and classified by the contractual maturity date of the securities:

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Due in less than 12 months</td>
<td>$</td>
<td>8,893</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Due in 12 months to two years</td>
<td></td>
<td></td>
<td>1,403</td>
<td></td>
</tr>
<tr>
<td>Due in greater than two years</td>
<td></td>
<td></td>
<td>—</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$</td>
<td>10,296</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. **INVENTORIES**

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2019</th>
<th>December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concentrates and work-in-progress</td>
<td>$16,725</td>
<td>$14,746</td>
</tr>
<tr>
<td>Inventory of ore in stockpiles</td>
<td>749</td>
<td>883</td>
</tr>
<tr>
<td>Raw materials and consumables</td>
<td>2,872</td>
<td>2,693</td>
</tr>
<tr>
<td><strong>Total Inventories</strong></td>
<td><strong>$20,346</strong></td>
<td><strong>$18,322</strong></td>
</tr>
</tbody>
</table>

| Inventories - by duration        |                |                    |
| Current                         | $18,574        | $16,550            |
| Long term - raw materials and consumables | 1,772     | 1,772              |
| **Total Inventories**            | **$20,346**    | **$18,322**        |

(a) For the three and six months ended June 30, 2019, the Company recorded an impairment loss of $4.91 million and $6.08 million in the statement of operations related to concentrates and work in progress inventories and inventory of ore in stockpiles (June 30, 2018 - $1.34 million and $2.35 million).
5. PLANT AND EQUIPMENT AND MINERAL PROPERTIES

The following is a summary of plant and equipment:

<table>
<thead>
<tr>
<th>Plant and equipment</th>
<th>June 30, 2019</th>
<th>December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cost</td>
<td>Accumulated Depreciation</td>
</tr>
<tr>
<td>Nichols Ranch</td>
<td>$29,210</td>
<td>$(13,046)</td>
</tr>
<tr>
<td>Alta Mesa</td>
<td>13,656</td>
<td>(2,784)</td>
</tr>
<tr>
<td>Equipment and other</td>
<td>13,444</td>
<td>(12,287)</td>
</tr>
<tr>
<td>Plant and equipment total</td>
<td>$56,310</td>
<td>$(28,117)</td>
</tr>
</tbody>
</table>

The following is a summary of mineral properties:

<table>
<thead>
<tr>
<th>Mineral properties</th>
<th>June 30, 2019</th>
<th>December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uranerz ISR properties</td>
<td>$25,974</td>
<td>$25,974</td>
</tr>
<tr>
<td>Sheep Mountain</td>
<td>34,183</td>
<td>34,183</td>
</tr>
<tr>
<td>Roca Honda</td>
<td>22,095</td>
<td>22,095</td>
</tr>
<tr>
<td>Other</td>
<td>1,287</td>
<td>1,287</td>
</tr>
<tr>
<td>Mineral properties total</td>
<td>$83,539</td>
<td>$83,539</td>
</tr>
</tbody>
</table>

6. ASSET RETIREMENT OBLIGATIONS AND RESTRICTED CASH

The following table summarizes the Company’s asset retirement obligations:

<table>
<thead>
<tr>
<th>Asset retirement obligation, beginning of period</th>
<th>June 30, 2019</th>
<th>December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revision of estimate</td>
<td>$19,104</td>
<td>$18,280</td>
</tr>
<tr>
<td>Accretion of liabilities</td>
<td>151</td>
<td>(662)</td>
</tr>
<tr>
<td>Settlements</td>
<td>994</td>
<td>1,835</td>
</tr>
<tr>
<td>Asset retirement obligation, end of period</td>
<td>$20,249</td>
<td>$19,104</td>
</tr>
</tbody>
</table>

Asset retirement obligation:

| Current                                          | $32           | $270              |
| Non-current                                      | 20,217        | 18,834            |
| Asset retirement obligation, end of period       | $20,249       | $19,104           |

The asset retirement obligations of the Company are subject to legal and regulatory requirements. Estimates of the costs of reclamation are reviewed periodically by the Company and the applicable regulatory authorities. The above provision represents the Company’s best estimate of the present value of future reclamation costs, discounted using credit adjusted risk-free interest rates ranging from 9.5% to 11.5% and an inflation rate of 2.0%. The total undiscounted decommissioning liability at June 30, 2019 is $41.73 million (December 31, 2018 - $41.32 million).

The following table summarizes the Company’s restricted cash:

<table>
<thead>
<tr>
<th>Restricted cash, beginning of period</th>
<th>June 30, 2019</th>
<th>December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional collateral posted</td>
<td>$19,652</td>
<td>$22,127</td>
</tr>
<tr>
<td>Refunds of collateral</td>
<td>343</td>
<td>117</td>
</tr>
<tr>
<td>Restricted cash, end of period</td>
<td>$19,995</td>
<td>$19,652</td>
</tr>
</tbody>
</table>
The Company has cash, cash equivalents and fixed income securities as collateral for various bonds posted in favor of the applicable state regulatory agencies in Arizona, Colorado, New Mexico, Texas, Utah and Wyoming, and the U.S. Bureau of Land Management and U.S. Forest Service for estimated reclamation costs associated with the White Mesa Mill, Nichols Ranch, Alta Mesa and other mining properties. Cash equivalents are short-term highly liquid investments with original maturities of three months or less. The restricted cash will be released when the Company has reclaimed a mineral property or restructured the surety and collateral arrangements. See Note 14 for a discussion of the Company’s surety bond commitments.

Cash, cash equivalents and restricted cash are included in the following accounts at June 30, 2019 and December 31, 2018:

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2019</th>
<th>December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$16,581</td>
<td>$14,640</td>
</tr>
<tr>
<td>Restricted cash included in other long-term assets</td>
<td>19,995</td>
<td>19,652</td>
</tr>
<tr>
<td>Total cash, cash equivalents and restricted cash</td>
<td>$36,576</td>
<td>$34,292</td>
</tr>
</tbody>
</table>

7.  LOANS AND BORROWINGS

The Company’s convertible debentures which are measured at fair value, are $17.06 million and $15.88 million as of June 30, 2019 and December 31, 2018, respectively.

On July 24, 2012, the Company completed a bought deal public offering of 22,000 floating-rate convertible unsecured subordinated debentures originally maturing June 30, 2017 (the “Debentures”) at a price of Cdn$1,000 per Debenture for gross proceeds of Cdn$21.55 million (the “Offering”). The Debentures are convertible into Common Shares at the option of the holder. Interest is paid in cash and in addition, unless an event of default has occurred and is continuing, the Company may elect, from time to time, subject to applicable regulatory approval, to satisfy its obligation to pay interest on the Debentures, on the date it is payable under the indenture: (i) in cash; (ii) by delivering sufficient common shares to the debenture trustee, for sale, to satisfy the interest obligations in accordance with the indenture in which event holders of the Debentures will be entitled to receive a cash payment equal to the proceeds of the sale of such common shares; or (iii) any combination of (i) and (ii).

On August 4, 2016, the Company, by a vote of the Debentureholders, extended the maturity date of the Debentures from June 30, 2017 to December 31, 2020, and reduced the conversion price of the Debentures from Cdn$15.00 to Cdn$14.15 per Common Share of the Company. In addition, a redemption provision was added that will enable the Company, upon giving not less than 30 days’ notice to Debentureholders, to redeem the Debentures, for cash, in whole or in part at any time after June 30, 2019, but prior to maturity, at a price of 101% of the aggregate principal amount redeemed, plus accrued and unpaid interest (less any tax required by law to be deducted) on such Debentures up to but excluding the redemption date. A right (in favor of each Debentureholder) was also added which gave the Debentureholders the option to require the Company to purchase, for cash, on the previous maturity date of June 30, 2017, up to 20% of the Debentures held by the Debentureholders at a price equal to 100% of the principal amount purchased plus accrued and unpaid interest (less any tax required by law to be deducted). In the three months ended June 30, 2017, Debentureholders elected to redeem Cdn$1.13 million ($0.87 million) under this right. No additional purchases are allowed under this right. In addition, certain other amendments were made to the Indenture, as required by the U.S. Trust Indenture Act of 1939, as amended, and with respect to the addition of a U.S. Trustee in compliance therewith, as well as to remove provisions of the Indenture that no longer apply, such as U.S. securities law restrictions.

The Debentures accrue interest, payable semi-annually in arrears on June 30 and December 31 of each year at a fluctuating rate of not less than 8.5% and not more than 13.5%, indexed to the simple average spot price of uranium as reported on the UxC, LLC ("UxC") Weekly Indicator Price. The Debentures may be redeemed in whole or part, at par plus accrued interest and unpaid interest by the Company between June 30, 2019 and December 31, 2020 subject to certain terms and conditions, provided the volume weighted average trading price of the common shares of the Company on the TSX during the 20 consecutive trading days ending five days preceding the date on which the notice of redemption is given is not less than 125% of the conversion price.

Upon redemption or at maturity, the Company will repay the indebtedness represented by the Debentures by paying to the debenture trustee in Canadian dollars an amount equal to the aggregate principal amount of the outstanding Debentures which are to be redeemed or which have matured, as applicable, together with accrued and unpaid interest thereon.

Subject to any required regulatory approval and provided no event of default has occurred and is continuing, the Company has the option to satisfy its obligation to repay the Cdn$1,000 principal amount of the Debentures, in whole or in part, due at redemption or maturity, upon at least 40 days’ and not more than 60 days’ prior notice, by delivering that number of common shares obtained by dividing the Cdn$1,000 principal amount of the Debentures maturing or to be redeemed as applicable, by 95% of the volume-
weighted average trading price of the common shares on the TSX during the 20 consecutive trading days ending five trading days preceding the date fixed for redemption or the maturity date, as the case may be.

The Debentures are classified as fair value through profit or loss where the Debentures are measured at fair value based on the closing price on the TSX (a Level 1 measurement) and changes are recognized in earnings. For the three and six months ended June 30, 2019, the Company recorded a gain on revaluation of convertible Debentures of $0.94 million and a loss of $0.49 million respectively (June 30, 2018 – gain of $0.47 million and $0.32 million for the three and six months ended).

8. LEASES

Effective January 1, 2019, the Company adopted ASU No. 2016-02, Leases, and the series of related Accounting Standards Updates that followed (collectively referred to as “ASC 842”). Most prominent among the changes in the standard is the recognition of right-of-use (“ROU”) assets and lease liabilities by lessees for those leases classified as operating leases. The accounting for leases where the Company is the lessor remains largely unchanged. In addition, the new standard requires additional qualitative and quantitative disclosures to enable users of financial statements to assess the amount, timing and uncertainty of cash flows arising from leases.

The Company adopted the new standard using the modified retrospective approach with a cumulative effect adjustment on January 1, 2019. Prior comparative periods have not been restated and continue to be reported under the accounting standard in effect for those periods (ASC 840). The Company elected the package of practical expedients permitted under the transition guidance, which among other things, allows us to carry-forward historical lease classifications. The Company also elected the practical expedient to not separate lease components from nonlease components for all asset classes, and we elected the short-term lease recognition exemption whereby ROU assets and lease liabilities will not be recognized for leasing arrangements with terms less than one year.

The adoption of the new standard resulted in the recognition of operating lease ROU assets of $1.14 million, current operating lease liabilities of $0.27 million, and noncurrent operating lease liabilities of $0.96 million. Adoption of this standard had no impact on the statement of operations or retained earnings.

Lessee

The Company’s leases primarily include operating leases for corporate offices. These leases have a remaining lease term of less than one year to four years, and include options to extend the leases for up to five years. Certain of our leases include variable payments for lessor operating expenses that are not included within ROU assets and lease liabilities in the Condensed Consolidated Balance Sheets. The Company’s lease agreements do not contain any material residual value guarantees or restrictive covenants. We also sublease office space to a third party, which has a remaining term of less than one year.

Beginning January 1, 2019, operating ROU assets and operating lease liabilities are recognized based on the present value of lease payments over the lease term at commencement date. Operating leases in effect prior to January 1, 2019 were recognized at the present value of the remaining payments on the remaining lease term as of January 1, 2019. Because most of the Company's leases do not provide an explicit rate of return, the Company's incremental secured borrowing rate based on lease term information available at the commencement date of the lease will be used in determining the present value of lease payments. For purposes of calculating operating lease liabilities, lease terms may be deemed to include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. The Company’s operating lease expense is recognized on a straight-line basis over the lease term and is recorded in General and administration expenses. Short-term leases, which have an initial term of 12 months or less, are not recorded in the condensed Consolidated Balance Sheets.

Total lease cost includes the following components:

<table>
<thead>
<tr>
<th></th>
<th>Three months ended June 30, 2019</th>
<th>Six months ended June 30, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating leases</td>
<td>$105</td>
<td>$210</td>
</tr>
<tr>
<td>Short-term leases</td>
<td>$65</td>
<td>$126</td>
</tr>
<tr>
<td>Sublease income</td>
<td>$(28)</td>
<td>$(56)</td>
</tr>
<tr>
<td>Total Lease Expense</td>
<td>$142</td>
<td>$280</td>
</tr>
</tbody>
</table>

Total lease expense was $0.17 million and $0.34 million for the three and six months ended June 30, 2018.
The weighted average remaining lease term and weighted average discount rate were as follows:

<table>
<thead>
<tr>
<th></th>
<th>Six months ended June 30, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weighted average remaining lease term of operating leases</td>
<td>3.7 years</td>
</tr>
<tr>
<td>Weighted average discount rate of operating leases</td>
<td>9.00%</td>
</tr>
</tbody>
</table>

Supplemental cash flow information related to leases was as follows:

<table>
<thead>
<tr>
<th></th>
<th>Three months ended June 30, 2019</th>
<th>Six months ended June 30, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash paid for amounts included in the measurement of operating lease liabilities</td>
<td>$56</td>
<td>$138</td>
</tr>
</tbody>
</table>

Maturities of operating lease liabilities as of June 30, 2019 are as follows:

<table>
<thead>
<tr>
<th>Years ending December 31:</th>
<th>2019 (excluding the six months ended June 30, 2019)</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>Thereafter</th>
<th>Total Lease Payments</th>
<th>Less: Interest</th>
<th>Present Value of Lease Liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$232</td>
<td>336</td>
<td>343</td>
<td>351</td>
<td>160</td>
<td></td>
<td>$1,422</td>
<td>(210)</td>
<td>$1,212</td>
</tr>
</tbody>
</table>

9. CAPITAL STOCK

**Authorized capital stock**

The Company is authorized to issue an unlimited number of Common Shares without par value, unlimited Preferred Shares issuable in series, and unlimited Series A Preferred Shares. The Series A Preferred Shares issuable are non-redeemable, non-callable, non-voting and with no right to dividends. The Preferred Shares issuable in series will have the rights, privileges, restrictions and conditions assigned to the particular series upon the Board of Directors approving their issuance.

**Issued capital stock**

In the six months ended June 30, 2019, the Company issued 2,896,529 Common Shares under the Company’s ATM for net proceeds of $8.85 million.

**Share Purchase Warrants**

The following table summarizes the Company’s share purchase warrants denominated in U.S. dollars. These warrants are accounted for as derivative liabilities as the functional currency of the entity issuing the warrants, Energy Fuels Inc., is Canadian dollars.

<table>
<thead>
<tr>
<th>Month Issued</th>
<th>Expiry Date</th>
<th>Exercise Price USD$</th>
<th>Warrants Outstanding</th>
<th>Fair value at June 30, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 2016 (a)</td>
<td>September 20, 2021</td>
<td>2.45</td>
<td>4,166,030</td>
<td>$5,412</td>
</tr>
</tbody>
</table>

(a) The warrants issued in September 2016 are classified as Level 1 under the fair value hierarchy (Note 16).

On March 14, 2019, 2,328,925 warrants issued in March 2016 expired unexercised.
10. **BASIC AND DILUTED LOSS PER COMMON SHARE**

The calculation of basic and diluted earnings per share after adjustment for the effects of all potential dilutive common shares, is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Three months ended June 30,</th>
<th></th>
<th>Six months ended June 30,</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019</td>
<td>2018</td>
<td>2019</td>
<td>2018</td>
</tr>
<tr>
<td>Income (loss) attributable to shareholders</td>
<td>(9,312)</td>
<td>7,149</td>
<td>(21,439)</td>
<td>(3,673)</td>
</tr>
<tr>
<td>Basic weighted average number of common shares outstanding</td>
<td>93,920,953</td>
<td>77,513,180</td>
<td>93,041,783</td>
<td>77,131,395</td>
</tr>
<tr>
<td>Income (loss) per common share</td>
<td>(0.10)</td>
<td>0.09</td>
<td>(0.23)</td>
<td>(0.05)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Three months ended June 30,</th>
<th></th>
<th>Six months ended June 30,</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019</td>
<td>2018</td>
<td>2019</td>
<td>2018</td>
</tr>
<tr>
<td>Income (loss) attributable to shareholders</td>
<td>(9,312)</td>
<td>7,149</td>
<td>(21,439)</td>
<td>(3,673)</td>
</tr>
<tr>
<td>Diluted weighted average number of common shares outstanding</td>
<td>93,920,953</td>
<td>86,534,484</td>
<td>93,041,783</td>
<td>77,131,395</td>
</tr>
<tr>
<td>Income (loss) per common share</td>
<td>(0.10)</td>
<td>0.08</td>
<td>(0.23)</td>
<td>(0.05)</td>
</tr>
</tbody>
</table>

For the six months ended June 30, 2019, nil (June 30, 2018 - 9.02 million) options and warrants and the potential conversion of the Debentures have been excluded from the calculation as their effect would have been anti-dilutive.

11. **SHARE-BASED PAYMENTS**

The Company, under the 2018 Omnibus Equity Incentive Compensation Plan (the “Compensation Plan”), maintains a stock incentive plan for directors, executives, eligible employees and consultants. Stock incentive awards include employee stock options, restricted stock units (“RSUs”) and stock appreciation rights (“SARs”). The Company issues new shares of common stock to satisfy exercises and vesting under all of its stock incentive awards. At June 30, 2019, a total of 9,555,136 Common Shares were authorized for stock incentive plan awards.

**Employee Stock Options**

The Company, under the Compensation Plan may grant options to directors, executives, employees and consultants to purchase Common Shares of the Company. The exercise price of the options is set as the higher of the Company’s closing share price on the day before the grant date or the five-day volume weighted average price. Stock options granted under the Compensation Plan generally vest over a period of two years or more and are generally exercisable over a period of five years from the grant date not to exceed 10 years. The value of each option award is estimated at the grant date using the Black-Scholes Option Valuation Model. There were 0.30 million options granted in the six months ended June 30, 2019 (six months ended June 30, 2018 – 0.42 million options). At June 30, 2019, there were 1.60 million options outstanding with 1.35 million options exercisable, at a weighted average exercise price of $3.40 and $3.56 respectively, with a weighted average remaining contractual life of 3.42 years. The aggregate intrinsic value of the fully vested options was $0.67 million.

The fair value of the options granted under the Compensation Plan for the six months ended June 30, 2019 was estimated at the date of grant, using the Black-Scholes Option Valuation Model, with the following weighted-average assumptions:
Risk-free interest rate 2.620
Expected life 5.0 years
Expected volatility 59.4 *
Expected dividend yield 0.00%
Weighted-average expected life of option 5.00
Weighted-average grant date fair value $1.54

* Expected volatility is measured based on the Company’s historical share price volatility over a period equivalent to the expected life of the options.

The summary of the Company’s stock options at June 30, 2019 and December 31, 2018, and the changes for the fiscal periods ending on those dates is presented below:

<table>
<thead>
<tr>
<th>Range of Exercise Prices</th>
<th>Weighted Average Exercise Price</th>
<th>Number of Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, December 31, 2017</td>
<td>$1.77 - $15.61</td>
<td>$4.48</td>
</tr>
<tr>
<td>Granted</td>
<td>1.70 - 2.88</td>
<td>1.75</td>
</tr>
<tr>
<td>Exercised</td>
<td>1.70 - 2.55</td>
<td>2.15</td>
</tr>
<tr>
<td>Forfeited</td>
<td>1.70 - 6.63</td>
<td>3.96</td>
</tr>
<tr>
<td>Expired</td>
<td>5.86 - 10.36</td>
<td>8.18</td>
</tr>
<tr>
<td>Balance, December 31, 2018</td>
<td>$1.70 - $15.61</td>
<td>$3.84</td>
</tr>
<tr>
<td>Granted</td>
<td>2.92</td>
<td>2.92</td>
</tr>
<tr>
<td>Exercised</td>
<td>1.70 - 2.92</td>
<td>2.27</td>
</tr>
<tr>
<td>Forfeited</td>
<td>1.70 - 7.42</td>
<td>5.27</td>
</tr>
<tr>
<td>Expired</td>
<td>6.92</td>
<td>6.92</td>
</tr>
<tr>
<td><strong>Balance, June 30, 2019</strong></td>
<td><strong>$1.70 - $15.61</strong></td>
<td><strong>$3.40</strong></td>
</tr>
</tbody>
</table>

A summary of the status and activity of non-vested stock options for the six months ended June 30, 2019 is as follows:

<table>
<thead>
<tr>
<th>Non-vested December 31, 2018</th>
<th>Number of shares</th>
<th>Weighted Average Grant- Date Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-vested December 31, 2018</td>
<td>297,044</td>
<td>1.06</td>
</tr>
<tr>
<td>Granted</td>
<td>296,450</td>
<td>1.54</td>
</tr>
<tr>
<td>Vested</td>
<td>(345,921)</td>
<td>1.28</td>
</tr>
<tr>
<td>Forfeited</td>
<td>(8,632)</td>
<td>1.81</td>
</tr>
<tr>
<td><strong>Non-vested June 30, 2019</strong></td>
<td><strong>238,941</strong></td>
<td><strong>$</strong></td>
</tr>
</tbody>
</table>

**Restricted Stock Units**

The Company grants RSUs to executives and eligible employees. Awards are determined as a target percentage of base salary and generally vest over periods of three years. Prior to vesting, holders of restricted stock units do not have the right to vote the underlying shares. The RSUs are subject to forfeiture risk and other restrictions. Upon vesting, the employee is entitled to receive one share of the Company’s common stock for each RSU for no additional payment. During the six months ended June 30, 2019, the Company's Board of Directors issued 0.72 million RSUs under the Compensation Plan (June 30, 2018 - 1.19 million).

A summary of the status and activity of non-vested RSUs at June 30, 2019 is as follows:
### RSUs

<table>
<thead>
<tr>
<th></th>
<th>Number of shares</th>
<th>Weighted Average Grant-Date Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-vested December 31, 2018</td>
<td>1,580,187</td>
<td>$1.99</td>
</tr>
<tr>
<td>Granted</td>
<td>721,750</td>
<td>2.92</td>
</tr>
<tr>
<td>Vested</td>
<td>(839,348)</td>
<td>1.99</td>
</tr>
<tr>
<td>Forfeited</td>
<td>(204,707)</td>
<td>2.36</td>
</tr>
<tr>
<td><strong>Non-vested June 30, 2019</strong></td>
<td><strong>1,257,882</strong></td>
<td><strong>$2.47</strong></td>
</tr>
</tbody>
</table>

The total intrinsic value and fair value of RSUs that vested and were settled for equity in the six months ended June 30, 2019 was $2.44 million (June 30, 2018 – $2.41 million).

### Share Appreciation Rights

During the six months ended June 30, 2019, the Company's Board of Directors issued 2.20 million SARs under the Compensation Plan (June 30, 2018 - $nil) with a fair value of $1.25 per SAR. These SARs are intended to provide additional long-term performance-based equity incentives for the Corporation’s senior management. The SARs are purely performance based, because they only vest upon the achievement of aggressive performance goals designed to significantly increase shareholder value.

Each SAR granted entitles the holder, on exercise, to a payment in cash or shares (at the election of the Corporation) equal to the difference between the market price of the Common Shares at the time of exercise and $2.92 (the market price at the time of grant) over a five-year period, but vest only upon the achievement of the following performance goals: as to one-third of the SARs granted upon the volume weighted average price (“VWAP”) of the Common Shares on the NYSE American equaling or exceeding $5.00 for any continuous 90-calendar day period; as to an additional one-third of the SARs granted, upon the VWAP of the Corporation’s common shares on the NYSE American equaling or exceeding $7.00 for any continuous 90 calendar-day period; and as to the final one-third of the SARs granted, upon the VWAP of the Corporation’s common shares on the NYSE American equaling or exceeding $10.00 for any continuous 90 calendar-day period. Further, notwithstanding the foregoing vesting schedule, no SARs may be exercised by the holder for an initial period of one year from the Date of Grant; the date first exercisable being January 22, 2020.

The share-based compensation recorded during the three and six months ended June 30, 2019 was $0.66 million and $1.78 million (three and six months ended June 30, 2018 - $0.52 million and $1.72 million, respectively).

At June 30, 2019, there were $0.11 million, $1.29 million and $2.04 million of unrecognized compensation costs related to the unvested stock options, RSU awards and SARs, respectively. These costs are expected to be recognized over a period of approximately two years.

### INCOME TAXES

As of June 30, 2019, the Company does not believe it is more likely than not that it will fully realize the benefit of the deferred tax assets. As such, the Company recognized a full valuation allowance against the net deferred tax assets as of June 30, 2019 and December 31, 2018.

### SUPPLEMENTAL FINANCIAL INFORMATION

The components of other income are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Three months ended June 30, 2019</th>
<th>Six months ended June 30, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income</td>
<td>$142</td>
<td>$252</td>
</tr>
<tr>
<td>Change in value of investments accounted for at fair value</td>
<td>(362)</td>
<td>13</td>
</tr>
<tr>
<td>Change in value of warrant liabilities</td>
<td>1,846</td>
<td>1,115</td>
</tr>
<tr>
<td>Change in value of convertible debentures</td>
<td>943</td>
<td>(493)</td>
</tr>
<tr>
<td>Sale of surplus assets</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Foreign exchange gain (loss)</td>
<td>(16)</td>
<td>(19)</td>
</tr>
<tr>
<td>Gain on sale of assets held for sale</td>
<td>—</td>
<td>341</td>
</tr>
</tbody>
</table>

The total share-based compensation recorded during the three and six months ended June 30, 2019 was $0.66 million and $1.78 million (June 30, 2018 – $0.52 million and $1.72 million, respectively).
14. COMMITMENTS AND CONTINGENCIES

General legal matters

Other than routine litigation incidental to our business, or as described below, the Company is not currently a party to any material pending legal proceedings that management believes would be likely to have a material adverse effect on our financial position, results of operations or cash flows.

White Mesa Mill

In January 2013, the Ute Mountain Ute Tribe filed a Petition to Intervene and Request for Agency Action challenging the Corrective Action Plan approved by the State of Utah Department of Environmental Quality (“UDEQ”) relating to nitrate contamination in the shallow aquifer at the White Mesa Mill site. This challenge is currently being evaluated and may involve the appointment of an administrative law judge to hear the matter. The Company does not consider this action to have any merit. If the petition is successful, the likely outcome would be a requirement to modify or replace the existing Corrective Action Plan. At this time, the Company does not believe any such modification or replacement would materially affect our financial position, results of operations or cash flows. However, the scope and costs of remediation under a revised or replacement Corrective Action Plan have not yet been determined and could be significant.

On January 19, 2018, UDEQ renewed, and on February 16, 2018 reissued with minor corrections, the Company’s White Mesa Mill license for another ten years, and Groundwater Discharge Permit for another five years, after which renewal periods further applications for renewal for the license and permit will need to be submitted. During the review period for each application for renewal, the Mill can continue to operate under its then existing license and permit until such time as the renewed license or permit is issued. In March 2018, the Grand Canyon Trust, Ute Mountain Ute Tribe and Uranium Watch served Petitions for Review challenging UDEQ’s renewal of the license and permit. Then, in May and June 2018, Uranium Watch, the Grand Canyon Trust and the Ute Mountain Ute Tribe filed with UDEQ Requests for Appointment of an Administrative Law Judge, which they subsequently agreed to suspend pursuant to a Stipulation and Agreement with UDEQ, effective June 4, 2018. The Company has met with representatives from all parties in order to determine whether the pending administrative proceedings can be settled. Discussions are ongoing. The Company does not consider these challenges to have any merit. If the challenges are successful, the likely outcome would be a requirement to modify the renewed license and/or permit. At this time, the Company does not believe any such modification would materially affect our financial position, results of operations or cash flows.

Canyon Project

In March of 2013, the Center for Biological Diversity, the Grand Canyon Trust, the Sierra Club and the Havasupai Tribe (the “Canyon Plaintiffs”) filed a complaint in the U.S. District Court for the District of Arizona (the “District Court”) against the Forest Supervisor for the Kaibab National Forest and the U.S. Forest Service (“USFS”) seeking an order (a) declaring that the USFS failed to comply with environmental, mining, public land, and historic preservation laws in relation to our Canyon Project, (b) setting aside any approvals regarding exploration and mining operations at the Canyon Project, and (c) directing operations to cease at the Canyon Project and enjoining the USFS from allowing any further exploration or mining-related activities at the Canyon Project until the USFS fully complies with all applicable laws. In April 2013, the Plaintiffs filed a Motion for Preliminary
Injunction, which was denied by the District Court in September 2013. On April 7, 2015, the District Court issued its final ruling on the merits in favor of the Defendants and the Company and against the Canyon Plaintiffs on all counts. The Canyon Plaintiffs appealed the District Court’s ruling on the merits to the Ninth Circuit Court of Appeals and filed motions for an injunction pending appeal with the District Court. Those motions for an injunction pending appeal were denied by the District Court on May 26, 2015. Thereafter, Plaintiffs filed urgent motions for an injunction pending appeal with the Ninth Circuit Court of Appeals, which were denied on June 30, 2015.

The hearing on the merits at the Court of Appeals was held on December 15, 2016. On December 12, 2017, the Ninth Circuit Court of Appeals issued its ruling on the merits in favor of the Defendants and the Company and against the Canyon Plaintiffs on all counts. The Canyon Plaintiffs petitioned the Ninth Circuit Court of Appeals for a rehearing en banc. On October 25, 2018, the Ninth Circuit panel ruled on the petition for rehearing en banc. The panel withdrew its prior opinion and filed a new opinion, which affirmed with one exception the District Court’s decision. The one exception relates to Plaintiffs’ fourth claim, which was dismissed by the District Court for lack of standing. The Ninth Circuit panel reversed itself on its standing analysis, concluded that the Plaintiffs have standing to assert this claim and remanded the claim back to the District Court to hear the merits of Plaintiffs’ claim. A schedule for briefing on the matter is expected to be set within the third quarter of 2019. If the Canyon Plaintiffs are successful on their fourth claim, the Company may be required to maintain the Canyon Project on standby pending resolution of the matter. Such a required prolonged stoppage of mining activities could have a significant impact on our future operations.

On March 21, 2019, the Havasupai Tribe filed a Petition for a Writ of Certiorari regarding its claims in this matter with the Supreme Court of the United States, requesting that the Supreme Court hear this case. The Petition was placed on the docket on March 25, 2019 and, on May 20, 2019, the Supreme Court of the United States denied the Havasupai Tribe’s March 21, 2019 Petition. That portion of the case is now over.

**Daneros Project**

On February 23, 2018, the BLM issued the Environmental Assessment (“EA”), Decision Record and FONSI for the Mine Plan of Operations Modification for the Daneros Mine. On March 29, 2018, the Southern Utah Wilderness Alliance and Grand Canyon Trust (together, the “Appellants”) filed a Notice of Appeal to the Interior Board of Land Appeals (“IBLA”) regarding the BLM’s Decision Record and FONSI and challenging the underlying EA, and the Company was subsequently permitted to intervene. This matter has been briefed and remains under consideration by IBLA at this time. The Company does not consider these challenges to have any merit; however, the scope and costs of amending or redoing the EA have not yet been determined and could be significant.

**Surety Bonds**

The Company has indemnified third-party companies to provide surety bonds as collateral for the Company’s asset retirement obligation. The Company is obligated to replace this collateral in the event of a default, and is obligated to repay any reclamation or closure costs due. The Company currently has $20.00 million posted against an undiscounted asset retirement obligation of $41.73 million (December 31, 2018 - $19.65 million posted against an undiscounted asset retirement obligation of $41.32 million).

**Commitments**

The Company is contractually obligated under a Sales and Agency Agreement appointing an exclusive sales and marketing agent for all vanadium pentoxide produced by the Company.

**15. RELATED PARTY TRANSACTIONS**

On May 17, 2017, the Board of Directors of the Company appointed Robert W. Kirkwood and Benjamin Eshleman III to the Board of Directors of the Company.

Mr. Kirkwood is a principal of the Kirkwood Companies, including Kirkwood Oil and Gas LLC, Wesco Operating, Inc., and United Nuclear LLC (“United Nuclear”). United Nuclear, owns a 19% interest in the Company’s Arkose Mining Venture while the Company owns the remaining 81%. The Company acts as manager of the Arkose Mining Venture and has management and control over operations carried out by the Arkose Mining Venture. The Arkose Mining Venture is a contractual joint venture governed by a venture agreement dated as of January 15, 2008 entered into by Uranerz Energy Corporation (a subsidiary of the Company) and United Nuclear (the “Venture Agreement”).

United Nuclear contributed $46 thousand to the expenses of the Arkose Joint Venture based on the approved budget for the six months ended June 30, 2019.
Mr. Benjamin Eshleman III is President of Mesteña LLC, which became a shareholder of the Company through the Company’s acquisition of Mesteña Uranium, L.L.C (now EFR Alta Mesa LLC) in June 2016 through the issuance of 4,551,284 common shares of the Company to the direction of the Sellers. In connection with the Purchase Agreement, one of the Acquired Companies, Leoncito Project, L.L.C. entered into an Amended and Restated Uranium Testing Permit and Lease Option Agreement with Mesteña Unproven, Ltd., Jones Ranch Minerals Unproven, Ltd and Mesteña Proven, Ltd. (collectively the “Grantors”), which required Leoncito Project, L.L.C., to make a payment in the amount of $0.60 million to the Grantors in June 2019 (of which up to 50% may be paid in common shares of the Company at the Company’s election). As of June 30, 2019, the Company paid the Grantors $0.30 million in cash and $0.30 million in common stock, representing 97,786 shares. The Grantors are managed by Mesteña LLC.

Pursuant to the Purchase Agreement, the Alta Mesa Properties held by the Acquired Companies are subject to a royalty of 3.125% of the value of the recovered U₃O₈ from the Alta Mesa Properties sold at a price of $65.00 per pound or less, 6.25% of the value of the recovered U₃O₈ from the Alta Mesa Properties sold at a price greater than $65.00 per pound and up to and including $95.00 per pound, and 7.5% of the value of the recovered U₃O₈ from the Alta Mesa Properties sold at a price greater than $95.00 per pound. The royalties are held by the Sellers, and Mr. Eshleman and his extended family hold all of the ownership interests in the Sellers. In addition, Mr. Eshleman and certain members of his extended family are parties to surface use agreements that entitle them to surface use payments from the Acquired Companies in certain circumstances. The Alta Mesa Properties are currently being maintained on care and maintenance to enable the Company to restart operations as market conditions warrant. Due to the price of U₃O₈, the Company did not pay any royalty payments to the Sellers or to Mr. Eshleman or his immediate family members in the three months ended June 30, 2019 and does not anticipate paying any royalty payments to the Sellers or to Mr. Eshleman or his immediate family members during the remainder of 2019. Pursuant to the Purchase Agreement, surface use payments from June 2016 through December 31, 2018 were deferred until June 2019 at which time the Company made a payment totaling $1.03 million consisting $0.51 million in cash and $0.51 million in common stock, representing 168,486 shares, to settle this obligation. The Company will now make surface use payments on an annual basis to Mr. Eshleman and his immediate family members and has accrued $0.18 million as of June 30, 2019.

16. FAIR VALUE ACCOUNTING

Assets and liabilities measured at fair value on a recurring basis

The following tables set forth the fair value of the Company's assets and liabilities measured at fair value on a recurring basis (at least annually) by level within the fair value hierarchy as of June 30, 2019. As required by accounting guidance, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

As of June 30, 2019, the fair values of cash and cash equivalents, restricted cash, short-term deposits, receivables, accounts payable and accrued liabilities approximate their carrying values because of the short-term nature of these instruments.

<table>
<thead>
<tr>
<th></th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments at fair value</td>
<td>$ 721</td>
<td>$ —</td>
<td>$ —</td>
<td>$ 721</td>
</tr>
<tr>
<td>Marketable equity securities</td>
<td>1,138</td>
<td>—</td>
<td>—</td>
<td>1,138</td>
</tr>
<tr>
<td>Marketable debt securities</td>
<td>—</td>
<td>10,296</td>
<td>—</td>
<td>10,296</td>
</tr>
<tr>
<td>Warrant liabilities</td>
<td>(5,412)</td>
<td>—</td>
<td>—</td>
<td>(5,412)</td>
</tr>
<tr>
<td>Convertible debentures</td>
<td>(17,055)</td>
<td>—</td>
<td>—</td>
<td>(17,055)</td>
</tr>
<tr>
<td></td>
<td>$ (20,608)</td>
<td>$ 10,296</td>
<td>$ —</td>
<td>$ (10,312)</td>
</tr>
</tbody>
</table>

The Company’s investments are marketable equity securities which are exchange traded and are valued using quoted market prices in active markets and as such are classified within Level 1 of the fair value hierarchy. The fair value of the investments is calculated as the quoted market price of the marketable equity security multiplied by the quantity of shares held by the Company.

17. SUBSEQUENT EVENTS

Sale of shares in the Company’s ‘At-the-Market’ program (“ATM”).

From July 1, 2019 through August 2, 2019, the Company issued 0.86 million common shares at an average price of $3.12 for proceeds of $2.70 million using the ATM.
ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion and analysis should be read in conjunction with our unaudited condensed consolidated financial statements for the three and six month periods ended June 30, 2019, and the related notes thereto, which have been prepared in accordance with U.S. GAAP. Additionally, the following discussion and analysis should be read in conjunction with Management’s Discussion and Analysis of Financial Condition and Results of Operations and the audited consolidated financial statements included in Part II of our Annual Report on Form 10-K for the year ended December 31, 2018. This Discussion and Analysis contains forward-looking statements and forward-looking information that involve risks, uncertainties and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements and information as a result of many factors. See “Cautionary Statement Regarding Forward-Looking Statements” above.

While the Company has uranium extraction and recovery activities and generates revenue, it is considered to be in the Exploration Stage (as defined by SEC Industry Guide 7) as it has no Proven or Probable Reserves within the meaning of SEC Industry Guide 7. Under U.S. GAAP, for a property that has no Proven or Probable Reserves, the Company capitalizes the cost of acquiring the property (including mineral properties and rights) and expenses all costs related to the property incurred subsequent to the acquisition of such property. Acquisition costs of a property are depreciated over its estimated useful life for a revenue generating property or expensed if the property is sold or abandoned. Acquisition costs are subject to impairment if so indicated.

All dollar amounts stated herein are in U.S. dollars, except per share amounts and currency exchange rates unless specified otherwise. References to Cdn$ refer to Canadian currency, and $ to United States currency.

Overview

We provide the raw materials for the generation of clean nuclear electricity. Our primary product is a uranium concentrate ("U₃O₈"), or yellowcake, which when further processed becomes the fuel for nuclear energy. According to the Nuclear Energy Institute, nuclear energy provides nearly 20% of the total electricity, and 55% of the clean, carbon-free electricity, generated in the United States. The Company generates revenues from extracting and processing materials for our own account, as well as from toll processing for others.

Our uranium concentrate is produced from multiple sources:

- Conventional recovery operations at our White Mesa Mill (the "Mill") including:
  - Processing ore from uranium mines;
  - Recycling of uranium bearing materials that are not derived from conventional ore ("Alternate Feed Materials"); and
  - In-situ recovery ("ISR") operations.

In addition, the Company has a long history of conventional vanadium recovery at the Mill, when vanadium prices support those activities. The Company commenced a campaign to recover vanadium from pond solutions at the Mill in December 2018 and has been recovering vanadium from pond solutions since that time. The Company is also evaluating opportunities for copper recovery from our Canyon Project.

The Mill, located near Blanding, Utah, processes ore mined from the Four Corners region of the United States as well as Alternate Feed Materials that can originate worldwide. We have the only operating uranium mill in the United States, which is also the last operating facility left in the U.S. with the ability to recover vanadium from primary ore sources. The Mill is licensed to process an average of 2,000 tons of ore per day and to extract approximately 8.0 million pounds of U₃O₈ per year. The Mill has separate circuits to process conventional uranium and vanadium ores as well as Alternate Feed Materials.

For the last several years, no mines have operated commercially in the vicinity of the Mill due to low uranium prices. As a result, in recent years, Mill activities have focused on processing Alternate Feed Materials for the recovery of uranium, under multiple toll processing arrangements as well as Alternate Feed Materials for our own account. Additionally, in recent years, the Mill has recovered dissolved uranium and vanadium from the Mill’s tailings management system that was not fully recovered during the Mill’s prior thirty-plus years of operations (“Pond Return”). During the six months ended June 30, 2019, Mill activities focused primarily on the recovery of vanadium, along with relatively small amounts of uranium, from Pond Returns. The Company is actively pursuing additional toll and Alternate Feed Materials for processing at the Mill, as well as additional clean-up materials from third party mines.
The Mill also continues to pursue additional sources of feed materials. For example, a significant opportunity exists for the Company to potentially participate in the clean-up of abandoned uranium mines in the Four Corners Region of the U.S. The U.S. Justice Department and Environmental Protection Agency has announced settlements in various forms in excess of $1.5 billion to fund certain clean-up activities on the Navajo Nation. Additional settlements with other parties are also pending. Our Mill is within close trucking distance and is uniquely positioned in this region to receive uranium-bearing materials from these cleanups and thus recycle the contained U₃O₈ while at the same time permanently disposing of the cleanup materials outside the boundaries of the Navajo Nation. There are no other facilities in the U.S capable of providing this service.

The Company’s ISR operations consist of our currently producing Nichols Ranch Project and our standby operation at Alta Mesa. At our Nichols Ranch Project, the Company placed its ninth header house into production in March 2017. In order to save cash and resources, the Company is deferring additional wellfield development until uranium prices recover. The Alta Mesa Project will remain on standby in the current uranium price environment.

We believe the current spot price of uranium does not support production for the majority of global uranium producers and, accordingly, we believe that prices will recover at some point in the future, either as a result of improving market fundamentals or in response to the Company’s Section 232 Petition (see Recent Developments -- Section 232 Update - Memorandum Issued by the President of the United States). In anticipation of potential price recoveries or other actions that could support increased U.S. uranium mining, we continue to maintain and advance our resource portfolio. Once prices recover or other supportive actions are taken, we stand ready to resume wellfield construction at our Nichols Ranch Project, develop wellfields and resume production at our Alta Mesa facility, as well as mine and process resources from our Canyon Project, Daneros Project, La Sal Project and Whirlwind Project. The Company believes we could start bringing this new production to the market within approximately six to twelve months of a positive production decision. Longer term, we expect to resume production at our other conventional mines on standby and develop our large conventional mines at Roca Honda, Henry Mountains, and/or Sheep Mountain.

Recent Developments

Court Challenges to Canyon Mine Authorizations

On May 20, 2019, the Supreme Court of the United States denied the Havasupai Tribe’s March 21, 2019 Petition for a Writ of Certiorari regarding the Tribe’s challenges to the US Forest Service’s authorizations at the Company’s Canyon Mine project, requesting that the Supreme Court hear those challenges. That portion of the case is now over.

White Mesa Processing Agreement

On June 10, 2019, the Company, through its wholly owned subsidiaries EFR White Mesa LLC and Energy Fuels Resources (USA) Inc., entered into a Processing Agreement (the “Agreement”) with the owner of a formerly operating uranium mine in New Mexico. The owner is currently completing various cleanup and reclamation activities at the mine, including the removal and disposal of low-grade uranium ore (the “Ore”) located at the site. Under the Agreement, the owner will deliver Ore to Energy Fuels’ White Mesa Mill for the processing and recovery of uranium, and the disposal of the resulting tailings. Revenues payable to the Company are expected to be between $700,000 and approximately $3,500,000, depending on the amount of Ore delivered to the White Mesa Mill. As additional consideration, the Company will retain title to any uranium (or other minerals) recovered from the Ore for its own account, currently estimated to be approximately 8,000-70,000 lbs. of U₃O₈, valued at approximately $200,000-$1,750,000 at current uranium prices. Deliveries of Ore began in late-June 2019. Energy Fuels has proposed similar processing and disposal services to assist in the cleanup of Cold War era abandoned uranium mines on the Navajo Nation and other nearby lands. The Agreement represents the first agreement for the processing and disposal of those types of clean-up materials at the White Mesa Mill. The Ore is currently being stockpiled at the Mill for recovery in a future conventional mill processing campaign.

Section 232 Update - Memorandum Issued by the President of the United States

In January 2018, the Company participated in the joint filing of a Petition for Relief under Section 232 of the Trade Expansion Act of 1962 (as amended) from Imports of Uranium Products that Threaten National Security (the “Petition”). The Petition describes how uranium and nuclear fuel from state-owned and state-subsidized enterprises in Russia, Kazakhstan, Uzbekistan and China potentially represent a threat to U.S. national security. The Petition proposed a remedy that would set a quota to limit imports of uranium into the U.S., which, if implemented, would effectively reserve 25% of the U.S. nuclear market for U.S. uranium production. Additionally, the Petition suggested implementation of a requirement for U.S. federal utilities and agencies to buy U.S. uranium in accordance with the President's Buy American Policy. The remedies, if granted, would be expected to strengthen the U.S. uranium mining industry, bolster national defense, and improve supply diversification for U.S. utilities and their customers. On July 18, 2018, the U.S. Department of Commerce (“DOC”) initiated the investigation (the “Section 232 Investigation”). On April 14, 2019, the DOC completed the Section 232 Investigation and the Secretary of Commerce submitted a report to the President.
of the United States containing his findings (the “Section 232 Report”). In response to the Section 232 Report, on July 12, 2019, the President of the United States issued a memorandum, where he stated that “I agree with the Secretary that the United States uranium industry faces significant challenges in producing uranium domestically and that this is an issue of national security.” In order “to address the concerns identified by the Secretary regarding domestic uranium production and to ensure a comprehensive review of the entire domestic nuclear supply chain,” the President formed the United States Nuclear Fuel Working Group (the “Working Group”) to “examine the current state of domestic nuclear fuel production to reinvigorate the entire nuclear fuel supply chain, consistent with United States national security and nonproliferation goals.” The President instructed the Working Group to “develop recommendations for reviving and expanding domestic nuclear fuel production,” and to submit a report to the President within 90 days “setting forth the Working Group’s findings and making recommendations to further enable domestic nuclear fuel production if needed.” The Company looks forward to the Working Group’s study and recommendations. The Company believes this initiative has the potential to result in actions that could provide meaningful support to the uranium mining industry, including all or some of the remedies proposed in the Petition. It should be noted, however, that there can be no certainty of the outcome of the Working Group’s study and recommendations. No action could be taken or remedies granted and any actions taken may not result in a meaningful or material remedy to the uranium mining industry. Therefore, the outcome of this process is uncertain.

**Uranium Market Update**

According to monthly price data from TradeTech LLC (“TradeTech”), uranium spot prices were relatively flat during Q2-2019. The uranium spot price began the quarter at $24.90 per pound on March 31, 2019 and dropped slightly (2%) to $24.50 per pound by the end of the quarter on June 30, 2019. The uranium spot price reached a high of $25.85 per pound during the week of April 12, 2019, and a low of $24.00 during the week of May 31, 2019. TradeTech price data also indicates that long-term U₃O₈ prices dropped slightly, beginning the quarter at $32.00 per pound and ending the quarter at $31.00 per pound. On July 25, 2019, TradeTech reported a spot price of $25.50 per pound and a long-term price of $31.00 per pound. According to TradeTech, April 2019 “[b]uying activity in the uranium spot market was muted … as buyers and sellers continue[d] to face potential U.S. government intervention in the market.” (TradeTech, NMR, April 30, 2019). TradeTech also indicated that “the downward price pressure seen in the first quarter of 2019 appears to have abated, as mounting uncertainty brought by the Section 232 investigation in the USA intersects with emerging demand.” (TradeTech, NMR, April 30, 2019). May 2019 saw lower prices as “[b]uying activity in the uranium spot market declined … as uncertainty surrounding potential U.S. government intervention in the market alongside the looming potential for premature nuclear power plant shutdowns in several U.S. states, have kept many buyers at bay.” (TradeTech, NMR, May 31, 2019). June saw increased uncertainty in the market due to a number of factors, including Ohio lawmakers failing to reach agreement on nuclear subsidies and a number of views within the industry on the range of potential outcomes of the Section 232 Investigation, which “created an environment in which buyers and sellers found it increasingly difficult to reach agreement not just on price, but on all manner of terms and conditions, such as origins, location and offer validity. Consequently market activity … stalled.” (TradeTech, NMR, June 30, 2019). Following the President’s decision to create the Working Group, uranium spot prices firmed somewhat, reaching $25.25 by July 19, 2019. However, the Company believes considerable uncertainty remains in the market, and participants may not make significant moves in the market until more certainty materializes around the possible outcomes of the Working Group.

On July 23, 2019, there was a major positive development in the U.S. nuclear sector as another state voted to bail out its nuclear power plants. Ohio Governor Mike DeWine signed HB6 into law, providing $1.1 billion of subsidies for two previously struggling nuclear power plants, Davis-Besse and Perry. As a result, Ohio joins New York, Illinois, New Jersey, and Connecticut in providing significant financial support for their state’s nuclear power plants. However, in Pennsylvania the legislature adjourned for the summer without passing legislation to support that state’s nuclear power plants. As a result, Exelon announced the closure of Three Mile Island Unit 1 by September 30, 2019.

The Company believes that certain uranium supply and demand fundamentals are pointing to higher prices in the future, including significant production cuts and increased demand from utilities, financial entities, traders, and producers. However, the Company also believes that while uranium market conditions have improved over the past year, they still remain weak primarily as a result of excess uranium supplies caused by large quantities of secondary uranium supplies, excess inventories, and thus far insufficient primary production cut-backs, particularly from State Owned Enterprises. The Company also continues to believe that the Company’s joint filing of the Section 232 Petition injected uncertainty into the market, causing utilities and other market participants to be less aggressive in their buying and selling activities at this time. The Company continues to believe a large degree of uncertainty continues in the market with the President’s creation of the Working Group, along with the potential for sanctions on Iran which could affect deliveries to U.S. utilities from Russian-backed entities.
During Q2-2019, a disparity between V₂O₅ prices in China versus Europe began to develop, which accelerated into July 2019. According to weekly price data from Metal Bulletin, the mid-point spot price for V₂O₅ in China was $13.50 per pound on March 28, 2019 and $8.00 per pound of V₂O₅ on June 28, 2019, representing a drop of 41% during the quarter. By August 1, 2019, the spot price in China had risen back to $9.25 per pound of V₂O₅. During the same period, according to weekly price data from Metal Bulletin, the mid-point spot price for V₂O₅ in Europe was $12.63 per pound on March 28, 2019 and $7.48 per pound of V₂O₅ on June 28, 2019, again representing a drop of 41%. However, by July 26, 2019, the spot price in Europe had further dropped to $7.10 per pound of V₂O₅. As can be seen from the month-end data for July, vanadium prices in China were approximately 7% higher than in Europe. However, by August 2, 2019, the gap widened considerably, as the V₂O₅ price in China was approximately 23% higher than in Europe.

The Company believes a shortage of raw material in China continues due to production cutbacks and new potential demand due to the rebar standards implemented in China in late-2018. After the announcement of the new standards, global vanadium prices rose significantly to $28.83 per pound in Europe and $32.00 per pound in China. However, as vanadium prices rose to multi-year highs, the Company believes Chinese steel mills began to substitute niobium for vanadium, thereby causing demand for vanadium, and hence prices, to drop off their highs. In recent weeks, the Company believes niobium substitution has abated, and that this, combined with recently reported strong growth in China, has firmed vanadium prices in China, causing the 23% disparity between Chinese and European prices being observed today. At the same time, the Company believes that the European and Russian steel industries are stressed, mainly due to the effects of sanctions on Russia and tariffs in the U.S. This has created less demand, and hence lower prices, for vanadium in Europe and Russia. Because of continued tightness in China, it is the Company’s belief that Russian and European producers and traders may redirect some of their vanadium stocks into China, thereby leading to higher prices in Europe and possibly somewhat lower prices in China.

The Company believes that in 2018, global production cutbacks caused vanadium supply to fall below demand, thereby creating a deficit in the market, leading to significant price increases. In the short term, the Company believes that the market dynamics that led to the increased prices in 2018 generally still exist, including increased demand due to new Chinese rebar standards, continued economic growth in China, and decreased supply due to environmental regulations. However, as vanadium prices rise, substitution (primarily niobium) is likely to continue to occur, thereby moderating potential price increases somewhat. In addition, Russian, European, and US steel industries are experiencing lower levels of activity, which is also likely to have a moderating influence on further price increases. Longer-term, the Company expects vanadium prices to continue to be volatile, and mainly dictated by policies in, and the economy of, China. The Company also believes there could be increased demand for vanadium in the energy storage industry.

**Operations Update and Outlook for Year Ending December 31, 2019**

**Overview**

**Operations and Sales Outlook Overview**

The Company plans to extract and recover uranium from its Nichols Ranch Project in 2019 at reduced levels as its existing wellfields become depleted. This will continue until such time as the incremental cost of production exceeds the value of the pounds recovered. In addition, the Company expects to continue to extract and recover vanadium and uranium from pond solutions at its White Mesa Mill through September 2019, assuming vanadium prices remain at current levels or higher. If vanadium prices improve significantly from existing prices, the Company will evaluate continuing vanadium production beyond that time.

As a result of current low uranium market conditions, both ISR and conventional uranium recovery are being maintained at reduced levels until such time as market conditions improve sufficiently, either as a result of potential relief from the Working Group study and recommendations, or through improved uranium market fundamentals. Until such time as improvements in uranium market conditions are observed or suitable sales contracts can be entered into, the Company expects to defer further wellfield development at its Nichols Ranch Project. In addition, the Company will keep the Alta Mesa ISR Project and its conventional mining properties on standby. The Company is also seeking new sources of revenue, including new sources of Alternate Feed Materials and new fee processing opportunities at the Mill that can be processed under existing market conditions, largely unrelated to uranium sales prices. The Company will also continue its support of the Working Group, and will evaluate additional acquisition and disposition opportunities that may arise.

**Extraction and Recovery Activities Overview**

During the six months ended June 30, 2019, the Company recovered approximately 40,000 pounds of U₃O₈. In the year ending December 31, 2019, the Company expects to recover approximately 50,000 to 125,000 pounds of U₃O₈. The Company also recovered approximately 760,000 pounds of high-purity vanadium pentoxide (“V₂O₅” or “black flake”) during the six months ended June 30, 2019 and expects to continue to recover approximately 160,000 to 200,000 pounds of V₂O₅ per month during the...
third quarter of 2019, at which time the Company expects to place vanadium recovery operations at the Mill on standby, pending improvements in vanadium prices.

The Company has entered into no uranium sales commitments for 2019 thus far. Therefore, all 2019 uranium production is expected to be added to existing inventories. All V₂O₅ production is expected to be sold on the spot market or maintained in inventory.

**ISR Activities**

During the six months ended June 30, 2019, we extracted and recovered approximately 40,000 pounds of U₃O₈ from the Nichols Ranch Project. In the year ending December 31, 2019, the Company expects to produce approximately 50,000 to 70,000 pounds of U₃O₈ from Nichols Ranch.

As of June 30, 2019, the Nichols Ranch wellfields had nine header houses extracting uranium. Until such time as improvement in uranium market conditions is observed or suitable sales contracts can be procured, the Company intends to defer development of further header houses at its Nichols Ranch Project. The Company currently holds 34 fully-permitted, undeveloped wellfields at Nichols Ranch, including four additional wellfields at the Nichols Ranch wellfields, 22 wellfields at the adjacent Jane Dough wellfields, and eight wellfields at the Hank Project, which is fully permitted to be constructed as a satellite facility to the Nichols Ranch Plant. The Company currently expects to continue running the Nichols Ranch Project through the end of 2019. However, if market conditions do not improve significantly by that time as a result of the Working Group recommendations or otherwise, the Company expects to place this project on standby in early 2020.

The Company expects to continue to keep the Alta Mesa ISR Project on standby until such time as improvements in uranium market conditions are observed or suitable sales contracts can be procured.

**Conventional Activities**

**Conventional Extraction and Recovery Activities**

During the six months ended June 30, 2019, the Company produced 760,000 pounds of high-purity V₂O₅ from its Mill Pond Return program, as well as captured 7,700 pounds of U₃O₈ in the mill circuit. The Company is currently producing at full production rates of 160,000 to 200,000 pounds of V₂O₅ per month and approximately 6,500 pounds of U₃O₈ per month under this program. The Company expects to continue to recover vanadium and uranium at these rates during the third quarter of 2019, at which time the Company expects to place this program on standby, pending improvements in vanadium prices and taking into account seasonal considerations. Despite currently low vanadium prices, the Company plans to continue this program through the end of the third quarter of 2019, rather than place it on standby at this time, for two reasons: first, vanadium recoveries from Pond Returns are highest in the warm summer months, due to the higher concentrations of dissolved vanadium in the solutions as a result of the normal evaporative process during the warm summer months and other chemical reasons, thereby enabling us to produce vanadium at the lowest cost possible, with the marginal cost of production not including fixed Mill overhead currently at or near V₂O₅ spot prices; and secondly, the Company believes the price of vanadium is likely to increase at some point in the future, and running the program through the end of the third quarter will provide the Company with a significant quantity of V₂O₅ produced that can be sold opportunistically as future price volatility occurs. One of the benefits of the Mill’s vanadium Pond Return program is that it can be stopped and restarted relatively quickly in response to changes in vanadium market conditions.

If vanadium and uranium recovery operations from the current Mill Pond Return program are put on standby at the end of the third quarter of 2019, as expected under current vanadium pricing conditions, the Company plans to utilize the resulting available Mill capacity by processing stockpiled Alternate Feed Materials in the fourth quarter of 2019.

The White Mesa Mill has historically operated on a campaign basis whereby uranium and/or vanadium recovery is scheduled as mill feed, cash needs, contract requirements, and/or market conditions may warrant. The Company currently expects that planned vanadium and other processing activities will keep the Mill in operation through the end of 2019 and into 2020. The Company is also actively pursuing opportunities to process new and additional Alternate Feed Material sources and low-grade ore from third parties in connection with various uranium clean-up requirements. Successful results from these activities would allow the Mill to extend the current campaign through 2020 and beyond. In addition, if improvements in uranium market conditions are observed as a result of the Working Group recommendations or otherwise, the Company would expect to be able to procure suitable long-term sales contracts to keep the Mill operating over a considerably longer period of time.

However, in the event the Company is unable to justify full operation of the Mill at any time, the Company would expect to place uranium and/or vanadium recovery activities at the Mill on standby at that time. While on standby, the Mill would continue to dry and package material from the Nichols Ranch Plant and continue to receive and stockpile Alternate Feed Materials for future milling campaigns. Each future milling campaign would be subject to receipt of sufficient mill feed and resulting cash flow that would allow the Company to operate the Mill on a profitable basis or to recover all or a portion of the Mill's standby costs.

**Conventional Standby, Permitting and Evaluation Activities**
During the six months ended June 30, 2019, the Company continued its test-mining and refurbishment program targeting vanadium at the fully-permitted La Sal Complex located on the Colorado Plateau. We completed the test-mining by the end of April 2019, and continued to pursue enhanced operational readiness targeting future commercial production. The goal of the program was to evaluate different mining approaches in previously mined out areas that selectively target high-grade vanadium zones, thereby potentially increasing productivity and mined grades for vanadium and decreasing mining costs per pound of V₂O₅ and U₃O₈. During this program, the Company refurbished the La Sal and Pandora mines within the La Sal Complex and extracted approximately 11,000 tons of mineralized material. The Company expects to continue readiness activities through the third quarter of 2019. In addition, the Company completed a surface and underground drilling program at the La Sal Complex during the quarter ended June 30, 2019 in order to potentially expand the known uranium and/or vanadium resources available to mine.

During 2019, the Company plans to continue carrying out engineering, metallurgical testing, procurement and construction management activities at its Canyon Project, including additional bench and pilot plant scale metallurgical test work of the uranium/copper mineralization, and to continue pursuing any additional permitting actions that may be required to potentially recover copper at the White Mesa Mill. The timing of the Company’s plans to extract and process mineralized materials from this project will be based on the results of this additional evaluation work, along with market conditions, available financing, sales requirements, and/or permits required for copper recovery at the Mill.

The Company is selectively advancing certain permits at its other major conventional uranium projects. The Company plans to accelerate the licensing and permitting of the Roca Honda Project, a large, high-grade conventional project in New Mexico, with the Record of Decision currently scheduled to be completed in 2021. The Company will also maintain required permits at the Company’s conventional projects, including the Sheep Mountain Project and the Daneros Project. In addition, the Company will continue to evaluate the Bullfrog Property at its Henry Mountains Project. Expenditures for certain of these projects have been adjusted to coincide with expected dates of price recoveries based on the Company’s forecasts. All of these projects serve as important pipeline assets for the Company’s future conventional production capabilities, as market conditions warrant.

Sales

During the six months ended June 30, 2019, the Company completed no uranium sales of significance. The Company currently has no remaining contracts and is therefore fully unhedged to future uranium price increases.

The Company continued V₂O₅ shipments during the six months ended June 30, 2019 with initial quantities being allocated for conversion to ferrovanadium (“FeV”), which was sold into spot metallurgical markets on a selective basis. At the current time, the Company is selling only small quantities of vanadium, while mainly focusing on building V₂O₅ inventory for sale in the future as prices are expected to increase. During the six months ended June 30, 2019, the Company completed sales of 150,000 pounds of vanadium at an average price of $12.83 per pound. The Company expects to continue to sell finished vanadium product when justified into the metallurgical industry, as well as other markets that demand a higher purity product, including the aerospace, chemical, and potentially the vanadium battery industries. The Company expects to sell to a diverse group of customers in order to maximize revenues and profits. The Company is continuing to produce a high-purity vanadium product of 99.6%-99.7% V₂O₅. The Company believes there may be opportunities to sell certain quantities of this high-purity material at a premium to reported spot prices. The Company may also retain vanadium product in inventory for future sale, depending on vanadium spot prices at the time of production.

The Company also continues to pursue new sources of revenue, including additional Alternate Feed Materials and other sources of feed for the White Mesa Mill.

Trade Petition and United States Nuclear Fuel Working Group

The Company looks forward to the United States Nuclear Fuel Working Group’s study and recommendations. The Company believes this initiative has the potential to result in actions that could provide meaningful support to the uranium mining industry, including all or some of the remedies proposed in the Petition. It should be noted, however, that there can be no certainty of the outcome of the Working Group’s study and recommendations. No action could be taken or remedies granted, and any actions taken may not result in a meaningful or material remedy to the uranium mining industry. Therefore, the outcome of this process is uncertain.
### Results of Operations

The following table summarizes the results of operations for the three and six months ended June 30, 2019 and 2018 (in thousands of U.S. dollars):

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended June 30,</th>
<th></th>
<th>Six Months Ended June 30,</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019</td>
<td>2018</td>
<td>2019</td>
<td>2018</td>
</tr>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uranium concentrates</td>
<td>$66</td>
<td>$26,777</td>
<td>$66</td>
<td>$28,015</td>
</tr>
<tr>
<td>Vanadium concentrates</td>
<td>773</td>
<td>—</td>
<td>1,941</td>
<td>—</td>
</tr>
<tr>
<td>Alternate feed materials</td>
<td>2,232</td>
<td>196</td>
<td>2,734</td>
<td>212</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>3,071</td>
<td>26,973</td>
<td>4,741</td>
<td>28,227</td>
</tr>
<tr>
<td><strong>Costs and expenses applicable to revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costs and expenses applicable to uranium concentrates</td>
<td>63</td>
<td>10,670</td>
<td>63</td>
<td>11,908</td>
</tr>
<tr>
<td>Costs and expenses applicable to vanadium concentrates</td>
<td>928</td>
<td>—</td>
<td>1,460</td>
<td>—</td>
</tr>
<tr>
<td>Costs and expenses applicable to alternate feed materials processing and other</td>
<td>1,695</td>
<td>—</td>
<td>2,079</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total costs and expenses applicable to revenues</strong></td>
<td>2,686</td>
<td>10,670</td>
<td>3,602</td>
<td>11,908</td>
</tr>
<tr>
<td>Impairment of inventories</td>
<td>4,906</td>
<td>1,339</td>
<td>6,082</td>
<td>2,349</td>
</tr>
<tr>
<td><strong>Gross profit (loss)</strong></td>
<td>(4,521)</td>
<td>14,964</td>
<td>(4,943)</td>
<td>13,970</td>
</tr>
<tr>
<td><strong>Other operating costs and expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development, permitting and land holding</td>
<td>1,399</td>
<td>998</td>
<td>5,741</td>
<td>2,598</td>
</tr>
<tr>
<td>Standby costs</td>
<td>1,251</td>
<td>1,386</td>
<td>2,335</td>
<td>3,898</td>
</tr>
<tr>
<td>Accretion of asset retirement obligation</td>
<td>481</td>
<td>458</td>
<td>994</td>
<td>917</td>
</tr>
<tr>
<td><strong>Total other operating costs and expenses</strong></td>
<td>3,131</td>
<td>2,842</td>
<td>9,070</td>
<td>7,413</td>
</tr>
<tr>
<td><strong>Selling, general and administration</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Selling costs</td>
<td>127</td>
<td>23</td>
<td>137</td>
<td>88</td>
</tr>
<tr>
<td>Intangible asset amortization</td>
<td>—</td>
<td>2,502</td>
<td>—</td>
<td>2,502</td>
</tr>
<tr>
<td>General and administration</td>
<td>3,725</td>
<td>2,477</td>
<td>7,476</td>
<td>7,247</td>
</tr>
<tr>
<td><strong>Total selling, general and administration</strong></td>
<td>3,852</td>
<td>5,002</td>
<td>7,613</td>
<td>9,837</td>
</tr>
<tr>
<td><strong>Total operating income (loss)</strong></td>
<td>(11,504)</td>
<td>7,120</td>
<td>(21,626)</td>
<td>(3,280)</td>
</tr>
<tr>
<td>Interest expense</td>
<td>(362)</td>
<td>(475)</td>
<td>(691)</td>
<td>(967)</td>
</tr>
<tr>
<td>Other income</td>
<td>2,552</td>
<td>499</td>
<td>869</td>
<td>562</td>
</tr>
<tr>
<td><strong>Net income (loss)</strong></td>
<td>$ (9,314)</td>
<td>$7,144</td>
<td>$(21,448)</td>
<td>$(3,685)</td>
</tr>
<tr>
<td><strong>Basic income (loss) per share</strong></td>
<td>$ (0.10)</td>
<td>$0.09</td>
<td>$(0.23)</td>
<td>$(0.05)</td>
</tr>
<tr>
<td><strong>Diluted income (loss) per share</strong></td>
<td>$ (0.10)</td>
<td>$0.08</td>
<td>$(0.23)</td>
<td>$(0.05)</td>
</tr>
</tbody>
</table>

### Revenues

The Company’s revenues from uranium were previously based on delivery schedules under long-term contracts, which could vary from quarter to quarter. As of December 31, 2018, the Company no longer has any uranium sales contacts. Any future sales of uranium will be subject to sale in the spot market until a time when the Company can agree to terms for long-term sales contracts. In the six months ended June 30, 2019, the Company initiated the selling of vanadium recovered from its pond solution at the White Mesa Mill under a Sales and Agency Agreement appointing an exclusive sales and marketing agent for all vanadium pentoxide produced by the Company.
Revenues for the three months ended June 30, 2019 totaled $3.07 million compared with $26.97 million in the three months ended June 30, 2018. Of the revenues for the three months ended June 30, 2019, $0.77 million was related to sales of 98,000 pounds of vanadium concentrates and $2.23 million related to toll processing of uranium concentrates.
Revenues for the three months ended June 30, 2018 included sales of 400,000 pounds of U,0, pursuant to a term contract at an average price of $61.30 and sales of 100,000 pounds pursuant to a contract where the price was based on the spot market at a price of $22.57 per pound.

Revenues for the six months ended June 30, 2019 totaled $4.74 million; $1.94 million was related to sales of 150,000 pounds of vanadium concentrates and $2.73 million was related to toll processing of uranium concentrates.

Revenues for the six months ended June 30, 2018 totaled $28.23 million, which included sales of 400,000 pounds of U,0, pursuant to a term contract at an average price of $61.30, sales of 50,000 pounds of U,0, at a price of $24.75 per pound and sales of 100,000 pounds pursuant to a contract where the price was based on the spot market at a price of $22.57 per pound.

**Operating Expenses**

**Uranium and Vanadium recovered and costs and expenses applicable to revenue**

In the three months ended June 30, 2019, the Company recovered 19,000 pounds of U,0, from ISR recovery activities for the Company's own account and 437,000 pounds of V,0, from the Company's pond solutions. In the three months ended June 30, 2018, the Company recovered 39,000 pounds of U,0, from ISR recovery activities for the Company's own account, and 89,000 pounds from the Company's alternate feed sources.

Costs and expenses applicable to revenue for the three months ended June 30, 2019 were $2.69 million, compared with $10.67 million for the three months ended June 30, 2018. Costs and expenses applicable to revenue for the three months ended June 30, 2019 consisted of $0.93 million from V,0, and $1.70 million related to Alternate Feed Materials. All costs and expenses applicable to revenue for 2018 were related to uranium concentrates.

In the six months ended June 30, 2019, the Company recovered 40,000 pounds of U,0, from ISR recovery activities for the Company's own account and 765,000 pounds of V,0, from the Company's pond solutions. In the six months ended June 30, 2018, the Company recovered 82,000 pounds of U,0, from the Nichols Ranch Project and 89,000 pounds from the Company's alternate feed sources.

Costs and expenses applicable to revenue for the six months ended June 30, 2019 were $3.60 million, compared with $11.91 million for the six months ended June 30, 2018. Costs and expenses applicable to revenue for the six months ended June 30, 2019 consisted of $1.46 million from V,0, and $2.08 million related to Alternate Feed Materials. All costs and expenses applicable to revenue for 2018 were related to uranium concentrates.

The decrease in the cost of sales was primarily attributable to having no significant uranium sales as well as just beginning to sell vanadium from the Company's vanadium program.

**Other Operating Costs and Expenses**

**Development, permitting and land holding**

For the three months ended June 30, 2019, the Company spent $1.40 million for development of the Company's properties. This is primarily due to the development of the V,0, test-mining program at the La Sal Project as well as expenses associated with ramping up V,0, production at the White Mesa Mill. For the three months ended June 30, 2018, the Company spent $1.00 million for development of the Canyon Project and permitting and land holding costs related to this and other projects.

For the six months ended June 30, 2019, the Company spent $5.74 million for development of the Company's properties. This is primarily due to the development of the V,0, test-mining program at the La Sal Project as well as expenses associated with ramping up V,0, production at the White Mesa Mill. For the six months ended June 30, 2018, the Company spent $2.60 million for development of the Canyon Project and permitting and land holding costs related to this and other projects.

While we expect the amounts relative to the items listed above have added future value to the Company, we expense these amounts as we do not have proven or probable reserves at any of the Company's projects under SEC Industry Guide 7.

**Standby cost**

The Company's La Sal and Daneros Projects were placed on standby in 2012, as a result of market conditions. In February 2014, the Company placed its Arizona 1 Project on standby. In the beginning of 2018, the White Mesa Mill was operated at lower levels of uranium recovery, including prolonged periods of standby. Costs related to the care and maintenance of the standby mines, along with standby costs incurred while the White Mesa Mill was operating at low levels of uranium recovery or on standby, are expensed.
For the three months ended June 30, 2019, standby costs totaled $1.25 million compared with $1.39 million in the prior year. For the six months ended June 30, 2019, standby costs totaled $2.34 million compared with $3.90 million in the prior year. The decrease is primarily related to increased Alternate Feed Materials processing and toll milling activities at the White Mesa Mill.

**Accretion**

Accretion related to the asset retirement obligation for the Company’s properties increased for the three and six months ended June 30, 2019, which were $0.48 million and $0.99 million compared with the prior year three and six months ended of $0.46 million and $0.92 million, respectively. This increase is primarily due to normal accretion activity.

**Selling, general and administrative**

Selling, general and administrative expenses include costs associated with marketing uranium, corporate and general and administrative costs and intangible asset amortization from favorable contracts. Selling, general and administrative expenses consist primarily of payroll and related expenses for personnel, contract and professional services, stock-based compensation expense and other overhead expenditures. Selling, general and administrative expenses totaled $3.85 million and $7.61 million for the three and six months ended June 30, 2019 compared to $5.00 million and $9.84 million for the three and six months ended June 30, 2018, respectively. The decrease is a result of the the Company not recognizing any intangible amortization cost from favorable contracts in the six months ended June 30, 2019 as the Company does not have any additional contract sales offset by an increase in spending on the Section 232 petition of $0.47 million.

**Impairment of Inventories**

For the three and six months ended June 30, 2019, the Company recognized $4.91 million and $6.08 million, respectively, in impairment charges related to inventory. For the three and six months ended June 30, 2018, the Company recognized $1.34 million and $2.35 million, respectively, in inventory impairment. The impairment of inventories is due to continued lower uranium prices versus our cost to produce at the Nichols Ranch Project, and the decrease in the market price of vanadium recovered from pond solutions.

**Interest Expense and Other Income and Expenses**

**Interest expense**

Interest expense for the three months ended June 30, 2019 was $0.36 million compared with $0.48 million for the three months ended June 30, 2018, respectively. Interest expense for the six months ended June 30, 2019 was $0.69 million compared with $0.97 million for the six months ended June 30, 2018, respectively. This decrease was due to the payoff of the Wyoming revenue bond loan and the put option conversion of the Company's Convertible Debentures (the "Debentures").

**Other income and expense**

For the three months ended June 30, 2019, other income and expense totaled $2.55 million, net. These amounts primarily consist of a gain on the change in the market-to-market values of the Debentures of $0.94 million, the increase in value of warrant liabilities of $1.85 million, and interest income of $0.14 million, offset by $0.36 million loss in investments accounted for at fair value.

For the three months ended June 30, 2018, other income and expense totaled $0.50 million income, net. These amounts primarily consist of a gain on investments accounted for at fair value of $0.67 million, gain on sale of assets held for sale of $0.34 million, a gain on the change in the market-to-market values of the Debentures of $0.47 million, foreign exchange gain of $0.13 million, sale of surplus assets of $0.27 million, offset by the loss on the decrease in warrant liabilities of $1.45 million.

For the six months ended June 30, 2019, other income and expense totaled $0.87 million, net. These amounts primarily consist of a loss on the change in the market-to-market values of the Debentures of $0.49 million, the increase in value of warrant liabilities of $1.12 million, offset by $0.01 million gain in investments accounted for at fair value and interest income of $0.25 million.

For the six months ended June 30, 2018, other income and expense totaled $0.56 million income, net. These amounts primarily consist of a gain on investments accounted for at fair value of $0.44 million, gain on sale of assets held for sale of $0.34 million, a gain on the change in the market-to-market values of the Debentures of $0.32 million, foreign exchange gain of $0.11 million, sale of surplus assets of $0.28 million, offset by the loss on the decrease in warrant liabilities of $1.08 million.

**LIQUIDITY AND CAPITAL RESOURCES**
Over the past six years the Company has funded major business and property acquisitions with capital provided by issuance of its common shares. In 2012 we acquired Titan Uranium Inc. and the US Mining Division of Denison, in 2013 we acquired Strathmore Minerals Corp, in 2015 we acquired Uranerz and in 2016 we acquired Mesteña, each in exchange for newly issued shares.

We intend to continue to acquire assets utilizing common shares when we can do so under attractive terms.

**Shares issued for cash**

On December 29, 2017, the Company filed a prospectus supplement to its U.S. registration statement, qualifying for distribution up to $30.00 million in additional common shares under the ATM. On November 5, 2018, the Company filed a prospectus supplement to its U.S. registration statement, qualifying for distribution up to $24.50 million in aggregate common shares under the ATM. Then, on the same date, the Company filed a base shelf prospectus whereby the Company may sell any combination of the "Securities" as defined thereunder in one or more offerings up to an initial aggregate offering price of $150.00 million. On May 5, 2019, the prospectus supplement to its U.S. registration statement expired, and was replaced on May 7, 2019 by a new prospectus supplement in the same amount, qualifying for distribution up to $24.50 million in aggregate common shares under the ATM.

From January 1, 2019 to August 2, 2019 a total of 3,760,334 Common Shares have been sold under the ATM, for net proceeds to the Company of $11.49 million.

**Working capital at June 30, 2019 and future requirements for funds**

At June 30, 2019, the Company had working capital of $42.60 million, including $16.58 million in cash, $11.43 million of marketable securities, 485,000 pounds of uranium finished goods inventory and approximately 610,000 pounds of vanadium finished goods inventory. The Company believes it has sufficient cash and resources to carry out its business plan for at least the next twelve months.

The Company is actively focused on its forward-looking liquidity needs, especially in light of the current depressed uranium markets. The Company is evaluating its ongoing fixed cost structure as well as decisions related to project retention, advancement and development. If current uranium prices persist for any extended period of time, the Company will likely be required to raise capital or take other measures to fund its ongoing operations. Significant development activities, if warranted, will require that we arrange for financing in advance of planned expenditures. In addition, we expect to continue to augment our current financial resources with external financing as our long-term business needs require.

The Company manages liquidity risk through the management of its capital structure. Accounts payable and accrued liabilities, current portion of notes payable and current taxes payable are due within the current operating year.

**Cash and cash flows**

*Six months ended June 30, 2019*

Cash, cash equivalents and restricted cash were $36.58 million at June 30, 2019, compared to $34.29 million at December 31, 2018. The increase of $2.17 million was due primarily to cash provided by financing activities of $9.05 million, cash provided by investing activities of $16.12 million, offset by cash used in operating activities of $22.99 million and loss on foreign exchange on cash held in foreign currencies of $0.11 million.

Net cash used in operating activities of $22.99 million is comprised of the net loss of $21.45 million for the period adjusted for non-cash items and for changes in working capital items. Significant items not involving cash were $0.63 million of depreciation and amortization of property, plant and equipment, $6.08 million impairment on inventory, stock based compensation expense of $1.78 million, accretion of asset retirement obligation ("ARO") of $0.99 million, $1.12 million change in warrant liabilities, $0.49 million change in value of convertible debentures, other non-cash expenses of $0.97 million, a decrease in trade and other receivables of $0.34 million, a decrease in prepaid expenses and other assets of $0.54 million, unrealized foreign exchange gain of $0.22 million, offset by a decrease in accounts payable and accrued liabilities of $2.40 million, a decrease in inventories of $7.08 million and changes in deferred revenue of $2.72 million.

Net cash provided by financing activities totaled $9.05 million consisting of $8.85 million proceeds from the issuance of stock using the Company's ATM offering, fifty thousand in cash received from non-controlling interests and $0.15 million cash received from exercise of stock options.

Net cash provided by investing activities was $16.12 million, related to cash received from the sale and maturities of marketable securities.
Cash, cash equivalents and restricted cash were $64.83 million at June 30, 2018, compared to $40.70 million at December 31, 2017. The increase of $24.13 million was due primarily to cash provided by financing activities of $19.46 million, cash provided by operating activities of $3.01 million, cash provided by investing activities of $2.93 million offset by loss on foreign exchange on cash held in foreign currencies of $1.26 million.

Net cash used in operating activities of $3.01 million is comprised of the net loss of $3.69 million for the period adjusted for non-cash items and for changes in working capital items. Significant items not involving cash were $3.15 million of depreciation and amortization of property, plant and equipment, $2.35 million impairment on inventory, stock based compensation expense of $1.72 million, accretion of ARO of $0.92 million, $1.08 million change in warrant liabilities, other non-cash expenses of $0.46 million, an increase in inventories of $4.95 million, offset by an increase in trade and other receivables of $2.19 million, an increase in prepaid expenses and other assets of $3.40 million.

Net cash provided by financing activities totaled $19.46 million consisting primarily of $22.05 million proceeds from the issuance of stock using the Company's ATM offering offset by $1.68 million to repay loans and borrowings and $0.91 million cash paid for tax withholding.

Net cash provided by investing activities was $2.93 million, of which $2.94 million related to cash received for the sale of the Company’s Reno Creek property.

**Critical accounting estimates and judgments**

The preparation of these consolidated financial statements in accordance with U.S. GAAP requires the use of certain critical accounting estimates and judgments that affect the amounts reported. It also requires management to exercise judgment in applying the Company’s accounting policies. These judgments and estimates are based on management’s best knowledge of the relevant facts and circumstances taking into account previous experience. Although the Company regularly reviews the estimates and judgments made that affect these financial statements, actual results may be materially different.

Significant estimates made by management include:

**a. Exploration Stage**

SEC Industry Guide 7 defines a reserve as “that part of a mineral deposit which could be economically and legally extracted or produced at the time of the reserve determination”. The classification of a reserve must be evidenced by a bankable feasibility study using the latest three-year price average. While the Company has established the existence of mineral resources and has successfully extracted and recovered saleable uranium from certain of these resources, the Company has not established proven or probable reserves, as defined under SEC Industry Guide 7, for these operations or any of its uranium projects. As a result, the Company is in the Exploration Stage as defined under Industry Guide 7. Furthermore, the Company has no plans to establish proven or probable reserves for any of its uranium projects.

While in the Exploration Stage, among other things, the Company must expense all amounts that would normally be capitalized and subsequently depreciated or depleted over the life of the mining operation on properties that have proven or probable reserves.

Items such as the construction of wellfields and related header houses, additions to our recovery facilities and advancement of properties will all be expensed in the period incurred. As a result, the Company’s consolidated financial statements may not be directly comparable to the financial statements of mining companies in the development or production stages.

**b. Resource estimates utilized**

The Company utilizes estimates of its mineral resources based on information compiled by appropriately qualified persons. The information relating to the geological data on the size, depth and shape of the deposits requires complex geological judgments to interpret the data. The estimation of future cash flows related to resources is based upon factors such as estimates of future uranium prices, future construction and operating costs along with geological assumptions and judgments made in estimating the size and grade of the resource. Changes in the mineral resource estimates may impact the carrying value of mining and recovery assets, goodwill, reclamation and remediation obligations and depreciation and impairment.

**d. Depreciation of mining and recovery assets acquired**

For mining and recovery assets actively extracting and recovering uranium we depreciate the acquisition costs of the mining and recovery assets on a straight line basis over our estimated lives of the mining and recovery assets. The process of estimating the useful life of the mining and recovery assets requires significant judgment in evaluating and assessing available geological,
geophysical, engineering and economic data, projected rates of extraction and recovery, estimated commodity price forecasts and the timing of future expenditures, all of which are, by their very nature, subject to interpretation and uncertainty.
Changes in these estimates may materially impact the carrying value of the Company’s mining and recovery assets and the recorded amount of depreciation.

**e. Impairment testing of mining and recovery assets**

The Company undertakes a review of the carrying values of its mining and recovery assets whenever events or changes in circumstances indicate that their carrying values may exceed their estimated net recoverable amounts determined by reference to estimated future operating results and net cash flows. An impairment loss is recognized when the carrying value of a mining or recovery asset is not recoverable based on this analysis. In undertaking this review, the management of the Company is required to make significant estimates of, among other things, future production and sale volumes, forecast commodity prices, future operating and capital costs and reclamation costs to the end of the mining asset’s life. These estimates are subject to various risks and uncertainties, which may ultimately have an effect on the expected recoverability of the carrying values of mining and recovery assets.

**f. Asset retirement obligations**

Asset retirement obligations are recorded as a liability when an asset that will require reclamation and remediation is initially acquired. For disturbances created on a property owned that will require future reclamation and remediation the Company records asset retirement obligations for such disturbance when occurred. The Company has accrued its best estimate of its share of the cost to decommission its mining and milling properties in accordance with existing laws, contracts and other policies. The estimate of future costs involves a number of estimates relating to timing, type of costs, mine closure plans, and review of potential methods and technical advancements. Furthermore, due to uncertainties concerning environmental remediation, the ultimate cost of the Company’s decommissioning liability could differ from amounts provided. The estimate of the Company’s obligation is subject to change due to amendments to applicable laws and regulations and as new information concerning the Company’s operations becomes available. The Company is not able to determine the impact on its financial position, if any, of environmental laws and regulations that may be enacted in the future. Additionally, the expected cash flows in the future are discounted at the Company’s estimated cost of capital based on the periods the Company expects to complete the reclamation and remediation activities. Differences in the expected periods of reclamation or in the discount rates used could have a material difference in the actual settlement of the obligations compared with the amounts provided.

**Recently Adopted Accounting Pronouncements**

**Leases**

In February 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2016-02, “Leases (Topic 842).” ASU 2016-02 requires leases to be recognized as assets and liabilities on the balance sheet for the rights and obligations created by all leases with terms of more than 12 months. Under the new requirements, a lessee will recognize in the balance sheet a liability to make lease payments (the lease liability) and the right-of-use asset representing the right to the underlying asset for the lease term. For leases with a term of twelve months or less, the lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee have not significantly changed from the previous GAAP.

The Company adopted the standard effective January 1, 2019 using the modified retrospective transition approach and elected not to adjust prior comparative periods. Upon adoption, the Company recognized right-of-use assets and lease liabilities of $1.22 million at January 1, 2019. See Footnote 8 for further discussion.

**Non-employee Share-Based Payment**

In June 2018, the FASB issued ASU 2018-07, which more closely aligns the accounting for employee and non-employee share-based payments. This standard more closely aligns the accounting for non-employee share-based payment transactions to the guidance for awards to employees except for specific guidance on certain inputs to an option-pricing model and the attribution of cost. The Company adopted this standard effective January 1, 2019 and adoption will not have a significant impact on our net earnings.

**Recently Issued Accounting Pronouncements Not Yet Adopted**

**Fair Value Measurement**

In August 2018, the FASB issued ASU 2018-13, which amended the fair value measurement guidance by removing and modifying certain disclosure requirements, while also adding new disclosure requirements. The amendments on changes in unrealized gains and losses, the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements, and the narrative description of measurement uncertainty should be applied prospectively for only the most recent interim or annual period presented in the initial fiscal year of adoption. All other amendments should be applied.
retrospectively to all periods presented upon their effective date. The amendments are effective for all companies for fiscal years, and interim periods within those years, beginning after December 15, 2019. Early adoption is permitted for all amendments. Further, a company may elect to early adopt the removal or modification of disclosures immediately and delay adoption of the new disclosure requirements until the effective date. The Company plans to adopt all disclosure requirements effective January 1, 2020.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

The Company is exposed to risks associated with commodity prices, interest rates, foreign currency exchange rates and credit. Commodity price risk is defined as the potential loss that we may incur as a result of changes in the market value of uranium or vanadium. Interest rate risk results from our debt and equity instruments that we issue to provide financing and liquidity for our business. The foreign currency exchange risk relates to the risk that the value of our financial commitments, recognized assets or liabilities will fluctuate due to changes in foreign currency rates. Credit risk arises from the extension of credit throughout all aspects of our business. Industry-wide risks can also affect our general ability to finance exploration, and development of exploitable resources; such effects are not predictable or quantifiable. Market risk is the risk to the Company of adverse financial impact due to change in the fair value or future cash flows of financial instruments as a result of fluctuations in interest rates and foreign currency exchange rates. The success of the Company's campaign to recover V$_2$O$_5$ from existing pond solutions at the White Mesa Mill continues to depend, in large part, on the Company's ability to sell V$_2$O$_5$ at satisfactory prices in the future. The Company currently does not have any contracts in place for the sale of vanadium.

Commodity Price Risk

The Company is subject to market risk related to the market price of U$_3$O$_8$ and V$_2$O$_5$. The Company's existing long term uranium contracts have expired, following the Company's April 2018 deliveries, and all uranium sales will now be required to be made at spot prices until the Company enters into new long-term contracts at satisfactory prices in the future. Future revenue beyond our current contracts will be affected by both spot and long-term U$_3$O$_8$ price fluctuations, which are affected by factors beyond our control, including: the demand for nuclear power; political and economic conditions; governmental legislation in uranium producing and consuming countries; and production levels and costs of production of other producing companies. The Company continuously monitors the market to determine its level of extraction and recovery of uranium and vanadium in the future.

Interest Rate Risk

The Company is exposed to interest rate risk on its cash equivalents, deposits, restricted cash, and debt. Our interest earned is not material and, thus, not subject to significant risk. The Company is exposed to an interest rate risk associated with its Debentures, which is based on the spot market price of U$_3$O$_8$. These Debentures mature in December 2020. The Company does not currently expect the spot market price of U$_3$O$_8$ to exceed $54.99 per pound prior to the Debentures’ maturity and, accordingly, does not believe there is any significant interest rate risk related to these Debentures. In the event any relief is granted under the federal administration’s U.S. Nuclear Fuel Working Group formed July 12$^{th}$ in response to the Company’s Section 232 Petition, the spot price of uranium could potentially increase, but the risk of any resulting increase in interest rates on the Debentures would be likely offset, at least in part, by other cash-flow improvements for the Company. The Company does not use derivatives to manage interest rate risk. The following chart displays the interest rate applicable to our Debentures at various U$_3$O$_8$ per pound price levels.

<table>
<thead>
<tr>
<th>UxC U$_3$O$_8$ Weekly Indicator Price</th>
<th>Annual Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to $54.99</td>
<td>8.5%</td>
</tr>
<tr>
<td>$55.00–$59.99</td>
<td>9%</td>
</tr>
<tr>
<td>$60.00–$64.99</td>
<td>9.5%</td>
</tr>
<tr>
<td>$65.00–$69.99</td>
<td>10%</td>
</tr>
<tr>
<td>$70.00–$74.99</td>
<td>10.5%</td>
</tr>
<tr>
<td>$75.00–$79.99</td>
<td>11%</td>
</tr>
<tr>
<td>$80.00–$84.99</td>
<td>11.5%</td>
</tr>
<tr>
<td>$85.00–$89.99</td>
<td>12%</td>
</tr>
<tr>
<td>$90.00–$94.99</td>
<td>12.5%</td>
</tr>
<tr>
<td>$95.00–$99.99</td>
<td>13%</td>
</tr>
<tr>
<td>$100 and above</td>
<td>13.5%</td>
</tr>
</tbody>
</table>

Currency Risk
The foreign exchange risk relates to the risk that the value of financial commitments, recognized assets or liabilities will fluctuate due to changes in foreign currency rates. The Company does not use any derivative instruments to reduce its exposure to fluctuations in foreign currency exchange rates. As the U.S. Dollar is the functional currency of our U.S. operations, the currency risk has been reduced. We maintain a nominal balance in foreign currency, resulting in a low currency risk relative to our cash balances. Our Debentures are denominated in Canadian Dollars and, accordingly, are exposed to currency risk.
The following table summarizes, in United States dollar equivalents, the Company’s major foreign currency (Cdn$) exposures as of June 30, 2019 ($000):

<table>
<thead>
<tr>
<th></th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>1,976</td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>(822)</td>
</tr>
<tr>
<td>Loans and borrowings</td>
<td>(17,055)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>(15,901)</strong></td>
</tr>
</tbody>
</table>

The table below summarizes a sensitivity analysis for significant unsettled currency risk exposure with respect to our financial instruments as at June 30, 2019 with all other variables held constant. It shows how net income would have been affected by changes in the relevant risk variables that were reasonably possible at that date.

<table>
<thead>
<tr>
<th>('000s)</th>
<th>Change for Sensitivity Analysis</th>
<th>Increase (decrease) in other comprehensive income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strengthening net earnings</td>
<td>+1% change in US dollar $</td>
<td>(208)</td>
</tr>
<tr>
<td>Weakening net earnings</td>
<td>-1% change in U.S. dollar $</td>
<td>208</td>
</tr>
</tbody>
</table>

**Credit Risk**

Credit risk relates to cash and cash equivalents, investments available for sale, trade, and other receivables that arise from the possibility that any counterparty to an instrument fails to perform. The Company only transacts with highly rated counterparties and a limit on contingent exposure has been established for any counterparty based on that counterparty’s credit rating. The Company’s sales are attributable mainly to multinational utilities. The Company carries credit risk insurance relating to its vanadium sales, which it considers to be adequate. As at June 30, 2019, the Company’s maximum exposure to credit risk was the carrying value of cash and cash equivalents, investments available for sale, trade receivables and taxes recoverable.

**ITEM 4. CONTROLS AND PROCEDURES.**

**Disclosure Controls and Procedures.**

At the end of the period covered by this quarterly report on Form 10-Q for the period ended June 30, 2019, an evaluation was carried out under the supervision of and with the participation of our management, including the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), of the effectiveness of the design and operations of our disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) under the United States Securities Exchange Act of 1934, as amended (the "Exchange Act")). Based on that evaluation, the CEO and the CFO have concluded that as of the end of the period covered by this Quarterly Report, our disclosure controls and procedures were effective in ensuring that: (i) information required to be disclosed by us in reports that we file or submit to the SEC under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in applicable rules and forms and (ii) material information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow for accurate and timely decisions regarding required disclosure.

**Changes in Internal Control over Financial Reporting**

There has been no change in our internal control over financial reporting during the quarter ended June 30, 2019 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.
PART II

ITEM 1. LEGAL PROCEEDINGS.

We are not aware of any material pending or threatened litigation or of any proceedings known to be contemplated by governmental authorities that are, or would be, likely to have a material adverse effect upon us or our operations, taken as a whole that was not disclosed in the Company’s Form 10-K for the year ended December 31, 2018, in its Form 10-Q for the quarter ended March 31, 2019, or in this Form 10-Q for the quarter ended June 30, 2019.

ITEM 1A. RISK FACTORS.

There have been no material changes from the risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2018.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

On June 20, 2019, the Company issued 168,486 common shares to several parties pursuant to an Amended and Restated Surface Use Agreement by and between Alto Colorado Ranches Ltd., et al., as owner and Leoncito Project, LLC, et al., as operator, dated May 1, 2016 (“Surface Use Agreement”) and an Amended and Restated Uranium Testing Permit and Lease Option Agreement by and between Mestena Unproven, Ltd, Jones Ranch Minerals Unproven, Ltd. and Mestena Proven Ltd. and Leoncito Project, LLC signed May 27, 2016 (“Permit and Lease Agreement”). Both the Surface Use Agreement and Permit and Lease Agreement were previously filed as part of exhibit 10.1 to the Company’s current report on Form 8-K dated March 8, 2016.

Pursuant to subsection 3.1.6 of the Surface Use Agreement and subsection 2 of the “Term” of the Permit and Lease Agreement, the Company had the option, in its sole discretion, to pay up to $300,000 in the form of Energy Fuels common shares, to be valued based on the VWAP of the Company’s common shares on the NYSE American for the ten trading days ending on the last trading day prior to the date of payment. Pursuant to this option, the Company issued 97,786 common shares.

The issuance of our common shares pursuant to the Surface Use Agreement and Permit and Lease Agreement was exempt from registration under the U.S. Securities Act of 1933, as amended, pursuant to Section 4(a)(2) thereunder.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURE.

The mine safety disclosures required by section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K are included in Exhibit 95.1 of this Quarterly Report, which is incorporated by reference into this Item 4.

ITEM 5. OTHER INFORMATION.

None.

ITEM 6. EXHIBITS.

Exhibits

40
The following exhibits are filed as part of this report:

<table>
<thead>
<tr>
<th>Exhibit Number</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1</td>
<td>Articles of Continuance dated September 2, 2005 (1)</td>
</tr>
<tr>
<td>3.2</td>
<td>Articles of Amendment dated May 26, 2006 (2)</td>
</tr>
<tr>
<td>3.3</td>
<td>Bylaws (3)</td>
</tr>
<tr>
<td>4.2</td>
<td>Shareholder Rights Plan between Energy Fuels Inc, and CIBC Mellon Trust Company dated February 3, 2009 (5)</td>
</tr>
<tr>
<td>4.3</td>
<td>Warrant Indenture between Energy Fuels Inc. and CST Trust Co. providing for the issue of common share purchase warrants dated March 14, 2016 (6)</td>
</tr>
<tr>
<td>4.4</td>
<td>First Supplemental Indenture among Energy Fuels Inc., CST Trust Company and American Stock Transfer &amp; Trust Company, LLC dated April 14, 2016 (7)</td>
</tr>
<tr>
<td>4.5</td>
<td>Warrant Indenture between Energy Fuels Inc., CST Trust Company and American Stock Transfer &amp; Trust Company, LLC dated September 20, 2016 (8)</td>
</tr>
<tr>
<td>4.6</td>
<td>Consulting Agreement between Energy Fuels Inc. and Liviakis Financial Communications, Inc. dated March 29, 2018 and effective October 1, 2017 (9)</td>
</tr>
<tr>
<td>4.7</td>
<td>Energy Fuels Inc. Omnibus Compensation Plan dated January 28, 2015 (10)</td>
</tr>
<tr>
<td>4.8</td>
<td>Amended and Restated Shareholder Rights Plan Agreement between Energy Fuels Inc. and AST Trust Company, dated March 29, 2018 and effective as of May 30, 2018 by shareholder vote (11)</td>
</tr>
<tr>
<td>4.9</td>
<td>2018 Omnibus Equity Incentive Compensation Plan, as amended and restated as of March 29, 2018 (12)</td>
</tr>
<tr>
<td>4.10</td>
<td>Release of Mortgage, Assignment of Revenues, Security Agreement, Fixture Filing and Financing Statement, dated September 11, 2018 (13)</td>
</tr>
<tr>
<td>4.11</td>
<td>October 2018 Amended and Restated Consulting Agreement dated and effective as of October 1, 2018 between Energy Fuels Inc. and Liviakis Financial Communications, Inc. (14)</td>
</tr>
<tr>
<td>10.2</td>
<td>Employment Agreement by and between Energy Fuels Inc. and Mark Chalmers dated March 28, 2019 (15)</td>
</tr>
<tr>
<td>10.3</td>
<td>Employment Agreement by and between Energy Fuels Inc. and David C. Frydenlund dated March 28, 2019 (16)</td>
</tr>
<tr>
<td>10.4</td>
<td>Employment Agreement by and between Energy Fuels Inc. and W. Paul Goranson dated March 28, 2019 (17)</td>
</tr>
<tr>
<td>23.1</td>
<td>Consent of Mark S. Chalmers</td>
</tr>
<tr>
<td>31.1</td>
<td>Certification of Chief Executive Officer pursuant to Rule 13a-14(a)) under the Securities Exchange Act of 1934, as amended</td>
</tr>
<tr>
<td>31.2</td>
<td>Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended</td>
</tr>
<tr>
<td>32.1</td>
<td>Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</td>
</tr>
<tr>
<td>32.2</td>
<td>Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</td>
</tr>
<tr>
<td>95.1</td>
<td>Mine Safety Disclosure</td>
</tr>
<tr>
<td>101.INS</td>
<td>XBRL Instance Document</td>
</tr>
<tr>
<td>101.SCH</td>
<td>XBRL Taxonomy Extension – Schema</td>
</tr>
<tr>
<td>101.CAL</td>
<td>XBRL Taxonomy Extension – Calculations</td>
</tr>
<tr>
<td>101.DEF</td>
<td>XBRL Taxonomy Extension – Definitions</td>
</tr>
<tr>
<td>101.LAB</td>
<td>XBRL Taxonomy Extension – Labels</td>
</tr>
<tr>
<td>101.PRE</td>
<td>XBRL Taxonomy Extension – Presentations</td>
</tr>
</tbody>
</table>
(1) Incorporated by reference to Exhibit 3.1 of Energy Fuels’ Form F-4 filed with the SEC on May 8, 2015.
(2) Incorporated by reference to Exhibit 3.2 of Energy Fuels’ Form F-4 filed with the SEC on May 8, 2015.
(3) Incorporated by reference to Exhibit 3.3 of Energy Fuels’ Form F-4 filed with the SEC on May 8, 2015.
(4) Incorporated by reference to Exhibit 4.1 of Energy Fuels’ Form 10-Q filed with the SEC on August 5, 2016.
(5) Incorporated by reference to Exhibit 10.9 to Energy Fuels’ Form F-4 filed on May 8, 2015.
(6) Incorporated by reference to Exhibit 4.1 to Energy Fuels’ Form 8-K filed on March 14, 2016.
(7) Incorporated by reference to Exhibit 4.1 to Energy Fuels’ Form 8-K filed on April 20, 2016.
(8) Incorporated by reference to Exhibit 4.1 to Energy Fuels’ Form 8-K filed on September 20, 2016.
(9) Incorporated by reference to Exhibit 4.10 to Energy Fuels’ Form 8-K filed on April 3, 2018.
(10) Incorporated by reference to Exhibit 4.12 to Energy Fuels’ Form S-8 filed on June 24, 2015.
(11) Incorporated by reference to Schedule B to Energy Fuels’ Schedule 14A filed on April 11, 2018.
(12) Incorporated by reference to Schedule C to Energy Fuels’ Schedule 14A filed on April 11, 2018.
(13) Incorporated by reference to Exhibit 4.15 to Energy Fuels’ Schedule 14A filed on April 11, 2018.
(14) Incorporated by reference to Exhibit 14.16 to Energy Fuels’ Form 10-Q filed with the SEC on November 2, 2018.
(15) Incorporated by reference to Exhibit 10.3 to Energy Fuels’ Form 10-Q filed with the SEC on May 8, 2019.
(16) Incorporated by reference to Exhibit 10.4 to Energy Fuels’ Form 10-Q filed with the SEC on May 8, 2019.
(17) Incorporated by reference to Exhibit 10.5 to Energy Fuels’ Form 10-Q filed with the SEC on May 8, 2019.

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**ENERGY FUELS INC.**
(Registrant)

Dated: August 2, 2019

By: /s/ Mark S. Chalmers
Mark S. Chalmers
President & Chief Executive Officer

Dated: August 2, 2019

By: /s/ David C. Frydenlund
David C. Frydenlund
Chief Financial Officer
ENERGY FUELS INC.
Common Shares

Controlled Equity Offering℠
Sales Agreement

May 6, 2019

Cantor Fitzgerald & Co.
499 Park Avenue
New York, NY 10022

H.C. Wainwright & Co., LLC
430 Park Avenue, 3rd Fl.
New York, NY 10022

Roth Capital Partners, LLC
888 San Clemente Dr.
Newport Beach, CA 92660

Ladies and Gentlemen:

Energy Fuels Inc. (the “Company”), a company continued under the Business Corporations Act (Ontario) (the “OBCA”), confirms its agreement (this “Agreement”) with Cantor Fitzgerald & Co. (the “Lead Agent”), H.C. Wainwright & Co., LLC and Roth Capital Partners, LLC (collectively with the Lead Agent, the “Agents” and individually, an “Agent”), as follows:

1. **Issuance and Sale of Shares.** The Company agrees that, from time to time during the term of this Agreement, on the terms and subject to the conditions set forth herein, it may issue and sell through the Agents, common shares (the “Placement Shares”) of the Company, no par value (the “Common Shares”); provided, however, that in no event shall the Company issue or sell through the Agents such number or dollar amount of Placement Shares that would (a) exceed the number or dollar amount of Common Shares registered on the effective Registration Statement (defined below) pursuant to which the offering is being made, (b) exceed the number of authorized but unissued Common Shares (less Common Shares issuable upon exercise, conversion or exchange of any outstanding securities of the Company or otherwise reserved from the Company’s authorized capital stock), (c) exceed the number or dollar amount of Common Shares permitted to be sold under Form S-3 (including General Instruction I.B.6 thereof, if applicable) or (d) exceed the number or dollar amount of Common Shares for which the Company has filed a Prospectus Supplement (defined below) (the lesser of (a), (b), (c) and (d), the “Maximum Amount”). Notwithstanding anything to the contrary contained herein, the parties hereto agree that compliance with the limitations set forth in this Section 1 on the amount of Placement Shares issued and sold under this Agreement shall be the sole responsibility of the Company and that the Agents shall have no obligation in connection with such compliance. The issuance and sale of Placement Shares through the Agents will be effected pursuant to the Registration Statement (as defined below) filed by the Company and declared effective by the United States Securities and Exchange Commission (the “Commission”) on December 26, 2018 (the “Effective Date”), although nothing in this Agreement shall be construed as requiring the Company to use the Registration Statement to issue Common Shares.

The Company has filed, in accordance with the provisions of the Securities Act of 1933, as amended (the “Securities Act”) and the rules and regulations thereunder (the “Securities Act Regulations”), with the Commission a registration statement on Form S-3 (File No. 333-228158), including a base prospectus (the “Base Prospectus”), relating to certain securities, including the Placement Shares to be issued from time to time by the Company, and which incorporates by reference documents that the Company has filed or will file in accordance with the provisions of the
The Company has prepared a prospectus or a prospectus supplement to the base prospectus included as part of the registration statement, which prospectus or prospectus supplement relates to the Placement Shares to be issued from time to time by the Company (the “Prospectus Supplement”). The Company will furnish to the Agent, for use by the Agent, copies of the prospectus included as part of such registration statement, as supplemented, by the Prospectus Supplement, relating to the Placement Shares to be issued from time to time by the Company. The Company may file one or more additional registration statements from time to time that will contain a base prospectus and related prospectus or prospectus supplement, if applicable (which shall be a Prospectus Supplement), with respect to the Placement Shares. Except where the context otherwise requires, such registration statement(s), including all documents filed as part thereof or incorporated by reference therein, and including any information contained in a Prospectus (as defined below) subsequently filed with the Commission pursuant to Rule 424(b) under the Securities Act Regulations or deemed to be a part of such registration statement pursuant to Rule 430B of the Securities Act Regulations, is herein called the “Registration Statement.” The base prospectus or base prospectuses, including all documents incorporated therein by reference, including in the Registration Statement, as it may be supplemented, if necessary, by the Prospectus Supplement, in the form in which such prospectus or prospectuses and/or Prospectus Supplement have most recently been filed by the Company with the Commission pursuant to Rule 424(b) under the Securities Act Regulations, together with the then issued Issuer Free Writing Prospectus(es), is herein called the “Prospectus.”

Any reference herein to the Registration Statement, any Prospectus Supplement, Prospectus or any Issuer Free Writing Prospectus (defined below) shall be deemed to refer to and include the documents, if any, incorporated by reference therein (the “Incorporated Documents”), including, unless the context otherwise requires, the documents, if any, filed as exhibits to such Incorporated Documents. Any reference herein to the terms “amend,” “amendment” or “supplement” with respect to the Registration Statement, any Prospectus Supplement, the Prospectus or any Issuer Free Writing Prospectus shall be deemed to refer to and include the filing of any document under the Exchange Act on or after the most-recent effective date of the Registration Statement, or the date of the Prospectus Supplement, Prospectus or such Issuer Free Writing Prospectus, as the case may be, and incorporated therein by reference. For purposes of this Agreement, all references to the Registration Statement, the Prospectus or to any amendment or supplement thereto shall be deemed to include the most recent copy filed with the Commission pursuant to its Electronic Data Gathering Analysis and Retrieval system, or if applicable, the Interactive Data Electronic Application system when used by the Commission (collectively, “EDGAR”).

2. Placements. Each time that the Company wishes to issue and sell Placement Shares hereunder (each, a “Placement”), it will notify the Lead Agent by email notice (if receipt of such correspondence is actually acknowledged by any of the individuals to whom the notice is sent, other than via auto-reply) or other method mutually agreed to in writing by the parties of the number of Placement Shares, the time period during which sales are requested to be made, any limitation on the number of Placement Shares that may be sold on any Trading Day (as defined below) and any minimum price below which sales may not be made (a “Placement Notice”), the form of which is attached hereto as Schedule 1. The Placement Notice shall originate from any of the individuals from the Company set forth on Schedule 3 (with a copy to each of the other individuals from the Company listed on such schedule), and shall be addressed to each of the individuals from the Lead Agent set forth on Schedule 3, as such Schedule 3 may be amended from time to time by notice in writing by the Company (with respect to the individuals from the Company) or the Lead Agent (with respect to the individuals from the Lead Agent). The Placement Notice shall be effective unless and until (i) in accordance with the notice requirement provided for in Section 4, the Lead Agent declines to accept the terms contained therein for any reason, in its sole discretion in accordance with Section 4 below, (ii) the entire amount of the Placement Shares, either the Maximum Amount under this Agreement, under the relevant Prospectus Supplement or pursuant to a Placement Notice, have been sold and settled in accordance with the terms hereof, (iii) the Company suspends or terminates the Placement Notice in accordance with the notice requirements provided for in Section 4, (iv) the Company issues a subsequent Placement Notice with parameters superseding those on the earlier dated Placement Notice, or (v) this Agreement has been terminated under the provisions of Section 12. The amount of any discount, commission or other compensation to be paid by the Company to the Lead Agent in connection with the sale of the Placement Shares shall be calculated in accordance with the terms set forth in Schedule 2. It is expressly acknowledged and agreed that neither the Company nor the Agents will have any obligation whatsoever with respect to a Placement or any Placement Shares unless and until the Company delivers a Placement Notice to the Lead Agent.
and the Lead Agent does not decline such Placement Notice pursuant to the terms set forth above, and then only upon the terms specified therein and herein. In the event of a conflict between the terms of this Agreement and the terms of a Placement Notice, the terms of the Placement Notice will control.

3. **Sale of Placement Shares by the Lead Agent.** Subject to the provisions of Section 5(a), the Lead Agent, for the period specified in the Placement Notice will use its commercially reasonable efforts consistent with its normal trading and sales practices and applicable U.S. state and federal laws, rules and regulations and, if applicable, the rules of NYSE American, LLC (the “**NYSE**” and, together with the Toronto Stock Exchange (the “**TSX**”), the “**Exchanges**”), to sell the Placement Shares up to the amount specified, and otherwise in accordance with the terms of such Placement Notice, unless the Placement Notice has been declined, suspended or otherwise terminated in accordance with the terms of this Agreement. The Lead Agent will provide written confirmation to the Company to each of the individuals set forth on Schedule 3 no later than the opening of the Trading Day immediately following the Trading Day on which it has made sales of Placement Shares hereunder setting forth the number of Placement Shares sold on such day, the average price realized, the compensation payable by the Company to the Lead Agent pursuant to Schedule 2 with respect to such sales, and the Net Proceeds (as defined below) payable to the Company, with an itemization of the deductions made by the Lead Agent (as set forth in Section 5(b)) from the gross proceeds that it receives from such sales. Subject to the terms of the Placement Notice, the Lead Agent may sell Placement Shares by any method permitted by law deemed to be an “at the market offering” as defined in Rule 415(a)(4) of the Securities Act Regulations, including sales made directly on or through the NYSE or any other existing trading market for the Common Shares in the United States, in negotiated transactions at market prices prevailing at the time of sale or at prices related to such prevailing market prices and/or any other method permitted by law. During the term of this Agreement, and notwithstanding anything to the contrary herein, the Agents agree that in no event will they or any of their affiliates engage in any market making, bidding, stabilization, over-allotment or other trading activity with regard to the Common Shares if such activity would be prohibited under Regulation M or other anti-manipulation rules under the Securities Act. “**Trading Day**” means any day on which the Common Shares are traded on the NYSE.

4. **Suspension of Sales.**
   (a) The Company or the Lead Agent may, upon notice to the other party in writing (including by email correspondence to each of the individuals of the other party set forth on Schedule 3), suspend any sale of Placement Shares (a “**Suspension**”); provided, however, that such Suspension shall not affect or impair any party’s obligations with respect to any Placement Shares sold hereunder prior to the receipt of such notice. While a Suspension is in effect any obligation under Sections 7(l), 7(m), and 7(n) with respect to the delivery of certificates, opinions, or comfort letters to the Agents, shall be waived, provided, however, that such waiver shall not apply for the Representation Date (defined below) occurring on the date that the Company files its Annual Report on Form 10-K. Each of the parties agrees that no such notice under this Section 4 shall be effective against any other party unless it is made to one of the individuals named on Schedule 3 hereto, as such Schedule may be amended from time to time.
   (b) Notwithstanding any other provision of this Agreement, during any period in which the Company is (to the Agents’ knowledge upon receiving notice from the Company) in possession of material non-public information, the Company and the Agents agree that (i) no sale of Placement Shares will take place, (ii) the Company shall not request the sale of any Placement Shares, and (iii) the Agents shall not be obligated to sell or offer to sell any Placement Shares.

5. **Sale and Delivery to the Lead Agent; Settlement.**
   (a) **Sale of Placement Shares.** On the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, upon the Lead Agent’s acceptance of the terms of a Placement Notice, and unless the sale of the Placement Shares described therein has been declined, suspended, or otherwise terminated in accordance with the terms of this Agreement, the Lead Agent, for the period specified in the
Placement Notice, will use its commercially reasonable efforts consistent with its normal trading and sales practices, applicable
Settlement of Placement Shares

Denominations; Registration

Limitations on Offering Size

the offer or sale of any Placement Shares if, after giving effect to the sale of such Placement Shares, the aggregate

than noon (New York time) on the Business Day prior to the Settlement Date.

available by the Company for examination and packaging by the Lead Agent in The City of New York not later

Days (as defined below) before the Settlement Date.

denominations and registered in such names as the Lead Agent may request in writing at least two (2) full Business

or (iv) any other calamity or crisis or any change in financial, political or economic conditions in the United States or

involving the United States or Canada or a declaration by the United States or Canada of a national emergency or war;

either Canadian or United States federal or New York State authorities or a material disruption in securities settlement

trading in securities generally on the NYSE, (ii) a general moratorium on commercial banking activities declared by

compensation on any Placement Shares that are not timely delivered due to (i) a suspension or material limitation in

to delivery of Placement Shares on a Settlement Date, the Company shall not be obligated to pay to the Lead Agent any commission, discount or other

which it would otherwise have been entitled absent such default.

Provided, however, that without limiting Section

10(a) herein, the Company shall not be obligated to pay to the Lead Agent any commission, discount or other compensation to

lead to pay to the Lead Agent any commission, discount, or other compensation to

addition to and in no way limiting the rights and obligations set forth in Section 10(a) hereto, and provided that the

Company on, or prior to, the Settlement Date. The Company agrees that if the Company, or its transfer agent (if

will cause its transfer agent to, electronically transfer the Placement Shares being sold by crediting the Lead Agent’s

or its designee’s account (provided the Lead Agent shall have given the Company written notice of such designee at

least one Trading Day prior to the Settlement Date) at The Depository Trust Company through its Deposit and

Withdrawal at Custodian System or by such other means of delivery as may be mutually agreed upon by the parties

hereto which in all cases shall be freely tradable, transferable, registered shares in good deliverable form. On each

Settlement Date, the Lead Agent will deliver the related Net Proceeds in same day funds to an account designated by

the Company on, or prior to, the Settlement Date. The Company agrees that if the Company, or its transfer agent (if

applicable), defaults in its obligation to deliver Placement Shares on a Settlement Date, the Company agrees that in

addition to and in no way limiting the rights and obligations set forth in Section 10(a) hereto, and provided that the

Lead Agent has complied with its obligations hereunder, it will (i) hold the Lead Agent harmless against any loss, claim, damage, or expense (including reasonable legal fees and expenses), as incurred, arising out of or in connection with such default by the Company, and (ii) pay to the Lead Agent any commission, discount, or other compensation to which it would otherwise have been entitled absent such default. Provided, however, that without limiting Section

10(a) herein, the Company shall not be obligated to pay to the Lead Agent any commission, discount or other compensation on any Placement Shares that are not timely delivered due to (i) a suspension or material limitation in trading in securities generally on the NYSE, (ii) a general moratorium on commercial banking activities declared by either Canadian or United States federal or New York State authorities or a material disruption in securities settlement or clearance services in the United States or Canada; (iii) an outbreak or escalation of hostilities or acts of terrorism involving the United States or Canada or a declaration by the United States or Canada of a national emergency or war; or (iv) any other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere.

(c) Delivery of Placement Shares. On or before each Settlement Date, the Company will, or will cause its transfer agent to, electronically transfer the Placement Shares being sold by crediting the Lead Agent’s or its designee’s account (provided the Lead Agent shall have given the Company written notice of such designee at least one Trading Day prior to the Settlement Date) at The Depository Trust Company through its Deposit and Withdrawal at Custodian System or by such other means of delivery as may be mutually agreed upon by the parties hereto which in all cases shall be freely tradable, transferable, registered shares in good deliverable form. On each Settlement Date, the Lead Agent will deliver the related Net Proceeds in same day funds to an account designated by the Company on, or prior to, the Settlement Date. The Company agrees that if the Company, or its transfer agent (if applicable), defaults in its obligation to deliver Placement Shares on a Settlement Date, the Company agrees that in addition to and in no way limiting the rights and obligations set forth in Section 10(a) hereto, and provided that the Lead Agent has complied with its obligations hereunder, it will (i) hold the Lead Agent harmless against any loss, claim, damage, or expense (including reasonable legal fees and expenses), as incurred, arising out of or in connection with such default by the Company, and (ii) pay to the Lead Agent any commission, discount, or other compensation to which it would otherwise have been entitled absent such default. Provided, however, that without limiting Section

10(a) herein, the Company shall not be obligated to pay to the Lead Agent any commission, discount or other compensation on any Placement Shares that are not timely delivered due to (i) a suspension or material limitation in trading in securities generally on the NYSE, (ii) a general moratorium on commercial banking activities declared by either Canadian or United States federal or New York State authorities or a material disruption in securities settlement or clearance services in the United States or Canada; (iii) an outbreak or escalation of hostilities or acts of terrorism involving the United States or Canada or a declaration by the United States or Canada of a national emergency or war; or (iv) any other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere.

(d) Denominations; Registration. Certificates for the Placement Shares, if any, shall be in such denominations and registered in such names as the Lead Agent may request in writing at least two (2) full Business Days (as defined below) before the Settlement Date. The certificates for the Placement Shares, if any, will be made available by the Company for examination and packaging by the Lead Agent in The City of New York not later than noon (New York time) on the Business Day prior to the Settlement Date.

(e) Limitations on Offering Size. Under no circumstances shall the Company cause or request the offer or sale of any Placement Shares if, after giving effect to the sale of such Placement Shares, the aggregate
gross sales proceeds of Placement Shares sold pursuant to this Agreement would exceed the lesser of (A) together with
all sales of Placement Shares under this Agreement, the Maximum Amount, and (B) the amount authorized from time
to time to be issued and sold under this Agreement by the Company’s board of directors, a duly authorized committee
thereof or a duly authorized executive committee, and notified to the Lead Agent in writing. Under no circumstances
shall the Company cause or request the offer or sale of any Placement Shares pursuant to this Agreement at a price
lower than the minimum price authorized by the Exchanges and, from time to time, by the Company’s board of
directors, a duly authorized committee thereof or a duly authorized executive committee and notified to the Lead
Agent in writing. Further, under no circumstances shall the Company cause or permit the aggregate offering amount
of Placement Shares sold pursuant to this Agreement to exceed the Maximum Amount.

(f) **Sales Through Lead Agent.** The Company agrees that any offer to sell, any solicitation of
an offer to buy, or any sales of Common Shares pursuant to this Agreement shall only be effected by or through the
Lead Agent.

6. **Representations and Warranties of the Company.** The Company represents and warrants to and
agrees with each of the Agents that as of the date of this Agreement and as of each Applicable Time (as defined
below):

(a) **Registration Statement and Prospectus.** No order suspending the trading or distribution of
the Common Shares has been issued by any Canadian Securities Regulator (as defined below), the Exchanges or
Investment Industry Regulatory Organization of Canada (“IIROC”), and no proceedings, for that purpose, have been
instituted or are pending or, to the Company’s knowledge, are contemplated by any Canadian Securities Regulator; no
stop order suspending the effectiveness of the Registration Statement has been issued by the Commission, and no
proceedings for that purpose have been instituted or are pending or to the Company’s knowledge, are contemplated by
the Commission; the Registration Statement, including the Base Prospectus and such amendments to such
Registration Statement as may have been required to the date of this Agreement, has been prepared by the Company
under the applicable provisions of the Securities Act and has been filed with the Commission; the Registration
Statement became effective on the Effective Date. Any statutes, regulations, contracts or other documents that are
required to be described in the Registration Statement or the Prospectus or to be filed as exhibits to the Registration
Statement or the Prospectus have been so described or filed. Copies of the Registration Statement or the Prospectus,
and any such amendments or supplements and all documents incorporated by reference therein that were filed with
the Commission on or prior to the date of this Agreement have been delivered or are available through EDGAR to the
Agents and their counsel. The Prospectus will name each of the Agents as an agent in the section entitled “Plan of
Distribution.” There are no reports or information that must be filed or made publicly available in connection with the
listing of the Placement Shares, on the TSX (other than routine post-closing filings) that have not been filed or made
publicly available as required. The Commission has not issued an order preventing or suspending the use of the Base
Prospectus, any Permitted Free Writing Prospectus (as defined below) or the Prospectus relating to the proposed
offering of the Placement Shares and no proceedings for such purpose have been instituted or are pending or, to the
Company’s knowledge, are contemplated or threatened by the Commission. The Company has not distributed and,
prior to the later to occur of each Settlement Date and completion of the distribution of the Placement Shares, will not
distribute any offering material in connection with the offering or sale of the Placement Shares other than the
Registration Statement and the Prospectus and any Issuer Free Writing Prospectus to which the Agents have
consented.

(b) **No Misstatement or Omission.** At the respective times each part of the Registration
Statement and each amendment thereto became effective, the Registration Statement complied in all material respects
with the Securities Act and did not contain an untrue statement of a material fact or omit to state a material fact
required to be stated therein or necessary to make the statements therein not misleading. On the date the Prospectus
Supplement was filed with the Commission, at each Applicable Time and on each Settlement Date, the Prospectus did
not and will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the
statement therein, in the light of the circumstances under which they were made, not misleading. The foregoing shall
not apply to statements in, or omissions from, any such document made in reliance upon, and in conformity with,
information furnished to the Company by the Agents specifically for use in the preparation thereof.
Conformity with Securities Act and Exchange Act. The Registration Statement, the Prospectus, any Issuer Free Writing Prospectus or any amendment or supplement thereto, and the documents
incorporated by reference in the Registration Statement, the Prospectus or any amendment or supplement thereto, when such documents were or are filed with the Commission under the Securities Act or the Exchange Act, or became or become effective under the Securities Act, as the case may be, conformed or will conform in all material respects with the requirements of the Securities Act and the Exchange Act, as applicable, other than any non-compliance which would not have a Material Adverse Effect (as defined below).

(d) Financial Information. The consolidated financial statements of the Company included or incorporated by reference in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectus, if any, together with the related notes and schedules, present fairly, in all material respects, the consolidated financial position of the Company and the Material Subsidiaries (as defined below) as of the dates indicated and the consolidated statements of comprehensive loss, shareholders’ equity and cash flows of the Company for the periods specified. Such financial statements, schedules, and notes conform in all material respects with United States generally accepted accounting principles (“GAAP”), applied on a consistent basis during the periods involved. The other financial and statistical data with respect to the Company and the Material Subsidiaries (as defined below) contained or incorporated by reference in the Registration Statement, the Prospectus and the Issuer Free Writing Prospectus, if any, are accurately and fairly presented in all material respects and prepared on a basis consistent with the financial statements and books and records of the Company; there are no financial statements (historical or pro forma) that are required to be included or incorporated by reference in the Registration Statement, the Prospectus or the Issuer Free Writing Prospectus, if any, that are not included or incorporated by reference in the Registration Statement, the Prospectus or the Issuer Free Writing Prospectus, if any, that are not included or incorporated by reference as required; the Company and the Material Subsidiaries (as defined below) do not have any material liabilities or obligations, direct or contingent (including any off-balance sheet obligations), not described in the Registration Statement and the Prospectus and all disclosures contained or incorporated by reference therein; and no other financial statements are required to be set forth or to be incorporated by reference in the Registration Statement or the Prospectus or the Issuer Free Writing Prospectus under the Securities Act.

(e) Statistical, Industry-Related and Market-Related Data. The statistical, industry-related and market-related data included in the Registration Statement and the Prospectus are based on or derived from sources that the Company reasonably believes are reliable and accurate, and such data agrees with the sources from which they are derived.

(f) Conformity with EDGAR Filing. The Prospectus delivered to the Agents for use in connection with the sale of the Placement Shares pursuant to this Agreement will be identical to the versions of the Prospectus created to be transmitted to the Commission for filing via EDGAR, except to the extent permitted by Regulation S-T.

(g) Organization. The Company and each of its Material Subsidiaries (as defined below) are, and will be, duly organized, validly existing as a corporation and in good standing (where such concept is recognized) under the laws of their respective jurisdictions of organization. The Company and each of the Material Subsidiaries are, and will be, duly licensed or qualified as a foreign corporation for transaction of business and in good standing under the laws of each other jurisdiction in which their respective ownership or lease of property or the conduct of their respective businesses requires such license or qualification, and have all corporate power and authority necessary to own or hold their respective properties and to conduct their respective businesses as described in the Registration Statement and the Prospectus, except where the failure to be so qualified or in good standing or have such power or authority would not, individually or in the aggregate, have a material adverse effect or would reasonably be expected to have a material adverse effect on or affecting the assets, business, operations, earnings, properties, condition (financial or otherwise), shareholders’ equity or results of operations of the Company and the Material Subsidiaries (as defined below) taken as a whole, or prevent or materially interfere with consummation of the transactions contemplated hereby (a “Material Adverse Effect”).

(h) Subsidiaries. The subsidiaries set forth on Schedule 4 (collectively, the “Material Subsidiaries”), include all of the Company’s significant subsidiaries (as such term is defined in Rule 1-02 of Regulation S-X promulgated by the Commission). Except as set forth in the Registration Statement and in the Prospectus and in the agreements noted on Schedule 5, the Company owns, directly or indirectly, all of the equity interests of the Material Subsidiaries free and clear of any lien, charge, security interest, encumbrance, right of first
refusal or other restriction, and all the equity interests of the Material Subsidiaries are validly issued and are fully paid, non-assessable and free
of preemptive and similar rights. Except as set forth in the agreement noted on Schedule 6, no Material Subsidiary is currently prohibited, directly or indirectly, from paying any dividends to the Company, from making any other distribution on such Material Subsidiary’s capital stock, from repaying to the Company any loans or advances to such Material Subsidiary from the Company or from transferring any of such Material Subsidiary’s property or assets to the Company or any other Subsidiary of the Company.

(i) **Minute Books.** Since January 1, 2018, all existing minute books of the Company and each of the Material Subsidiaries, including all existing records of all meetings and actions of the board of directors (including, the Audit, Compensation and Governance and Nominating Committees and other board committees) and shareholders of the Company (collectively, the “Corporate Records”) have been made available to the Agents and their counsel, and all such Corporate Records are complete in all material respects. There are no transactions, agreements or other actions of the Company or any of the Material Subsidiaries that are required to be recorded in the Corporate Records that are not properly approved and/or recorded in the Corporate Records. All required filings have been made with the appropriate government registries and institutions in the Province of Ontario in a timely fashion under the OBCA, except for such filings where the failure to file would not have a Material Adverse Effect, either individually or in the aggregate.

(j) **No Violation or Default.** Neither the Company nor any of the Material Subsidiaries is (i) in violation of its charter or bylaws or similar organizational documents; (ii) except as are disclosed in the Registration Statement and the Prospectus, in default, and no event has occurred that, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of the Material Subsidiaries is a party or by which the Company or any of the Material Subsidiaries is bound or to which any of the property or assets of the Company or any of the Material Subsidiaries are subject; or (iii) except as disclosed in the Registration Statement and the Prospectus, in violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority, except, in the case of each of clauses (ii) and (iii) above, for any such violation or default that would not, individually or in the aggregate, have a Material Adverse Effect. To the Company’s knowledge, no other party under any material contract or other material agreement to which it or any of the Material Subsidiaries is a party is in default in any respect where such default would have a Material Adverse Effect.

(k) **No Material Adverse Change.** Subsequent to the respective dates as of which information is given in the Registration Statement, the Prospectus and the Permitted Free Writing Prospectus, if any (including any document deemed incorporated by reference therein), there has not been (i) any Material Adverse Effect, (ii) any transaction which is material to the Company and the Material Subsidiaries taken as a whole, (iii) any obligation or liability, direct or contingent (including any off-balance sheet obligations), incurred by the Company or any Material Subsidiary, which is material to the Company and the Material Subsidiaries taken as a whole, (iv) any material change in the capital stock or outstanding long-term indebtedness of the Company or any of the Material Subsidiaries or (v) any dividend or distribution of any kind declared, paid or made on the capital stock of the Company or any Material Subsidiary, other than in each case above in the ordinary course of business or as otherwise disclosed in the Registration Statement or Prospectus (including any document deemed incorporated by reference therein).

(l) **Capitalization.** The issued and outstanding Common Shares have been validly issued, are fully paid and non-assessable and, other than as disclosed in the Registration Statement and the Prospectus, are not subject to any preemptive rights, rights of first refusal or similar rights. The Company has an authorized, issued and outstanding capitalization as set forth in the Registration Statement and the Prospectus as of the dates referred to therein (other than the grant of additional options under the Company’s existing stock option plans, or changes in the number of outstanding Common Shares of the Company due to the issuance of shares upon the exercise or conversion of securities exercisable for, or convertible into, Common Shares outstanding on the date hereof) and such authorized capital stock conforms in all material respects to the description thereof set forth in the Registration Statement and the Prospectus. The description of the securities of the Company in the Registration Statement and the Prospectus is complete and accurate in all material respects. Except as disclosed in or contemplated by the Registration Statement and the Prospectus, as of the date referred to therein, the Company does not have outstanding any options to purchase,
or any rights or warrants to subscribe for, or any securities or obligations convertible into, or exchangeable for, or any contracts or commitments to issue or sell, any Common Shares or other securities.

(m) **Authorization; Enforceability.** The Company has full corporate right, power and authority to enter into this Agreement and perform the transactions contemplated hereby. This Agreement has been duly authorized, executed and delivered by the Company and is a legal, valid and binding agreement of the Company enforceable in accordance with its terms, except to the extent that enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors’ rights generally and by general equitable principles.

(n) **Authorization of Placement Shares.** The Placement Shares, when issued and delivered pursuant to the terms approved by the board of directors of the Company or a duly authorized committee thereof, or a duly authorized executive committee, against payment therefor as provided herein, will be duly and validly authorized and issued and fully paid and non-assessable, free and clear of any pledge, lien, encumbrance, security interest or other claim, including any statutory or contractual preemptive rights, resale rights, rights of first refusal or other similar rights, and will be of the same class of Common Shares registered pursuant to Section 12(b) of the Exchange Act. The Placement Shares, when issued, will conform in all material respects to the description thereof set forth in or incorporated into the Prospectus.

(o) **No Consents Required.** No consent, approval, authorization, order, registration or qualification of or with any court or arbitrator or governmental or regulatory authority is required for the execution, delivery and performance by the Company of this Agreement, the issuance and sale by the Company of the Placement Shares, except for such consents, approvals, authorizations, orders and registrations or qualifications as may be required under applicable U.S. state securities laws or by the bylaws and rules of the Financial Industry Regulatory Authority, Inc. (“FINRA”) or the Exchanges in connection with the sale of the Placement Shares by the Agents.

(p) **No Preferential Rights.** Except as set forth in the Registration Statement and the Prospectus, (i) and except pursuant to options to purchase Common Shares pursuant to outstanding options, restricted stock units, warrants or convertible debentures, no person, as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Securities Act (each, a “Person”), has the right, contractual or otherwise, to cause the Company to issue or sell to such Person any Common Shares or other securities of the Company, (ii) no Person has any preemptive rights, resale rights, rights of first refusal, or any other rights (whether pursuant to a “poison pill” provision or otherwise) to purchase any Common Shares or other securities of the Company, (iii) no Person has the right to act as an underwriter or as a financial advisor to the Company in connection with the offer and sale of the Placement Shares, and (iv) no Person has the right, contractual or otherwise, to require the Company to register under the Securities Act or qualify for distribution under Canadian securities laws any Common Shares or other securities of the Company, or to include any such Common Shares or other securities in the Registration Statement or the Prospectus or the offering contemplated thereby, whether as a result of the filing or effectiveness of the Registration Statement or the sale of the Placement Shares as contemplated thereby or otherwise.

(q) **Independent Public Accounting Firm.** KPMG LLP (the “Accountant”), whose report on the consolidated financial statements of the Company is incorporated by reference into the Registration Statement and the Prospectus, are and, during the periods covered by their report, is (i) an independent registered public accounting firm within the meaning of the Securities Act and the Public Company Accounting Oversight Board (United States) and (ii) an independent auditor as required by the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario and there has never been a reportable disagreement (within the meaning of National Instrument 51-102 Continuous Disclosure Obligations) between the Company and the Accountant (or any former accountant or auditor). To the Company’s knowledge, after due and careful inquiry, the Accountant is not in violation of the auditor independence requirements of the Sarbanes-Oxley Act of 2002 (the “Sarbanes-Oxley Act”) or with respect to the Company.

(r) **Enforceability of Agreements.** All agreements between the Company and third parties expressly referenced in the Registration Statement and the Prospectus are legal, valid and binding obligations of the Company enforceable in accordance with their respective terms, except to the extent that (i) enforceability may be
limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors’ rights generally and by general equitable principles, and (ii) the indemnification provisions of certain agreements may be limited by federal, state or provincial securities laws or public policy considerations in respect thereof, and except for any other potentially unenforceable term that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

(s) **No Litigation.** Except as set forth in the Registration Statement and the Prospectus, there are no legal, governmental or regulatory actions, suits or proceedings pending, nor, to the Company’s knowledge, any legal, governmental or regulatory audits or investigations, to which the Company or a Subsidiary is a party or to which any property of the Company or any of the Material Subsidiaries is the subject that, individually or in the aggregate, if determined adversely to the Company or any of the Material Subsidiaries, could reasonably be expected to have a Material Adverse Effect or materially and adversely affect the ability of the Company to perform its obligations under this Agreement; except as disclosed in the Registration Statement and Prospectus, to the Company’s knowledge, no such actions, suits or proceedings are threatened or contemplated by any governmental or regulatory authority or threatened by others; and (i) there are no current or pending legal, governmental or regulatory audits or investigations, actions, suits or proceedings that are required under the Securities Act or Canadian securities laws to be described in the Prospectus that are not otherwise described; and (ii) there are no contracts or other documents that are required under the Securities Act to be filed as exhibits to the Registration Statement that are not so filed.

(t) **Intellectual Property.** Except as disclosed in the Registration Statement and the Prospectus, the Company and the Material Subsidiaries own, possess, license or have other rights to use all foreign and domestic patents, patent applications, trade and service marks, trade and service mark registrations, trade names, copyrights, licenses, inventions, trade secrets, technology, Internet domain names, know-how and other intellectual property (collectively, the “Intellectual Property”), necessary for the conduct of their respective businesses as now conducted except to the extent that the failure to own, possess, license or otherwise hold adequate rights to use such Intellectual Property would not, individually or in the aggregate, have a Material Adverse Effect. Except as disclosed in the Registration Statement and the Prospectus (a) there are no rights of third parties to any such Intellectual Property owned by the Company and the Material Subsidiaries; (b) to the Company’s knowledge, there is no infringement by third parties of any such Intellectual Property; (c) there is no pending or, to the Company’s knowledge, threatened action, suit, proceeding or claim by others challenging the Company’s and the Material Subsidiaries’ rights in or to any such Intellectual Property, and the Company is unaware of any facts which could form a reasonable basis for any such action, suit, proceeding or claim; (d) there is no pending or, to the Company’s knowledge, threatened action, suit, proceeding or claim by others challenging the validity or scope of any such Intellectual Property; (e) there is no pending or, to the Company’s knowledge, threatened action, suit, proceeding or claim by others that the Company and the Material Subsidiaries infringe or otherwise violate any patent, trademark, copyright, trade secret or other proprietary rights of others; (f) to the Company’s knowledge, there is no third-party U.S. patent or published U.S. patent application which contains claims for which an Interference Proceeding (as defined in 35 U.S.C. § 135) has been commenced against any patent or patent application described in the Registration Statement and the Prospectus as being owned by or licensed to the Company; and (g) the Company and the Material Subsidiaries have complied with the terms of each agreement pursuant to which Intellectual Property has been licensed to the Company or such Material Subsidiary, and all such agreements are in full force and effect, except, in the case of any of clauses (a)-(g) above, for any such infringement by third parties or any such pending or threatened suit, action, proceeding or claim as would not, individually or in the aggregate, result in a Material Adverse Effect.

(u) **Market Capitalization.** At the time the Registration Statement was originally declared effective, and at the time the Company's most recent Annual Report on Form 10-K was filed with the Commission, the Company met the then applicable requirements for the use of Form S-3 under the Securities Act, including, but not limited to, General Instruction I.B.1 of Form S-3. The Company satisfies the pre-1992 eligibility requirements for the use of a registration statement on Form S-3 in connection with this offering (the pre-1992 eligibility requirements for the use of the registration statement on Form S-3 include (i) having a non-affiliate, public common equity float of at least $150 million or a non-affiliate, public common equity float of at least $100 million and annual trading volume of at least three million shares and (ii) having been subject to the Exchange Act reporting requirements for a period of 36 months). The Company is not a shell company (as defined in Rule 405 under the Securities Act) and has not been
a shell company for at least 12 calendar months previously and if it has been a shell company at any time previously, has filed current Form 10 information (as defined in General Instruction I.B.6 of Form S-3) with the Commission at least 12 calendar months previously reflecting its status as an entity that is not a shell company.

(v) No Material Defaults. Neither the Company nor any of the Material Subsidiaries has defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long-term leases, which defaults, individually or in the aggregate, would have a Material Adverse Effect. The Company has not filed a report pursuant to Section 13(a) or 15(d) of the Exchange Act since the filing of its last Annual Report on Form 10-K, indicating that it (i) has failed to pay any dividend or sinking fund installment on preferred stock or (ii) has defaulted on any installment on indebtedness for borrowed money or on any rental on one or more long-term leases, which defaults, individually or in the aggregate, would have a Material Adverse Effect.

(w) Certain Market Activities. Neither the Company, nor any of the Material Subsidiaries, nor to the knowledge of the Company any of their respective directors or officers has taken, directly or indirectly, any action designed, or that has constituted or might reasonably be expected to cause or result in, under the Exchange Act or otherwise, the stabilization, maintenance or manipulation of the price of any security of the Company to facilitate the sale or resale of the Placement Shares.

(x) Broker/Dealer Relationships. Neither the Company nor any of the Material Subsidiaries or any related entities (i) is required to register as a “broker” or “dealer” in accordance with the provisions of the Exchange Act or (ii) directly or indirectly through one or more intermediaries, controls or is a “person associated with a member” or “associated person of a member” (within the meaning set forth in the FINRA Manual).

(y) No Reliance. The Company has not relied upon the Agents or legal counsel for any of the Agents for any legal, tax or accounting advice in connection with the offering and sale of the Placement Shares.

(z) Taxes. The Company and each of the Material Subsidiaries have filed all federal, state, provincial, local and foreign tax returns which have been required to be filed and paid all taxes shown thereon through the date hereof, to the extent that such taxes have become due and are not being contested in good faith, except where the failure to so file or pay would not have a Material Adverse Effect. Except as otherwise disclosed in or contemplated by the Registration Statement and the Prospectus, no tax deficiency has been determined adversely to the Company or any of the Material Subsidiaries which has had, individually or in the aggregate, a Material Adverse Effect. The Company has no knowledge of any federal, state, provincial or other governmental tax deficiency, penalty or assessment which has been or might be asserted or threatened against it which would have a Material Adverse Effect.

(aa) Title to Real and Personal Property. Except as set forth in the Registration Statement and the Prospectus, the Company and the Material Subsidiaries have good and marketable title in fee simple to all items of real property owned by them, good and valid title to all personal property described in the Registration Statement or Prospectus as being owned by them that are material to the businesses of the Company or such Material Subsidiary, in each case free and clear of all liens, encumbrances and claims, except those that (i) do not materially interfere with the use made and proposed to be made of such property by the Company and any of the Material Subsidiaries or (ii) would not, individually or in the aggregate, have a Material Adverse Effect. Any real or personal property described in the Registration Statement or Prospectus as being leased by the Company and any of the Material Subsidiaries is held by them under valid, existing and enforceable leases, except those that (A) do not materially interfere with the use made or proposed to be made of such property by the Company or any of the Material Subsidiaries or (B) would not, individually or in the aggregate, have a Material Adverse Effect. Each of the properties of the Company and the Material Subsidiaries complies with all applicable codes, laws and regulations (including, without limitation, building and zoning codes, laws and regulations and laws relating to access to such properties), except if and to the extent disclosed in the Registration Statement or Prospectus or except for such failures to comply that would not, individually or in the aggregate, interfere in any material respect with the use made and proposed to be made of such property by the Company and the Material Subsidiaries or otherwise have a Material Adverse Effect. None of the Company or the Material Subsidiaries has received from any governmental or regulatory authorities any notice of any
condemnation of, or zoning change affecting, the properties of the Company and the Material Subsidiaries, and the Company knows
of no such condemnation or zoning change which is threatened, except for such that would not interfere in any material respect with the use made and proposed to be made of such property by the Company and the Material Subsidiaries or otherwise have a Material Adverse Effect, individually or in the aggregate.

(ab) Environmental Laws. Except as set forth in the Registration Statement or the Prospectus:

(i) each of the Company and the Material Subsidiaries is in compliance in all material respects with all applicable federal, provincial, state, municipal and local laws, statutes, ordinances, bylaws and regulations and orders, directives and decisions rendered by any ministry, department or administrative or regulatory agency, domestic or foreign (the “Environmental Laws”) relating to the protection of the environment, occupational health and safety or the processing, use, treatment, storage, disposal, discharge, transport or handling of any pollutants, contaminants, chemicals or industrial, toxic or hazardous wastes or substance, including any uranium or derivatives thereof (the “Hazardous Substances”), except where such non-compliance would not have a Material Adverse Effect, either individually or in the aggregate;

(ii) each of the Company and the Material Subsidiaries has obtained all licenses, permits, approvals, consents, certificates, registrations and other authorizations under all applicable Environmental Laws (the “Environmental Permits”) necessary as at the date hereof for the operation of the businesses carried on or proposed to be commenced by the Company and the Material Subsidiaries and each Environmental Permit is valid, subsisting and in good standing and to the knowledge of Company neither the Company nor the Material Subsidiaries is in default or breach of any Environmental Permit which would have a Material Adverse Effect, and no proceeding is pending or, to the knowledge of the Company or the Material Subsidiaries, threatened, to revoke or limit any Environmental Permit;

(iii) neither the Company nor the Material Subsidiaries has used, except in compliance with all Environmental Laws and Environmental Permits, and other than as may be incidental to mineral resource exploration, development, mining, recovery, processing or milling, any property or facility which it owns or leases or previously owned or leased, to generate, manufacture, process, distribute, use, treat, store, dispose of, transport or handle any Hazardous Substance;

(iv) neither the Company nor the Material Subsidiaries (including, if applicable, any predecessor companies) has received any notice of, or been prosecuted for an offence alleging, non-compliance with any Environmental Law that would have a Material Adverse Effect, and neither the Company nor the Material Subsidiaries (including, if applicable, any predecessor companies) has settled any allegation of non-compliance that would have a Material Adverse Effect short of prosecution. There are no orders or directions relating to environmental matters requiring any material work, repairs, construction or capital expenditures to be made with respect to any of the assets of the Company or the Material Subsidiaries, nor has the Company or the Material Subsidiaries received notice of any of the same; and

(v) neither the Company nor the Material Subsidiaries has received any notice wherein it is alleged or stated that the Company or the Material Subsidiaries is potentially responsible for a federal, provincial, state, municipal or local clean-up site or corrective action under any Environmental Laws. Neither the Company nor the Material Subsidiaries has received any request for information in connection with any federal, state, municipal or local inquiries as to disposal sites.

(ac) Disclosure Controls. The Company and each of the Material Subsidiaries maintain systems of internal accounting controls applicable under GAAP, sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management’s general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management’s general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Company’s internal control over financial reporting is effective and the Company is not aware of any material weaknesses in its internal control.
over financial reporting (other than as set forth in the Prospectus). Since the date of the latest audited financial statements of the Company included or incorporated by reference in the Registration Statement and the Prospectus, there has been no change in the Company’s internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting (other than as set forth in the Prospectus). The Company has established disclosure controls and procedures (as defined in Exchange Act Rules 13a-15 and 15d-15) for the Company and designed such disclosure controls and procedures to ensure that material information relating to the Company and each of the Material Subsidiaries is made known to the certifying officers by others within those entities, particularly during the period in which the Company’s Annual Report on Form 10-K is being prepared or during the period in which financial statements will be filed or furnished with the Commission on Form 10-Q. The Company’s certifying officers have evaluated the effectiveness of the Company’s controls and procedures as of a date within 90 days prior to the filing date of the Form 10-K for the fiscal year most recently ended (such date, the “Evaluation Date”). The Company presented in its Form 10-K, for the fiscal year most recently ended the conclusions of the certifying officers about the effectiveness of the disclosure controls and procedures based on their evaluations as of the Evaluation Date and the disclosure controls and procedures are effective. Since the Evaluation Date, there have been no significant changes in the Company’s internal controls (as such term is defined in Item 307(b) of Regulation S-K under the Securities Act) or, to the Company’s knowledge, in other factors that could significantly affect the Company’s internal controls, except that the Company has limited the scope of its disclosure controls and procedures and internal control over financial reporting for its quarter ended September 30, 2016 to exclude controls, policies and procedures of a business that the Company acquired not more than 365 days before the last day of the period covered by the interim filing.

(ad) Certification of Disclosure. There is and has been no failure on the part of the Company or any of the Company’s directors or officers, in their capacities as such, to comply in all material respects with any applicable provisions of the Sarbannes-Oxley Act, National Instrument 52-109 Certification of Disclosure in Issuers’ Annual and Interim Filings (“NI 52-109”) and the rules and regulations promulgated thereunder. Each of the principal executive officer and the principal financial officer of the Company (or each former principal executive officer of the Company and each former principal financial officer of the Company as applicable) and each certifying officer of the Company (or each former certifying officer of the Company and each former certifying officer of the Company as applicable) has made all certifications required by Sections 302 and 906 of the Sarbanes-Oxley Act with respect to all reports, schedules, forms, statements and other documents required to be filed by it or furnished by it to the Commission and as required to be made and filed by NI 52-109. For purposes of the preceding sentence, “principal executive officer” and “principal financial officer” shall have the meanings given to such terms in the Sarbanes-Oxley Act and “certifying officer” shall have the meanings given to such term in NI 52-109.

(ae) Mining Rights. The White Mesa Mill, Henry Mountains Complex, Roca Honda Project, Canyon Mine Project, Daneros Project, Sheep Mountain Project, La Sal Project, Nichols Ranch Project and Alta Mesa ISR Project, as described in the Registration Statement and the Prospectus (collectively, the “Material Properties”) are the only resource properties currently material to the Company in which the Company or the Material Subsidiaries have an interest; the Company or through the Material Subsidiaries, hold either freehold title, mining leases, mining concessions, mining claims, exploration permits, prospecting permits or participant interests or other conventional property or proprietary interests or rights, recognized in the jurisdiction in which the Material Properties are located, in respect of the ore bodies and minerals located on the Material Properties in which the Company (through the applicable Subsidiary) has an interest under valid, subsisting and enforceable title documents or other recognized and enforceable agreements or instruments, sufficient to permit the Company (through the applicable Subsidiary) to explore for and exploit the minerals relating thereto; all leases or claims and permits relating to the Material Properties in which the Company (through the applicable Subsidiary) has an interest or right have been validly located and recorded in accordance with all applicable laws and are valid and subsisting; except as disclosed in the Registration Statement and the Prospectus, the Company (through the applicable Subsidiary) has all necessary surface rights, access rights and other necessary rights and interests relating to the Material Property in which the Company (through the applicable Subsidiary) have an interest granting the Company (through the applicable Subsidiary) the right and ability to explore for and exploit minerals, ore and metals for development and production purposes as are appropriate in view of the rights and interest therein of the Company or the applicable Subsidiary, with only such exceptions as do not materially interfere with the current use made by the Company or the applicable Subsidiary of the rights or interest so held, and
each of the proprietary interests or rights and each of the documents, agreements and instruments and obligations relating thereto referred to above is currently in good standing in all respects in the name of the Company or the applicable Subsidiary; except as disclosed in the Prospectus, the Company and the Material Subsidiaries do not have any responsibility or obligation to pay any commission, royalty, license, fee or similar payment to any person with respect to the property rights thereof, except where such fee or payment would not have a Material Adverse Effect, either individually or in the aggregate;

(i) the Company or the applicable Subsidiary holds direct interests in the Material Properties, as described in the Registration Statement and the Prospectus (the “Project Rights”), under valid, subsisting and enforceable agreements or instruments, to the knowledge of the Company and all such agreements and instruments in connection with the Project Rights are valid and subsisting and enforceable in accordance with their terms;

(ii) the Company and the Material Subsidiaries have identified all the material permits, certificates, and approvals (collectively, the “Permits”) which are or will be required for the exploration, development and eventual or actual operation of the Material Properties, which Permits include but are not limited to environmental assessment certificates, water licenses, land tenures, rezoning or zoning variances and other necessary local, provincial, state and federal approvals; and, except as disclosed in the Registration Statement and the Prospectus, the appropriate Permits have either been received, applied for, or the processes to obtain such Permits have been or will in due course be initiated by the Company or the applicable Subsidiaries; and, except as disclosed in the Registration Statement and the Prospectus, neither the Company nor the applicable Subsidiaries know of any issue or reason why the Permits should not be approved and obtained in the ordinary course;

(iii) all assessments or other work required to be performed in relation to the material mining claims and the mining rights of the Company and the applicable Subsidiary in order to maintain their respective interests therein, if any, have been performed to date and, except as disclosed in the Registration Statement and Prospectus, the Company and the applicable Subsidiary have complied in all material respects with all applicable governmental laws, regulations and policies in this regard as well as with regard to legal, contractual obligations to third parties in this regard except in respect of mining claims and mining rights that the Company and the applicable Subsidiary intend to abandon or relinquish and except for any non-compliance which would not either individually or in the aggregate have a Material Adverse Effect; all such mining claims and mining rights are in good standing in all respects as of the date of this Agreement;

(iv) except as disclosed in the Registration Statement and the Prospectus, all mining operations on the properties of the Company and the Material Subsidiaries (including, without limitation, the Material Properties) have been conducted in all respects in accordance with good mining and engineering practices and all applicable workers’ compensation and health and safety and workplace laws, regulations and policies have been duly complied with;

(v) except as disclosed in the Registration Statement and the Prospectus, there are no environmental audits, evaluations, assessments, studies or tests relating to the Company or the Material Subsidiaries except for ongoing assessments conducted by or on behalf of the Company and the Material Subsidiaries in the ordinary course;

(vi) the Company made available to the respective authors thereof prior to the issuance of all of the applicable technical reports relating to the Material Properties (the “Reports”), for the purpose of preparing the Reports, as applicable, all information requested, and no such information contained any material misrepresentation as at the relevant time the relevant information was made available;

(vii) the Reports complied in all material respects with the requirements of NI 43-101 as at the date of each such Report; and

(viii) the title reports listed on Exhibit 6(ee) attached hereto (the “Title Opinions”) are to the knowledge of the Company, correct and complete in all material respects on the date hereof, except as in respect
of concessions which are (i) not material, or (ii) were permitted to expire or were sold in the ordinary course of business, as described in the Registration Statement or Prospectus.

**af)** Finder’s Fees. Neither the Company nor any of the Material Subsidiaries has incurred any liability for any finder’s fees, brokerage commissions or similar payments in connection with the transactions herein contemplated, except as may otherwise exist with respect to the Agents pursuant to this Agreement.

**ag)** Labor Disputes. No labor disturbance by or dispute with employees of the Company or any of the Material Subsidiaries exists or, to the knowledge of the Company, is threatened that could reasonably be expected to have resulted in a Material Adverse Effect.

**ah)** Local Disputes. Except as disclosed in the Registration Statement and the Prospectus, no dispute between the Company and any local, native or indigenous group exists, or to the Company’s knowledge, is threatened or imminent with respect to any of the Company’s properties or exploration activities that could reasonably be expected to have a Material Adverse Effect.

**ai)** Investment Company Act. Neither the Company nor any of the Material Subsidiaries is or, after giving effect to the offering and sale of the Placement Shares and the application of the proceeds thereof as described in the Registration Statement and the Prospectus, will be an “investment company” or an entity “controlled” by an “investment company,” as such terms are defined in the Investment Company Act of 1940, as amended (the “Investment Company Act”).

**aj)** Operations. The operations of the Company and the Material Subsidiaries are and have been conducted at all times in compliance with applicable financial record keeping and reporting requirements of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada), the Corruption of Foreign Public Officials Act (Canada) and applicable rules and regulations thereunder, and the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar applicable rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the “Money Laundering Laws”); and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of the Material Subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

**ak)** Off-Balance Sheet Arrangements. There are no transactions, arrangements and other relationships between and/or among the Company, and/or, to the knowledge of the Company, any of its affiliates and any unconsolidated entity, including, but not limited to, any structural finance, special purpose or limited purpose entity (each, an “Off Balance Sheet Transaction”) that could reasonably be expected to affect materially the Company’s liquidity or the availability of or requirements for its capital resources.

**al)** Underwriter Agreements. The Company is not a party to any agreement with any Agent or underwriter for any other “at-the-market” or continuous equity or debt transaction.

**am)** ERISA. To the knowledge of the Company, each material employee benefit plan, within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), that is maintained, administered or contributed to by the Company or any of its affiliates for employees or former employees of the Company and any of the Material Subsidiaries has been maintained in material compliance with its terms and the requirements of any applicable statutes, orders, rules and regulations, including but not limited to ERISA and the Internal Revenue Code of 1986, as amended (the “Code”); no prohibited transaction, within the meaning of Section 406 of ERISA or Section 4975 of the Code, has occurred which would result in a material liability to the Company with respect to any such plan excluding transactions effected pursuant to a statutory or administrative exemption; and for each such plan that is subject to the funding rules of Section 412 of the Code or Section 302 of ERISA, no “accumulated funding deficiency” as defined in Section 412 of the Code has been incurred, whether or not waived, and the fair market value of the assets of each such plan (excluding for these purposes accrued but unpaid contributions) exceeds the present value of all benefits accrued under such plan determined using reasonable actuarial assumptions.
**Forward Looking Statements.** No forward-looking statement (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) (collectively a “Forward Looking Statement”) contained or incorporated by reference in the Registration Statement and the Prospectus has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith.

**Agents’ Purchases.** The Company acknowledges and agrees that the Agents have informed the Company that each of the Agents may, to the extent permitted under the Securities Act, Exchange Act and FINRA, purchase and sell Common Shares for its own account while this Agreement is in effect, provided, that (i) no such purchase or sales shall take place while a Placement Notice is in effect (except to the extent the Agents may engage in sales of Placement Shares purchased or deemed purchased from the Company as a “riskless principal” or in a similar capacity) and (ii) the Company shall not be deemed to have authorized or consented to any such purchases or sales by the Agents.

**Margin Rules.** Neither the issuance, sale and delivery of the Placement Shares nor the application of the proceeds thereof by the Company as described in the Registration Statement and the Prospectus will violate Regulation T, U or X of the Board of Governors of the Federal Reserve System or any other regulation of such Board of Governors.

**Insurance.** The Company and each of the Material Subsidiaries carry, or are covered by, insurance in such amounts and covering such risks as the Company and each of the Material Subsidiaries reasonably believe are adequate for the conduct of their properties and as is customary for companies engaged in similar businesses in similar industries.

**No Improper Practices.** (i) Neither the Company nor, to the Company’s knowledge, the Material Subsidiaries, nor to the Company’s knowledge, any of their respective executive officers has, in the past five years, made any unlawful contributions to any candidate for any political office (or failed fully to disclose any contribution in violation of law) or made any contribution or other payment to any official of, or candidate for, any federal, state, provincial, municipal, or foreign office or other person charged with similar public or quasi-public duty in violation of any law or of the character required to be disclosed in the Registration Statement and the Prospectus; (ii) no relationship, direct or indirect, exists between or among the Company or, to the Company’s knowledge, any Material Subsidiary or any affiliate of any of them, on the one hand, and the directors, officers and shareholders of the Company or, to the Company’s knowledge, any Material Subsidiary, on the other hand, that is required by the Securities Act to be described in the Registration Statement and the Prospectus that is not so described; (iii) no relationship, direct or indirect, exists between or among the Company or any Material Subsidiary or any affiliate of them, on the one hand, and the directors, officers and shareholders of the Company or, to the Company’s knowledge, any Material Subsidiary, on the other hand, that is required by the rules of FINRA (or Canadian equivalent thereof) to be described in the Registration Statement and the Prospectus that is not so described; (iv) except as described in the Prospectus, there are no material outstanding loans or advances or material guarantees of indebtedness by the Company or, to the Company’s knowledge, any Material Subsidiary to or for the benefit of any of their respective officers or directors or any of the members of the families of any of them; and (v) the Company has not offered, or caused any placement agent to offer, Common Shares to any person with the intent to influence unlawfully (A) a customer or supplier of the Company or any Material Subsidiary to alter the customer’s or supplier’s level or type of business with the Company or any Material Subsidiary or (B) a trade journalist or publication to write or publish favorable information about the Company or any Material Subsidary or any of their respective products or services, and, (vi) neither the Company nor any Material Subsidiary nor, to the Company’s knowledge, any employee or agent of the Company or any Material Subsidiary has made any payment of funds of the Company or any Material Subsidiary or received or retained any funds in violation of any law, rule or regulation (including, without limitation, the Foreign Corrupt Practices Act of 1977 and the Corruption of Foreign Public Officials Act (Canada)), which payment, receipt or retention of funds is of a character required to be disclosed in the Registration Statement or the Prospectus.

**Status Under the Securities Act.** The Company was not and is not an “ineligible issuer” as defined in Rule 405 under the Securities Act at the times specified in Rules 164 and 433 under the Securities Act in connection with the offering of the Placement Shares.
(at)  **No Misstatement or Omission in an Issuer Free Writing Prospectus.** Each Issuer Free Writing Prospectus, as of its issue date and as of each Applicable Time, did not, does not and will not include any information that conflicted, conflicts or will conflict with the information contained in the Registration Statement or either of the Prospectus, including any incorporated document deemed to be a part thereof that has not been superseded or modified. The foregoing sentence does not apply to statements in or omissions from any Issuer Free Writing Prospectus based upon and in conformity with written information furnished to the Company by the Agents specifically for use therein.

(au)  **No Conflicts.** Neither the execution of this Agreement, nor the issuance, offering or sale of the Placement Shares, nor the consummation of any of the transactions contemplated herein and therein, nor the compliance by the Company with the terms and provisions hereof and thereof will conflict with, or will result in a breach of, any of the terms and provisions of, or has constituted or will constitute a default under, or has resulted in or will result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company pursuant to the terms of any contract or other agreement to which the Company may be bound or to which any of the property or assets of the Company is subject, except (i) such conflicts, breaches or defaults as may have been waived, and (ii) such conflicts, breaches and defaults that could not reasonably be expected to have a Material Adverse Effect; nor will such action result (x) in any violation of the provisions of the organizational or governing documents of the Company, or (y) in any violation of the provisions of any statute or any order, rule or regulation applicable to the Company or of any court or of any federal, state, provincial or other regulatory authority or other government body having jurisdiction over the Company, except such violations that could not reasonably be expected to have a Material Adverse Effect, either individually or in the aggregate.

(av)  **Sanctions.** (i) The Company represents that, neither the Company nor any of the Material Subsidiaries (collectively, the “Entity”) nor, to the Company’s knowledge, any director, officer, employee, agent, affiliate or representative of the Entity, is a government, individual, or entity (in this paragraph (vv), “Person”) that is, or is owned or controlled by a Person that is:

(A) the subject of any sanctions administered or enforced by the U.S. Department of Treasury’s Office of Foreign Assets Control, the United Nations Security Council, the European Union, Her Majesty’s Treasury, the Office of the Superintendent of Financial Institutions (Canada), or pursuant to the Special Economic Measures Act (Canada) or other relevant sanctions authority or relevant statute, rule, or regulation (collectively, “Sanctions”), nor

(B) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, the Balkans, Belarus, Burma/Myanmar, Cote D’Ivoire (Ivy Coast), Cuba, Democratic Republic of Congo, Iran, Iraq, Liberia, Libya, Nicaragua, North Korea, Russia, Somalia, Sudan and Darfur, South Sudan, Syria, Ukraine, Venezuela, Yemen and Zimbabwe).

(ii) The Entity represents and covenants that it will not, directly or indirectly, use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person:

(A) to fund or facilitate any activities or business of or with any Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(B) in any other manner that will result in a violation of Sanctions by any Person (including any Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(iii) The Entity represents and covenants that, except as detailed in the Registration Statement and the Prospectus, for the past 5 years, it has not knowingly engaged in, is not now knowingly engaged in, and will not engage in, any dealings or transactions with any Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

(aw)  **Stock Transfer Taxes.** On each Settlement Date, all stock transfer or other taxes (other than income taxes) which are required to be paid in connection with the sale and transfer of the Placement
Shares to be sold hereunder will be, or will have been, fully paid or provided for by the Company and all laws imposing such taxes will be or will have been fully complied with.

(ax) **Compliance with Laws.** Except as disclosed in the Registration Statement and the Prospectus, the Company has not been advised, and has no reason to believe, that it and each of the Material Subsidiaries are not conducting business in compliance with all applicable laws, rules and regulations of the jurisdictions in which it is conducting business, except where failure to be so in compliance would not result in a Material Adverse Effect.

(ay) **Compliance with NI 43-101.** The Company is in compliance, in all material respects, with the provisions of NI 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") and has filed all technical reports required thereby and, at the time of filing, all such reports complied, in all material respects, with the requirements of NI 43-101; all scientific and technical information disclosed in the Registration Statement and Prospectus: (i) is based upon information prepared, reviewed and/or verified by or under the supervision of a "qualified person" (as such term is defined in NI 43-101), (ii) has been prepared and disclosed in accordance with Canadian industry standards set forth in NI 43-101, and (iii) was true, complete and accurate in all material respects at the time of filing.

(az) **Filings.** Since January 1, 2018, the Company has filed all documents or information required to be filed by it under Canadian securities laws, the Securities Act, the Exchange Act, the Securities Act Regulations and the rules, regulations and policies of the Exchanges, except where the failure to file such documents or information will not have a Material Adverse Effect, either individually or in the aggregate; all material change reports, annual information forms, financial statements, management proxy circulars and other documents filed by or on behalf of the Company with the Exchanges, the Commission and the securities regulatory in the provinces of Canada other than Quebec (together, the “Canadian Securities Regulators”), as of its date, did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and did not contain a misrepresentation (as defined under Canadian securities laws) at the time at which it was filed; the Company has not filed any confidential material change report or any document requesting confidential treatment with any securities regulatory authority or regulator or any exchange that at the date hereof remains confidential.

(ba) **Exchange Registration.** The Common Shares are registered pursuant to Section 12(b) of the Exchange Act and are accepted for trading on the NYSE under the symbol “UUUU” and the TSX under the symbol “EFR,” and the Company has taken no action designed to terminate the registration of the Common Shares under the Exchange Act or delisting the Common Shares from either of the Exchanges, nor, except as disclosed in the Registration Statement and the Prospectus, has the Company received any notification that the Commission or either of the Exchanges is contemplating terminating such registration or listing. Except as disclosed in the Registration Statement and the Prospectus, the Company has complied in all material respects with the applicable requirements of the Exchanges for maintenance of inclusion of the Common Shares thereon. The Company has obtained all necessary consents, approvals, authorizations or orders of, or filing, notification or registration with, the Exchanges and the Commission, where applicable, required for the listing and trading of the Placement Shares, subject only to satisfying their standard listing and maintenance requirements. The Company has no reason to believe that it will not in the foreseeable future continue to be in compliance with all such listing and maintenance requirements of each Exchange.

(bb) **Cybersecurity.** (i) Except as may be included or incorporated by reference in the Registration Statement and the Prospectus, (x) to the Company’s knowledge, there has been no material security breach or other material compromise of or relating to any of the Company’s information technology and computer systems, networks, hardware, software, data (including the data of their respective customers, employees, suppliers, vendors and any third party data maintained by or on behalf of them), equipment or technology (collectively, “IT Systems and Data”) and (y) the Company has not been notified of, and have no knowledge of any event or condition that would reasonably be expected to result in, any material security breach or other material compromise to their IT Systems and Data; (ii) the Company is presently in compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Data and to the protection of such IT Systems and Data.
Systems and Data from unauthorized use, access, misappropriation or modification, except as would not, in the case of this clause (ii), individually or in the
aggregate, result in a Material Adverse Effect; and (iii) the Company has implemented backup and disaster recovery
technology consistent with industry standards and practices.

Any certificate signed by an officer of the Company and delivered to the Agents or to counsel for the Agents
pursuant to or in connection with this Agreement shall be deemed to be a representation and warranty by the
Company, as applicable, to the Agents as to the matters set forth therein.

7. Covenants of the Company. The Company covenants and agrees with each of the Agents that:

(a) Registration Statement Amendments. After the date of this Agreement and during any
period in which a Prospectus relating to any Placement Shares is required to be delivered by the Agents under the
Securities Act (including in circumstances where such requirement may be satisfied pursuant to Rule 172 under the
Securities Act or similar rule), (i) the Company will notify the Agents promptly of the time when any subsequent
amendment to the Registration Statement, other than documents incorporated by reference, has been filed with the
Commission and/or has become effective or any subsequent supplement to the Prospectus has been filed and of any
request by the Commission for any amendment or supplement to the Registration Statement or the Prospectus, as
applicable, or for additional information, (ii) the Company will prepare and file with the Commission, promptly upon
the Agents’ request, any amendments or supplements to the Registration Statement or the Prospectus, as applicable,
that, in the Agents’ reasonable opinion, may be necessary or advisable in connection with the distribution of the
Placement Shares by the Agents (provided, however, that the failure of the Agents to make such request shall not
relieve the Company of any obligation or liability hereunder, or affect the Agents’ right to rely on the representations
and warranties made by the Company in this Agreement, (iii) the Company will not file any amendment or
supplement to the Registration Statement or the Prospectus relating to the Common Shares or a security convertible
into the Common Shares unless a copy thereof has been submitted to Agents within a reasonable period of time before
the filing and the Agents has not objected thereto (provided, however, that the failure of the Agents to make such
objection shall not relieve the Company of any obligation or liability hereunder, or affect the Agents’ right to rely on
the representations and warranties made by the Company in this Agreement) and the Company will furnish to the
Agents at the time of filing thereof a copy of any document that upon filing is deemed to be incorporated by reference
into the Registration Statement or the Prospectus, except for those documents available via EDGAR; and (iv) the
Company will cause each amendment or supplement to the Prospectus to be filed with the Commission as required
pursuant to the Securities Act, or, in the case of any document to be incorporated therein by reference, to be filed with
the Commission as required pursuant to the Exchange Act, within the time period prescribed (the determination to file
or not file any amendment or supplement with the Commission under this Section 7(a), based on the Company’s
reasonable opinion or reasonable objections, shall be made exclusively by the Company).

(b) Notice of Stop Orders. The Company will advise the Agents, promptly after it receives
notice or obtains knowledge thereof, of the issuance or threatened issuance by the Commission, the Exchanges or
IIROC of any stop order suspending the effectiveness of the Registration Statement, of the suspension of the
qualification of the Placement Shares for offering or sale in any jurisdiction, or of the initiation or threatening of any
proceeding for any such purpose; and it will promptly use its commercially reasonable efforts to prevent the issuance
of any stop order or to obtain its withdrawal if such a stop order should be issued. The Company will advise the
Agents promptly after it receives any request by the Commission for any amendments to the Registration Statement or
any amendment or supplements to the Prospectus, or any Issuer Free Writing Prospectus or for additional information
related to the offering of the Placement Shares or for additional information related to the Registration Statement, the
Prospectus or any Issuer Free Writing Prospectus.

(c) Delivery of Prospectus; Subsequent Changes. During any period in which the Prospectus
relating to the Placement Shares is required to be delivered by an Agent under the Securities Act with respect to the
offer and sale of the Placement Shares, (including in circumstances where such requirement may be satisfied pursuant
to Rule 172 under the Securities Act or similar rule), the Company will comply with all requirements imposed upon it
by the Securities Act, as from time to time in force, and to file on or before their respective due dates all reports and
any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to
Sections 13(a), 13(c), 14, 15(d) or any other provision of or under the Exchange Act. If the Company has omitted any
information from the Registration Statement pursuant to Rule 430B under the Securities Act, it will use its best efforts to comply with the provisions of and make all requisite filings with the Commission pursuant to said Rule 430B and to notify the Agents promptly of all such filings. If during such period any event occurs as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances then existing, not misleading, or if during such period it is necessary to amend or supplement the Registration Statement or Prospectus to comply with the Securities Act, the Company will promptly notify the Lead Agent to suspend the offering of Placement Shares during such period and the Company will promptly amend or supplement the Registration Statement or the Prospectus (at the expense of the Company) so as to correct such statement or omission or effect such compliance.

(d) **Listing of Placement Shares.** During any period in which the Prospectus relating to the Placement Shares is required to be delivered by an Agent under the Securities Act with respect to the offer and sale of the Placement Shares, the Company will use its reasonable best efforts to cause the Placement Shares to be listed on each Exchange.

(e) **Delivery of Registration Statement and Prospectus.** The Company will furnish to the Agents and their counsel (at the expense of the Company) copies of the Registration Statement and the Prospectus (including all documents incorporated by reference therein) and all amendments and supplements to the Registration Statement or the Prospectus that are filed with the Commission during any period in which the Prospectus relating to the Placement Shares is required to be delivered under the Securities Act (including all documents filed with the Commission during such period that are deemed to be incorporated by reference therein) as soon as reasonably practicable and in such quantities as the Agents may from time to time reasonably request and, at the Agents’ request, will also furnish copies of the Prospectus to each exchange or market on which sales of the Placement Shares may be made; provided, however, that the Company shall not be required to furnish any document (other than the Prospectus) to the Agents to the extent such document is available on EDGAR.

(f) **Earning Statement.** The Company will make generally available to its security holders as soon as practicable, but in any event not later than 15 months after the end of the Company’s current fiscal quarter, an earning statement covering a 12-month period that satisfies the provisions of Section 11(a) and Rule 158 of the Securities Act.

(g) **Use of Proceeds.** The Company will use the Net Proceeds as described in the Prospectus in the section entitled “Use of Proceeds.”

(h) **Notice of Other Sales.** During the pendency of any Placement Notice given hereunder, and for five (5) Business Days following the termination of any Placement Notice given hereunder, the Company shall provide the Agents with notice as promptly as reasonably possible before it offers to sell, contracts to sell, grants any option to sell or otherwise disposes of any Common Shares (other than Placement Shares offered pursuant to the provisions of this Agreement) or securities convertible into or exchangeable for Common Shares, warrants or any rights to purchase or acquire Common Shares; provided, however, that such notice will not be required in connection with the Company’s issuance or sale of (i) Common Shares, options to purchase Common Shares or Common Shares issuable upon the exercise of options, pursuant to any employee or director stock option or benefits plan, stock ownership plan or dividend reinvestment plan (but not Common Shares subject to a waiver to exceed plan limits in its dividend reinvestment plan) of the Company whether now in effect or hereafter implemented, (ii) Common Shares issuable upon conversion of securities or the exercise of warrants, options or other rights in effect or outstanding, and disclosed in filings by the Company available on EDGAR or SEDAR or otherwise in writing to the Agents and (iii) Common Shares or securities convertible into or exchangeable for Common Shares as consideration for mergers, acquisitions, other business combinations or strategic alliances occurring after the date of this Agreement which are not issued for capital raising purposes.

(i) **Change of Circumstances.** The Company will, at any time during the pendency of a Placement Notice advise the Agents promptly after it shall have received notice or obtained knowledge thereof, of any information
or fact that would alter or affect in any material respect any opinion, certificate, letter or other document required to be provided to the Agents pursuant to this Agreement.

(j) **Due Diligence Cooperation.** The Company will cooperate with any reasonable due diligence review conducted by the Agents or its representatives in connection with the transactions contemplated hereby, including, without limitation, providing information and making available documents and senior corporate officers, during regular business hours and at the Company’s principal offices, as the Agents may reasonably request.

(k) **Required Filings Relating to Placement of Placement Shares.** The Company agrees that on such dates as the Securities Act shall require, the Company will (i) file a prospectus supplement with the Commission under the applicable paragraph of Rule 424(b) under the Securities Act, which prospectus supplement will set forth, within the relevant period, the amount of Placement Shares sold through an Agent, the Net Proceeds to the Company and the compensation payable by the Company to an Agent with respect to such Placement Shares, and (ii) deliver such number of copies of each such prospectus supplement to each exchange or market on which such sales were effected as may be required by the rules or regulations of such exchange or market.

(l) **Representation Dates; Certificate.** (1) Prior to the date of the first Placement Notice and (2) each time the Company:

(i) files the Prospectus relating to the Placement Shares or amends or supplements (other than a prospectus supplement relating solely to an offering of securities other than the Placement Shares) the Registration Statement or the Prospectus relating to the Placement Shares by means of a post-effective amendment, sticker, or supplement but not by means of incorporation of documents by reference into the Registration Statement or the Prospectus relating to the Placement Shares;

(ii) files an annual report on Form 10-K under the Exchange Act (including any Form 10-K/A containing amended financial information or a material amendment to the previously filed Form 10-K);

(iii) files its quarterly report on Form 10-Q under the Exchange Act; or

(iv) files a current report on Form 8-K or Form 10-Q/A containing amended financial information (other than information “furnished” pursuant to Items 2.02 or 7.01 of Form 8-K or to provide disclosure pursuant to Item 8.01 of Form 8-K relating to the reclassification of certain properties as discontinued operations in accordance with Statement of Financial Accounting Standards No. 144) under the Exchange Act (each date of filing of one or more of the documents referred to in clauses (i) through (iv) shall be a “**Representation Date**”);

the Company shall furnish within five (5) Trading Days of each Representation Date to the Agents (but in the case of clause (iv) above only if any Agent reasonably determines that the information contained in such filing is material) a certificate, in the form and substance satisfactory to the Agents and their counsel, substantially similar to the form previously provided to the Agents and their counsel, modified, as necessary, to relate to the Registration Statement and the Prospectus as amended or supplemented. The requirement to provide a certificate under this Section 7(l) shall be waived for any Representation Date occurring at a time a Suspension is in effect, which waiver shall continue until the earlier to occur of the date the Company delivers instructions for the sale of Placement Shares hereunder (which for such calendar quarter shall be considered a Representation Date) and the next occurring Representation Date. Notwithstanding the foregoing, if the Company subsequently decides to sell Placement Shares following a Representation Date when a Suspension was in effect and did not provide the Agents with a certificate under this Section 7(l), then before the Company delivers the instructions for the sale of Placement Shares or the Lead Agent sells any Placement Shares pursuant to such instructions, the Company shall provide the Agents with a certificate in conformity with this Section 7(l) dated as of the date that the instructions for the sale of Placement Shares are issued.

(m) **Legal Opinion.** (1) Prior to the date of the first Placement Notice and (2) within five (5) Trading Days of each Representation Date with respect to which the Company is obligated to deliver a certificate pursuant to Section 7(l) for which no waiver is applicable and excluding the date of this Agreement, the Company shall cause to be furnished to the Agents a written opinion of each of Dorsey & Whitney LLP.
("U.S. Company Counsel") and Borden Ladner Gervais LLP ("Canadian Company Counsel"), or other
counsel(s) satisfactory to the Agents, in form and substance satisfactory to the Agents and their counsel,
substantially similar to the form previously provided to the Agents and their counsel, modified, as necessary,
to relate to the Registration Statement and the Prospectus, as applicable, as then amended or supplemented;
provided, however, that the Company shall be required to furnish to the Agents no more than one opinion
hereunder per calendar quarter; provided, further, that in lieu of such opinions for subsequent periodic filings
under the Exchange Act, counsel may furnish the Agents with a letter (a "Reliance Letter") to the effect that
the Agents may rely on a prior opinion delivered under this Section 7(m) to the same extent as if it were dated
the date of such letter (except that statements in such prior opinion shall be deemed to relate to the
Registration Statement and the Prospectus, as applicable, as amended or supplemented as of the date of the
Reliance Letter).

(n) **Comfort Letter.** (1) Prior to the date of the first Placement Notice and (2) within five (5)
Trading Days of each Representation Date with respect to which the Company is obligated to deliver a certificate
pursuant to Section 7(l) for which no waiver is applicable and excluding the date of this Agreement, the Company
shall cause its independent registered public accounting firm to furnish the Agents letters (the "Comfort Letters"),
dated the date the Comfort Letter is delivered having a cut-off date of not more than two (2) Trading Days prior to
such date, which shall meet the requirements set forth in this Section 7(n); provided, that if requested by an Agent, the
Company shall cause a Comfort Letter to be furnished to the Agents within ten (10) Trading Days of the date of
occurrence of any material transaction or event, including the restatement of the Company's financial statements. The
Comfort Letter from the Company’s independent registered public accounting firm shall be in a form and substance
satisfactory to the Agents, (i) confirming that they are an independent registered public accounting firm within the
meaning of the Securities Act and the Public Company Accounting Oversight Board (United States) and are an
independent auditor as required by Canadian securities laws, (ii) stating, as of such date, the conclusions and findings
of such firm with respect to the financial information and other matters ordinarily covered by accountants’ “comfort
letters” to underwriters in connection with registered public offerings (the first such letter, the “Initial Comfort
Letter”) and (iii) updating the Initial Comfort Letter with any information that would have been included in the Initial
Comfort Letter had it been given on such date and modified as necessary to relate to the Registration Statement and
the Prospectus, as amended and supplemented to the date of such letter.

(o) **Market Activities.** The Company will not, directly or indirectly, (i) take any action
designed to cause or result in, or that constitutes or might reasonably be expected to constitute, the stabilization,
maintenance or manipulation of the price of any security of the Company to facilitate the sale or resale of Common
Shares or (ii) sell, bid for, or purchase Common Shares in violation of Regulation M, or pay anyone any compensation
for soliciting purchases of the Placement Shares other than the Agents.

(p) **Investment Company Act.** The Company will conduct its affairs in such a manner so as to
reasonably ensure that neither it nor any of the Material Subsidiaries will be or become, at any time prior to the
termination of this Agreement, required to register as an “investment company,” as such term is defined in the
Investment Company Act.

(q) **No Offer to Sell.** Other than an Issuer Free Writing Prospectus approved in advance by the
Company and the Agents in their capacity as agents hereunder, none of the Agents nor the Company (including its
agents and representatives, other than the Agents in their capacity as such) will make, use, prepare, authorize, approve
or refer to any written communication (as defined in Rule 405 under the Securities Act), required to be filed with the
Commission, that constitutes an offer to sell or solicitation of an offer to buy Placement Shares hereunder.

(r) **Blue Sky and Other Qualifications.** At any time that the Company does not have a class of
securities listed on a United States National Securities Exchange, the Company will use its commercially reasonable
efforts, in cooperation with the Agents, to qualify the Placement Shares for offering and sale, or to obtain an
exemption for the Placement Shares to be offered and sold, under the applicable securities laws of such states and
other jurisdictions (domestic or foreign) as the Agents may designate and to maintain such qualifications and exemptions in effect for so long as required for the distribution of the Placement Shares (but in no event for less than
one year from the date of this Agreement); provided, however, that the Company shall not be obligated to file a prospectus, registration statement
Disclosure Controls and Procedures and Internal Control Over Financial Reporting. The Company and the Material Subsidiaries will maintain and keep accurate books and records reflecting their assets and maintain internal accounting controls and procedures in a manner designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and including those policies and procedures that (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company, (ii) provide reasonable assurance that transactions are recorded as necessary to permit the preparation of the Company’s consolidated financial statements in accordance with GAAP as may then be applicable, (iii) that receipts and expenditures of the Company are being made only in accordance with management’s and the Company’s directors’ authorization, and (iv) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company’s assets that could have a material effect on its financial statements. Except as otherwise described in the Company’s reports filed with the Commission and the Canadian Securities Regulators in order to exclude controls, policies and procedures of a business that the Company acquired not more than 365 days before the last day of the period covered by a filing, the Company and the Material Subsidiaries will maintain such controls and other procedures, including, without limitation, those required by Sections 302 and 906 of the Sarbanes-Oxley Act and NI 52-109, and the applicable regulations thereunder that are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act or Canadian securities laws is recorded, processed, summarized and reported, within the time periods specified in the Commission’s or Canadian Securities Regulators’ rules and forms, including, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act or Canadian securities laws is accumulated and communicated to the Company’s management, including its principal executive officer and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure and to ensure that material information relating to the Company or the Material Subsidiaries is made known to them by others within those entities, particularly during the period in which such periodic reports are being prepared.

Secretary’s Certificate; Further Documentation. Prior to the date of the first Placement Notice, the Company shall deliver to the Agents a certificate of the Secretary of the Company and attested to by an executive officer of the Company, dated as of such date, certifying as to (i) the Articles of Continuance of the Company, (ii) the Bylaws of the Company, (iii) the resolutions of the Board of Directors of the Company authorizing the execution, delivery and performance of this Agreement and the issuance of the Placement Shares and (iv) the incumbency of the officers duly authorized to execute this Agreement and the other documents contemplated by this Agreement. Within five (5) Trading Days of each Representation Date, the Company shall have furnished to the Agents such further information, certificates and documents as an Agent may reasonably request.

Securities Act, and Exchange Act. The Company will use its commercially reasonable efforts to comply in all material respects with all requirements imposed upon it by the Securities Act, the Exchange Act and the rules of the Exchanges as from time to time in force, so far as necessary to permit the continuance of sales of, or dealings in, the Placement Shares as contemplated by the provisions hereof and the Prospectus.

Reports, etc. The Company will use its commercially reasonable efforts to (i) file promptly all reports required to be filed by the Company with the Commission; (ii) advise the Lead Agent, promptly after it receives notices thereof, (x) of any request by the Commission to amend or supplement the Registration Statement, the Base Prospectus, the Prospectus Supplement or the Issuer Free Writing Prospectus, if any, or for additional information with respect thereto or (y) of the issuance by the Commission of any stop order suspending the effectiveness
8. **Payment of Expenses.** The Company will pay all expenses incident to the performance of its obligations under this Agreement, including (i) the preparation and filing of the Registration Statement, including any fees required by the Commission or the Canadian Securities Regulators, and the printing or electronic delivery of the Registration Statement, any Preliminary Prospectus and the Prospectus as originally filed and of each amendment and supplement thereto, in such number as the Agents shall deem necessary, (ii) the printing and delivery to the Agents of this Agreement and such other documents as may be required in connection with the offering, purchase, sale, issuance or delivery of the Placement Shares, (iii) the preparation, issuance and delivery of the certificates, if any, for the Placement Shares to the Agents, including any stock or other transfer taxes and any capital duties, stamp duties or other duties or taxes payable upon the sale, issuance or delivery of the Placement Shares to the Agents, (iv) the fees and disbursements of the counsel, accountants and other advisors to the Company, (v) the reasonable fees and disbursements of the counsel to the Agents, payable upon the execution of this Agreement, in an amount not to exceed US$50,000; (vi) the qualification or exemption of the Placement Shares under state laws in accordance with the provisions of Section 7(r) hereof, including filing fees, but excluding fees of the Agents’ counsel, (vii) the printing and delivery to the Agents of copies of any Permitted Issuer Free Writing Prospectus and the Prospectus and any amendments or supplements thereto in such number as the Agents shall deem necessary, (viii) the preparation, printing and delivery to the Agents of copies of the blue sky survey, (ix) the fees and expenses of the transfer agent and registrar for the Common Shares, (x) the filing and other fees incident to any review by FINRA of the terms of the sale of the Placement Shares including the fees of the Agents’ counsel (subject to the cap set forth in clause (v) above), and (xi) the fees and expenses incurred in connection with the listing of the Placement Shares on each Exchange.

9. **Conditions to Agents’ Obligations.** The obligations of the Agents hereunder with respect to a Placement will be subject to the continuing accuracy and completeness of the representations and warranties made by the Company herein, to the due performance by the Company of its obligations hereunder, to the completion by the Agents of a due diligence review satisfactory to it in their reasonable judgment, and to the continuing satisfaction (or waiver by the Agents in their sole discretion) of the following additional conditions:

(a) **Registration Statement Effective.** The Registration Statement shall have become effective and shall be available for the (i) resale of all Placement Shares issued to the Agents and not yet sold by the Agents and (ii) sale of all Placement Shares contemplated to be issued by any Placement Notice.

(b) **No Material Notices.** None of the following events shall have occurred and be continuing: (i) receipt by the Company of any request for additional information from the Commission, the Canadian Securities Regulators or any other federal, state or provincial Governmental Authority during the period of effectiveness of the Registration Statement, the response to which would require any post-effective amendments or supplements to the Registration Statement or the Prospectus; (ii) the issuance by the Commission or any other federal, state or provincial Governmental Authority of any stop order suspending the effectiveness of the Registration Statement or the initiation of any proceedings for that purpose; (iii) receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Placement Shares for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose; or (iv) the occurrence of any event that makes any material statement made in the Registration Statement or the Prospectus or any material document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires the making of any changes in the Registration Statement, the Prospectus or documents so that, in the case of the Registration Statement, it will not contain any materially untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading and, that in the case of the Prospectus, it will not contain any materially untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) **No Misstatement or Material Omission.** The Agents shall not have been advised by the Company or the Agents’ counsel that the Registration Statement or the Prospectus, or any amendment or supplement
therefore, contains an untrue statement of fact that in the Agents’ reasonable opinion is material, or omits to state a fact
that in the Agents’ reasonable opinion is material and is required to be stated therein or is necessary to make the statements therein not misleading.

(d) Material Changes. Except as contemplated in the Prospectus, or disclosed in the Company’s reports filed with the Commission and the Canadian Securities Regulators, there shall not have been any Material Adverse Effect or any development that could reasonably be expected to cause a Material Adverse Effect, or a downgrading in or withdrawal of any rating assigned to any of the Company’s securities (other than asset backed securities) by any rating organization or a public announcement by any rating organization that it has under surveillance or review its rating of any of the Company’s securities (other than asset backed securities), the effect of which, in the case of any such action by a rating organization described above, in the reasonable judgment of the Agents (without relieving the Company of any obligation or liability it may otherwise have), is so material as to make it impracticable or inadvisable to proceed with the offering of the Placement Shares on the terms and in the manner contemplated in the Prospectus.

(e) Legal Opinions. The Agents shall have received the opinions of each of U.S. Company Counsel and Canadian Company Counsel required to be delivered pursuant to Section 7(m) on or before the date on which such delivery of such opinion is required pursuant to Section 7(m).

(f) Comfort Letters. The Agents shall have received the Comfort Letters required to be delivered pursuant to Section 7(n) on or before the date on which such delivery of such Comfort Letters are required pursuant to Section 7(n).

(g) Representation Certificate. The Agents shall have received the certificate required to be delivered pursuant to Section 7(l) on or before the date on which delivery of such certificate is required pursuant to Section 7(l).

(h) No Suspension. Trading in the Common Shares shall not have been suspended on either Exchange and the Common Shares shall not have been delisted from either Exchange.

(i) Other Materials. On each date on which the Company is required to deliver a certificate pursuant to Section 7(l), the Company shall have furnished to the Agents such appropriate further information, opinions, certificates, letters and other documents as the Agents may reasonably request. All such opinions, certificates, letters and other documents will be in compliance with the provisions hereof.

(j) Securities Act Filings Made. All filings with the Commission required by Rule 424 under the Securities Act have been filed prior to the issuance of any Placement Notice hereunder shall have been made within the applicable time period prescribed for such filing.

(k) Approval for Listing. The Placement Shares shall either have been (i) approved for listing on each Exchange, subject only to notice of issuance, or (ii) the Company shall have filed an application for listing of the Placement Shares on each Exchange at, or prior to, the issuance of any Placement Notice and each Exchange shall have reviewed such application and not provided any objections thereto.

(l) FINRA. If applicable, FINRA shall not have raised any objection to the terms of this offering and the amount of compensation allowable or payable to the Agents as described in the Prospectus.

(m) No Termination Event. There shall not have occurred any event that would permit the Agents to terminate this Agreement pursuant to Section 12(a).

(n) No Governmental Objections. No U.S., Canadian, or other Governmental Authority shall have issued any opinion, guidance, objection, or advice that can be construed as limiting or restricting in any way the ability of the Agents to carry out the transactions contemplated hereunder.
Indemnification and Contribution.

(a) Company Indemnification. The Company agrees to indemnify and hold harmless the Agents and their respective affiliates, partners, members, directors, officers, employees, counsel and agents and each person, if any, who controls an Agent or any affiliate within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, joint or several, arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto), or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading, or arising out of any untrue statement or alleged untrue statement of a material fact included in any related Issuer Free Writing Prospectus, the Prospectus (or any amendment or supplement thereto) or any marketing materials, or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, joint or several, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission; provided that (subject to Section 10(d) below) any such settlement is effected with the written consent of the Company, which consent shall not unreasonably be delayed or withheld; and

(iii) against any and all expense whatsoever, upon receipt of reasonable documentation of such expenses (including the fees and disbursements of counsel), reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission (whether or not a party), to the extent that any such expense is not paid under (i) or (ii) above, provided, however, that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made solely in reliance upon and in conformity with the Agents’ Information (as defined below).

(b) Agent Indemnification. Each Agent, severally but not jointly, agrees to indemnify and hold harmless the Company and its directors and each officer of the Company who signed the Registration Statement or the Prospectus, and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in Section 10(a), as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendments thereto) or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with information relating to each Agent and furnished to the Company in writing by the Agents expressly for use therein. The Company hereby acknowledges that the only information that the Agents have furnished to the Company expressly for use in the Registration Statement, the Prospectus or any Issuer Free Writing Prospectus (or any amendment or supplement thereto) are the statements set forth in the eighth and ninth paragraphs under the caption “Plan of Distribution” in the Prospectus (the “Agents’ Information”).

(c) Procedure. Any party that proposes to assert the right to be indemnified under this Section 10 will, promptly after receipt of notice of commencement of any action against such party in respect of which a claim is to be made against an indemnifying party or parties under this Section 10, notify each such indemnifying party of the commencement of such action, enclosing a copy of all papers served, but the omission so to notify such indemnifying party will not relieve the indemnifying party from (i) any liability that it might have to any indemnified party otherwise than under this Section 10 and (ii) any liability that it may have to any indemnified party under the foregoing provision of this Section 10 unless, and only to the extent that, such omission results in the forfeiture of
substantive rights or defenses by the indemnifying party. If any such action is brought against any indemnified party and it notifies the
indemnifying party of its commencement, the indemnifying party will be entitled to participate in and, to the extent that it elects by delivering written notice to the indemnified party promptly after receiving notice of the commencement of the action from the indemnified party, jointly with any other indemnifying party similarly notified, to assume the defense of the action, with counsel reasonably satisfactory to the indemnified party, and after notice from the indemnifying party to the indemnified party of its election to assume the defense, the indemnifying party will not be liable to the indemnified party for any other legal expenses except as provided below and except for the reasonable costs of investigation subsequently incurred by the indemnified party in connection with the defense. The indemnified party will have the right to employ its own counsel in any such action, but the fees, expenses and other charges of such counsel will be at the expense of such indemnified party unless (1) the employment of counsel by the indemnified party has been authorized in writing by the indemnifying party, (2) the indemnified party has reasonably concluded (based on advice of counsel) that there may be legal defenses available to it or other indemnified parties that are different from or in addition to those available to the indemnifying party, (3) a conflict or potential conflict exists (based on advice of counsel to the indemnified party) between the indemnified party and the indemnifying party (in which case the indemnifying party will not have the right to direct the defense of such action on behalf of the indemnified party) or (4) the indemnifying party has not in fact employed counsel to assume the defense of such action or counsel reasonably satisfactory to the indemnified party, in each case, within a reasonable time after receiving notice of the commencement of the action, in each of which cases the reasonable fees, disbursements and other charges of counsel will be at the expense of the indemnifying party or parties. It is understood that the indemnifying party or parties shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable fees, disbursements and other charges of more than one separate firm admitted to practice in such jurisdiction (plus local counsel) at any one time for all such indemnified party or parties. All such fees, disbursements and other charges will be reimbursed by the indemnifying party promptly as they are incurred. An indemnifying party will not, in any event, be liable for any settlement of any action or claim effected without its written consent. No indemnifying party shall, without the prior written consent of each indemnified party, settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action or proceeding relating to the matters contemplated by this Section 10 (whether or not any indemnified party is a party thereto), unless such settlement, compromise or consent (1) includes an express, full and unconditional release of each indemnified party from all liability arising out of such litigation, investigation, proceeding or claim and (2) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) Settlement Without Consent if Failure to Reimburse. If an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for reasonable fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 10(a)(ii) effected without its written consent if (1) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid request, (2) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (3) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement.

(e) Contribution. In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in the foregoing paragraphs of this Section 10 is applicable in accordance with its terms but for any reason is held to be unavailable or insufficient from the Company or an Agent, the Company and such Agent will contribute to the total losses, claims, liabilities, expenses and damages (including any investigative, legal and other expenses reasonably incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding or any claim asserted) to which the Company and the Agents may be subject in such proportion as shall be appropriate to reflect the relative benefits received by the Company on the one hand and the Agents on the other hand. The relative benefits received by the Company on the one hand and the Agents on the other hand shall be deemed to be in the same proportion as the total net proceeds from the sale of the Placement Shares (before deducting expenses) received by the Company bear to the total compensation received by the Agents from the sale of Placement Shares on behalf of the Company. If, but only if, the allocation provided by the foregoing sentence is not permitted by applicable law, the allocation of contribution shall be made in such proportion as is appropriate to reflect not only the relative benefits referred to in the foregoing sentence but also the relative fault of the Company, on the one hand, and the Agents, on the other hand, with respect to the statements or omission that resulted in such loss, claim, liability, expense or damage, or action in respect thereof, as well as any other relevant equitable considerations with respect to
such offering. Such relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or the Agents, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Agents agree that it would not be just and equitable if contributions pursuant to this Section 10(e) were to be determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to herein. The amount paid or payable by an indemnified party as a result of the loss, claim, liability, expense, or damage, or action in respect thereof, referred to above in this Section 10(e) shall be deemed to include, for the purpose of this Section 10(e), any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim to the extent consistent with Section 10(c) hereof. Notwithstanding the foregoing provisions of this Section 10(e), the Agents shall not be required to contribute any amount in excess of the commissions received by it under this Agreement and no person found guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 10(e), any person who controls a party to this Agreement within the meaning of the Securities Act, and any officers, directors, partners, employees, counsel or agents of an Agent, will have the same rights to contribution as that party, and each director of the Company and each officer of the Company who signed the Registration Statement or Prospectus will have the same rights to contribution as the Company, subject in each case to the provisions hereof. Any party entitled to contribution, promptly after receipt of notice of commencement of any action against such party in respect of which a claim for contribution may be made under this Section 10(e), will notify any such party or parties from whom contribution may be sought, but the omission to so notify will not relieve that party or parties from whom contribution may be sought from any other obligation it or they may have under this Section 10(e) except to the extent that the failure to so notify such other party materially prejudiced the substantive rights or defenses of the party from whom contribution is sought. Except for a settlement entered into pursuant to the last sentence of Section 10(c) hereof, no party will be liable for contribution with respect to any action or claim settled without its written consent if such consent is required pursuant to Section 10(c) hereof.

11. Representations and Agreements to Survive Delivery. The indemnity and contribution agreements contained in Section 10 of this Agreement and all representations and warranties of the Company herein or in certificates delivered pursuant hereto shall survive, as of their respective dates, regardless of (i) any investigation made by or on behalf of the Agents, any controlling persons, or the Company (or any of their respective officers, directors or controlling persons), (ii) delivery and acceptance of the Placement Shares and payment therefor or (iii) any termination of this Agreement.

12. Termination.

(a) Each Agent may terminate this Agreement, only with respect to itself, by notice to the Company, as hereinafter specified at any time (1) if there has been, since the time of execution of this Agreement or since the date as of which information is given in the Prospectus, any change, or any development or event involving a prospective change, in the condition, financial or otherwise, or in the business, properties, earnings, results of operations or prospects of the Company and the Material Subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, which individually or in the aggregate, in the sole judgment of such Agent has or could reasonably be expected to have a Material Adverse Effect and makes it impractical or advisable to market the Placement Shares or to enforce contracts for the sale of the Placement Shares, (2) if there has occurred any material adverse change in the financial markets in the United States, Canada or the international financial markets, any outbreak of hostilities or escalation thereof or other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions, in each case the effect of which is such as to make it, in the judgment of such Agent, impracticable or advisable to market the Placement Shares or to enforce contracts for the sale of the Placement Shares, (3) if trading in the Common Shares has been suspended or limited by the Commission, any Canadian Securities Regulator, IIROC or either Exchange, or if trading generally on either Exchange has been suspended, halted or limited, or minimum prices for trading have been fixed on either Exchange, (4) if any suspension of trading of any securities of the Company on any exchange or in the over-the-counter market shall have occurred and be continuing, (5) if a major disruption of securities settlements or
clearance services in the United States or Canada shall have occurred and be continuing, or (6) if a banking moratorium has been
declared by either Canadian or U.S. Federal or New York authorities. Any such termination shall be without liability of any party to any other party except that the provisions of Section 8 (Payment of Expenses), Section 10 (Indemnification and Contribution), Section 11 (Representations and Agreements to Survive Delivery), Section 13 (Notices), Section 14 (Successors and Assigns), Section 16 (Entire Agreement; Amendment; Severability) Section 17 (Governing Law and Time; Waiver of Jury Trial), Section 18 (Consent to Jurisdiction), Section 19 (Appointment of Agent for Service), Section 20 (Judgment Currency), Section 24 (Absence of Fiduciary Relationship) and Section 25 (Definitions) hereof shall remain in full force and effect notwithstanding such termination. If an Agent elects to terminate this Agreement as provided in this Section 12(a), such Agent shall provide the required notice as specified in Section 13 (Notices).

(b) The Company shall have the right, by giving ten (10) days’ notice as hereinafter specified to terminate this Agreement in its sole discretion at any time after the date of this Agreement. Any such termination shall be without liability of any party to any other party except that the provisions of Section 8, Section 10, Section 11, Section 13, Section 14, Section 16, Section 17, Section 18, Section 19, Section 20, Section 24 and Section 25 hereof shall remain in full force and effect notwithstanding such termination.

(c) Each Agent shall have the right, by giving ten (10) days’ notice as hereinafter specified to terminate this Agreement, only with respect to itself, in its sole discretion at any time after the date of this Agreement. Any such termination shall be without liability of any party to any other party except that the provisions of Section 8, Section 10, Section 11, Section 13, Section 14, Section 16, Section 17, Section 18, Section 19, Section 20, Section 24 and Section 25 hereof shall remain in full force and effect notwithstanding such termination.

(d) This Agreement shall remain in full force and effect unless terminated pursuant to Sections 12(a), (b) or (c) above or otherwise by mutual agreement of the parties; provided, however, that any such termination by mutual agreement shall in all cases be deemed to provide that Section 8, Section 10, Section 11, Section 13, Section 14, Section 16, Section 17, Section 18, Section 19, Section 20, Section 24 and Section 25 shall remain in full force and effect.

(e) Any termination of this Agreement shall be effective on the date specified in such notice of termination and only with respect to the Agents listed in the notice of termination and who have signed such notice of termination; provided, however, that such termination shall not be effective until the close of business on the date of receipt of such notice by such Agent or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of Placement Shares, such Placement Shares shall settle in accordance with the provisions of this Agreement.

13. Notices. All notices or other communications required or permitted to be given by any party to any other party pursuant to the terms of this Agreement shall be in writing, unless otherwise specified, and shall be delivered as follows:

If to the Lead Agent, then to:

Cantor Fitzgerald & Co.
499 Park Avenue
New York, NY 10022
Attention: Capital Markets
Facsimile: (212) 307-3730
With a copy to: General Counsel
Facsimile: (212) 829-4708

and if to the other Agents, then to:

H.C. Wainwright & Co., LLC
430 Park Avenue, 3rd Fl.
New York, NY 10022
Attention: Mark Viklund, CEO
Facsimile: (212)356-0500

Roth Capital Partners, LLC
888 San Clemente Dr.
Newport Beach, CA 92660
Attention: Aaron M. Gurewitz, Head of Equity Capital Markets
Facsimile: (949) 720-7227

with a copy to:

Cooley LLP
55 Hudson Yards
New York, NY 10001
Attention: Daniel I. Goldberg, Esq.
Facsimile: (212) 479-6275

and with a copy to:

Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9
Canada
Attention: Martin Langlois
Facsimile: (416) 947-0866

and if to the Company, shall be delivered to:

Energy Fuels Inc.
225 Union Blvd., Suite 600
Lakewood, CO 80228
Attention: David Frydenlund, Chief Financial Officer, General Counsel and Corporate Secretary
Facsimile: (303) 974-2141

with a copy to:

Borden Ladner Gervais LLP
Bay Adelaide Centre
East Tower
22 Adelaide St. W.
Toronto, ON M5H 4E3
Canada
Attention: Mark Wheeler or Jason Saltzman
Facsimile: (416) 367-6749

and with a copy to:

Dorsey & Whitney LLP
Brookfield Place
161 Bay Street, Suite 4310
Each party to this Agreement may change such address for notices by sending to the parties to this Agreement written notice of a new address for such purpose. Each such notice or other communication shall be deemed given (i) when delivered personally or by verifiable facsimile transmission (with an original to follow) on or before 4:30 p.m., New York City time, on a Business Day or, if such day is not a Business Day, on the next succeeding Business Day, (ii) on the next Business Day after timely delivery to a nationally-recognized overnight courier and (iii) on the Business Day actually received if deposited in the U.S. mail (certified or registered mail, return receipt requested, postage prepaid). For purposes of this Agreement, “Business Day” shall mean any day on which each Exchange and commercial banks in the City of New York and the City of Toronto are open for business.

An electronic communication (“Electronic Notice”) shall be deemed written notice for purposes of this Section 13 if sent to the electronic mail address specified by the receiving party under separate cover. Electronic Notice shall be deemed received at the time the party sending Electronic Notice receives verification of receipt by the receiving party. Any party receiving Electronic Notice may request and shall be entitled to receive the notice on paper, in a nonelectronic form (“Nonelectronic Notice”) which shall be sent to the requesting party within ten (10) days of receipt of the written request for Nonelectronic Notice.

14. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Company and each Agent and their respective successors and the parties referred to in Section 10 hereof. References to any of the parties contained in this Agreement shall be deemed to include the successors and permitted assigns of such party. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement. No party may assign its rights or obligations under this Agreement without the prior written consent of the other parties; provided, however, that each Agent may assign its rights and obligations hereunder to an affiliate thereof without obtaining the Company’s consent.

15. Adjustments for Stock Splits. The parties acknowledge and agree that all share-related numbers contained in this Agreement shall be adjusted to take into account any stock split, stock consolidation, stock dividend or similar event effected with respect to the Placement Shares.

16. Entire Agreement; Amendment; Severability; Waiver. This Agreement (including all schedules and exhibits attached hereto and Placement Notices issued pursuant hereto) constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof. Neither this Agreement nor any term hereof may be amended except pursuant to a written instrument executed by the Company and each of the Agents. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable as written by a court of competent jurisdiction, then such provision shall be given full force and effect to the fullest possible extent that it is valid, legal and enforceable, and the remainder of the terms and provisions herein shall be construed as if such invalid, illegal or unenforceable term or provision was not contained herein, but only to the extent that giving effect to such provision and the remainder of the terms and provisions hereof shall be in accordance with the intent of the parties as reflected in this Agreement. No implied waiver by a party shall arise in the absence of a waiver in writing signed by such party. No failure or delay in exercising any right, power, or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power, or privilege hereunder.

17. GOVERNING LAW AND TIME; WAIVER OF JURY TRIAL. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE PRINCIPLES OF CONFLICTS OF LAWS. SPECIFIED TIMES OF DAY REFER TO NEW YORK CITY TIME. EACH PARTY HEREBY IRREVOCABLY WAIVES, TO THE
FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

18. CONSENT TO JURISDICTION. EACH PARTY HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS SITTING IN THE CITY OF NEW YORK, BOROUGH OF MANHATTAN, FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH ANY TRANSACTION CONTEMPLATED HEREBY, AND HEREBY IRREVOCABLY WAIVES, AND AGREES NOT TO ASSERT IN ANY SUIT, ACTION OR PROCEEDING, ANY CLAIM THAT IT IS NOT PERSONALLY SUBJECT TO THE JURISDICTION OF ANY SUCH COURT, THAT SUCH SUIT, ACTION OR PROCEEDING IS BROUGHT IN AN INCONVENIENT FORUM OR THAT THE VENUE OF SUCH SUIT, ACTION OR PROCEEDING IS IMPROPER. EACH PARTY HEREBY IRREVOCABLY WAIVES PERSONAL SERVICE OF PROCESS AND CONSENTS TO PROCESS BEING SERVED IN ANY SUCH SUIT, ACTION OR PROCEEDING BY MAILING A COPY THEREOF (CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED) TO SUCH PARTY AT THE ADDRESS IN EFFECT FOR NOTICES TO IT UNDER THIS AGREEMENT AND AGREES THAT SUCH SERVICE SHALL CONSTITUTE GOOD AND SUFFICIENT SERVICE OF PROCESS AND NOTICE THEREOF. NOTHING CONTAINED HEREIN SHALL BE DEEMED TO LIMIT IN ANY WAY ANY RIGHT TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW. TO THE EXTENT THAT THE COMPANY HAS OR HEREAFTER MAY ACQUIRE ANY IMMUNITY (ON THE GROUNDS OF SOVEREIGNTY OR OTHERWISE) FROM THE JURISDICTION OF ANY COURT OR FROM ANY LEGAL PROCESS WITH RESPECT TO ITSELF OR ITS PROPERTY, THE COMPANY IRREVOCABLY WAIVES, AS AGENTS FOR SUITS, ACTIONS OR PROCEEDINGS HEREUNDER, TO THE FULLEST EXTENT PERMITTED BY LAW, SUCH IMMUNITY IN RESPECT OF ANY SUCH SUIT, ACTION OR PROCEEDING.

19. Appointment of Agent for Service. The Company hereby irrevocably appoints Energy Fuels Resources (USA) Inc., with offices at 225 Union Blvd., Suite 600, Lakewood, Colorado, 80228, as its agent for service of process in any suit, action or proceeding described in Section 18 and agrees that service of process in any such suit, action or proceeding may be made upon it at the office of such agent. The Company waives, to the fullest extent permitted by law, any other requirements of or objections to personal jurisdiction with respect thereto. The Company represents and warrants that such agent has agreed to act as the Company’s agent for service of process, and the Company agrees to take any and all action, including the filing of any and all documents and instruments, that may be necessary to continue such appointment in full force and effect.

20. Judgment Currency. If for the purposes of obtaining judgment in any court it is necessary to convert a sum due hereunder into any currency other than United States dollars, the parties hereto agree, to the fullest extent permitted by law, that the rate of exchange used shall be the rate at which in accordance with normal banking procedures the Agents could purchase United States dollars with such other currency in The City of New York on the Business Day preceding that on which final judgment is given. The obligation of the Company with respect to any sum due from it to the Agents or any person controlling the Agents shall, notwithstanding any judgment in a currency other than United States dollars, not be discharged until the first Business Day following receipt by the Agents or any person controlling the Agents of any sum in such other currency, and only to the extent that the Agents or controlling person may in accordance with normal banking procedures purchase United States dollars with such other currency. If the United States dollars so purchased are less than the sum originally due to the Agents or controlling person hereunder, the Company agrees as a separate obligation and notwithstanding any such judgment, to indemnify the Agents or controlling person against such loss. If the United States dollars so purchased are greater than the sum originally due to the Agents or controlling person hereunder, the Agents or controlling person agrees to pay to the Company an amount equal to the excess of the dollars so purchased over the sum originally due to the Agents or controlling person hereunder.

21. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed Agreement by one party to the other may be made by facsimile or electronic transmission.
22. **Construction.** The section and exhibit headings herein are for convenience only and shall not affect the construction hereof. References herein to any law, statute, ordinance, code, regulation, rule or other requirement of any Governmental Authority shall be deemed to refer to such law, statute, ordinance, code, regulation, rule or other requirement of any Governmental Authority as amended, reenacted, supplemented or superseded in whole or in part and in effect from time to time and also to all rules and regulations promulgated thereunder.

23. **Permitted Free Writing Prospectus.** The Company represents, warrants and agrees that, unless it obtains the prior consent of each of the Agents, and each of the Agents represents, warrants and agrees that, unless it obtains the prior consent of the Company, it has not made and will not make any offer relating to the Placement Shares that would constitute an Issuer Free Writing Prospectus, or that would otherwise constitute a “free writing prospectus,” as defined in Rule 405, required to be filed with the Commission. Any such free writing prospectus consented to by the Agents or by the Company, as the case may be, is hereinafter referred to as a “Permitted Free Writing Prospectus.” The Company represents and warrants that it has treated and agrees that it will treat each Permitted Free Writing Prospectus as an “issuer free writing prospectus,” as defined in Rule 433, and has complied and will comply with the requirements of Rule 433 applicable to any Permitted Free Writing Prospectus, including timely filing with the Commission where required, legending and record keeping. For the purposes of clarity, the parties hereto agree that all free writing prospectuses, if any, listed in Exhibit 23 hereto are Permitted Free Writing Prospectus.

24. **Absence of Fiduciary Relationship.** The Company acknowledges and agrees that:

   (a) each Agent is acting solely as agent in connection with the public offering of the Placement Shares and in connection with each transaction contemplated by this Agreement and the process leading to such transactions, and no fiduciary or advisory relationship between the Company or any of its respective affiliates, shareholders (or other equity holders), creditors or employees or any other party, on the one hand, and the Agents, on the other hand, has been or will be created in respect of any of the transactions contemplated by this Agreement, irrespective of whether or not such Agent has advised or is advising the Company on other matters, and no Agent has any obligation to the Company with respect to the transactions contemplated by this Agreement except the obligations expressly set forth in this Agreement;

   (b) it is capable of evaluating and understanding, and understands and accepts, the terms, risks and conditions of the transactions contemplated by this Agreement;

   (c) neither the Agents nor any of their respective affiliates have provided any legal, accounting, regulatory or tax advice with respect to the transactions contemplated by this Agreement and it has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate;

   (d) it is aware that each Agent and its affiliates are engaged in a broad range of transactions which may involve interests that differ from those of the Company and such Agent and its affiliates have no obligation to disclose such interests and transactions to the Company by virtue of any fiduciary, advisory or agency relationship or otherwise; and

   (e) it waives, to the fullest extent permitted by law, any claims it may have against an Agent or its affiliates for breach of fiduciary duty or alleged breach of fiduciary duty in connection with the sale of Placement Shares under this Agreement and agrees that such Agent and its affiliates shall not have any liability (whether direct or indirect, in contract, tort or otherwise) to it in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on its behalf or in right of it or the Company, employees or creditors of Company.

25. **Definitions.** As used in this Agreement, the following terms have the respective meanings set forth below:

   “**Applicable Time**” means (i) each Representation Date, (ii) the time of each sale of any Placement Shares pursuant to this Agreement and (iii) each Settlement Date.
“Governmental Authority” means (i) any federal, provincial, state, local, municipal, national or international government or governmental authority, regulatory or administrative agency, governmental commission, department, board, bureau, agency or instrumentality, court, tribunal, arbitrator or arbitral body (public or private); (ii) any self-regulatory organization; or (iii) any political subdivision of any of the foregoing.

“Issuer Free Writing Prospectus” means any “issuer free writing prospectus,” as defined in Rule 433, relating to the Placement Shares that (1) is required to be filed with the Commission by the Company, (2) is a “road show” that is a “written communication” within the meaning of Rule 433(d)(8)(i) whether or not required to be filed with the Commission, or (3) is exempt from filing pursuant to Rule 433(d)(5)(i) because it contains a description of the Placement Shares or of the offering that does not reflect the final terms, in each case in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company’s records pursuant to Rule 433(g) under the Securities Act Regulations.


All references in this Agreement to financial statements and schedules and other information that is “contained,” “included” or “stated” in the Registration Statement or the Prospectus (and all other references of like import) shall be deemed to mean and include all such financial statements and schedules and other information that is incorporated by reference in the Registration Statement or the Prospectus, as the case may be.

All references in this Agreement to the Registration Statement and the Prospectus or any amendment or supplement to either of the foregoing shall be deemed to include the copy filed with the Commission pursuant to EDGAR; all references in this Agreement to any Issuer Free Writing Prospectus (other than any Issuer Free Writing Prospectus that, pursuant to Rule 433, are not required to be filed with the Commission) shall be deemed to include the copy thereof filed with the Commission pursuant to EDGAR; and all references in this Agreement to “supplements” to the Prospectus shall include, without limitation, any supplements, “wrappers” or similar materials prepared in connection with any offering, sale or private placement of any Placement Shares by the Agents outside of the United States.

[Signature Page Follows]
If the foregoing correctly sets forth the understanding among the Company and the Agents, please so indicate in the space provided below for that purpose, whereupon this letter shall constitute a binding agreement among the Company and the Agents.

Very truly yours,

ENERGY FUELS INC.

By: __________________________________________
    Name: 
    Title:  

ACCEPTED as of the date first-above written:

CANTOR FITZGERALD & CO.

By: __________________________________________
    Name: 
    Title:  

H.C. WAINWRIGHT & CO., LLC

By: __________________________________________
    Name: 
    Title:  

ROTH CAPITAL PARTNERS, LLC.

By: __________________________________________
    Name: 
    Title:  

Form of Placement Notice

From: Energy Fuels Inc.
To: Cantor Fitzgerald & Co.
Attention: ______________________
Subject: Placement Notice
Date: [YY]

Ladies and Gentlemen:

Pursuant to the terms and subject to the conditions contained in the Sales Agreement by and among Energy Fuels Inc., a company continued under the Business Corporations Act (Ontario) (the “Company”), with Cantor Fitzgerald & Co. (the “Lead Agent”), H.C. Wainwright & Co., LLC and Roth Capital Partners, LLC, dated May 6, 2019, the Company hereby requests that the Lead Agent sell up to [ ] of the Company’s Common Shares (no par value) at a minimum market price of US$[ ] per share, during the time period beginning [month, day, time] and ending [month, day, time].
Compensation

The Company shall pay to the Lead Agent in cash, upon each sale of Placement Shares pursuant to this Agreement, an amount equal to up to 3.0% of the aggregate gross proceeds from each sale of Placement Shares by the Lead Agent.
Notice Parties

The Company

Mark Chalmers (mchalmers@energyfuels.com)
David C. Frydenlund (dfrydenlund@energyfuels.com)
Matthew Tarnowski (mtarnowski@energyfuels.com)
Julia Hoffmeier (jyeckes@energyfuels.com)

Cantor

Sameer Vasudev (svasudev@cantor.com)

With copies to:

CFCEO@cantor.com

AST Trust Company (Canada) (the Company’s Transfer Agent)

1 Toronto Street, Suite 1200
Toronto, ON M5C 2V6

Helen Kim (hkim@astfinancial.com)
Rebecca Prentice (rprentice@astfinancial.com)
## Material Subsidiaries

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Location</th>
<th>Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Magnum Uranium Corp.</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>Titan Uranium Inc.</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>Strathmore Minerals Corp.</td>
<td>British Columbia</td>
<td>100%</td>
</tr>
<tr>
<td>Uranium Power Corp.</td>
<td>British Columbia</td>
<td>100%</td>
</tr>
<tr>
<td>Strathmore Resources (US) Ltd.</td>
<td>Nevada</td>
<td>100%</td>
</tr>
<tr>
<td>Energy Fuels Holdings Corp.</td>
<td>Delaware</td>
<td>100%</td>
</tr>
<tr>
<td>Roca Honda Resources LLC</td>
<td>Delaware</td>
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</tr>
<tr>
<td>Magnum Minerals USA Corp.</td>
<td>Nevada</td>
<td>100%</td>
</tr>
<tr>
<td>Energy Fuels Wyoming Inc.</td>
<td>Nevada</td>
<td>100%</td>
</tr>
<tr>
<td>Energy Fuels Resources (USA) Inc.</td>
<td>Delaware</td>
<td>100%</td>
</tr>
<tr>
<td>EFR White Mesa LLC</td>
<td>Colorado</td>
<td>100%</td>
</tr>
<tr>
<td>EFR Henry Mountains LLC</td>
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<td>100%</td>
</tr>
<tr>
<td>EFR White Canyon Corp.</td>
<td>Delaware</td>
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</tr>
<tr>
<td>EFR Colorado Plateau LLC</td>
<td>Colorado</td>
<td>100%</td>
</tr>
<tr>
<td>EFR Arizona Strip LLC</td>
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</tr>
<tr>
<td>EFR Recovery Corp.</td>
<td>Delaware</td>
<td>100%</td>
</tr>
<tr>
<td>Uranerz Energy Corporation</td>
<td>Nevada</td>
<td>100%</td>
</tr>
<tr>
<td>Wyoming Gold Mining Company, Inc.</td>
<td>Wyoming</td>
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</tr>
<tr>
<td>Wate Mining Company, LLC</td>
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<tr>
<td>EFR Alta Mesa LLC</td>
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<td>100%</td>
</tr>
<tr>
<td>Leoncito Plant, L.L.C.</td>
<td>Texas</td>
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</tr>
<tr>
<td>Leoncito Project, L.L.C.</td>
<td>Texas</td>
<td>100%</td>
</tr>
</tbody>
</table>
SCHEDULE 5

None.
None.
   ◦ “First Supplemental Limited Title Opinion, Hank Project, MB1 et. al. Mining Claims (WMC278641 et. al.), Campbell County, Wyoming” - by Brown, Drew & Massey, LLP dated November 29, 2010
   ◦ “Second Supplemental Limited Title Opinion, Hank Project, MB1 et. al. Mining Claims (WMC278641 et. al.), Campbell County, Wyoming” - by Brown, Drew & Massey, LLP dated December 3, 2012
   ◦ “Third Supplemental Limited Title Opinion, Hank Project, MB1 et. al. Mining Claims (WMC278641 et. al.), Campbell County, Wyoming” - by Brown, Drew & Massey, LLP dated February 1, 2013
   ◦ “Fourth Supplemental Limited Title Opinion, Hank Project, MB1 et. al. Mining Claims (WMC278641 et. al.), Campbell County, Wyoming” - by Brown, Drew & Massey, LLP dated August 19, 2013
   ◦ “Fifth Supplemental Limited Title Opinion, Hank Project, MB1 et. al. Mining Claims (WMC278641 et. al.), Campbell County, Wyoming” - by Brown, Drew & Massey, LLP dated September 5, 2013
   ◦ “First Supplemental Limited Title Opinion, South Doughstick Project, WC 319 et al. Mining Claims (WMC 275263 et al.), Campbell and Johnson Counties, Wyoming” - by Brown, Drew & Massey, LLP dated November 29, 2010
15. “Preliminary Title Opinion, North Jane Project, DS 3 through 18, 100, 101 Mining Claims (Lead File WMC 281326 et al.), Campbell County, Wyoming” - by Brown, Drew & Massey, LLP dated December 3, 2009

16. “Preliminary Title Opinion, North Jane Project, EB 40 et al. Mining Claims (Lead Filed WMC 14069 et al), Campbell County, Wyoming” - by Brown, Drew & Massey, LLP dated December 3, 2009


   ◦ “First Supplemental Limited Title Opinion, South Doughstick Project, Pax Irvine Mineral Trust Fee Lease, Johnson County, Wyoming” - by Brown, Drew & Massey, LLP dated November 29, 2010


20. Preliminary Title Opinion, North Jane Project, Nelroy LLC et al. Fee Leases, Campbell County, Wyoming” - by Brown, Drew, Massey & Durham, LLP dated November 25, 2009

   ◦ “First Supplemental Limited Title Opinion, Nichols Ranch Project, EB 67 et. al Mining Claims (WMC 277010 et al.), Campbell and Johnson Counties, Wyoming” - by Brown, Drew & Massey, LLP dated November 29, 2010

   ◦ “First Supplemental Limited Title Opinion, Nichols Ranch Project, Betty Lou Payne et al Fee Leases, Johnson County, Wyoming” - by Brown, Drew & Massey, LLP dated November 29, 2010
   ◦ “Third Supplemental Limited Title Opinion, Nichols Ranch Project, Betty Lou Payne et al Fee
23. “Preliminary Title Status Report - Grants Uranium District properties of Uranium Resources, Inc., McKinley County, New Mexico (Roca Honda Claims; Endy Claims; and Section 17 mineral estate) - by Fognani & Faught, PLLC dated June 18, 2015

None.
CONSENT OF MARK S. CHALMERS

I consent to the inclusion in the Quarterly Report on Form 10-Q of Energy Fuels Inc. (the “Company”) for the quarter ended June 30, 2019 (the “Quarterly Report”) of technical disclosure regarding the properties of the Company, including sampling, analytical and test data underlying such disclosure (the “Technical Information”) and of references to my name with respect to the Technical Information being filed with the United States Securities and Exchange Commission (the “SEC”) under cover of Form 10-Q.

I also consent to the filing of this consent under cover of Form 10-Q with the SEC and of the incorporation by reference of this consent and the Technical Information into the Company's Registration Statement on Form S-3 (No. 333-228158), as amended, and into the Company's Registration Statements on Form S-8 (Nos. 333-217098, 333-205182, 333-194900 and 333-22654), and any amendments thereto, filed with the SEC.

/s/ Mark S. Chalmers
Name: Mark S. Chalmers
Title: President and Chief Executive Officer,
Energy Fuels Inc.

Date: August 2, 2019
EXHIBIT 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934

I, Mark S. Chalmers, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Energy Fuels Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Mark S. Chalmers

Date: August 2, 2019

Mark S. Chalmers
CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934

I, David C. Frydenlund, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Energy Fuels Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 2, 2019

/s/ David C. Frydenlund

David C. Frydenlund
Chief Financial Officer
(Principal Financial Officer)
CERTIFICATION PURSUANT TO
18 U.S.C. §1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Energy Fuels Inc. (the "Company") on Form 10-Q for the period ended June 30, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark S. Chalmers, President and Chief Executive Officer, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Mark S. Chalmers
Mark S. Chalmers
President and Chief Executive Officer
(Principal Executive Officer)

Date: August 2, 2019

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.
EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. §1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Energy Fuels Inc. (the "Company") on Form 10-Q for the period ended June 30, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David C. Frydenlund, Chief Financial Officer, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ David C. Frydenlund

David C. Frydenlund
Chief Financial Officer
(Principal Financial Officer)

Date: August 2, 2019

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.
Pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the “Dodd-Frank Act”), issuers that are operators, or that have a subsidiary that is an operator, of a coal or other mine in the United States, and that is subject to regulation by the Federal Mine Safety and Health Administration under the Mine Safety and Health Act of 1977 (“Mine Safety Act”), are required to disclose in their periodic reports filed with the SEC information regarding specified health and safety violations, orders and citations, related assessments and legal actions, and mining-related fatalities.

The following table sets out the information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd Frank Wall Street Reform and Consumer Protection Act for the period April 1, 2019 through June 30, 2019 covered by this report:

<table>
<thead>
<tr>
<th>Property</th>
<th>Section 104(a) S&amp;S Citations^2 (#)</th>
<th>Section 104(b) Orders^3 (#)</th>
<th>Section 104(d) Citations and Orders^4 (#)</th>
<th>Section 110(b) (2) Violations^4 (#)</th>
<th>Section 107(a) Orders^4 (#)</th>
<th>Total Dollar Value of MSHA Assessments Proposed^1 ($)</th>
<th>Total Number of Mining Related Fatalities (#)</th>
<th>Received Notice of Pattern of Violations or Potential Thereof Under Section 104(e)^3 (yes/no)</th>
<th>Legal Actions Pending as of Last Day of Period^6 (#)</th>
<th>Legal Actions Initiated During Period^6 (#)</th>
<th>Legal Actions Resolved During Period^6 (#)</th>
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</thead>
<tbody>
<tr>
<td>Arizona 1</td>
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<td>Nil</td>
<td>Nil</td>
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<td>$0.00</td>
<td>Nil</td>
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<tr>
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<td>No</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
</tbody>
</table>

1. The Company’s Arizona 1 Mine, Canyon Mine, Daneros Project, Energy Queen Property, Rim Project, Tony M Property and Whirlwind Project were each on standby and were not mined during the period. At the Company’s Beaver/La Sal Property and Pandora Property, mining activities resumed. These activities included rehabilitation of the La Sal decline and the commencement of a vanadium test-mining program.

2. Citations and Orders are issued under Section 104 of the Federal Mine Safety and Health Act of 1977 (30 U.S.C. 814) (the “Act”) for violations of the Act or any mandatory health or safety standard, rule, order or regulation promulgated under the Act. A Section 104(a) “Significant and Substantial” or “S&S” citation is considered more severe than a non-S&S citation and generally is issued in a situation where the conditions created by the violation do not cause imminent danger, but the violation is of such a nature as could significantly and substantially contribute to the cause and effect of a mine safety or health hazard. It should be noted that, for purposes of this table, S&S citations that are included in another column, such as Section 104(d) citations, are not also included as Section 104(a) S&S citations in this column.

3. A Section 104(b) withdrawal order is issued if, upon a follow up inspection, an MSHA inspector finds that a violation has not been abated within the period of time as originally fixed in the violation and determines that the period of time for the abatement should not be extended. Under a withdrawal order, all persons, other than those required to abate the violation and certain others, are required to be withdrawn from and prohibited from entering the affected area of the mine until the inspector determines that the violation has been abated.

4. A citation is issued under Section 104(d) where there is an S&S violation and the inspector finds the violation to be caused by an unwarrantable failure of the operator to comply with a mandatory health or safety standard. Unwarrantable failure is a special negligence finding that is made by an MSHA inspector and that focuses on the operator’s conduct. If during the same inspection or any subsequent inspection of the mine within 90 days after issuance of the citation, the MSHA inspector finds another violation caused by an unwarrantable failure of the operator to comply, a withdrawal order is issued, under which all persons, other than those required to abate the violation and certain others, are required to be withdrawn from and prohibited from entering the affected area until the inspector determines that the violation has been abated.

5. A flagrant violation under Section 110(b)(2) is a violation that results from a reckless or repeated failure to make reasonable efforts to eliminate a known violation of a mandatory health or safety standard that substantially and proximately caused, or reasonable could have been expected to cause, death or serious bodily injury.
6. An imminent danger order under Section 107(a) is issued when an MSHA inspector finds that an imminent danger exists in a
An imminent danger is the existence of any condition or practice which could reasonably be expected to cause death or serious physical harm before such condition or practice can be abated. Under an imminent danger order, all persons, other than those required to abate the condition or practice and certain others, are required to be withdrawn from and are prohibited from entering the affected area until the inspector determines that such imminent danger and the conditions or practices which caused the imminent danger no longer exist.

7. These dollar amounts include the total amount of all proposed assessments from MSHA under the Act relating to any type of violation during the period, including proposed assessments for non-S&S citations that are not specifically identified in this exhibit, regardless of whether the Company has challenged or appealed the assessment.

8. A Notice is given under Section 104(e) if an operator has a pattern of S&S violations. If upon any inspection of the mine within 90 days after issuance of the notice, or at any time after a withdrawal notice has been given under Section 104(e), an MSHA inspector finds another S&S violation, an order is issued, under which all persons, other than those required to abate the violation and certain others, are required to be withdrawn from and prohibited from entering the affected area until the inspector determines that the violation has been abated.

9. There were no legal actions pending before the Federal Mine Safety and Health Review Commission as of the last day of the period covered by this report. In addition, there were no pending actions that are (a) contests of citations and orders referenced in Subpart B of 29 CFR Part 2700; (b) complaints for compensation referenced in subpart D of 29 CFR Part 2700; (c) complaints of discharge, discrimination or interference referenced in Subpart E of 29 CFR Part 2700; (d) applications for temporary relief referenced in Subpart F of 29 CFR Part 2700; or (e) appeals of judges’ decisions or orders to the Federal Mine Safety and Health Review Commission referenced in Subpart H of 29 CFR Part 2700.