

Energy Fuels Inc.

Q1 2026 Conference Call

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PRESENTATION

Operator

Good day, ladies and gentlemen, and thank you all for joining us for this Energy Fuels Q1 2026 Conference Call.

As a reminder, all phone participants are in a listen-only mode to prevent any background noise but later, you will have the opportunity to ask questions.

As a reminder, today's session is being recorded.

It is now my pleasure to turn the floor over to President and CEO, Mr. Ross Bhappu. Welcome, sir.

Ross Bhappu — President and CEO, Energy Fuels Inc.

Thank you, Jim (phon). I appreciate the intro. And thank you, everybody, for participating today.

Look, I want to start by thanking Mark Chalmers. Mark recently retired from Energy Fuels after almost 10 years with the firm. Mark has done just a fabulous job putting together a great group of assets, putting a great team together. And as I look forward to my new tenure here as the CEO of the Company, I'm just thrilled to be taking the helm and moving the Company into the next generation.

We have a lot of work ahead of us. And as I start kind of my tenure in the Company, I'm focused on a few things. One is executing on our business strategy. It's ensuring that we have the right team in place. And it's ensuring that we all operate safely within this organization. So that is a key, key area of responsibility.

Look, the other thing that's a heavy focus of mine is being a good neighbour in the communities we operate. And we want to operate at very high environmental standards and be truly a good partner

wherever we go. So my focus, as I look forward, is to position the Company for long-term growth and build stability and shareholder value.

So with that, I'd like to turn our attention to the next slide, which is our forward-looking notice—forward-looking statements. We will be making—I will be making forward-looking statements today. These statements reflect our current expectations and assumptions and certainly involve some uncertainties. I refer you to our 10-Q filings and the latest 10-K and other SEC and SEDAR filings for the risk factors.

So looking at our next page, the first quarter highlights. Look, we had a fantastic first quarter by every measure. And I'm excited to tell you about some of these accomplishments.

First of all, from an operational perspective, we mined 425,000 pounds of uranium, and we produced nearly 800,000 pounds in our mill. We ended the quarter with 2.25 million pounds in our inventory.

And we released a very positive Vara Mada feasibility study with a \$1.8 billion NPV. And that includes over \$500 million per year of expected EBITDA. When you think about that and put that into perspective, that takes Energy Fuels to a whole new level.

We also completed our White Mesa Mill Phase 2 bankable feasibility study. And that came in with a fantastic lower-than-expected capital cost at \$410 million. We expect \$311 million of annual EBITDA when that facility is up and running on a stand-alone basis.

We also announced the ASM acquisition. ASM, Australian Strategic Materials, which I'm going to talk about later, really moves us into a new league and gives us the ability to produce metals and alloys. And we'll talk about that, like I said, later.

Also during the quarter, we produced our first terbium. Terbium is one of those exotic, rare earth heavy minerals that everybody's seeking in their magnets. And it really puts us into a different league. So we've gained, as a result of those announcements, substantial interest from offtakers as a result of all this news.

From a financial perspective, we have a robust balance sheet of over \$950 million of liquidity. We generated \$8 million of EBITDA. And we had sales and revenue from both a combination of contract and spot sales in the uranium business.

In addition, we are continuing to work on expanding our Phase 1 facilities. Recall, Phase 1 is our uranium processing line that we recently, couple years ago, converted to process rare earth minerals. We're expanding our current capabilities in Phase 1, what we're calling Phase 1B, which will allow us to produce commercial quantities of terbium and dysprosium.

And then we're adding Phase 1C, which will allow us to process MREC material. MREC is mixed rare earth carbonates. And that puts us into a different league. And the fantastic aspect of that is we'll be able to process rare earth minerals and uranium simultaneously with Phase 1C.

Finally, in the quarter, right at the very—

Operator

Ladies and gentlemen, this is your Operator. I thank you for your patience.

I believe we have Mr. Bhappu reconnected. Thank you, all.

Ross Bhappu

Thank you, Jim. And, ladies and gentlemen, I apologize for that mishap. I'm not exactly sure what happened, but I hope you can hear me now.

I'd like to go back and start—I don't know where we cut off, so I'm going to start back on our first quarter highlights.

By any measure, what I would say is Q1 2026 was a very good quarter for Energy Fuels, and I'm excited to tell you about it.

From an operational perspective, we mined 425,000 pounds of uranium and produced nearly 800,000 pounds through the Mill. At the end of the quarter, we ended with 2.25 million pounds in inventory.

And we released a very positive Vara Mada feasibility study. That study showed an NPV of \$1.8 billion. And we're anticipating over \$500 million per year of expected annual EBITDA. This takes Energy Fuels to a new level by any measure and is a game changer for us.

We also released the White Mesa Mill Phase 2 feasibility study. We were pleasantly surprised that our CapEx came in lower than anticipated at \$410 million. The economics of that project are robust and provide for a \$1.9 billion NPV. The IRR on that project is about a 33 percent rate of return.

We expect EBITDA from that project, from the Phase 2, to be about \$311 million. And that's just on a stand-alone basis, not including taking into account the Vara Mada feed, as well as other feed.

We produced our first terbium this quarter which, again, is a game changer. It's being done at a pilot plant scale. We're producing about a kilogram per week. And we've gained incredible interest from all those announcements, across the board.

The other—sorry. The other announcement, of course, was the announcement of the ASM acquisition, Australian Strategic Materials. ASM is a metal and alloy producer, rare earth metal and alloy producer. And that's a game changer. It helps block a choke point or open a choke point that exists in our sector for rare earths.

From a financial perspective, we have a robust balance sheet. We have \$950 million of liquidity. We generated \$8 million of operating cash flows last quarter—or in Q1. We have sales revenue from a combination of both contract and spot sales. And we like to keep a balance of both contract and spot sales, and that's worked well for us in the past.

In addition, we're working on a number of exciting opportunities; at least, we started working on them in Q1.

The first one is Phase 1B. Recall that Phase 1 of our mill is our uranium facility that we've converted to process rare earths. Today, we can only process either uranium or rare earths. We can't do them simultaneously. But we're trying to fix that. And we're adding Phase 1B, which will allow us to produce heavies, both dysprosium and terbium. And we'll also be able to produce other heavy minerals like samarium, europium, gadolinium and, possibly, yttrium, depending on market conditions.

Phase 1C will allow us to process MREC material. MREC is a product coming from ionic clays, and that will allow us to process both uranium ores as well as rare earth ores simultaneously, which we can't do today.

Also, I'd like to just highlight that at the end of the quarter, we published our sustainability report. It's a fabulous demonstration of what we're doing in the sustainability area. And I'd encourage you to take the time to have a look at that report. It's on our website.

For those of you that are new to Energy Fuels, new investors, I'd like to take you through a little bit of background on our capabilities.

Energy Fuels started its life as a uranium company. We've been in the uranium business for over 45 years in various forms. And we built that uranium capability through mining and processing at our White Mesa Mill.

Given that expertise, we took that on, and we carried that over to rare earth minerals. Now recall that all rare earth elements, all rare earth minerals contain some level of either uranium or thorium. They're all radioactive to some extent. Our knowledge and expertise in the uranium business has allowed us to be a leader in the processing of those rare earth minerals.

The mineral of choice for us is monazite. Monazite is a by-product from heavy mineral sands. And that's allowed us to get into the heavy mineral sands business. And we've put our foot on and own three heavy mineral sands operations, plus another mining operation called Dubbo, with the ASM acquisition. So I'll talk about monazite and why it's our mineral of choice here in a few minutes.

While the three areas, those three sectors, look quite disparate, they're actually quite—they flow quite well together. And the thing they have in common is that they all contain radioactive components. And that's really what creates Energy Fuels, the Company, today.

So when we look at a global footprint of where we are with Energy Fuels, on the far left side, the dark-blue dots highlights represent our uranium business. In the middle of the left side, the yellow box, that's our White Mesa Mill that really brings everything together and allows us to do everything else that we're doing.

Across the bottom of the page, the red boxes represent our heavy mineral sands opportunities and projects. Those will be not only producing titanium and zirconium products, but they'll also provide us the monazite that we will feed into the facility in White Mesa, our mill here in Utah.

And then with the addition of ASM, we now have an operating metallization facility located in Korea. And we're planning to replicate that facility with an American Metals Plant here in the United States.

So very much a global footprint, very much a growth story, and very much of an exciting story for critical minerals here in the US.

Carrying this over now to our uranium highlights, recall that Energy Fuels is the largest producer of uranium. We mined 425,000 pounds from both La Sal and Pinyon Plain last year—or sorry, last quarter. Last year, we produced 1.7 million pounds from those two mines.

The White Mesa Mill produced about 800,000 pounds in Q1 and, to date, we're about 1.2 million pounds of uranium from the White Mesa Mill.

We continue to build a strategic base of uranium, and we sell opportunistically into the spot market but then, of course, we also have a long-term set of long-term contracts that we're feeding into.

The US is heavily reliant on imports of uranium, and we're trying to help solve that problem. It still amazes me that we're taking uranium ore from—or uranium material from Russia. I know that's going to end soon, but we'd like to be a part of solving that.

When we look at the market trend for uranium, you can't help but be excited about what's happening in the nuclear energy space and the need for more uranium.

So we'll continue to offer uranium on both a balance of contract and spot sales. The older contracts are set to expire over the next few years. Recall those are lower-priced contracts, but those allowed us to get into business a few years ago or restart our uranium operations a few years ago. And the new contracts will continue to have price floors and ceilings. So we're excited about the opportunities there.

When we go to the next page, the White Mesa Mill in Blanding, Utah, the White Mesa Mill really makes everything possible for us at Energy Fuels. It's truly a national treasure by any means, by any

measure. It's 45 years old, but it's using state-of-the-art technology and equipment for processing not only uranium but rare earth minerals.

We're often asked what it would take to replicate that facility, and it's hard to put a price tag on it because it's not easily replicable, mainly due to challenges with permitting, but the time constraints to replicate that facility would be very, very extensive.

The dual-commodity processing of both rare earths and uranium, I think, is unmatched in the western world, and the history of uranium processing really provides us with an incredible track record for processing not only uranium but the rare earth feedstock. We are the only facility in the United States that can commercially process monazite at that mill.

When we look at our rare earth highlights, we are building a truly fully integrated mine to alloy supplier of critical minerals. We plan, through the acquisition of ASM, to capture value across the supply chain, and we're not beholden to any other part of the chain by having this self-reliance of the vertical integration.

We have a fabulous team at the White Mesa Mill, and we're actively producing heavy minerals at the pilot plant, that we've been sending out for validation.

As mentioned previously, we are preparing to expand Phase 1, and that includes Phase 1B, which will allow us to process terbium and dysprosium. Phase 1C will allow us to produce and process MREC. MREC, as I mentioned before, it comes from ionic clays, and it's a valuable source of rare earth minerals that we're going to be excited to be able to produce both uranium and rare earths simultaneously.

Then we have Phase 2. In Phase 2, we're in the permitting process. We hope to have those permits by the end of next year. When fully commissioned, we'll be able to process and produce over 6,000 tonnes per year of NdPr. So we will truly be a substantial supplier of rare earths.

So the question we often get is, why monazite? And what we like about monazite is it offers a number of benefits.

First of all, it's a very high-grade source of rare earth minerals. It typically contains 50 percent to 60 percent total rare earth minerals contained, but it's high in neodymium and praseodymium and, equally, it's high in dysprosium and terbium. So those are very attractive. In addition, it also contains uranium, which we recover and sell as a by-product, then, of the rare earth processing.

So monazite has a lot of benefits. The other benefit is, as a by-product of heavy mineral sands, the production costs can be shared across a number of different commodities. And again, the White Mesa Mill is the only facility in the US that can process that commercially.

So we did the acquisition. We announced the acquisition on January 20th of Australian Strategic Materials, ASM. ASM really provides a unique opportunity for Energy Fuels. Outside of China, there are very few rare earth metallization factories, and ASM has a commercial operating facility in Korea. The vertical integration that this allows, from mine to alloys, provides a tremendous competitive advantage, including expanded margins, greater market share, and it's resulted in very positive comments and views from our offtakers.

The acquisition is progressing very well. We recently obtained our FIRB approval. FIRB is the Foreign Investment Review Board, an equivalent to CFIUS here in the US, and that approval was an important part of that process. We're targeting closing that transaction in early July and, again, it's progressing quite well.

On the heavy mineral sands side of the business. Heavy mineral sands, again, is a really important product. It allows us to obtain the monazite as a by-product. But heavy mineral sands contain titanium,

zirconium minerals. Those are used across a wide range of industrial applications, including pigments, metals, ceramics, chemicals, refractories, foundries, and nuclear applications.

Energy Fuels has three heavy mineral sands projects, and with the ASM acquisition, we'll hold an important polymetallic operation as well.

The Vara Mada Project is our project in Madagascar. We're advancing that. We're working towards obtaining a government stability agreement, also called an investment agreement. That work has been underway for some time, but with the change in government recently, we've had a little bit of a delay getting that investment agreement signed. But we continue to have very good engagement with the government of Madagascar, and we're looking forward to progressing that as we go through the balance of this year.

The Donald Project is a project in Australia where we're earning a 49 percent joint venture ownership. Donald is shovel-ready. It's a project that has obtained all of its permits. We are looking to make a financial—or a final investment decision here in the next few months. I think the one thing that's holding us back is we're finalizing our financing and offtake agreements. But we're making very good progress and hope to be able to announce that FID fairly soon.

The Bahia Project is a 100 percent-owned project in the state of Bahia in Brazil. We're conducting drilling there. We will hope to have a scoping study or a PFS done later this year.

And then finally, we have the Dubbo Project, which comes from the ASM acquisition. Dubbo is not a heavy mineral sands project. It's a polymetallic project, but it's got very high critical minerals grades in it. And we hope to have that provide further feedstock to the White Mesa Mill in the future.

The next slide is an interesting slide because it shows just how global we are and especially in delivering the rare earth minerals to the White Mesa Mill. So again, we have our three heavy mineral

sands projects that will supply monazite, one in Australia, one in Brazil, and one in Africa, in Madagascar. Those supply the monazite feedstock to the White Mesa Mill.

White Mesa Mill will then process those rare earth minerals, produce oxides. The oxides will then go to either Korea or, once we build our facility in the US for metallization, it'll go there and be processed in the US. From there, it gets sold to magnet manufacturers and to the end producers.

So we truly are a global company and excited about our opportunities there.

So with that, I'd like to hand this off to Nate. Nate Bennett is our CFO, and he's going to talk a little bit about the financials for the quarter.

Nate Bennett — CFO, Energy Fuels Inc.

Yes. Thank you, Ross, and good morning, everyone.

As we look at the financial updates for Q1 2026—you can go to the next one. We continue to maintain a strong financial position as we prepare to develop our long-term projects. We finished with \$957 million in working capital and \$1.4 billion in total assets.

Now this working capital continues to reflect the \$621 million in net proceeds received from our convertible note offering that we completed last year in the fourth quarter, that we have yet to draw down on; though the working capital also includes 2.2 million pounds of uranium, which of about half is in finished inventories and the other half is in process or in ore piles.

Now this liquidity gives us the financial flexibility to advance our strategic projects and be opportunistic, as the market evolves, and deliver on our guidance.

Looking at the P&L, we continue to see improvement in our net loss with a net loss of \$11 million in Q1 2026. This compares to a net loss of \$26 million in the prior year, Q1 2025, and a net loss of \$21 million in last quarter, Q4 2025.

Now this improvement is due to the increase in our uranium revenue and sales, and also an increase in income from our marketable securities from invested cash. And this is partially offset by higher operating costs and transaction costs, as you see in the P&L, as we progress our global strategy.

Now looking at our—noting our guidance, we do anticipate uranium sales to continue throughout the year to help offset our burn rate as we progress our projects and our strategy.

Looking at our segment footnote and footnote 19 of the 10-Q, we did note that our uranium segment has shown promising results as we begin to be profitable. And we expect this trend towards profitability to continue in our uranium segment.

As we look at our revenue and our sales, we took advantage of spot price increases during the quarter. We sold 100,000 pounds at an average price of \$95.88. And looking at our long-term utility contracts, as forecasted, we sold 410,000 pounds at just under \$64 a pound.

Now we expected these sales at this price, as it relates to some of our initial long-term agreements entered into back in 2022 and 2023. And we entered into these agreements when uranium prices were beginning to increase. And these contracts really supported the decision to go forward with mining on Pinyon Plain and our La Sal Complex.

Now looking at our uranium production and moving forward throughout the year, for Pinyon Plain, we mined 375,000 pounds with an average grade of 1.12 percent, which was from a lower-ore-grade area as our mining moves between high-grade zones. Now these ore grade fluctuations are expected as we mine different segments of the ore deposit, and we expect these ore grades to increase throughout 2026. This is anticipated, these ore grade fluctuations, and were contemplated in our mining production guidance.

And looking at the Mill, in accordance with our guidance, we continued processing Pinyon Plain and La Sal ore through Q1. And we've processed over 800,000 pounds, as Ross has noted, through March, and we reached the 1 million-pound milestone for the year during April.

These are really exciting results, as the last two quarters have really shown the Mill's capabilities, which have been above expectations, having not run at these levels in many years.

Our all-in cost for mining, transportation, and processing continue to be within our expected range of \$23 to \$30 per pound, and we expect this to continue throughout the rest of the year.

We also expect processing at the Mill to continue throughout 2026, but we do note that it will—we will pause processing for planned maintenance downtime scheduled at the end of Q2 and the beginning of Q3.

As the Mill—and we do note, as the Mill processes ore at a faster rate than we can mine, the downtime will really allow the mine production to catch up with the Mill processing and replenish our ore piles at the Mill.

And we do expect our mill processing to continue to be within our guidance of 1.5 million to 2.5 million pounds for the year.

Now looking at our inventory and our cost, we continue to see a decline in our inventory costs as we produce low-cost Pinyon Plain pounds, decreasing to \$36 a pound at the end of the quarter. This decrease is expected, and we continue to see this—we expect to continue to see this decrease as we mine throughout the rest of the year at Pinyon Plain.

And we note, our cost of goods sold, we expect it to decrease to closer to \$30 per pound throughout 2026 as we sell through our inventory and add low-cost Pinyon Plain production. And this will really help improve our gross margins and our profitability in our uranium segment.

Looking at our inventory, we finished with 1.1 million pounds, at \$36 a pound, with another 1.1 million pounds in process and ready to be processed. This really gives us the sufficient inventory to meet our processing and sales guidance and to meet our long-term utility contract commitments for the remainder of 2026 and the first part of 2027.

Now just giving an update on the guidance. As noted in our previous slides, we do continue to anticipate to be within our guidance ranges.

Starting with mining, we mined 425,000 pounds between our Pinyon Plain and La Sal Complex. We'll continue to mine during the downtime at the Mill that's planned, to replenish the ore piles at the Mill. And we expect our ore grades and pounds at Pinyon to increase as we move into higher-grade zones.

Looking at the processing at the Mill, like I noted before, we hit our processing milestone of over 1 million pounds during April. And we're starting to near the bottom end of the range by the end of Q2. And we expect to be within the range anticipated even with the planned maintenance downtime.

And now looking at the sales guidance, we sold 510,000 pounds during Q1. We expect sales to continue and to be in line with our guidance, with both sales under our long-term contracts and spot sales, depending on the market conditions.

And with that, I'll turn it back over to Ross for some final thoughts on our 2026 activities.

Ross Bhappu

Thank you, Nate.

Well, look, I'd just like to finish our presentation by talking about some of our objectives for the balance of 2026.

For me, it's all about execution. We have an incredible asset base, incredible mines to develop, incredible facility at White Mesa, but now, it's all about execution. So what we're going to be focused on

is our Phase 2 permitting. We're going to focus on Phase 1B and 1C, get that construction going and finalized, hope to be operational on Phase 1B and 1C late in '27.

We hope to make our Donald FID very soon. We're very heavily focused on that.

We're going to continue to advance our Vara Mada Project, both on the engineering side, but also on the investment agreement, government relations side. We have a big social outreach program, big focus on the communities there, that will continue.

We're going to continue advancing our drilling and our engineering work at the Bahia Project.

And finally, I would say that a big focus of mine is for our company to operate safely and in a sustainable way. Again, I'd encourage you to have a look at our sustainability report that we just released. I think you'll find it very impressive.

So, look, I'm really proud of what this team has accomplished in the first quarter. I'm excited to be taking the helm of the Company and moving it forward through the rest of '26 and beyond and very excited for what we have going forward.

So with that, I'd like to end our formal presentation, and I think we're going to open up—I'll turn it back over to Jim for questions and answers.

Q&A

Operator

Certainly. Thank you. And to our audience joining today over the phones at this time, if you would like to ask a question, simply press *, and 1 on your telephone keypad. Pressing *, and 1 will place your line into a queue, and I will open your lines one at a time.

Once again, ladies and gentlemen, that is *, and 1 if you would like to ask a question.

We'll hear first from Anthony Taglieri at Canaccord Genuity.

Anthony Taglieri — Canaccord Genuity

Well, thanks and good morning. Maybe just starting with the uranium side of things. Just curious, how much finished inventory are you guys interested in maintaining? Obviously, we saw you guys sell 100,000 pounds in Q1 on the spot market at close to \$100 a pound. Should we expect you guys to sell up to the high end of the sales guidance range if prices came back to around those levels?

Ross Bhappu

Yeah. Look, Anthony, I think, first of all, we have to maintain sufficient inventory to meet our contractual obligations. So first and foremost, I'd say that's a driver.

The other area—the other way I would answer this is that we want to maintain some optionality where we can switch the Mill over from processing uranium to processing rare earths, depending on market conditions. So it's a bit of a balance.

And when you look at our guidance, we have pretty high ranges of uranium sales. And it's largely because of that, because we want to maintain enough inventory to feed our contractual obligations. We want to have some going into the spot market, but we also want optionality and flexibility to transfer the Mill operations from uranium to rare earths at any point in time. So it's a great point.

But we'll continue to process uranium as heavily as we can. When we see prices going over \$100, like they did earlier this year, we'll certainly take advantage of that. And again, longer term, we do see uranium prices escalating. And again, we want to maintain some optionality around that.

So it's a bit of a balance, and I'd say it's a bit of an art. But that's pretty much why we're going the direction we are.

Anthony Taglieri

Great. Thanks. And maybe just as a follow-up to that.

So the first quarter, you sold about half of your long-term sales commitments for the year, it seems. Should we expect the sort of remaining portion of that to come in the second quarter? Or will it be staged differently throughout the year?

Ross Bhappu

Look, I think it'll be staged throughout the year. Again, we have big contractual obligations in the first quarter, and we'll be meeting those contractual obligations through the balance of the year. But there were some pretty big sales that came as a result of our contract—one of our big contracts. But, yeah, I anticipate we'll smooth that out through the balance of the year, the balance of those sales.

Anthony Taglieri

Great. Thank you. I'll pass it on.

Ross Bhappu

Thanks.

Operator

Our next question will come from Soundarya Iyer at B. Riley Securities.

Soundarya Iyer — B. Riley Securities

Thank you. Thank you, team, and congratulations on the quarter.

My first question is on the—is basically, like, rare earth companies as a stand-alone are trading meaningfully at higher multiples, rather than diversified miners. Do you guys think about, as this rare earth business scales when Donald, ASM, Vara Mada all this comes together, about spinning the rare earth business out and operating it as two distinct businesses like rare earth and uranium?

Ross Bhappu

Yeah. It's an interesting issue. Right? Because rare earth companies do trade at high multiples, uranium companies trade at a bit lower multiples, and then heavy mineral sands companies trade at even lower multiples. Look, our view is that we want to be integrated across those three sectors. It's vitally important from a technical perspective and from a commercial perspective that we control our own feedstocks.

And so when I think about it, Soundarya, I think remaining and being in the business, if we're going to be a monazite processing company, if we're going to be an MREC processing company, I think we want to control our own molecules. So spinning out the heavy mineral sands side of the business I think is something we might consider in the future but, right now, it's so important as a source of feedstock for us, and we want to be in control of it.

So I think I'll leave it to you and other analysts to figure out how to value us. But at the end of the day, I think that in the bulk of our revenue, as I look at it, going forward, will come from rare earths. We will have continuing revenue from uranium, and we will be ramping up revenue from heavy mineral sands. And so how you weight those across, to come up with our valuation, I think we'll just have to sort of live with. But I would be hesitant to want to give up control over the feedstock going into our mill.

Soundarya Iyer

That's very clear, Ross. And just as a—on another line, how are you reading the uranium market right now? I mean, prices have been really strong and holding up about the \$80-a-pound threshold. Are you seeing any utility customers signaling like urgency or to lock in domestic supply? Or is the contracting still moving slowly?

Ross Bhappu

Yeah. It's an interesting question. I think you certainly see all the headlines of different companies in the SMR business, for example, that—some amazing future projections for selling SMRs. And the only way they're going to feed those SMRs is with uranium, right, so.

But we haven't seen the utilities ramping up their buying schedules yet. I'm fully expecting that we will see that. I'm confident that we're going to see much more focus on ensuring that they have supplies of uranium going forward. But to the best of my knowledge, we haven't really seen a huge increase in demand or discussions from the utilities to date.

But, look, I fully expect that's going to change. When you look at the projected demand, every research group out there that studies uranium and the nuclear industry shows that the supply-and-demand balance is going to start coming out of whack in the next few years, and you're just going to need more uranium.

So, look, I remain very, very bullish on uranium, personally, and we talk about it internally here quite a lot.

Soundarya Iyer

Got it. Thanks for all that colour. I'll turn it back.

Ross Bhappu

Thanks, Soundarya.

Operator

Our next question will come from Brian Lee at Goldman Sachs.

Brian Lee — Goldman Sachs

Hey, guys. How's it going? Thanks for taking the questions.

Maybe wanted to dig into the comments around Vara Mada, a little bit of a delay there. Can you elaborate a bit as to how much of a delay? What sort of needs to happen for you to maybe get that back on track? Any kind of milestones or triggers moving through the year that you could point to, that might improve the visibility there? Just trying to gauge where you are in that process.

Ross Bhappu

So let me just start by saying that the change in government that happened in September, October of last year really slowed the process down. We were very close to signing an investment agreement around that time but, with the change in government, that sort of slowed things down.

We have been spending considerable time in country in Madagascar. And I'm joined here with Nathan Longnecker, who's our general counsel, and who's been personally spending a lot of time in Madagascar. So let me let him answer that as well.

Nathan Longenecker — General Counsel, Energy Fuels Inc.

Yeah. We've been—we continue to try to push it forward. What we have is a government that is relatively new. But we have been meeting fairly regularly with the highest levels of the government, and our discussions with them have been met with a fair bit of support from the highest levels.

So, the government has been supportive of the project, but there are a number of things that we need to get into place. And there's—it's a bit of a—the document itself has a lot of aspects to it and takes a little bit of time to get that put into place. So that's just generally where we are, working with the government.

Brian Lee

Okay. Yeah. Fair enough. We'll continue to track the progress.

I guess, related to that, just any updated thoughts around sourcing monazite in the open market as you're waiting for some of these upstream assets to move to final investment decisions and also move to production? Seems like monazite pricing has come down a decent amount here recently. But any thoughts around maybe using that as more of a bridge to getting your assets online?

Ross Bhappu

Yeah. Brian, absolutely.

We're going to need to source monazite. We have three sources, internally, of monazite. We also have an agreement with Chemours to source monazite from them.

But, look, to keep Phase 2, the expansion at White Mesa, full, we are going to need additional sources, a small amount, but we will need some additional sources. So we've got a very active business development and partnership group out there, searching and in discussions with a whole host of different suppliers of monazite.

I think those groups that are in production today, they're selling their monazite almost exclusively into China. And those Western companies that are doing that are looking for alternative outlets to sell their monazite. So we have a lot of discussions going on with a lot of different groups, and we will have additional sources of monazite to feed our mill.

Brian Lee

Okay. Makes sense. I'll pass it on. Thanks, guys.

Ross Bhappu

Thanks, Brian. Take care.

Operator

Next, we'll hear from Justin Chan at SCP Resource Finance.

Justin Chan — SCP Resource Finance

Hi, Ross and team. Thanks for hosting the call.

My first one was just on the uranium processing side. I know there's some—you could run a longer processing campaign or shift it over to rare earths or et cetera. So there's some choices there. I was just wondering, what's your current thinking in terms of how long you intend to process uranium for?

Ross Bhappu

Yeah. Look, I think, first of all, the Mill operates at a higher rate than our mines produce ore, so the Mill will always outrun the mines, at least for now. And we're at a point where we're going to be able to process ore for probably another four to six weeks. Then we're going to shut down for maintenance and do some modifications to the Mill. And that'll allow us to build some of our uranium stockpiles up. And then we'll have to make a choice as to whether we restart with uranium, or we would—or whether we restart with rare earths. And a lot of that depends on market conditions.

So as you can see, we're over a million pounds that we've processed so far this year. And we'll just have to make a decision as to whether we feel comfortable with stockpiled uranium, or whether we want to continue producing versus producing rare earths.

So, look, I fully anticipate that we'll get through the next, call it month, month-and-a-half. We'll shut down for, probably, a couple months for maintenance and then make a decision on whether we're going to start back up with rare earths or with uranium, depending on market conditions.

Justin Chan

Gotcha. Gotcha. I mean, I guess, if nothing changes from now, I guess, how would that influence your thinking? Like what direction would you be leaning, based on current conditions?

Ross Bhappu

Yeah. If nothing changes, we'd probably—we would probably start back up with the uranium processing and continue our uranium processing through the balance of the year.

Justin Chan

Okay. Gotcha. Thanks. That's very clear. And then my second—

Ross Bhappu

And, look—go ahead. Go ahead, Justin.

Justin Chan

Sorry. Go ahead. Please finish that statement. Sorry to interrupt.

Ross Bhappu

Well, look, I was just going to say Phase 1C will really give us optionality to process rare earth minerals alongside uranium. Now Phase 1C is going to be geared towards processing MREC materials, but once we get that up and running, hopefully next year, that will allow us to not have to decide between processing rare earths or processing uranium. And we can do both simultaneously, albeit from MREC material.

So that's why we're very heavily focused through the balance of this year on being able to process MREC next year.

Justin Chan

Gotcha. That makes sense. So I guess, yeah, maybe let's dig into that if you wouldn't mind humouring me on that.

So, I guess you'll have your own separation lines, and you won't need to like use the same tanks and everything for 1C. I guess, to get the MREC, would you be receiving it from third parties? Or could you—I guess, you could presumably make your own MREC stockpiles at some point. Is that—

Ross Bhappu

We have the—

Justin Chan

—the thinking? Or is it mainly just sourced from ionic clay deposits?

Ross Bhappu

Yeah. It would be primarily sourced from ionic clays. Early on, when we did run the Mill, we did produce an MREC material at our own facility from monazite, but we don't anticipate doing that going forward. We will likely source from third parties. And there's a number of third parties out there looking for a home for their MREC, so we think we could help fill that void.

Justin Chan

Gotcha. And then if I could ask on, I guess, the longer term.

When you do have your own dedicated rare earth processing lines and you're processing monazite, would you still retain the capacity to receive additional MREC—

Ross Bhappu

Yeah. Absolutely—

Justin Chan

—from ionic clays? Or does that create a blending issue?

Ross Bhappu

No, no, no. This separate facility that we're building, this 1C, will allow us to continue to process MREC in addition to processing monazite through Phase 2. So we will always maintain that capability to process MREC along with monazite.

Justin Chan

Okay. Thanks, Ross. Maybe just one last one as a follow-up to that.

I know it's a bit of a leading question, but with that capacity, does that change your strategic thinking at all in terms of having your own potential upstream ionic clay feed? I mean, you don't currently in the portfolio. I'm just thinking here that could maybe change what your upstream asset base might look like in the long run.

Ross Bhappu

Yeah. Look, well, the way I would answer that is I would say, we're always going to be opportunistic. And if there's an opportunity to acquire an ionic clay, an MREC producer, we would certainly consider that if it made sense.

Justin Chan

Excellent. Well, thanks, Ross. I appreciate the candour and, yeah, I'll free up the line. Thank you very much.

Ross Bhappu

Thanks Justin. I appreciate the questions.

Operator

Next, we'll hear from Noel Parks at Tuohy Brothers.

Noel Parks — Tuohy Brothers

Hi. Good morning. I just wanted to touch back on Donald. And I just wonder if you could give a sense of what remains on sort of finalizing the offtake agreement out there which, in turn, will help get to the FID.

Ross Bhappu

So, yeah, good to talk to you, Noel, and thanks for the question.

So a couple of things. The Donald Project's going to produce a heavy mineral sand—a heavy mineral concentrate, as well as monazite. So there's two separate offtake agreements that we need to finalize. One is on the heavy mineral concentrate. And then the second one is on the various—it's not just one rare earth mineral; it's going to be four, maybe more, minerals that we get out of it.

So coordinating offtake agreements across all those different commodities is time-consuming. And unfortunately, it's taken longer than we had anticipated. And once you get those offtake agreements locked in, then that impacts your financing. So they go hand-in-hand, and we're having discussions with various financing parties as well as offtake parties. And they're very different in their different groups, and you got to coordinate between them, and so it's created a challenge.

And then that's also compounded on the fact that we have a joint venture partner. So we're partners with Astron, and we need to make sure that the financing agreements that we enter into, the offtake agreements that we enter into, also are agreeable and meet with the needs of our JV partner.

So what from the outside looks like it should be a fairly easy process to go through, it's actually quite complex and quite time-consuming. And unfortunately, it's delayed us being able to make that FID more quickly.

But look, no, I would say we're very heavily focused. We want to get the FID as quickly as we possibly can. We want that mine to get up and running as quickly as we possibly can. So it's at the top of our mind every day.

Noel Parks

Great. Thanks. That does fill in some gaps for me, so thanks a lot.

And in the past, we've talked a bit about just how on the rare earth, what the market wants has been sort of changing and evolving, I guess, over the past year or so—and that that's informed, to some

degree, your decisions about just which of the products you're pursuing and in what order at the Mill. So I wonder if you could just maybe update us a bit on maybe how you see demand shifting for the particular elements going forward.

Ross Bhappu

Look, I think what you're hearing in the market about demand shifting has more to do with what people are producing. I think what we're saying is there continues to be very heavy demand for dysprosium and terbium.

Now, I mean, the fact is not everybody can produce dysprosium and terbium. I think magnet manufacturers are trying to design magnets that reduce the reliance on dysprosium and terbium, but by no means have they solved that puzzle yet. And so there remains big demand for Dy and Tb in these magnets. And I think that's going to continue for the foreseeable future.

So when I look at what we're doing at the Mill, I think we want to be able to produce the whole suite of heavies. And that's not just dysprosium and terbium. It includes samarium, gadolinium, europium, yttrium because there is demand out there for those minerals. You take yttrium, for example; the demand and the requests we're getting out of the aerospace industry is off the charts.

So, look, I think we're going to continue to see very heavy demand for the heavies. But I also think you're going to continue to see groups trying to design the heavies out of the system.

And just to add to that, the thing that the heavies add is the ability for these electric motors to operate at very high temperatures. And they haven't been able to figure out how to do that without the heavy minerals, the heavy rare earth minerals in there.

So, look, I think there's some wishful thinking in there and, perhaps, that'll happen at some point in the future. But up until now, we're not seeing—we're seeing a lot of requests from potential offtakers on the Dy and Tb side of the equation.

Noel Parks

Great. Thanks a lot.

Ross Bhappu

Yep. You're welcome.

Operator

And next, we'll hear from Matthew Key at Texas Capital.

Matthew Key — Texas Capital

Good morning and thanks for taking my questions.

I was wondering what market indications would you need to see to move ahead with some of those medium-term uranium projects? As you mentioned previously, mined ore is kind of the main bottleneck in the uranium segment. Would it be economic at current uranium spot pricing to bring a couple of those online?

Ross Bhappu

Your question's really timely because we just had a meeting on this yesterday, talking about our pipeline of projects and prioritizing those projects.

Look, I think current prices, you start to consider bringing some of those online. And, I guess, one of the questions you always have is where's this pricing going to go. And if we see prices well over \$100 a pound, which we anticipate we will at some point, that brings a lot of the pipeline into a real opportunity.

So at these prices, we're pretty happy with what we have operating. We have La Sal and Pinyon Plain operating. We have Nichols Ranch on standby. And I think our view is we ought to—we will continue to permit the development projects. We'll continue to advance those projects and be ready to put them into production as soon as we feel like there's a long-term sustainable price above a certain threshold, and that threshold varies by project. But we do have this pipeline, and we will look to bring them online as prices permit.

So, look, it's something that's very topical, and I'm sorry I can't give you like a hard number that's over X dollars will bring this project into production, but we are thinking about that every day.

Matthew Key

Got it. No. That's helpful.

And just kind of on the back of that, I'm wondering if you would ever consider selling Nichols Ranch. As an ISR project, it's obviously a lot different than the conventional portfolio. Like do you see that as a potential area where you could generate some incremental liquidity down the line? Or is the plan there to eventually develop that?

Ross Bhappu

Again, you're talking about Nichols Ranch?

Matthew Key

Yeah.

Ross Bhappu

Just to be clear. Yeah.

Matthew Key

Yes.

Ross Bhappu

Look, if you're making an offer to buy it, we'll certainly think about that, but we're ... Look, we're pretty excited by Nichols Ranch. We love having the fact that it's ready. It's on standby. It's ready to be put into production. We could get it up and running probably in four to six months, if we pull the trigger on it.

So we like having that optionality. That doesn't mean, if we didn't get a great offer for it, we wouldn't consider that, so. But we like the optionality we have with it today.

Matthew Key

Got it now. That's helpful. And just one more quick one for me.

While I understand that ASM transaction hasn't closed yet, I did want to ask you a quick question on the Dubbo Project and what the plan would be for that asset if the acquisition closed, which is kind of my assumption. But could that be used as feedstock for White Mesa? Or would it kind of have to operate more as a stand-alone project for you guys?

Ross Bhappu

Yeah. That's really a great question because it is a—it's not a heavy mineral sands project. It's a polymetallic project with high critical minerals credits like niobium, but also the rare earth minerals.

The current plan from ASM is to use that, to do a heap leach on that project and to do sort of semi-processing to produce a rare earth hydroxide that would then come to the White Mesa Mill for treatment at White Mesa. That was driven, to a large extent, by capital cost considerations of ASM versus building a mill and producing more of a concentrate.

So we want to go back, after we close on the transaction. We want to go back and look at those engineering studies, make sure we agree with the path that ASM was going down, or maybe not, and then

evaluate what is the best alternative for getting value out of Dubbo. Because it does have—like I said, it has a whole host of other minerals in it, again, like niobium, that would be a really interesting product or mineral to produce. But we just have to evaluate it and see what makes the most sense.

But right now, they're planning to produce a hydroxide that we would then bring to White Mesa, and we could process in the White Mesa Mill, much like an MREC material.

Matthew Key

Got it. That's super helpful. Appreciate the time and best of luck moving forward.

Ross Bhappu

Well, thank you, Matthew. Good talking to you.

Operator

And we have no further questions from our audience this morning.

Mr. Bhappu, I'm happy to turn the floor back over to you for initial—or closing remarks you have.

Ross Bhappu

Well, look, I would just say thank you to everybody for participating. This is my first earnings call as the new CEO, and I'm excited to be in this role and excited to take the Company forward. And I just ask you to keep a watch on our company because we've got a lot of exciting things happening. So thank you.

Operator

Ladies and gentlemen, this does conclude today's Energy Fuels Q1 2026 conference call. We thank you all for your participation. You may now disconnect your lines. Have a great day.