

URANERZ ENERGY CORP.
Form DEF 14A
May 27, 2015

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

SCHEDULE 14A

**Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934**

Filed by the Registrant [X]

Filed by a Party other than the Registrant []

Check the appropriate box:

[] Preliminary Proxy Statement

[] Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

[X] **Definitive Proxy Statement**

[] Definitive Additional Materials

[] Soliciting Material Pursuant to Rule 14a-12

URANERZ ENERGY CORPORATION

(Name of Registrant as Specified In Its Charter)

Payment of Filing Fee (Check the appropriate box):

[X] No fee required

[] Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.

(3) Filing Party:

(4) Date Filed:

URANERZ ENERGY CORPORATION

1701 East E Street
PO Box 50850
Casper, Wyoming, 82605

May 26, 2015

TRANSACTION INVOLVING PROPOSED MERGER YOUR VOTE IS VERY IMPORTANT

Dear Uranerz Energy Corporation Shareholders:

The board of directors of Uranerz Energy Corporation (**Uranerz**) has unanimously adopted and approved an Agreement and Plan of Merger (the **Merger Agreement**) in which Energy Fuels Inc. (**Energy Fuels**) will acquire all of the issued and outstanding shares of Uranerz common stock through a transaction (the **Transaction**) pursuant to which EFR Nevada Corp. (**Merger Sub**), an indirect, wholly-owned subsidiary of Energy Fuels, will merge with Uranerz, with Uranerz surviving as a wholly-owned indirect subsidiary of Energy Fuels, and Energy Fuels will issue common shares in exchange for all of the issued and outstanding shares of Uranerz common stock. Uranerz is sending you the accompanying proxy statement/prospectus to notify you of a special meeting of Uranerz shareholders being held to vote on the approval of the Transaction and related matters and to ask you to vote at the special meeting in favor of the approval of the Transaction.

If the Merger Agreement is approved by Uranerz shareholders and the Transaction is completed, you will be entitled to receive 0.255 of an Energy Fuels common share for each share of Uranerz common stock that you hold as of the effective time of the Transaction (the **Effective Time**).

Energy Fuels is a Canadian company incorporated under the *Ontario Business Corporations Act* and its common shares trade on the Toronto Stock Exchange (the **TSX**) under the symbol **EFR** and on the NYSE MKT under the symbol **UUUU** . Uranerz common stock trades on the NYSE MKT and the TSX under the symbol **URZ**.

For a discussion of risk factors that you should consider in evaluating the Transaction and the other matters on which you are being asked to vote, see Risk Factors beginning on page 34 of the enclosed proxy statement/prospectus. The market price of Energy Fuels common shares will continue to fluctuate following the date of the shareholder vote on the Transaction proposal at the special meeting. Consequently, at the time of the shareholder vote, the value of the Transaction consideration will not yet be determined. Based on the range of closing prices of Energy Fuels common shares on the NYSE MKT, during the period from January 2, 2015 the last trading day before public announcement of the execution of the Merger Agreement, through May 22, 2015, the last full trading day before the date of this proxy statement/prospectus, the Transaction consideration represented a value ranging from a low of approximately \$1.04 to a high of approximately \$1.57 for each share of Uranerz common stock.

Uranerz cannot complete the Transaction without (i) the approval of holders of a majority of the outstanding shares of its common stock entitled to vote at the special meeting, although certain Uranerz shareholders holding approximately 3.99% of the outstanding shares of Uranerz common stock have agreed pursuant to support agreements to vote their shares in favor of the Transaction and (ii) the approval of the majority of shares of Uranerz common stock cast at the special meeting, exclusive of all shares of common stock owned, directly or indirectly by Energy Fuels and Merger Sub and the officers and directors of Uranerz. A failure to vote on the proposal to approve the Transaction has the same effect as a vote by you AGAINST the approval of the Transaction under (i) above. Therefore, Uranerz urges you to take the time to vote by following the instructions on your proxy card regardless of whether you plan to attend the special meeting.

You will also have an opportunity to vote to approve (i) on an advisory (non-binding) basis, certain golden parachute compensation that may become payable to the named executive officers of Uranerz in connection with the Transaction as required by Item 402(t) of Regulation S-K and Section 14A(b) of the Securities Exchange Act of 1934, as amended (the **Exchange Act**); and (ii) the adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies if there are an insufficient number of votes at the time of such adjournment to approve the Merger Agreement, referred to as the adjournment proposal.

The special meeting will be held at the Casper Petroleum Club, 1301 Wilkins Circle, Casper, Wyoming, U.S.A., 82601, on June 18, 2015 at 10:00 am Mountain Daylight Time). Notice of the special meeting and the related proxy statement are enclosed.

The Uranerz board of directors unanimously recommends that you vote FOR the approval of the Transaction, FOR the proposal to approve, on an advisory (non-binding) basis, certain golden parachute compensation payable or that could become payable to the named executive officers of Uranerz in connection with the Transaction pursuant to pre-existing severance arrangements, and FOR the adjournment proposal.

Whether or not you plan to attend the special meeting, please complete, sign, date, and return the enclosed proxy card as soon as possible to ensure your representation at the special meeting. We have provided a postage-paid envelope for your convenience. If you plan to attend the special meeting and prefer to vote in person, you may still do so even if you have already returned your proxy card.

If you are a shareholder of record (that is, if your stock is registered with us in your own name), then you may vote by: (i) signing your proxy card and mailing it in the enclosed, prepaid and addressed envelope; (ii) signing and faxing your proxy card to Uranerz proxy solicitor, Alliance Advisors LLC, for proxy voting, to the fax number provided on the proxy card; (iii) voting online by following the procedures provided on the proxy card; or (iv) attending the special meeting and voting in person.

If your shares are registered in the name of a broker, bank, dealer or other nominee, then you are the beneficial owner of shares held in street name and these proxy materials are being forwarded to you by that organization. The organization holding your account is considered the stockholder of record for purposes of voting at the special meeting. As a beneficial owner, you have the right to direct your broker, bank or other nominee on how to vote the shares in your account. You may also vote by: (i) signing your proxy card and mailing it in the enclosed, prepaid and addressed envelope; (ii) signing and faxing your proxy card to Uranerz proxy solicitor, Alliance Advisors LLC, for proxy voting, to the fax number provided on the proxy card; (iii) voting online by following the procedures provided on the proxy card; or (iv) attending the special meeting and voting in person. You are also invited to attend the special meeting, however since you are not the stockholder of record, you may not vote your shares in person at the special meeting unless you request and obtain a valid proxy from your broker, bank or other nominee.

We look forward to seeing you at the special meeting. Thank you in advance for your cooperation and continued support.

Sincerely,

Mary Anne Tooke
CORPORATE SECRETARY

NEITHER THE U.S. SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE SECURITIES TO BE ISSUED UNDER THE ACCOMPANYING PROXY STATEMENT/PROSPECTUS OR DETERMINED THAT THE ACCOMPANYING PROXY STATEMENT/PROSPECTUS IS ACCURATE OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The accompanying proxy statement/prospectus is dated May 26, 2015, and is first being mailed to Uranerz shareholders on or about May 28, 2015.

URANERZ ENERGY CORPORATION
1701 EAST E STREET P.O. BOX 50850
CASPER WYOMING USA 82605-0850

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
May 26, 2015

To the Shareholders of Uranerz:

A special meeting of the shareholders (the **Special Meeting**) of Uranerz Energy Corporation (**Uranerz**), will be held at the Casper Petroleum Club, 1301 Wilkins Circle, Casper, Wyoming, U.S.A., 82601, at 10:00 am Mountain Daylight Time on June 18, 2015 for the following purposes:

- (1) to consider and vote upon the proposal to approve the plan of merger (the **Transaction**) set forth in the Agreement and Plan of Merger dated as of January 4, 2015 (as it may be amended from time to time, the **Merger Agreement**) by and among Energy Fuels Inc., a corporation incorporated under the laws of the Province of Ontario (**Energy Fuels**), EFR Nevada Corp, a Nevada corporation and wholly-owned indirect subsidiary of Energy Fuels (**Merger Sub**) and Uranerz, pursuant to which Merger Sub will merge with and into Uranerz, with Uranerz surviving as a wholly-owned subsidiary of Energy Fuels, and Energy Fuels will issue common shares to the shareholders of Uranerz in exchange for all issued and outstanding shares of Uranerz common stock, as more fully described in the attached proxy statement/prospectus. A copy of the Merger Agreement is attached as Annex A to the accompanying proxy statement/prospectus;
- (2) to consider and vote upon an advisory (non-binding) basis, of the golden parachute compensation that may become payable to Uranerz named executive officers in connection with the Transaction as required by Item 402(t) of Regulation S-K and Section 14A(b) of the Exchange Act;
- (3) to consider and vote upon any proposal to adjourn the Special Meeting to a later date or time, if necessary or appropriate, to solicit additional proxies if there are an insufficient number of votes at the time of such adjournment to approve the Transaction; and
- (4) to consider and act upon such other business as may properly come before the Special Meeting (and any adjournment or postponement thereof), including to consider any procedural matters incident to the conduct of the Special Meeting.

Uranerz board of directors has fixed the close of business on May 26, 2015, as the record date for determination of shareholders entitled to notice of, and to vote at, the Special Meeting and any adjournments or postponements thereof. Only shareholders of record at the close of business on that date will be entitled to notice of, and to vote at, the Special Meeting and any adjournments or postponements thereof. The list of shareholders entitled to vote at the Special Meeting will be available for inspection at 1701 East E Street, Casper, Wyoming, U.S.A., 82605, beginning on the earlier of ten days prior to the date of the Special Meeting or two business days after the date this notice is provided to shareholders and continuing through the Special Meeting, and any adjournments thereof. The list will also be available for inspection at the Special Meeting.

THE BOARD OF DIRECTORS OF URANERZ UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE TRANSACTION PROPOSAL AND THE OTHER PROPOSALS.

The affirmative vote of (i) the holders of a majority of the outstanding shares of Uranerz entitled to vote at the Special Meeting and (ii) the holders of the majority of shares of Uranerz common stock cast at the Special Meeting, exclusive of all shares of common stock owned, directly or indirectly by Energy Fuels and Merger Sub and the officers and directors of Uranerz (the **Unaffiliated Shareholders**), are required to approve the Transaction. Accordingly, a failure to vote, or an abstention from voting, will have the same effect as a vote AGAINST the approval of the Transaction with respect to the approval under (i) above.

Shareholders who do not vote in favor of Proposal One will be entitled to assert dissenters' rights under Sections 92A.300 - 92A.500, inclusive, of the Nevada Revised Statutes, and have the right to demand payment from the surviving corporation of the fair value of their shares of Uranerz common stock, if the Transaction is consummated, but only if they (i) submit to us, prior to the taking of the vote on the Transaction, a written notice of intent to demand payment for their shares if the Transaction is consummated, (ii) do not vote in favor of Proposal One, and (iii) comply with the other Nevada law procedures summarized in the accompanying proxy statement/prospectus. These dissenters' rights are provided by action of the board of directors of Uranerz and are governed by Sections 92A.300 - 92A.500, inclusive, of the Nevada Revised Statutes. A copy of those sections of the Nevada Revised Statutes is attached to this notice and in the accompanying proxy statement/prospectus as Annex B.

All shareholders are cordially invited to attend the Special Meeting in person. Whether or not you expect to attend the Special Meeting, please complete, sign, date and return the enclosed proxy card as soon as possible to ensure your representation at the Special Meeting. A postage-paid return envelope is enclosed for your convenience. You may vote by: (i) signing your proxy card and mailing it in the enclosed envelope; (ii) signing and faxing your proxy card to Uranerz' proxy solicitor, Alliance Advisors LLC, for proxy voting to the fax number provided on the proxy card; (iii) voting over the internet by following the procedures provided on the proxy card; or (iv) attending the special meeting and voting in person. Even if you have given your proxy, you may still vote in person if you attend the Special Meeting. Please note, however, that if a broker, bank or other nominee holds your shares of record and you wish to vote at the special meeting, then you must obtain from the record holder a proxy issued in your name. See "Shares Held in Street Name" in the proxy statement for further details.

Uranerz' board of directors has fixed the close of business on May 26, 2015, as the record date for determination of shareholders entitled to notice of, and to vote at, the Special Meeting and any adjournments or postponements thereof. Only shareholders of record at the close of business on that date will be entitled to notice of, and to vote at, the Special Meeting and any adjournments or postponements thereof. The list of shareholders entitled to vote at the Special Meeting will be available for inspection at 1701 East E Street, Casper, Wyoming, U.S.A., 82605, beginning on the earlier of ten days prior to the date of the Special Meeting or two business days after the date this notice is provided to shareholders and continuing through the Special Meeting, and any adjournments thereof. The list will also be available for inspection at the Special Meeting.

Please review the proxy statement/prospectus accompanying this notice for more complete information regarding the Transaction, the Merger Agreement and the other matters to be considered at the Special Meeting. Uranerz urges you to read the accompanying proxy statement/prospectus and its annexes carefully and in their entirety.

May 26, 2015

BY ORDER OF THE BOARD OF DIRECTORS
Mary Anne Tooke, Corporate Secretary

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR
URANERZ SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 18, 2015.**

ADDITIONAL INFORMATION

The accompanying proxy statement/prospectus includes important business and financial information about Energy Fuels and Uranerz from other documents that are not included in or delivered with the proxy statement/prospectus. This information is available to you without charge upon your request. You can also obtain a copy of the registration statement of which this proxy statement/prospectus forms a part, including the documents filed as exhibits to such registration statement, by requesting it in writing or by telephone from the appropriate company at the following addresses:

Energy Fuels Inc.
225 Union Blvd., Suite 600
Lakewood, Colorado, 80228
Attn: Investor Relations
Tel: (303) 974-2154

Uranerz Energy Corporation
800 West Pender St., Suite 1410
Vancouver, British Columbia, Canada V6C 2V6
Attn: Investor Relations
Tel: (604) 689-1659

To obtain timely delivery of the documents in advance of the Special Meeting of shareholders, you must request the information no later than June 11, 2015 (which is five business days prior to the date of the Special Meeting).

For more information, see [Where You Can Find More Information](#) on page 213.

ABOUT THIS PROXY STATEMENT/PROSPECTUS

This proxy statement/prospectus, which forms part of a registration statement on Form F-4 filed with the U.S. Securities and Exchange Commission (the **SEC**) by Energy Fuels, constitutes a prospectus of Energy Fuels under Section 5 of the Securities Act of 1933, as amended (the **Securities Act**), with respect to the Energy Fuels common shares to be issued to Uranerz shareholders pursuant to the Transaction. This proxy statement/prospectus also constitutes a proxy statement of Uranerz under Section 14(a) of the Exchange Act. It also constitutes a notice of meeting with respect to the Special Meeting of Uranerz shareholders.

You should rely only on the information contained in this proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in this proxy statement/prospectus. This proxy statement/prospectus is dated May 26, 2015. You should not assume that the information contained in this proxy statement/prospectus is accurate as of any date other than that date. Neither Uranerz mailing of this proxy statement/prospectus to Uranerz shareholders nor the issuance by Energy Fuels of common shares in connection with the Transaction will create any implication to the contrary.

This proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation. Information contained in this proxy statement/prospectus regarding Energy Fuels has been provided by Energy Fuels and information contained in this proxy statement/prospectus regarding Uranerz has been provided by Uranerz.

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QUESTIONS AND ANSWERS ABOUT THE TRANSACTION AND THE SPECIAL MEETING

*In the following questions and answers, selected information from this proxy statement/prospectus is highlighted but not all of the information that may be important to you regarding the Transaction as contemplated by the Merger Agreement is included below. To better understand the Transaction as contemplated by the Merger Agreement, and for a complete description of their legal terms, you should carefully read this entire proxy statement/prospectus, including the annexes and the documents incorporated by reference. See *Where You Can Find More Information* on page 213.*

*All references in this proxy statement/prospectus to *Energy Fuels* refer to *Energy Fuels Inc.*, a corporation incorporated under the laws of the Province of Ontario; all references in this proxy statement/prospectus to *Uranerz* refer to *Uranerz Energy Corporation, Inc.*, a Nevada corporation; all references in this proxy statement/prospectus to *Merger Sub* refer to *EFR Nevada Corp.*, a Nevada corporation and an indirect, wholly-owned subsidiary of *Energy Fuels*; all references to the *Merger Agreement* refer to the *Agreement and Plan of Merger*, dated as of January 4, 2015, by and among *Energy Fuels*, *Merger Sub* and *Uranerz*, as it may be amended from time to time; and all references to the *Transaction* refer to the *Transaction contemplated by the Merger Agreement*. Throughout this proxy statement/prospectus, *Energy Fuels* common shares, no par value, are referred to as *Energy Fuels* common shares, or *Energy Fuels* shares; and *Uranerz* common stock, par value \$0.001 per share, are referred to as shares of *Uranerz* common stock. Unless otherwise noted, all references to *dollars* or *\$* refer to U.S. dollars, and *C\$* refers to Canadian dollars.*

Q: Why am I receiving this proxy statement/prospectus?

A: Energy Fuels and Uranerz have agreed to complete the Transaction under the terms of the Merger Agreement that is described in this proxy statement/prospectus. Please see *The Agreement and Plan of Merger* beginning on page 151 of this proxy statement/prospectus. A copy of the Merger Agreement and the Amendment to the Agreement and Plan of Merger is attached to this proxy statement/prospectus as Annex A. In order to complete the Transaction, Uranerz shareholders must approve the Transaction in the manner described in this proxy statement/prospectus, and all other conditions to the Transaction must be satisfied or waived. Uranerz will hold a Special Meeting of its shareholders to obtain this approval.

You are receiving this proxy statement/prospectus because you have been identified as a shareholder of Uranerz as of the close of business on the record date for the determination of shareholders entitled to notice of the Special Meeting. This proxy statement/prospectus contains important information about the Transaction and the Special Meeting of shareholders. You should read this proxy statement/prospectus and the information contained in this proxy statement/prospectus, including its annexes carefully.

Energy Fuels and Uranerz encourages you to vote as soon as possible. The enclosed voting materials allow you to vote your shares of Uranerz common stock without attending the Special Meeting. For more specific information on how to vote, please see the questions and answers for Uranerz shareholders below.

The Transaction

Q: What is the proposed Transaction for which I am being asked to vote?

A: You are being asked to consider and vote on a Transaction involving a merger of Merger Sub with and into Uranerz in order to effect an acquisition of Uranerz by Energy Fuels pursuant to the Merger Agreement.

Q: What will happen in the Transaction?

A: If Uranerz shareholder approval as described in this proxy statement/prospectus is obtained and all other conditions to the Transaction have been satisfied (or, to the extent legally permissible, waived), Merger Sub will merge with and into Uranerz, upon the terms and subject to the conditions set forth in the Merger Agreement and Energy Fuels will issue common shares in exchange for all of the issued and outstanding shares of Uranerz common stock. Upon the completion of the Transaction, the shareholders of Uranerz will become shareholders of Energy Fuels, the separate corporate existence of Merger Sub will cease and Uranerz will continue as the surviving corporation in the merger, succeed to and assume all the rights and obligations of Merger Sub and be an indirect wholly owned subsidiary of Energy Fuels.

Q: Why are the two companies proposing to complete the Transaction?

A: Energy Fuels and Uranerz boards of directors considered a number of factors in approving the Merger Agreement. Among them, Uranerz board of directors considered the relative financial conditions, results of operations and prospects for growth of Uranerz and Energy Fuels and their respective operational and liquidity challenges and competitive strengths, Energy Fuels operating uranium mill, its production profile, which includes an operating mine, numerous mines on standby and other properties in various stages of exploration, permitting and development, its resource base, and the premium offered to shareholders. Energy Fuels board of directors considered that the Transaction will aid in the expansion and diversification of Energy Fuels portfolio of projects to include a producing In Situ Recovery (**ISR**) uranium property, as well as other prospective Uranium exploration and development properties, and to further enhance the liquidity of Energy Fuels shares. See Proposal One The Transaction Recommendations of the Uranerz Board of Directors; Uranerz Reasons for the Transaction on page 79 and Proposal One The Transaction Recommendations of the Energy Fuels Board of Directors; Energy Fuels Reasons for the Transaction on page 78.

Q: As a Uranerz shareholder, what will I receive in the Transaction?

A: Each Uranerz shareholder will be entitled to receive 0.255 of an Energy Fuels common share for each share of Uranerz common stock currently held upon completion of the Transaction. Following the completion of the Transaction, it is expected that the former Uranerz shareholders will own, by virtue of the exchange of their shares of Uranerz common stock for Energy Fuels shares, approximately 55% of the total Energy Fuels common shares (based on the number of common shares of each of Uranerz and Energy Fuels outstanding as of the date of this proxy statement/prospectus). For more information on the calculation of the Exchange Ratio, please see The Agreement and Plan of Merger Consideration to be Received Pursuant to the Transaction on page 152.

Q: What is the value of the Transaction consideration?

A: The Energy Fuels common shares are traded on the TSX and the NYSE MKT. Because Energy Fuels will issue a fixed number of Energy Fuels common shares in exchange for each share of Uranerz common stock, the value of the Transaction consideration that Uranerz shareholders will receive will depend on the price per share of Energy Fuels common shares at the time the Transaction is completed. That price will not be known at the time of the Special Meeting and may be less or more than the current price or the price at the time of the Special Meeting. Based on the price of an Energy Fuels common share on the NYSE MKT of \$4.89 on May 15, 2015, which may be more or less than the price at the closing of the Transaction, the consideration per share of Uranerz common stock is \$1.25.

Q: What will the holders of Uranerz options receive in the Transaction?

A: At the Effective Time, each outstanding Uranerz option will automatically be converted into an option to acquire common shares of Energy Fuels, on the same terms and conditions as were applicable to the stock option prior to the Transaction, except that the number of shares subject to the option and the exercise price of the option will be adjusted based on the exchange ratio of 0.255, as to preserve the economic value of such options.

Q: What will the holders of Uranerz warrants receive in the Transaction?

A: At the Effective Time, each outstanding Uranerz warrant shall become exercisable into common shares of Energy Fuels, on the same terms and conditions as were applicable to the warrant prior to the Transaction, except that the number of shares subject to the warrant and the exercise price of the warrant will be adjusted based on the exchange ratio of 0.255 in order to preserve the economic value of such warrants and, if required by the applicable indenture governing the Uranerz warrants, Energy Fuels shall issue a warrant certificate to each holder of such Uranerz warrants confirming the assumption of obligations under the Uranerz warrants by Energy Fuels.

Q: Do persons involved in the Transaction have interests that may conflict with mine as a Uranerz shareholder?

A: Yes. When considering the recommendations of Uranerz board of directors, you should be aware that certain Uranerz directors and executive officers may have interests in the Transaction that are different from, or are in addition to, yours. These interests include:

- the expected appointment of Mr. Goranson as Executive Vice President, ISR Operations of Energy Fuels upon the completion of the Transaction,
- the potential hiring of Mr. Higgs, the current Executive Chairman of Uranerz, as an employee or consultant of Energy Fuels upon the completion of the Transaction;
- Uranerz nomination of two members to Energy Fuels board of directors, being Messrs. Higgs and Catchpole;
- the continuation of options and other potential benefits as a result of the Transaction;
- Change of control payments to be made to certain officers, directors and employees of Uranerz; and
- the continued indemnification and directors and officers insurance coverage of current Uranerz directors and officers following the Transaction.

Q: Are there any conditions to the closing of the Transaction?

A: Energy Fuels and Uranerz obligations to complete the Transaction depend on a number of conditions being met. These include, among others:

- the separate approvals of (i) the shareholders of Uranerz holding a majority of the outstanding shares of Uranerz, and (ii) the Unaffiliated Shareholders of Uranerz by a majority of the votes cast at the Special Meeting;

- the approval of the Energy Fuels shareholders at a special meeting of Energy Fuels shareholders (which may be combined with Energy Fuels annual meeting of shareholders);
- receipt or filing of all consents, approvals and authorizations of, any governmental authority required to be made or obtained by Uranerz, Energy Fuels, Merger Sub or any of their subsidiaries to consummate the Transaction shall have been made or obtained;
- the absence of any order prohibiting the Transaction;
- the absence of any judgment, order, or law which prohibits, materially restricts, makes illegal or enjoins the consummation of the Transaction;
- the effectiveness of the registration statement for the Energy Fuels common shares to be issued in the Transaction and the approval for listing of such shares on the TSX and NYSE MKT;
- subject to certain limitations and exceptions, the accuracy of the other party's representations and warranties and the performance in all material respects of its covenants in the Merger Agreement;
- the number of dissenting shares held by shareholders of Uranerz who have exercised dissent rights must comprise less than 5% of the issued and outstanding shares of common stock of Uranerz;
- Dennis Higgs and Glenn Catchpole shall have been appointed to the board of directors of Energy Fuels and such appointment shall be effective at the Effective Time; and
- the absence of any material adverse change with respect to the business and affairs of either Uranerz (in the case of Energy Fuels) or Energy Fuels (in the case of Uranerz).

Where permitted by applicable law and the Merger Agreement, either of Energy Fuels or Uranerz could choose to waive a condition to its respective obligation to complete the Transaction even when that condition has not been satisfied. See The Agreement and Plan of Merger Conditions to the Transaction on page 171.

Q: Is Uranerz or Energy Fuels prohibited from soliciting other offers?

A: The Merger Agreement contains detailed provisions that prohibit both Uranerz and Energy Fuels and their respective subsidiaries, officers, directors, any investment banker, financial advisor, attorney, accountant, agent or other representative from taking any action to directly or indirectly solicit or engage in discussions or negotiations with any person or group with respect to an alternative transaction that would be considered an acquisition proposal as defined in the Merger Agreement, including:

- an acquisition that would result in the person or group acquiring more than a 20% interest in the issued and outstanding equity or voting securities in either Uranerz or Energy Fuels;
- a sale of more than 20% of Uranerz or Energy Fuels assets;
- any sale or issuance of shares or other equity interests by Uranerz or Energy Fuels representing more than 20% of the issued and outstanding equity or voting securities; or
- any arrangement whereby effective operating control of Uranerz or Energy Fuels is granted to another party or person.

The Merger Agreement does not, however, prohibit Uranerz or Energy Fuels from considering a written acquisition proposal received after the date of the Merger Agreement and in compliance with the terms of the Merger Agreement. Either Energy Fuels or Uranerz may be obligated to pay to the other party a termination fee of \$5 million in certain circumstances if the Merger Agreement is terminated. See *The Agreement and Plan of Merger Non-Solicitation and Acquisition Proposals* and *The Agreement and Plan of Merger Termination Fees and Expenses* beginning on pages 64 and 174, respectively.

Q: Are there any shareholders already committed to vote in favor of the Transaction?

A: Yes. Pursuant to support agreements, all of the directors and certain officers of Uranerz, including Mr. Glenn Catchpole, Mr. Dennis Higgs, Mr. Paul Goranson, Mr. Ben Leboe, Mr. Arnold Dyck, Mr. Peter Bell, Mr. Paul Saxton, Dr. Gerhard Kirchner, and Mr. Michael Thomas, and Mrs. Glenda Thomas, a former officer of Uranerz, have agreed to vote shares of Uranerz common stock held by them representing approximately 3.99% of the outstanding shares of Uranerz as of the record date in favor of the Transaction at the Special Meeting. For a more complete description of the support agreement, see *Agreements Entered into in Connection with the Merger Agreement Support Agreements* beginning on page 177 of this proxy statement/prospectus. The form of support agreement is also attached to this proxy statement/prospectus as Annex C.

Q: Is the Transaction expected to be taxable to Uranerz shareholders?

A: The Transaction should be treated as a taxable exchange and not as a tax-deferred exchange under Section 368(a) of the Internal Revenue Code of 1986, as amended (the **Code**). Assuming that the Transaction is a taxable transaction, a U.S. holder of shares of Uranerz common stock will generally recognize gain or loss equal to the difference between (i) the fair market value of Energy Fuels common shares received by such U.S. holder in the Transaction, and (ii) the adjusted tax basis of such U.S. holder in such shares of Uranerz common stock exchanged pursuant to the Transaction. Assuming that the Transaction is a taxable transaction, under certain circumstances, non-U.S. holders may be subject to U. S. tax on any gain recognized as a result of the Transaction. In addition, under certain circumstances, Energy Fuels may be required to withhold a portion of the Transaction consideration payable to non- U. S. holders under applicable tax laws.

Generally, a Non-Resident Uranerz Holder (as defined under Proposal One The Transaction Material Canadian Federal Income Tax Considerations) of the shares of Uranerz common stock will not be subject to tax under the Income Tax Act (Canada) in respect of any capital gain realized on a disposition of the shares of Uranerz common stock unless the shares constitute taxable Canadian property of the Non-Resident Uranerz Holder at the time of disposition and that Holder is not entitled to relief under an applicable income tax convention between Canada and the country in which the holder is resident.

All Resident Uranerz Holders and Non-Resident Uranerz Holders of shares of Uranerz common stock and Uranerz warrants should in any event consult their own tax advisors regarding the specific Canadian tax consequences.

The foregoing description of Canadian federal income tax consequences of the Transaction to the holders of shares of Uranerz common stock and Uranerz warrants is qualified in its entirety by the longer form discussion under Proposal One The Transaction Material Canadian Federal Income Tax Consequences Considerations of the Transaction Relevant to Holders of Shares of Uranerz Common Stock and Uranerz Warrants beginning on page 134.

Q: When is the Transaction expected to be completed?

A: Uranerz and Energy Fuels are working towards completing the Transaction as quickly as possible and it is currently anticipated that the Transaction will be completed by the end of the third quarter of calendar year 2015. However, there can be no assurances that the Transaction will be completed at all or, if completed, that it will be completed by the end of the third quarter of calendar year 2015. The exact timing and likelihood of completion of the Transaction cannot be predicted because the Transaction is subject to certain conditions, including the receipt of regulatory approvals. Neither Uranerz nor Energy Fuels are obligated to complete the Transaction unless and until the closing conditions in the Merger Agreement have been satisfied or waived.

Q: How will Energy Fuels be managed after the closing of the Transaction?

A: Upon completion of the Transaction, the Energy Fuels board of directors will be comprised of eight members. Energy Fuels board of directors currently consists of nine members, and on closing of the Transaction, two members of the board of directors of Energy Fuels are anticipated to resign, and Messrs. Higgs and Catchpole, will be appointed to the Energy Fuels board of directors. In addition, Mr. Goranson, current President and COO of Uranerz is expected to be appointed as the Executive Vice President, ISR Operations of Energy Fuels at the closing of the Transaction. Furthermore, Energy Fuels is currently in negotiations with Mr. Dennis Higgs to stay on as an employee or a consultant following the closing of the Transaction. The directors of Uranerz will resign as of the Effective Time.

Q: What happens if the Transaction is not completed?

A: If the Transaction is not approved by the Uranerz shareholders or Energy Fuels shareholders, or if the Transaction is not completed for any other reason, there will be no exchange of shares of Uranerz common stock for Energy Fuels shares and Uranerz will not become a wholly-owned subsidiary of Energy Fuels. Instead, Uranerz will continue to be independently owned by its shareholders and will remain as a public company and its common stock will continue to be registered under the Exchange Act and continue to be traded on the TSX and the NYSE MKT. If the Merger Agreement is terminated for certain specified reasons, either Energy Fuels or Uranerz may be obligated to pay to the other party a termination fee of \$5 million. See The Agreement and Plan of Merger Conditions to the Transaction and The Agreement and Plan of Merger Termination Fees and Expenses on pages 171 and 174, respectively.

Q: Am I entitled to exercise dissenters or similar rights under Nevada law as a result of the Transaction?

A: Nevada Revised Statutes Section 92A.380 generally provides shareholders of Nevada corporations with dissent rights in connection with merger transactions, such as the Transaction, that are completed under Chapter 92A Mergers, Conversions, Exchange and Domestications . While there is an exemption from these dissenters rights provisions for companies such as Uranerz whose shares are traded on a national securities exchange and are accordingly covered securities under the Securities Act of 1933, the Uranerz board of directors has nevertheless determined that it is appropriate to grant dissent rights to Uranerz shareholders in connection with the Transaction. Accordingly, a Uranerz shareholder may dissent from the Transaction and request that the surviving corporation purchase such shareholder s shares of Uranerz common stock for their fair value. However, to do this, such Uranerz shareholder must strictly comply with all applicable requirements of Nevada law. Under Nevada law, the fair value of a share of Uranerz common stock may be more than, less than or equal to the price per share to be paid in the Transaction and, absent an agreement as to fair value between the dissenting shareholder and the surviving corporation in the Transaction, would ultimately be determined by a court. See Proposal One The Transaction Dissenters Rights beginning on page 147.

Under Nevada law, if the Transaction is consummated and (i) you are a stockholder of record, (ii) you give written notice to Uranerz prior to the vote on Proposal One at the Special Meeting that you intend to dissent, (iii) you do not vote in favor of Proposal One, and (iv) you follow all of the procedures for demanding your dissenters rights described in the summary at Proposal One The Transaction - Dissenters Rights and in Annex B, you may receive a cash payment for the fair value of your shares of Uranerz common stock instead of the Transaction consideration to be received by the other stockholders pursuant to the Merger Agreement.

IF YOU ARE A URANERZ SHAREHOLDER AND WANT TO EXERCISE YOUR DISSENTERS RIGHTS, YOU ARE URGED TO CAREFULLY READ AND FOLLOW THE PROCEDURES AT PROPOSAL ONE THE TRANSACTION - DISSENTERS RIGHTS AND IN ANNEX B. FAILURE TO TAKE ANY OF THE STEPS REQUIRED UNDER NEVADA LAW WILL RESULT IN THE LOSS OF ANY DISSENTERS RIGHTS YOU MIGHT OTHERWISE HAVE.

Because of the complexity of these procedures, you are urged to seek the advice of legal counsel if you are considering exercising your dissenter s rights. Any failure to strictly follow any of these procedures may result in a termination or waiver of your dissenter s rights under Nevada law.

Holders of Energy Fuels common shares are not entitled to dissenters rights in connection with the issuance of Energy Fuels common shares in the Transaction.

Q: Will Uranerz shareholders be able to trade Energy Fuels common shares that they receive pursuant to the Transaction?

A: Yes. The Energy Fuels common shares issued pursuant to the Transaction will be registered under the Securities Act, and will be listed on the TSX under the symbol EFR and on the NYSE MKT under the symbol UUUU. All Energy Fuels common shares that each Uranerz shareholder receives in the Transaction will be freely transferable unless a shareholder is deemed an affiliate of Uranerz prior to the Transaction or an affiliate of Energy Fuels following the Transaction for purposes of U.S. federal securities laws or a control person under applicable Canadian securities laws. For more information on Uranerz affiliates' ability to trade Energy Fuels common shares received in the Transaction see Proposal One The Transaction Restrictions on Sales of Shares by Certain Affiliates on page 150.

Q: What will happen to my stock certificates and where should I send my stock certificates?

A: At the Effective Time, unless you properly exercise and perfect your dissenter's rights, your Uranerz common shares will convert into the right to receive Energy Fuels common shares and you will no longer be a shareholder of Uranerz. You will receive written instructions and a letter of transmittal. You will use these documents to exchange your Uranerz stock certificates for certificates representing your Energy Fuels common shares. Each person who submits the necessary documentation is entitled to receive the Transaction consideration of 0.255 Energy Fuels common shares for each share of Uranerz common stock. For more information see The Transaction Exchange of Shares in the Transaction on page 146.

Q: Should I send in my Uranerz stock certificates now?

A: No. You should not send in your stock certificates at this time. Uranerz shareholders who hold their shares in certificated form will need to exchange their Uranerz stock certificates for the Energy Fuels common shares provided for in the Merger Agreement upon completion of the Transaction. Energy Fuels will send Uranerz shareholders written instructions for exchanging Uranerz stock certificates at that time. Uranerz shareholders who hold their shares in book-entry form will also receive written instructions for exchanging their shares after the Transaction is completed.

Q: What will happen to my Uranerz options and warrants in the Transaction?

A: Pursuant to the adjusting provision of the applicable warrant certificate or indenture, each outstanding Uranerz warrant will entitle its holder to acquire, in lieu of one Uranerz common share, 0.255 of an Energy Fuels common share (subject to adjustment in the same manner as the adjustments relating to the Uranerz Common Shares) upon exercise in accordance with the terms of the original Uranerz warrant (with the exercise price to be adjusted to reflect a price per Energy Fuels common share).

Each outstanding Uranerz option will be automatically converted at the Effective Time into options to acquire, in lieu of one Uranerz share of common stock, 0.255 of an Energy Fuels common share upon exercise (subject to adjustment in the same manner as the adjustments related to the Uranerz Common Shares) in accordance with the terms of the original Uranerz option (with the exercise price to be adjusted to reflect a price per Energy Fuels common share) as granted under Uranerz' 2005 Nonqualified Stock Option Plan. Uranerz options held by independent directors of Uranerz, who are not officers or directors of Energy Fuels on closing of the Transaction, shall expire on the earlier of (i) the original expiry date of such Uranerz option or (ii) six months after the date of closing of the Transaction. For more information on the exchange of the Uranerz warrants and options, please see The Agreement and Plan of Merger Consideration to be Received Pursuant to the Transaction on page 152.

Q: Are there risks associated with the Transaction?

A: Yes. You should read the section entitled "Risk Factors" beginning on page 34.
The Special Meeting

Q: When and where is the Special Meeting?

A: The Special Meeting will be held at the Casper Petroleum Club, 1301 Wilkins Circle, Casper, Wyoming, U.S.A., 82601 at 10:00 am Mountain Daylight Time, on June 18, 2015.

Q: What other proposals are being presented at the Special Meeting?

A: In addition to the proposal to approve the Transaction (Proposal One), as required by Item 402(t) of Regulation S-K and Section 14A(b) of the Exchange Act, shareholders will be asked to cast an advisory (non-binding) vote on the golden parachute compensation that may become payable to its named executive officers in connection with the completion of the Transaction (Proposal Two) and to vote to approve the adjournment of the Special Meeting, if necessary, to solicit additional proxies if there are insufficient votes at the time of the Special Meeting to approve the Transaction (Proposal Three).

Uranerz is not aware of any other business to be acted upon at the Special Meeting. If, however, other matters are properly brought before the Special Meeting, your proxies will have discretion to vote or act on those matters according to their best judgment and they intend to vote the shares as the Uranerz board of directors may recommend.

Q: How does the board of directors recommend that I vote?

A: Uranerz board of directors unanimously recommends that you vote your shares:

- **FOR** the proposal to approve the Transaction (Proposal One).
- **FOR** the advisory (non-binding) vote on the golden parachute compensation that may become payable to Uranerz named executive officers in connection with the completion of the Transaction (Proposal Two).
- **FOR** the proposal to adjourn the Special Meeting, if necessary, to solicit additional proxies (Proposal Three).

Q: Who is entitled to vote at the Special Meeting?

A: All shareholders of record as of the close of business on May 26, 2015, the record date for the determination of shareholders entitled to vote at the Special Meeting, are entitled to vote at the Special Meeting. On that date, 95,912,806 shares of Uranerz common stock were issued and outstanding.

Q: Why am I being asked to cast an advisory (non-binding) vote to approve the golden parachute compensation that may become payable to Uranerz named executive officers in connection with the Transaction?

A: The SEC, in accordance with the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, adopted rules that require Uranerz to seek an advisory (non-binding) vote with respect to certain payments that may be made to Uranerz executive officers in connection with the Transaction.

Q: What will happen if Uranerz shareholders do not approve the golden parachute compensation at the special meeting?

A: Approval of the golden parachute compensation that may become payable to Uranerz named executive officers in connection with the Transaction is not a condition to completion of the Transaction. The vote with respect to the golden parachute compensation is an advisory vote and will not be binding on Uranerz regardless of whether the Merger Agreement is approved. Therefore, regardless of whether shareholders approve the golden parachute compensation, if the Transaction is approved by the shareholders and completed, the golden parachute compensation will still be paid to Uranerz named executive officers to the extent payable in accordance with the terms of pre-existing compensation arrangements.

Q: How many votes do I have?

A: You are entitled to one vote for each share of Uranerz common stock that you owned as of the close of business on the record date.

Q: What vote is required to approve each proposal?

A: Proposal One, the approval of the Transaction, requires the affirmative vote of (i) the holders of a majority of the shares of Uranerz common stock issued and outstanding on the record date, and entitled to vote at the meeting (the **Absolute Majority Vote**) and (ii) the holders of the majority of shares of Uranerz common stock cast at the Special Meeting, excluding all shares of common stock owned, directly or indirectly by Energy Fuels, Merger Sub and the officers and directors of Uranerz (the **Disinterested Shareholder Vote**). If you do not submit a proxy or voting instructions or do not vote in person at the meeting, or if you **ABSTAIN** from voting on the Absolute Majority Vote, the effect will be the same as a vote **AGAINST** the Transaction. If you **ABSTAIN** from voting on Proposal One, your shares will not be deemed to have been cast and will not have an effect on the Disinterested Shareholder Vote.

Proposal Two, the advisory (non-binding) vote on the golden parachute compensation that may become payable to Uranerz named executive officers in connection with the completion of the Transaction required by Item 402(t) of Regulation S-K and Section 14A(b) of the Exchange Act is advisory and, therefore, it will not be binding on Uranerz, nor will it overrule any prior decision or require the board of directors of Uranerz (or any committee thereof) to take any action. The proposal will be approved if the votes cast **FOR** the proposal exceed the votes cast **AGAINST** the proposal.

Proposal Three, approval of the adjournment of the Special Meeting, if necessary, to solicit additional proxies if there are insufficient votes at the time of the Special Meeting to approve the Transaction, requires, whether a quorum is present or not, the affirmative vote of a majority of the shares present in person or represented by proxy at the Special Meeting casting votes, excluding abstentions and broker non-votes. The Bylaws of Uranerz also authorize the chairman of the meeting to adjourn the Special Meeting.

With respect to Proposal Three, if you do not submit a proxy or voting instructions or do not vote in person at the meeting, your shares will not be counted in determining the outcome of these proposals. If you **ABSTAIN** from voting on Proposal Three, your shares will not be deemed to have been cast and will not have an effect on the vote to approve Proposal Three.

Q: Do the directors and officers of Uranerz intend to vote for the Transaction?

A: Yes. Pursuant to support agreements entered into with Energy Fuels, all directors, and certain officers of Uranerz beneficially holding an aggregate of 3,829,000 shares of Uranerz common stock, or approximately 3.99% of the voting power of Uranerz common stock, have agreed to vote their shares of Uranerz common stock at the Special Meeting in favor of the proposal to approve the Merger Agreement and the Transaction. For a more complete description of the support agreement, see Agreements Entered into in Connection with the Merger Agreement Support Agreements on page 177 of this proxy statement/prospectus. The form of support agreement is also attached to this proxy statement/prospectus as Annex C.

Q: Can I attend the Special Meeting? What do I need for admission?

A: You are entitled to attend the Special Meeting if you were a shareholder of record or a beneficial owner as of the close of business on May 26, 2015 or you hold a valid legal proxy for the Special Meeting. **If you are a shareholder of record, your name will be verified against the list of shareholders of record prior to your being admitted to the Special Meeting. If you are a beneficial owner, you will need to provide proof of beneficial ownership on the record date in order to be admitted to the Special Meeting, such as a brokerage account statement showing that you owned common stock of Uranerz as of the record date, a voting instruction form provided by your bank, broker or other nominee, or other similar evidence of ownership as of the record date, including a valid legal proxy from your bank, broker or other nominee. You should also be prepared to present photo identification for admission.** If you do not provide photo identification or comply with the other procedures outlined above upon request, you may not be admitted to the Special Meeting.

Q: How can I vote my shares in person at the Special Meeting?

A: All shareholders, including shareholders of record and shareholders who hold their shares through banks, brokers or other nominees, are invited to attend the Special Meeting and vote their shares in person.

If your shares of Uranerz common stock are registered directly in your name with Uranerz proxy solicitor, Alliance Advisors LLC, you are considered the shareholder of record with respect to those shares. If you are a shareholder of record as of the close of business on the record date for the determination of shareholders entitled to vote at the Special Meeting, you have the right to vote your shares in person at the Special Meeting. If you choose to do so, you can vote at the Special Meeting using the written ballot that will be provided at the Special Meeting or you can complete, sign and date the enclosed proxy card you received with this proxy statement/prospectus and submit it at the Special Meeting.

If your shares are held in a stock brokerage account or by a bank, broker, or other nominee (that is, in street name) rather than directly in your own name with Uranerz transfer agent, you are considered a beneficial owner of your shares and this proxy statement/prospectus is being forwarded to you by your bank, broker, or other nominee. As a beneficial owner, you have the right to direct your broker, bank or other nominee on how to vote the shares in your account. As the beneficial owner, you may attend the Special Meeting and vote your shares in person at the Special Meeting only if you obtain a legal proxy from the bank, broker, or other nominee that holds your shares giving you the right to vote the shares at the Special Meeting.

Even if you plan to attend the Special Meeting, it is recommended that you submit your proxy or voting instructions in advance of the Special Meeting as described below so that your vote will be counted if you later decide not to attend the Special Meeting.

Q: How can I vote my shares without attending the Special Meeting?

A: Whether you are a shareholder of record or a beneficial owner, you may direct how your shares are voted without attending the Special Meeting. If you are a shareholder of record, you may submit a proxy to authorize how your shares are voted at the Special Meeting. Your proxy can be submitted by mail by completing, signing, and dating the proxy card you received with this proxy statement/prospectus and then mailing it in the enclosed prepaid envelope. Shareholders of record may also submit a proxy over the Internet or by telephone by following the instructions provided on the proxy card you received with this proxy statement/prospectus or may vote via facsimile by faxing the proxy card to the fax number provided on your proxy card. If you are a beneficial owner, you must submit voting instructions to your bank, broker or other nominee in order to authorize how your shares are voted at the Special Meeting. Please follow the instructions provided by your bank, broker or other nominee.

Submitting a proxy or voting instructions will not affect your right to vote in person should you decide to attend the Special Meeting, although beneficial owners must obtain a legal proxy from the bank, broker, or other nominee that holds their shares giving them the right to vote the shares at the Special Meeting in order to vote in person at the Special Meeting.

Q: What does it mean if I received more than one set of proxy materials?

A: If you received more than one set of proxy materials, it means that you hold shares of Uranerz common stock in more than one account. For example, you may own your shares in various forms, including jointly with your spouse, as trustee of a trust, or as custodian for a minor. To ensure that all of your shares are voted, please provide a proxy or voting instructions for each account for which you received proxy materials.

Q: How will my shares be voted if I do not provide specific voting instructions in the proxy or voting instruction form I submit?

A: If you submit a proxy or voting instructions but do not indicate your specific voting instructions on one or more of the proposals to be presented at the Special Meeting, your shares will be voted as recommended by Uranerz board of directors on those proposals if using the form of proxy included with the proxy materials and as the proxyholders may determine with respect to any other matter properly presented for a vote at the Special Meeting.

Q: What is the deadline for voting my shares?

A: If you are a shareholder of record, your proxy must be received by 10:00 am on June 17, 2015 in order for your shares to be voted at the Special Meeting. However, if you are a shareholder of record, you may instead mark, sign, date, and return the enclosed proxy card, which must be received before the polls close at the Special Meeting, in order for your shares to be voted at the meeting. If you are a beneficial owner, please read the voting instructions provided by your bank, broker, or other nominee for information on the deadline for voting your shares.

Q: What is a quorum?

A: The presence at the Special Meeting, in person or by proxy, of the holders of one-third of the voting power of the issued and outstanding common stock of Uranerz at the close of business on the record date for the determination of shareholders entitled to vote at the Special Meeting constitutes a quorum for the purposes of the Special Meeting. Abstentions are counted as present for the purpose of determining whether a quorum is present.

Q: How will abstentions be counted?

A: If you **ABSTAIN** from voting on Proposal One, the effect will be the same as (a) a vote **AGAINST** the Absolute Majority Vote and (b) your shares will not be counted in determining the outcome of the Disinterested Shareholder Vote. If you **ABSTAIN** from voting on Proposal Two or Three, your shares will not be counted in determining the outcome of either of these proposals.

Q: Why is my vote important?

A: If you do not submit a proxy or voting instruction form or vote in person at the Special Meeting, it will be more difficult for us to obtain the necessary quorum to hold the Special Meeting. In addition, because the Transaction must be approved by the holders of a majority of the outstanding shares of Uranerz common stock entitled to vote on the Transaction **your failure to submit a proxy or voting instructions or to vote in person at the Special Meeting will have the same effect as a vote AGAINST the Absolute Majority Vote.**

If you do not submit a proxy or voting instructions or do not vote in person at the Special Meeting, your shares will not be counted in determining the outcome of any of the other proposals at the Special Meeting.

Q: If my shares are held in street name by my broker, bank, or other nominee, will my broker, bank, or other nominee vote my shares for me if I do not submit voting instructions?

A: No. It is not expected that your broker, bank, or other nominee will have discretion to vote your shares on any of the matters listed in the notice of Special Meeting, except in accordance with your specific instructions. Therefore, if you hold your shares in street name through a brokerage account and do not submit voting instructions to your broker, bank, or other nominee, your broker, bank, or other nominee should not vote your shares of common stock on any of the proposals at the Special Meeting. Please note, however, that if you properly submit voting instructions to your broker, bank, or other nominee but do not indicate how you want your shares to be voted, your shares will be voted as recommended by Uranerz board of directors on those proposals and as the proxyholders may determine with respect to any other matter properly presented for a vote at the Special Meeting.

Q: May I change my vote after I have submitted my proxy or voting instructions?

A: Yes. If you are a shareholder of record, once you have submitted your proxy by mail, fax or telephone or via the Internet, you may revoke it at any time before it is voted at the Special Meeting. You may revoke your proxy in any one of three ways:

- you may grant another proxy marked with a later date (which automatically revokes the earlier proxy) using any of the methods described above (and until the applicable deadline for each method);

- you may notify Uranerz Corporate Secretary in writing that you wish to revoke your proxy before it is voted at the Special Meeting; or
- you may vote in person at the Special Meeting.

Attendance at the Special Meeting in and of itself, without voting in person at the meeting, will not cause your previously granted proxy to be revoked.

Please note that if you hold your shares in street name through a broker, bank, or other nominee and you have instructed your broker, bank, or other nominee to vote your shares, the above-described options for changing your vote do not apply, and instead, you must follow the instructions received from your broker, bank, or other nominee to change your vote.

Q: What happens if I transfer my shares of Uranerz common stock after the record date?

A: If you transfer your shares of Uranerz common stock after the record date but before the date of the Special Meeting, you will retain your right to vote at the Special Meeting (so long as such shares remain outstanding on the date of the Special Meeting), but you will not have the right to receive the Transaction consideration to be received by Uranerz shareholders in connection with the Transaction. In order to receive the Transaction consideration, you must hold your shares of Uranerz common stock through completion of the Transaction.

Q: What do I need to do now?

A: You are urged to read this proxy statement/prospectus carefully, including its annexes and the documents referred to in this proxy statement/prospectus, and then mail your completed, dated, and signed proxy card or voting instruction form in the enclosed prepaid return envelope as soon as possible, or submit your proxy or voting instruction via the Internet, by telephone or by fax in accordance with the instructions included with this proxy statement/prospectus and the enclosed proxy card or voting instruction form, so that your shares can be voted at the Special Meeting.

Q: Who is paying for this proxy solicitation?

A: Uranerz will pay the costs of printing and mailing this proxy statement/prospectus to Uranerz shareholders and all other costs incurred in connection with the solicitation of proxies for the Special Meeting. In addition to the mailed proxy materials, Uranerz and Energy Fuels directors, officers, and other employees may also solicit proxies or votes in person, in writing, by telephone, e-mail, or other means of communication. Directors, officers, and other employees will not be paid any additional compensation for soliciting proxies. Uranerz will also reimburse banks, brokers, nominees, and other record holders for their reasonable expenses in forwarding proxy materials to beneficial owners of shares of Uranerz common stock. In addition, Uranerz has retained Alliance Advisors LLC to assist in its solicitation of proxies and has agreed to pay them a fee of approximately \$50,000, plus reasonable out-of-pocket expenses, for these services.

Q: Where can I find more information about Energy Fuels and Uranerz?

A: More information about Energy Fuels and Uranerz is available from various sources described under Where You Can Find More Information on page 213. Additional information about Energy Fuels may be obtained from its Internet website at www.energyfuels.com, and additional information about Uranerz may be obtained from its Internet website at www.uranerz.com. Energy Fuels and Uranerz have included their respective website addresses in this proxy statement/prospectus only as inactive textual references and do not intend them to be an active link to their respective websites. The contents of these websites, and information accessible through them, are not part of this proxy statement/prospectus.

Q: Who can help answer my questions?

A: If you have any questions or need further assistance in voting your shares of Uranerz common stock, or if you need additional copies of this proxy statement/prospectus or the proxy card, please contact Investor Relations at Uranerz Energy Corporation 800 West Pender St., Suite 1410, Vancouver, BC, Canada V6C 2V6, or by calling Investor Relations Manager Derek Iwanaka at 800-689-1659.

SUMMARY

This summary highlights selected information from this proxy statement/prospectus. It may not contain all of the information that is important to you. You are urged to carefully read the entire proxy statement/prospectus, including the annexes and the other documents referred to in this proxy statement/prospectus because the information in this section does not provide all the information that might be important to you with respect to the Merger Agreement, the Transaction and the other matters being considered at the Special Meeting. For additional information, see *Where You Can Find More Information* on page 213. Each item in this summary refers to the page of this proxy statement/prospectus on which that subject is discussed in more detail.

Information about the Companies

Energy Fuels Inc.

Energy Fuels is a United States based uranium production company that operates the White Mesa Mill in Utah, which is the only conventional uranium mill currently operating in the United States. The mill is capable of processing 2,000 tons per day of uranium ore. Energy Fuels also owns uranium projects located in Arizona, Colorado, New Mexico, Utah and Wyoming in the Western United States, including a currently producing mine, several mines on standby, and mineral properties in various stages of permitting and development.

Energy Fuels was incorporated on June 24, 1987 in the Province of Alberta under the name 368408 Alberta Inc. In October 1987, the name was changed to Trevco Oil & Gas Ltd. In May 1990 the name was changed to Trev Corp. In August 1994 the name was changed to Orogrande Resources Inc. In April 2001, the name was changed to Volcanic Metals Exploration Inc. On September 2, 2005, Volcanic Metals Exploration Inc. was continued under the Business Corporations Act (Ontario). On March 26, 2006, Volcanic Metals Exploration Inc. acquired 100% of the outstanding shares of Energy Fuels Resources Corporation. On May 26, 2006, Volcanic Metals Exploration Inc. changed its name to Energy Fuels Inc.

Energy Fuels is listed on the TSX, under the trading symbol EFR and on the NYSE MKT, under the trading symbol UUUU. The principal executive office of Energy Fuels and its subsidiaries, through which it owns and operates its business in the United States, is located at 225 Union Blvd., Suite 600, Lakewood, Colorado 80228, and Energy Fuels telephone number is (303) 974-2140. Energy Fuels maintains an administrative office located at 2 Toronto Street, Suite 500, Toronto, Ontario M5C 2B6. Energy Fuels website is www.energyfuels.com. The content of Energy Fuels website and information accessible through the website does not form part of this proxy statement/prospectus.

Energy Fuels is an emerging growth company under the Jumpstart Our Business Startups Act 2012 (the **Jobs Act**). See *Risk factors Risks Relating to the Combined Company* beginning on page 39 and *Energy Fuels Business* beginning on page 51.

EFR Nevada Corp.

Merger Sub is a Nevada corporation and an indirect wholly owned subsidiary of Energy Fuels. Merger Sub was formed solely for the purpose of effecting the proposed merger with Uranerz and has not carried on any activities other than in connection with the proposed merger. The address and telephone number for Merger Sub's principal executive office is the same as for Energy Fuels.

Uranerz Energy Corporation

Uranerz is a United States based uranium company focused on commercial in-situ recovery (**ISR**) uranium exploration, extraction and sales. ISR is a uranium extraction process that uses a leaching solution to extract uranium from underground sandstone-hosted uranium deposits and it is the generally accepted extraction technology used in the Powder River Basin area of Wyoming. Uranerz controls a large strategic land position in the central Powder River Basin, where it operates the Nichols Ranch ISR Uranium Project. The Nichols Ranch ISR Uranium Project is currently licensed to include the Nichols Ranch Unit and the Hank Unit. Under the licensed plan, a central processing plant has been built at Nichols Ranch. The Nichols Ranch central processing plant is fully operational and extraction has commenced from the initial wellfields in the Nichols Unit. In May 2014, Uranerz submitted environmental permit and license applications to incorporate the Jane Dough Unit, which is adjacent to the Nichols Ranch Unit, into the Nichols Ranch ISR Uranium Project. Uranerz is seeking to amend its original environmental permit and license to revise the original plan of operations for the Nichols Ranch ISR Uranium Project in order to bring the Jane Dough Unit into extraction operations before the Hank Unit. Due to the close proximity, fluids produced from the Jane Dough Unit can be delivered directly to the Nichols Ranch processing facility by pipeline and an additional satellite processing facility may not be required.

Uranerz was incorporated under the laws of the State of Nevada on May 26, 1999. On July 5, 2005, Uranerz changed its name from Carleton Ventures Corp. to Uranerz Energy Corporation. Uranerz's principal business office is located at 1701 East E Street, Casper, Wyoming, 82605, and Uranerz's phone number is (307) 265-8900. Uranerz also maintains an administrative office located at Suite 1410 - 800 West Pender Street, Vancouver, British Columbia, Canada V6C 2V6, and Uranerz's telephone number there is 604-689-1659 or 1-800-689-1659 (toll free). Uranerz's website is www.uranerz.com. The content of Uranerz's website and information accessible through the website does not form part of this proxy statement/prospectus.

Uranerz common stock is traded on the NYSE MKT and the Toronto Stock Exchange under the symbol **URZ** and on the Frankfurt Exchange under the symbol **U9E**.

Additional information about Uranerz is included in documents publicly filed by Uranerz. See [Where You Can Find More Information](#) beginning on page 213.

The Agreement and Plan of Merger

Under the terms of the Merger Agreement, Merger Sub will merge with and into Uranerz, with Uranerz continuing as the surviving corporation. The Merger Agreement is attached to this proxy statement/prospectus as Annex A and is incorporated into this proxy statement/prospectus by reference. Uranerz and Energy Fuels encourage you to read the entire Merger Agreement carefully as it is the legal document that governs the Transaction.

General

As a result of the Transaction, the separate corporate existence of Merger Sub will cease and Uranerz will continue as the surviving corporation of the merger with Merger Sub and become a wholly-owned indirect subsidiary of Energy Fuels.

Holders of shares of Uranerz common stock, as of the Effective Time, (other than Uranerz shareholders who have properly and validly exercised and perfected their right to dissent) will exchange their shares of Uranerz common stock for Energy Fuels common shares. Each Uranerz share will be exchanged for 0.255 of an Energy Fuels common share. No fractional shares will be issued as the number of shares issued will be rounded to the nearest whole number and if the fraction is 0.5, the number of common shares issued shall be rounded up to the next whole number. Following the completion of the Transaction, it is expected that current Uranerz shareholders will own approximately 55% of Energy Fuels common shares.

Upon the closing of the Transaction, Uranerz will cease trading on the NYSE MKT, the TSX and the Frankfurt Exchange. Energy Fuels will continue to trade after the Transaction on the TSX under the symbol EFR and on the NYSE MKT under the symbol UUUU.

Reasons for the Transaction

The Uranerz board of directors, based on the recommendation of an independent special committee of the board of directors of Uranerz (the **Special Committee**), has determined that the Transaction and the terms of the Merger Agreement are in the best interests of Uranerz and its shareholders and has approved the Merger Agreement. For a description of the factors on which the Uranerz board of directors based its determination, see Proposal One The Transaction Recommendations of the Uranerz Board of Directors; Uranerz Reasons for the Transaction beginning on page 79.

Opinion of Euro Pacific, the Special Committee's Financial Advisor

At a meeting of the entire board of directors of Uranerz held on January 3, 2015, Euro Pacific Canada Inc. (**Euro Pacific**) rendered its oral opinion, subsequently confirmed in writing, to the Special Committee of Uranerz board of directors that, as of such date, and based upon and subject to the various assumptions made, procedures followed, matters considered and qualifications and limitations set forth in the opinion, the per share consideration to be received by the shareholders of Uranerz pursuant to the Merger Agreement was fair, from a financial point of view, to such shareholders.

Euro Pacific's opinion was directed to the Special Committee and only addressed the fairness from a financial point of view of the per share consideration of 0.255 common shares of Energy Fuels to be received by the shareholders of Uranerz for each share of Uranerz pursuant to the Merger Agreement, and does not address any other aspect or implication of the Transaction. Euro Pacific's opinion does not address the relative merits of the Transaction as compared to any alternative business strategies that might exist for Uranerz. The summary of Euro Pacific's opinion in this proxy statement/prospectus is qualified in its entirety by reference to the full text of its written opinion, which is included as Annex D to this proxy statement/prospectus and sets forth the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by Euro Pacific in preparing its opinion. We encourage holders of the shares to read carefully the full text of Euro Pacific's written opinion. However, neither Euro Pacific's opinion nor the summary of its opinion and the related analyses set forth in this proxy statement are intended to be, and do not constitute advice or a recommendation to the Special Committee, the board of directors or any holder of the shares as to how to act or vote with respect to the Transaction. Please see Proposal One The Transaction Opinion of Euro Pacific Canada Inc., the Special Committee's Independent Financial Advisor beginning on page 85 for additional information.

Uranerz Special Meeting of Shareholders

Uranerz special meeting of shareholders will be held at the Casper Petroleum Club, 1301 Wilkins Circle, Casper, Wyoming, U.S.A. 82601 at 10:00 am Mountain Daylight Time, on June 18, 2015. At the Special Meeting, shareholders of Uranerz will consider and vote upon a proposal to approve the Merger Agreement and the Transaction and the other proposals described in the notice for the meeting included with this proxy statement/prospectus. Only shareholders of record at the close of business on May 26, 2015, the record date, will be entitled to vote at the special meeting.

Quorum and Vote Required at the Special Meeting

The quorum requirement for the special meeting is one-third of the voting power of the issued and outstanding voting stock present in person or by proxy. The proposal for the approval of the Merger Agreement and the Transaction will be approved if (i) holders of a majority of the issued and outstanding shares of Uranerz common stock as of the record date vote in favor of the proposal and (ii) the holders of the majority of shares of Uranerz common stock cast at the Special Meeting, exclusive of all shares of common stock owned, directly or indirectly by Energy Fuels, Merger Sub and the officers and directors of Uranerz who vote in favor of the proposal.

Shares Beneficially Owned as of the Record Date

Based on 95,912,806 shares of common stock, the number of shares of Uranerz common stock outstanding as of May 26, 2015, or the record date, the directors and executive officers of Uranerz and their affiliates, as a group, beneficially own approximately 3,828,600 shares of Uranerz common stock, or approximately 3.99% of the outstanding shares of Uranerz common stock entitled to be voted at the Special Meeting.

In connection with the Merger Agreement, on January 4, 2015, Energy Fuels entered into support agreements with each of the directors and certain officers of Uranerz. Each support agreement provides that the Uranerz shareholder party to the agreement will vote for and support the Transaction. As a result of the support agreements and based on shares of Uranerz common stock outstanding as of May 26, 2015, Energy Fuels has voting control with respect to 3,829,000 shares of Uranerz common stock, or approximately 3.99% of the outstanding shares of Uranerz common stock entitled to be voted at the Special Meeting.

Uranerz Options and Warrants

Each outstanding Uranerz warrant will entitle its holder to acquire, in lieu of one Uranerz share of common stock, 0.255 of an Energy Fuels common share (subject to adjustment in the same manner as the adjustments relating to the shares of Uranerz common stock) upon exercise in accordance with the terms of the original Uranerz warrant (with the exercise price to be adjusted to reflect a price per Energy Fuels common share). For more information on the exchange of the Uranerz warrants, see *The Agreement and Plan of Merger Treatment of Warrants* on page 153 of this proxy statement/prospectus. As a result of the Transaction, certain non-U.S. holders of Uranerz warrants who are greater than 5% holders as determined under Section 897 and 1445 of the Code (as defined below) may become subject to U.S. tax withholding under the Foreign Investment in Real Property Tax Act.

Each outstanding Uranerz option will be automatically converted at the Effective Time into options to acquire, in lieu of one Uranerz share of common stock, 0.255 of an Energy Fuels common share (subject to adjustment in the same manner as the adjustments related to the shares of Uranerz common stock) upon exercise in accordance with the terms of the original Uranerz option (with the exercise price to be adjusted to reflect a price per Energy Fuels common shares) as granted under Uranerz 2005 Nonqualified Stock Option Plan. Uranerz options held by independent directors of Uranerz, who will not continue as officers or directors of Energy Fuels on Closing, shall expire on the earlier of (i) the original expiry date of such Uranerz option or (ii) six months after the Closing Date. For more information on the exchange of the Uranerz options, see *The Agreement and Plan of Merger Treatment of Stock*

Options on page 153 of this proxy statement/prospectus.

Dissenters' Rights

Nevada Revised Statutes Section 92A.380 generally provides shareholders of Nevada corporations with dissent rights in connection with merger transactions, such as included as part of the Transaction, that are completed under Chapter 92A Mergers, Conversions, Exchange and Domestications . While there is an exemption from these dissent requirements for companies such as Uranerz whose shares are traded on a national securities exchange and are accordingly covered securities under the Securities Act of 1933, the Uranerz board of directors has nevertheless determined that it is appropriate to grant dissent rights to Uranerz shareholders in connection with the Transaction. Accordingly, a Uranerz shareholder may dissent from the Transaction and request that the surviving corporation purchase such shareholder's shares of Uranerz Common Stock for their fair value. However, to do this, such Uranerz shareholder must strictly comply with all applicable requirements of Nevada law.

A copy of Nevada Revised Statutes Sections 92A.300-92A.500, inclusive, regarding dissenters' rights is attached to this proxy statement/prospectus as Annex B. Shareholders who are considering exercising dissenters' rights should review the statutes carefully, particularly the steps required to perfect dissenters' rights. **NO PROVISION UNDER NEVADA LAW PROVIDES A SHAREHOLDER THE RIGHT TO LATER DEMAND PAYMENT, IF THE SHAREHOLDER DOES NOT FULLY COMPLY WITH ALL OF THE STATUTORY REQUIREMENTS.** Set forth below is a summary of the steps to be taken by a Uranerz shareholder to exercise the right to dissent. This summary should be read in conjunction with the full text of Nevada Revised Statutes Sections 92A.300-92A.500 attached hereto as Annex B.

To exercise your right to dissent:

- **BEFORE THE VOTE IS TAKEN ON PROPOSAL ONE, YOU MUST DELIVER WRITTEN NOTICE TO US STATING THAT YOU INTEND TO DEMAND PAYMENT FOR YOUR SHARES IF THE TRANSACTION IS CONSUMMATED; AND**
- **YOU MUST NOT VOTE YOUR SHARES OF URANERZ COMMON STOCK IN FAVOR OF THE TRANSACTION EITHER BY PROXY OR IN PERSON.**

If you (i) send written notice of your intent to dissent before the vote on the Transaction and (ii) do not vote in favor of the Transaction, the surviving corporation is required to send to you a written dissenters' notice within ten days after the Transaction is consummated telling you:

- where your demand for payment for your Uranerz common stock must be sent and where and when your stock certificates must be deposited;
- if your Uranerz common stock holding is not represented by certificates, to what extent the transfer of your Uranerz common stock will be restricted after the demand for payment is received; and
- the date by which the surviving corporation must receive your written demand form, which must be between 30 and 60 days after delivery of the surviving corporation's notice to you,

and providing you with:

- a form to demand payment; and
- a copy of Nevada Revised Statutes Sections 92A.300 – 92A.500, inclusive.

YOUR FAILURE TO DEMAND PAYMENT IN THE PROPER FORM OR DEPOSIT YOUR CERTIFICATES AS DESCRIBED IN THE DISSENTERS' NOTICE WILL TERMINATE YOUR RIGHT TO RECEIVE PAYMENT FOR YOUR URANERZ COMMON STOCK OTHER THAN AS PROVIDED IN THE MERGER AGREEMENT.

If you properly exercise your right to dissent and acquired your Uranerz common stock before January 5, 2015, when notice of the Transaction was first publicly made, then within 30 days of receipt of a properly executed demand for payment from you, the surviving corporation must pay you what it determines to be the fair value for your Uranerz common stock, plus interest. Payment is required to be accompanied by (i) specific financial records of Uranerz, (ii) a statement of the surviving corporation's fair value estimate, including how interest was calculated, (iii) information regarding your right to challenge the fair value estimate, and (iv) copies of relevant portions of the Nevada law.

If you properly exercise your right to dissent and acquired your shares on or after January 5, 2015, you are entitled to receive payment of the amount that the surviving corporation estimates is the fair value of your Uranerz common stock but only if you accept that estimate. If you wish to contest the estimate, you may do so, but then you will not receive any payment until the contest is resolved.

Within 30 days of the surviving corporation's fair value payment or notice, you have the right to notify the surviving corporation, in writing, of your own fair value estimate and demand payment of the amount not yet paid. Failure to do so will terminate your right to challenge the surviving corporation's calculation of fair value. If you and the surviving corporation cannot agree on fair value, then the surviving corporation must commence legal action within 60 days after it receives your shareholder demand, seeking court determination of fair value. If the surviving corporation fails to commence a legal action within the 60-day period, it must pay each dissenter whose demand remains unsettled the amount he, she or it demanded. Proceedings instituted by the surviving corporation will be in Clark County, Nevada. Costs of legal action will be assessed against the surviving corporation, unless the court finds that the dissenters acted arbitrarily, vexatiously or not in good faith, in which case costs will be equitably distributed. Attorneys' and expert fees may be awarded in such amount as the court deems equitable against any party that the court determines has acted arbitrarily, vexatiously or not in good faith (in the case of a former shareholder or the surviving corporation) or did not substantially comply with Sections 92A.300 – 92A.500 of the Nevada Revised Statutes (in the case of the surviving corporation).

FAILURE TO COMPLY STRICTLY WITH THE PROCEDURES SET FORTH IN THE NEVADA STATUTE WILL RESULT IN THE LOSS OF DISSENTERS' RIGHTS.

A Uranerz shareholder who signs and returns the enclosed proxy card without expressly directing that his, her or its shares of Uranerz common stock be voted against the Merger Agreement will effectively waive his, her or its dissenters' rights because the shares represented by the proxy form will be voted FOR the approval and adoption of the Merger Agreement.

Accordingly, a shareholder who desires to exercise and perfect dissenters' rights with respect to any of his, her or its shares of Uranerz common stock must either (i) refrain from executing and returning the enclosed proxy form and from voting in person in favor of the proposal to approve the Merger Agreement, or (ii) check either the "Against" or the "Abstain" box next to Proposal One on such form, or (iii) rescind any proxy and refrain from voting in favor of Proposal One. An abstention or a vote or proxy against the Merger Agreement will not, in and of itself, constitute a notice of intent to dissent required under Nevada law.

A notice of intent to dissent may be executed by a record holder of Uranerz common stock, and may be either on behalf of such record holder or the beneficial owner of the Uranerz common stock, as the case may be. It must state that the record holder intends thereby to demand payment for his, her or its shares of Uranerz common stock if the Transaction is consummated. It should also state the record holder's name, as it appears on the stock certificate. A record holder, other than a person (such as a stock broker) who holds shares as nominee for several beneficial owners, who determines to elect to exercise dissenters' rights must dissent as to all shares of Uranerz common stock held by such record holder, or the record holder will lose his, her or its right to elect to exercise dissenters' rights for any of the Uranerz common stock such record holder owns.

A record holder serving as a nominee may exercise dissenters' rights with respect to all, but not less than all, of the shares of Uranerz common stock held for one or more beneficial owners while not exercising such rights with respect to the shares held for other beneficial owners. However, in such case, the written notice of intent to dissent should set forth fully and correctly (i) the record holder's name, as it appears on the stock certificate, and (ii) the name(s) and address(es) of and number of shares owned beneficially by each beneficial owner as to whom the record holder is dissenting.

A beneficial owner may also directly exercise the right of dissent **WITH THE WRITTEN CONSENT OF THE RECORD HOLDER**, in which case the consent of the record holder must be provided to us not later than the beneficial owner's notice of dissent. In such a case, the beneficial owner must dissent as to all shares of Uranerz common stock that he, she or it owns or over which he, she or it has voting control.

Shareholders who hold their shares in brokerage accounts or other nominee form and who wish to exercise dissenters' rights are urged to consult with their brokers or nominees to determine the appropriate procedures.

If the shares of Uranerz common stock are owned in a fiduciary capacity, such as by a trustee, guardian or custodian, execution of the notice of intent to dissent should be made in that capacity, and if the shares are owned by more than one person, as in a joint tenancy or tenancy in common, the notice should be executed by or on behalf of all joint owners. An authorized agent, including one for two or more joint owners, may execute the notice of intent to dissent on behalf of an owner; however, the agent must identify the owner or owners and expressly disclose the fact that, in executing the notice, he, she or it is acting as agent for such owner or owners.

WRITTEN NOTICES OF INTENT TO DISSENT AND DEMAND PAYMENT FOR SHARES OF URANERZ COMMON STOCK IF THE TRANSACTION IS CONSUMMATED MUST BE DELIVERED PRIOR TO THE VOTE ON THE MERGER AGREEMENT TO EITHER:

- Uranerz Energy Corporation, Attention: Corporate Secretary, 1701 East E St., Casper, Wyoming, U.S.A., 82601; or
- in person, to the Secretary of Uranerz at the Special Meeting.

Shareholders considering seeking dissenters' rights should be aware that the fair value of their shares as determined under Nevada law could be more than, the same as or less than the consideration they are entitled to receive pursuant to the Merger Agreement if they did not seek payment of their shares through the exercise of their dissenters' rights.

If any shareholder who properly demands payment for his, her or its shares of Uranerz common stock under Nevada law fails to perfect, or effectively withdraws or loses, the right to payment, as provided under Nevada law, the shares of such shareholder will be converted into the right to receive the consideration receivable with respect to such shares in accordance with the Merger Agreement.

Because of the complexity of these procedures, you are urged to seek the advice of legal counsel if you are considering exercising your dissenter's rights. Any failure to strictly follow any of these procedures may result in a termination or waiver of your dissenter's rights under Nevada law.

Holders of Energy Fuels common shares are not entitled to dissenters' rights in connection with the issuance of Energy Fuels common shares in the Transaction.

Unaudited Pro Forma Condensed Financial Information

For a discussion of the unaudited pro forma condensed financial information, see Selected Historical and Unaudited Pro Forma Condensed Financial Data beginning on page 29.

Accounting Treatment of the Transaction

Energy Fuels will account for the Transaction using the business combination rules in accordance with IFRS. Under this method of accounting, Energy Fuels is considered the legal and accounting acquirer and will record the acquisition based on the fair value of the considerations given, which include the market value of its shares issued in connection with the Transaction (based on the closing price of Energy Fuels' common shares at the Effective Time). The assets acquired, liabilities assumed and non-controlling interests of Uranerz will be measured at their estimated fair value. Consequently, the assets, liabilities and non-controlling interests in the Uranerz purchase price allocation will be based on their estimated fair values at the date of the completion of the Transaction. Any excess of the fair value of considerations paid over the aggregate fair value of net assets acquired will be recorded as goodwill.

Regulatory Approvals

Uranerz and Energy Fuels intend to make all required filings under the Securities Act and the Exchange Act, in connection with the Transaction. In addition to the SEC filings there are filings required with the TSX and NYSE MKT relating to the listing of Energy Fuels common shares to be issued in the Transaction.

Furthermore, the completion of the Transaction is conditional upon the following:

- clearance of the Transaction by the Committee on Foreign Investment in the United States (**CFIUS**). CFIUS may take measures and impose conditions to protect national security, certain of which may materially and adversely affect Energy Fuels' operating results due to increased costs of compliance or by limiting Energy Fuels' control over certain U.S. facilities, contracts, personnel or operations.
- Approval by the United States Nuclear Regulatory Commission (the **NRC**) with the respect to the Materials License issued by the NRC for the Uranerz Nichols Ranch ISR uranium project;
- Approval of the Wyoming Department of Environmental Quality (the **WDEQ**), to the extent that approval may be required, with respect to certain operational permits issued by the WDEQ for the Uranerz Nichols Ranch ISR uranium project;

- Acceptance by the State of Wyoming and Johnson County, Wyoming as required under the financing agreement entered into between Uranerz and Johnson County, Wyoming for the \$20 million Nichols Ranch ISR uranium project bond financing; and
- Confirmation from the Utah Department of Environmental Quality that the Transaction does not constitute a change of control under the White Mesa Mill's Radioactive Materials License, Groundwater Discharge Permit or Air Approval Order or approval of any such change of control.

Neither Uranerz nor Energy Fuels can provide assurance that any conditions, terms, obligations or restrictions required for any of the above approvals will not result in a delay or abandonment of the Transaction.

The Transaction is not subject to pre-merger notification under any U.S. or foreign antitrust laws, but it may be reviewed by the Antitrust Division and the Federal Trade Commission and by foreign antitrust authorities, under U.S. or foreign antitrust laws, respectively. The Transaction may also be reviewed by the SEC under the Securities Act and Exchange Act, and by foreign governmental authorities, including Canadian securities regulatory authorities and the TSX.

Conditions to the Completion of the Transaction

Energy Fuels' and Uranerz' obligations to complete the Transaction depend on a number of conditions being met. These include, among others:

1. approval of the Uranerz shareholders and Unaffiliated Shareholders at the Special Meeting of Uranerz shareholders;
2. approval of the Energy Fuels shareholders at a special meeting of Energy Fuels shareholders, which may be combined with the annual meeting of Energy Fuels shareholders;
3. receipt or filing of all consents, approvals and authorizations of, any governmental authority required to be made or obtained by Uranerz, Energy Fuels, Merger Sub or any of their subsidiaries to consummate the Transaction shall have been made or obtained;
4. the absence of any order prohibiting the Transaction;
5. the absence of any judgment, order, or law which prohibits, materially restricts, makes illegal or enjoins the consummation of the Transaction;
6. the effectiveness of the registration statement for the Energy Fuels common shares to be issued in the Transaction and the approval for listing of such shares on the TSX and NYSE MKT;
7. subject to certain limitations and exceptions, the accuracy of the other party's representations and warranties and the performance in all material respects of its covenants as set out in the Merger Agreement;
8. the number of dissenting shares held by shareholders of Uranerz who have exercised dissent rights must comprise less than 5% of the issued and outstanding shares of common stock of Uranerz;
9. Dennis Higgs and Glenn Catchpole must have been appointed to the board of directors of Energy Fuels and the Energy Fuels board of directors must be comprised of eight members;

10. the absence of any material adverse change with respect to the business and affairs of either Uranerz (in the case of Energy Fuels) or Energy Fuels (in the case of Uranerz); and

11. CFIUS approval will have been obtained.

Where permitted by applicable law, either of Energy Fuels or Uranerz could choose to waive a condition to its respective obligation to complete the Transaction even when that condition has not been satisfied. Energy Fuels and Uranerz cannot be certain when, or if, the conditions to the Transaction will be satisfied or waived, or that the Transaction will be completed. See *The Agreement and Plan of Merger Conditions to the Transaction* on page 171.

Termination and Termination Fees

The Merger Agreement may be terminated, either before or after Uranerz shareholders approve the Merger Agreement, under certain circumstances described in *The Agreement and Plan of Merger Termination; Termination Fees and Expenses* on page 174. If the Merger Agreement is terminated for certain specified reasons, Uranerz or Energy Fuels, as applicable, may have to pay a termination fee of \$5 million. Please see *The Agreement and Plan of Merger Termination Fees and Expenses* on page 174.

Resale of Energy Fuels Common Shares

All Energy Fuels common shares that each Uranerz shareholder receives in the Transaction will be listed on the TSX and the NYSE MKT and will be freely transferable under U.S. and Canadian securities laws unless a shareholder is deemed an affiliate of Uranerz immediately prior to the Transaction or an affiliate of Energy Fuels following the Transaction for purposes of the U.S. securities laws or a control person of Energy Fuels following the Transaction for purposes of Canadian securities laws. For more information, see *Proposal One The Transaction Restrictions on Sales of Shares by Certain Affiliates* on page 150.

If the Transaction is completed, shares of Uranerz common stock will no longer be traded on the TSX or the NYSE MKT.

Exchange Agent

Prior to the closing, Energy Fuels will appoint an exchange agent in connection with the Transaction.

Litigation Related to the Transaction

Since the Transaction was announced on January 5, 2015 Uranerz, all of Uranerz directors, Energy Fuels, and Merger Sub have been named as defendants in a number of putative shareholder class action suits in the District Court, Clark County, Nevada and one in the District Court, Washoe County, Nevada, by purported shareholders of Uranerz challenging the proposed Transaction. Plaintiffs allege generally that Uranerz directors breached their fiduciary duties in connection with the Transaction, and that Energy Fuels and Merger Sub aided and abetted the fiduciary breaches. The actions seek, among other things, to preliminarily and permanently enjoin the Transaction, damages, and attorney's fees. Uranerz and Energy Fuels believe the claims asserted in the complaints have no merit, and Uranerz and Energy Fuels and all of the members of the board of directors of Uranerz intend to defend vigorously against them.

Interests of Certain Persons in the Transaction

You should be aware that a number of directors and executive officers of Uranerz have interests in the Transaction that are different from, or in addition to, yours. These interests include the intended employment of Paul Goranson by Energy Fuels after the Transaction, and the intended appointment of Messrs. Higgs and Catchpole to the board of directors of Energy Fuels. Additionally there are change of control agreements that provide severance payments to

certain employees upon a qualifying termination of employment in connection with the Transaction, the receipt of liability insurance and indemnification benefits by directors and officers of Uranerz from Energy Fuels.

Material U.S. Federal Income Tax Considerations

The Transaction should be treated as a taxable exchange and not as a tax-deferred exchange under Section 368(a) of the Code. Assuming that the Transaction is a taxable transaction, the exchange of shares of Uranerz common stock for Energy Fuels common shares will generally result in a U.S. holder of shares of Uranerz common stock recognizing gain or loss equal to the difference between (i) the fair market value of Energy Fuels common shares received by such U.S. holder in the Transaction, and (ii) the adjusted tax basis of such U.S. holder in such shares of Uranerz common stock exchanged as a result of the Transaction. Assuming that the Transaction is a taxable transaction, under certain circumstances, non-U.S. holders may be subject to U.S. tax on any gain recognized as a result of the Transaction. In addition, under certain circumstances, Energy Fuels may be required to withhold a portion of the Transaction consideration payable to non-U.S. holders under applicable tax laws.

The discussion of U.S. federal income tax considerations set forth herein is for general information only and does not purport to be a complete analysis or listing of all potential tax effects that may apply to a U.S. holder or non-U.S. holder of shares of Uranerz common stock. Shareholders of Uranerz should consult their own tax advisors to determine the particular tax consequences to them of the Transaction, including the application and effect of U.S. federal, state, local, non-U.S. and other tax laws.

The foregoing summary of U.S. federal income tax consequences of the Transaction is qualified in its entirety by the longer form discussion under Proposal One The Transaction Material U.S. Federal Income Tax Considerations beginning on page 122 and Proposal One The Transaction Material U.S. Federal Income Tax Considerations of the Transaction to Non-U.S. Holders beginning on page 130. Neither Uranerz nor Energy Fuels has sought or obtained a ruling from the IRS regarding any of the tax consequences of the Transaction. Accordingly, there can be no assurance that the IRS will not challenge this tax treatment of the Transaction or that the U.S. courts will uphold this tax treatment in the event of an IRS challenge.

Material Canadian Federal Income Tax Considerations

Resident Uranerz Holders (as defined under Proposal One The Transaction Material Canadian Federal Income Tax Considerations) of shares of Uranerz common stock and Uranerz warrants should consult their own tax advisors to determine the particular tax consequences to them of the Transaction. Generally, for a Resident Uranerz Holder of the shares of Uranerz common stock, the exchange of the shares of Uranerz common stock for Energy Fuels common shares should be treated as a taxable disposition of such shares. Although the matter is not free from doubt, Energy Fuels management believes the better view is that a Resident Uranerz Holder should not realize a capital gain (or capital loss) with respect to the treatment of the Uranerz warrants under the Transaction at the Effective Time. Resident Uranerz Holders holding Uranerz warrants within registered Plans should note that the effect of the Regulations to the Income Tax Act (Canada) appears to be that Uranerz warrants cease to be a qualified investment , and affected Resident Uranerz Holders should consult their own tax advisors with respect to all potential implications and any mitigating steps well in advance of the Effective Date.

Resident Uranerz Holders and Non-Resident Uranerz Holders (as defined under Proposal One The Transaction Material Canadian Federal Income Tax Considerations) of Uranerz common stock and Uranerz warrants should in any event consult their own tax advisors regarding the specific Canadian tax consequences. The foregoing description of Canadian federal income tax consequences of the Transaction to the Resident Uranerz Holders of shares of Uranerz common stock and Uranerz warrants is qualified in its entirety by the longer form discussion under Proposal One The Transaction Material Canadian Federal Income Tax Consequences - Considerations of the Transaction to Holders of Shares of Uranerz Common Stock and Uranerz Warrants and Eligibility for Investment .

Comparison of Rights of Shareholders of Uranerz and Shareholders of Energy Fuels

The rights of Uranerz shareholders are currently governed by Uranerz articles of incorporation (the **Uranerz Articles**), Uranerz bylaws (the **Uranerz Bylaws**) and the Nevada Revised Statutes (the **NRS**). If the Transaction is successfully completed, holders of shares of Uranerz common stock will become shareholders of Energy Fuels. Thereafter, their rights will be governed by the Business Corporations Act (Ontario) (the **OBCA**) and subject to Energy Fuels articles of incorporation, as amended (the **Energy Fuels Articles**) and Energy Fuels bylaws (the **Energy Fuels Bylaws**). As a result, these Uranerz shareholders will have different rights once they become shareholders of Energy Fuels due to the differences in the governing documents of Energy Fuels and Uranerz. The key differences are described in the section titled Comparison of Rights of Shareholders of Uranerz and Shareholders of Energy Fuels beginning on page 26 of this proxy statement/prospectus.

Risk Factors

There are risks associated with the Transaction, which are described in the section titled Risk Factors beginning on page 34. You should carefully read and consider these risks, which include, without limitation, the following risks:

- The Exchange Ratio will not be adjusted in the event of any change in either Uranerz stock price or Energy Fuels stock price;
- Because the Transaction will be completed after the date of the Special Meeting, at the time of Uranerz Special Meeting, the exact market value of the Energy Fuels common shares that Uranerz shareholders will receive upon completion of the Transaction could be higher or lower than the market value at the time of the Special Meeting;
- The Transaction is subject to a number of conditions, including the receipt of consents and clearances from regulatory authorities that may not be obtained, may not be completed on a timely basis or may impose conditions that could have an adverse effect on Uranerz or Energy Fuels;
- Failure to complete the Transaction could negatively impact Uranerz business, financial condition, results of operations or stock price;
- Lawsuits have been filed against Uranerz, Uranerz directors, Energy Fuels and Merger Sub relating to the Transaction and an adverse ruling in any such lawsuit may prevent the Transaction from being completed;
- The rights of Uranerz shareholders who become Energy Fuels shareholders in the Transaction will be governed by the OBCA and subject to the Energy Fuels Articles and the Energy Fuels Bylaws;

- The Merger Agreement contains provisions that could discourage a potential competing acquiror of Uranerz;
- The fairness opinion obtained by Uranerz from its financial advisor will not reflect subsequent changes that may occur or that have occurred after the date of the opinion;
- The market price of Energy Fuels common shares has been, and may continue to be, volatile, and Uranerz shareholders could lose all or part of their investment because the market price of Energy Fuels shares could drop significantly before or after the Transaction closes;
- Current Uranerz shareholders will have reduced ownership and voting interests after the Transaction;
- The Transaction will result in changes to Energy Fuels board of directors and management that may affect the strategy and operations of the combined company as compared to that of Uranerz and Energy Fuels as they currently exist;
- Any delay in completing the Transaction may reduce or eliminate the benefits expected to be achieved thereunder;
- Uncertainties associated with the Transaction may cause a loss of management personnel and other key employees which could adversely affect the future business and operations following the Transaction;
- The expected benefits of the Transaction may not be realized;
- The obligations and liabilities of Energy Fuels, some of which may be unanticipated or unknown, may be greater than anticipated, which may diminish the value of Energy Fuels common shares;
- Energy Fuels future results following the Transaction may differ materially from the unaudited pro forma financial information included in this document;
- Additional reporting requirements may apply if Energy Fuels loses its status as a Foreign Private Issuer under the Exchange Act;
- Uranerz and Energy Fuels expect to incur substantial expenses related to the Transaction and the integration of the two companies;
- Energy Fuels and Uranerz may be unable to integrate their respective businesses successfully;
- Energy Fuels future results will suffer if it does not effectively manage its expanded operations following the Transaction;
- The Transaction may result in a loss of customers, clients and strategic alliances;
- The market price of Energy Fuels common shares may be affected by factors different from those affecting Energy Fuels common shares or Uranerz common stock prior to consummation of the Transaction;
- Third parties may terminate or alter existing contracts with Uranerz and Energy Fuels;
- Energy Fuels faces a number of additional risks related to the operation of its business; and

- The potential financial needs of the combined entity.

Enforceability of Civil Liabilities Against Foreign Persons

Energy Fuels is a corporation governed by the OBCA and by the applicable federal laws of Canada. Some of Energy Fuels' assets are located outside the United States and some of Energy Fuels' directors and officers and some of the experts named in this proxy statement/prospectus reside outside the United States. Because some of these persons are located outside the United States, it may not be possible for you to effect service of process within the United States on these persons. Furthermore, it may not be possible for you to enforce against Energy Fuels or them, in the United States, judgments obtained in United States courts, because some of Energy Fuels' assets and the assets of these persons are located outside the United States.

There is doubt as to the enforceability, in original actions in Canadian courts, of liabilities based on the United States federal securities laws or blue sky laws of any state within the United States and as to the enforceability in Canadian courts of judgments of United States courts obtained in actions based on the civil liability provisions of the United States federal securities laws or any such state securities or blue sky laws. Therefore, it may not be possible to enforce those judgments against Energy Fuels, its directors and officers and some of the experts named in this proxy statement/prospectus, including the annexes hereto.

Statement
of
operations
data

Operating revenue	\$	7,600	\$	11,361	\$	46,253	\$	73,248	\$	25,028	\$	-
Gross profit		3,649		2,790		15,971		5,467		3,318		-
Net (loss) income		(2,361)		(6,342)		(43,612)		(87,325)		1,534		(3,567)
Basic and diluted (loss) income per common share		(0.12)		(0.32)		(2.22)		(5.61)		0.26		(1.44)

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Selected Historical Financial Data of Uranerz

The following tables summarize Uranerz financial data which are prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP. The statements of operations data for the years ended December 31, 2014, December 31, 2013 and December 31, 2012 and the balance sheets as of December 31, 2014 and December 31, 2013 are derived from Uranerz audited annual financial statements and related notes contained in its Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference in this proxy statement/prospectus. The selected consolidated financial data of Uranerz as of and for the three months ended March 31, 2015 and 2014 are derived from Uranerz unaudited consolidated financial statements and related notes contained in its Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2015, which is incorporated by reference in this proxy statement/prospectus.

Historical results are not indicative of the results that should be expected in the future. The information set forth below is only a summary and is not necessarily indicative of the results of future operations of Uranerz or the combined company, and you should read the following information together with Uranerz audited consolidated financial statements, the notes related thereto and the section entitled Management's Discussion and Analysis of Financial Condition and Results of Operations contained in Uranerz Annual Report on Form 10-K for the fiscal year ended December 31, 2014, and Uranerz unaudited consolidated financial statements, the notes related thereto and the section entitled Management's Discussion and Analysis of Financial Condition and Results of Operations contained in Uranerz Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2015, which are incorporated by reference in this proxy statement/prospectus. For more information, see the section entitled Where You Can Find More Information beginning on page 213.

Balance sheet data (in thousands)	As of March 31			As of December 31			
	2015	2014	2013	2012	2011	2010	2010
Balance sheet data							
Total assets	\$ 15,211	\$ 19,058	\$ 16,949	\$ 11,553	\$ 38,894	\$ 40,634	
Total liabilities	\$ 24,331	\$ 24,894	\$ 23,497	\$ 3,223	\$ 3,145	\$ 1	
Net assets	\$ (9,119)	\$ (5,836)	\$ (6,548)	\$ 8,330	\$ 35,749	\$ 39,875	
Capital stock	\$ 96	\$ 96	\$ 86	\$ 77	\$ 77	\$ 71	
Additional paid-in capital	\$ 170,461	\$ 169,499	\$ 156,815	\$ 145,422	\$ 143,877	\$ 123,139	
Number of shares outstanding	95,913	95,895	85,815	77,208	77,087	70,821	
	For the three months ended March 31			For the year ended December 31			
	2015	2014	2014	2013	2012	2011	2010
Statement of operations data							

Operating revenue	\$	3,400	\$	-	\$	10,007	\$	-	\$	-	\$	-
Gross profit		1,489		-		3,793		-		-		-
Net loss attributable to Uranerz Stockholders		(4,255)		(4,909)		(11,977)		(26,271)		(28,974)		(24,874)
Basic and diluted loss per common share		(0.04)		(0.06)		(0.13)		(0.33)		(0.38)		(0.33)

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Selected Unaudited Pro Forma Condensed Financial Data

The unaudited pro forma condensed consolidated financial statements of Energy Fuels for the three months ended March 31, 2015 and the year ended December 31, 2014 included in this proxy statement/prospectus have been prepared by Energy Fuels using the business combination rules under IFRS. The pro forma condensed consolidated statement of financial position of Energy Fuels as at March 31, 2015 assumes that the Transaction took place on March 31, 2015, and combines the Energy Fuels unaudited condensed consolidated balance sheet at March 31, 2015 with Uranerz unaudited consolidated balance sheet at March 31, 2015, with adjustments. The pro forma condensed consolidated statement of comprehensive income (loss) of Energy Fuels for the three months ended March 31, 2015 assumes that the Transaction took place as of January 1, 2014 and combines the unaudited condensed consolidated statement of comprehensive loss of Energy Fuels for the three months ended March 31, 2015 and the unaudited consolidated statement of comprehensive income (loss) of Uranerz for the three months ended March 31, 2015, with adjustments. The pro forma condensed consolidated statement of comprehensive income (loss) of Energy Fuels for the year ended December 31, 2014 assumes that the Transaction took place as of January 1, 2014 and combines the audited consolidated statement of loss of Energy Fuels for the year ended December 31, 2014 and the audited consolidated statement of income (loss) of Uranerz for the year ended December 31, 2014, with adjustments. In preparing these unaudited pro forma condensed financial statements, Energy Fuels has adjusted Uranerz financial statements to conform to IFRS and to Energy Fuels accounting policies. These adjustments are described in the notes to the unaudited pro forma condensed financial statements of Energy Fuels for the three months ended March 31, 2015 and the year ended December 31, 2014 which should be read in conjunction with the selected unaudited pro forma condensed financial data presented below.

The unaudited pro forma condensed financial statements assume that, at the Effective Time, each outstanding Uranerz share will be converted into the right to receive 0.255 of an Energy Fuels common share. Pro forma book value per share is calculated by dividing total assets (including both tangible and intangible assets) minus total liabilities of Energy Fuels as at March 31, 2015 under IFRS by the total number of Energy Fuels common shares outstanding at such date (including issuance of Energy Fuels shares to Uranerz shareholders as of such date).

The selected unaudited pro forma condensed financial data is based on estimates and assumptions that are preliminary, presented for illustrative purposes only and is not necessarily indicative of the combined financial position or results of operations of future periods or the results that actually would have been realized had the entities been a single entity during these periods. The assumptions underlying the selected unaudited pro forma condensed financial data described in the notes to the unaudited pro forma condensed financial statements of Energy Fuels for the three months ended March 31, 2015 and should be read in conjunction with the selected unaudited pro forma condensed financial data presented below. The following information should also be read in conjunction with (i) the unaudited condensed consolidated financial statements of Energy Fuels for the three months ended March 31, 2015, including the notes thereto, contained in Energy Fuels Form 6-K filed with the SEC on May 12, 2015, and (ii) the unaudited consolidated financial statements of Uranerz, including the notes thereto, contained in Uranerz Quarterly Report on Form 10-Q for the quarter ended March 31, 2015, each of which are incorporated by reference into this proxy statement/prospectus. See Unaudited Pro Forma Condensed Financial Statements on page 186 of this proxy statement/prospectus.

Pro Forma Statement of financial position data	As of
(in thousands)	March 31
	2015
Pro Forma Statement of financial position data	
Total assets	\$ 282,509
Total liabilities	(60,960)
Net assets	221,549
Capital stock	356,547
Number of shares outstanding	44,965

Pro Forma Statement of Operations data (in thousands)	Three months ended		Year ended
	March 31, 2015		December 31, 2014
Pro Forma Statement of operations data			
Operating revenue	\$	11,000	\$ 56,260
Gross Profit		2,489	13,296
Net loss		(5,180)	(56,723)
Basic and diluted loss per common share		(0.12)	(1.26)
Shares used in computing net loss per share		44,965	44,949

Comparative Historical Per Share Data

The following tables contain certain historical per share data of Energy Fuels and Uranerz and combined per share data on an unaudited pro forma combined basis after giving effect to the Transaction using the acquisition method of accounting.

The unaudited pro forma combined per share data was derived from financial information of Energy Fuels and Uranerz included elsewhere in this proxy statement/prospectus. The information in the table should be read in conjunction with the historical financial statements of Energy Fuels and Uranerz and related notes, which are incorporated by reference into this proxy statement/prospectus. The unaudited pro forma combined data is based on estimates and assumptions that Energy Fuels and Uranerz believe are reasonable. It is not necessarily indicative of the consolidated financial position or results of income in future periods or the results that actually would have been realized had Energy Fuels and Uranerz been a combined company as of the beginning of the periods presented.

Energy Fuels and Uranerz present basic loss per share for their common shares, calculated by dividing the loss attributable to their common shareholders by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive. Historical book values for Energy Fuels and Uranerz are calculated by dividing total assets (including both tangible and intangible assets) minus total liabilities as at the dates indicated below by the total number of common shares outstanding as of such dates.

Energy Fuels Inc. - Historical per share data

Net (loss) income per basic and diluted share		
For the three months ended March 31, 2015	\$	(0.12)
For the year ended December 31, 2014	\$	(2.22)
Book value per share as at March 31, 2015	\$	4.87

Uranerz Energy Corporation - Historical per share data

Net (loss) income per basic and diluted share		
For the three months ended March 31, 2015	\$	(0.04)
For the year ended December 31, 2014	\$	(0.13)
Book value per share as at March 31, 2015	\$	(0.10)

Combined Energy Fuels and Uranerz - Pro forma combined

Net (loss) income per basic and diluted share	
For the three months ended March 31, 2015	\$ (0.12)
For the year ended December 31, 2014	\$ (1.26)
Book value per share	\$ 4.91

Comparative Per Share Market Price Data

Energy Fuels common shares are listed on the TSX under the symbol EFR and on the NYSE MKT under the symbol UUUU, and shares of Uranerz common stock are listed on the NYSE MKT and the TSX under the symbol URZ. The following table shows the closing sales prices of Energy Fuels common shares (as reported on the NYSE MKT) and shares of Uranerz common stock (as reported on NYSE MKT) on January 2, 2015, the last trading day before the Merger Agreement was announced, and on May 15, 2015.

The table also shows the implied value of the Transaction consideration proposed for each Uranerz common share, which was calculated by taking the product of the closing price on the NYSE MKT of Energy Fuels common shares as of the respective date and the Exchange Ratio, which is 0.255. For more information on the calculation of the Exchange Ratio, please see The Agreement and Plan of Merger Consideration to be Received Pursuant to the Transaction on page 152. The actual market value of the Energy Fuels common shares that a shareholder will receive on the date of the Transaction may be higher or lower than the prices set forth below.

	Energy Fuels Common Shares	Uranerz Energy Corporation Common Stock	Transaction Consideration per share of Uranerz Common Stock
January 2, 2015	\$ 6.16	\$ 1.15	\$ 1.57
May 15, 2015	\$ 4.89	\$ 1.17	\$ 1.25

See Market Price and Dividend Information on page 182 for more information.

EXCHANGE RATE INFORMATION

The following table shows, for the periods indicated, information concerning the exchange rate between the Canadian dollar and the U.S. dollar. The data provided in the following table are expressed in U.S. dollars per Canadian dollar and are based on the noon exchange rates published by the Bank of Canada for the Canadian dollar. This information is provided solely for your information, and Energy Fuels and Uranerz do not represent that Canadian dollars could be converted into U.S. dollars at these rates or at any other rate. These rates are not the rates used by Energy Fuels in the preparation of its consolidated financial statements included in this proxy statement/prospectus.

On January 2, 2015, the last trading day before the Merger Agreement was announced, the closing exchange rate between the U.S. dollar and the Canadian dollar expressed in U.S. dollars per Canadian dollar as reported by the Bank of Canada was 0.8502. On May 22, 2015, the noon exchange rate as reported by the Bank of Canada was 0.8138 of a U.S. Dollar for each one Canadian dollar.

Recent Monthly Data	Period- End Rate(1)	Average Rate(2)	High	Low
May 2015 (May 1 to 22)	0.8138	0.8368	0.8263	0.8138
April 2015	0.8252	0.8110	0.8365	0.7929
March 2015	0.7885	0.7924	0.8060	0.7811
February 2015	0.7995	0.8000	0.8063	0.7915
January 2015	0.7863	0.8254	0.8527	0.7863
December 2014	0.8620	0.8671	0.8815	0.8589
November 2014	0.8751	0.8829	0.89	0.8751
October 2014	0.8869	0.8919	0.8980	0.8858
September 2014	0.8922	0.9081	0.9206	0.8922
August 2014	0.9210	0.9151	0.9211	0.9106
July 2014	0.9183	0.9312	0.9404	0.9167
June 2014	0.9367	0.9233	0.9367	0.9143
May 2014	0.9202	0.9180	0.9228	0.9113
April 2014	0.9127	0.9098	0.9172	0.9056
March 2014	0.9047	0.9003	0.9119	0.8888
February 2014	0.9029	0.9046	0.9130	0.8977
January 2014	0.8994	0.9139	0.9422	0.8952

Annual Data (Year ended December 31)

2015 (to May 22, 2015)	0.8138	0.8099	0.8527	0.7811
2014	0.8620	0.9054	0.9422	0.8589
2013	0.9402	0.9710	1.0164	0.9348
2012	1.0051	1.0004	1.0299	0.9599
2011	0.9833	1.0111	1.0583	0.9430

- (1) The period-end rate is the noon exchange rate for the Canadian dollar on the last business day of the applicable period, as published by the Bank of Canada.
- (2) The average rates for the monthly periods were calculated by taking the simple average of the daily noon exchange rates for the Canadian dollar, as published by the Bank of Canada. The average rates for the transition periods and annual periods were calculated by taking the simple average of the noon exchange rates on the last business day of each month during the relevant period, as published by the Bank of Canada.

RISK FACTORS

*In addition to the other information included in this proxy statement/prospectus, including the matters addressed in the section **Cautionary Statement Concerning Forward-Looking Information** you should carefully consider the following risks before deciding how to vote on the proposals presented at the special meeting. The risk factors related to the Transaction present the material risks directly related to the Transaction and the integration of the two companies to the extent presently known. Also included are the material risks associated with each of the businesses of Energy Fuels and Uranerz presently known, because these risks will also affect Energy Fuels following the closing of the Transaction. The risks below also include forward-looking statements, and actual results may differ substantially from those discussed in these forward-looking statements. See **Cautionary Statement Concerning Forward-Looking Information** beginning on page 52. In addition, you should read and consider the risks associated with each of the businesses of Uranerz and Energy Fuels because these risks will also affect the combined*

company these risks can be found in Uranerz and Energy Fuels filings with the SEC and the applicable Canadian securities regulatory authorities, including Uranerz Annual Report on Form 10-K for the fiscal year ended December 31, 2014 filed on March 16, 2015 and Energy Fuels Form 40-F Annual Report for the fiscal year ended December 31, 2014, filed on March 20, 2015. The risks and uncertainties described in this proxy statement/prospectus are not the only ones that Energy Fuels and Uranerz face. Additional risks and uncertainties not presently known to Uranerz or Energy Fuels or that Uranerz or Energy Fuels currently consider immaterial may also impair Uranerz business operations or the business operations of Energy Fuels after the Transaction. If any of the risks actually occur, business and financial results of both companies could be harmed or the trading price of Energy Fuels common shares could decline. You should also read and consider the other information in this proxy statement/prospectus, including the annexes. See Where You Can Find More Information beginning on page 213.

Risks Related to the Transaction

The exchange ratio will not be adjusted in the event of any change in either Uranerz stock price or Energy Fuels share price.

In the Transaction, each Uranerz common share (other than those shares with respect to which dissent rights are properly exercised and not withdrawn) will be converted into the right to receive 0.255 common shares of Energy Fuels (subject to adjustment as described herein). This Exchange Ratio will not be adjusted for changes in the market price of either shares of Uranerz common stock or Energy Fuels common shares. Changes in the price of Energy Fuels common shares prior to completion of the Transaction will affect the value of the consideration that Uranerz shareholders will receive on the date of the Transaction. Share price changes may result from a variety of factors (many of which are beyond the control of Energy Fuels and Uranerz), including the following:

- Changes in Uranerz and Energy Fuels respective businesses, operations, finances and prospects, or the market assessments thereof;
- Market assessments of the likelihood that the Transaction will be completed, including related considerations regarding regulatory approvals of the Transaction; and
- General market and economic conditions, including fluctuations in the spot price of uranium and other factors generally affecting the price of Uranerz common stock and Energy Fuels common shares.

The price of Energy Fuels common shares at the closing of the Transaction may vary from the price on the date the Merger Agreement was executed, on the date of this proxy statement/prospectus, and on the date of the Special Meeting of Uranerz. As a result, the market value represented by the Exchange Ratio will also vary. For example, based on the range of closing prices of Energy Fuels common shares on the NYSE MKT during the period from January 2, 2015, the last trading day before public announcement of execution of the Merger Agreement, through May 22, 2015, the last trading date before the date of this proxy statement/prospectus, the Exchange Ratio represented a market value ranging from a low of \$1.04 to a high of \$1.57 for each Uranerz common share.

Because the Transaction will be completed after the date of the Special Meeting, at the time of Uranerz special meeting, Uranerz shareholders will not know the exact market value of the Energy Fuels common shares that Uranerz shareholders will receive upon completion of the Transaction.

If the price of Energy Fuels common shares increases between the time of the Special Meeting and the closing of the Transaction, Uranerz shareholders will receive Energy Fuels common shares that have a market value that is greater than the market value of such shares at the time of the Special Meeting. If the price of Energy Fuels common shares decreases between the time of the Special Meeting and the Effective Time, Uranerz shareholders will receive Energy Fuels common shares at closing that have a market value that is less than the market value of such shares at the time of the Special Meeting. Therefore, because the Exchange Ratio will not be adjusted based on the market value of shares of Uranerz common stock or Energy Fuels shares, shareholders cannot be sure at the time of the Special Meeting of the market value of the consideration that will be paid to Uranerz shareholders upon completion of the Transaction.

The Transaction is subject to a number of conditions, including the receipt of consents and clearances from regulatory authorities that may not be obtained, may not be completed on a timely basis or may impose conditions that could have an adverse effect on Uranerz or Energy Fuels.

Completion of the Transaction is conditioned upon, among other matters, the receipt of certain governmental authorizations, consents, orders, clearances, or other approvals necessary to permit all parties to perform their obligations under the Merger Agreement and complete the Transaction, including, without limitation, the Nuclear Regulatory Commission and Wyoming Department of Environmental Quality. There can be no assurance that regulators will not impose conditions, terms, obligations, or restrictions and that such conditions, terms, obligations, or restrictions will not have the effect of delaying or preventing the completion of the Transaction or imposing additional material costs on, or materially reducing the revenues of Energy Fuels following the Transaction. In addition, such conditions, terms, obligations, or restrictions may result in the delay or abandonment of the Transaction.

Failure to complete the Transaction could negatively impact Uranerz business, financial condition, results of operations or stock price.

Completion of the Transaction is conditioned upon the satisfaction of certain closing conditions, including the approval of the Transaction by Uranerz shareholders, as set forth in the Merger Agreement. The required conditions to closing may not be satisfied in a timely manner, if at all, or, if permissible, waived. If the Transaction is not consummated for these or any other reason, Uranerz ongoing business may be adversely affected and will be subject to a number of risks and consequences, including the following:

- Uranerz may be required, under certain circumstances, to pay Energy Fuels a termination fee of \$5 million;

- Uranerz must pay the substantial fees and expenses that it incurred related to the Transaction, such as legal, accounting, printing and fees and expenses of other professionals retained in connection with the Transaction, even if the Transaction is not completed and, except in certain circumstances, Uranerz may not be able to recover such fees and expenses from Energy Fuels;
- under the Merger Agreement, Uranerz is subject to certain restrictions on the conduct of its business prior to completing the Transaction, which restrictions could adversely affect its ability to realize certain of its business strategies, including its ability to enter into additional acquisitions or other strategic transactions;
- matters relating to the Transaction may require substantial commitments of time and resources by Uranerz management, which could otherwise have been devoted to other opportunities that may have been beneficial to Uranerz;
- the market price of Uranerz common shares may decline to the extent that the current market price reflects a market assumption that the Transaction will be completed;
- Uranerz may experience negative reactions to the termination of the Transaction from customers, clients, business partners, lenders and employees; and
- Uranerz would not realize any of the anticipated benefits of having completed the Transaction.

In addition, any delay in the consummation of the Transaction, or any uncertainty about the consummation of the Transaction, may adversely affect Uranerz future business, growth, revenue, liquidity and results of operations.

Lawsuits have been filed against Uranerz, Energy Fuels, and Merger Sub relating to the Transaction, and an adverse ruling in any such lawsuit may prevent the Transaction from being completed.

Since the Transaction was announced on January 5, 2015, a number of putative shareholder class action complaints have been filed against Uranerz, Uranerz board of directors, Energy Fuels Inc. and EFR Nevada Corp. in the District Court, Clark County, Nevada and the District Court, Washoe County, Nevada, by purported Uranerz shareholders challenging the Transaction and seeking, among other things, damages, attorneys and experts fees and injunctive relief concerning alleged breaches of fiduciary duty and to prohibit defendants from consummating the Transaction. Uranerz and Energy Fuels believe the claims asserted in the complaints have no merit, and Energy Fuels and Uranerz and all of the members of the board of directors of Uranerz intend to defend vigorously against them. See Proposal One The Transaction Litigation Related to the Transaction on page 151 for more information about the lawsuits related to the Transaction that have been filed. If Uranerz and Energy Fuels are unsuccessful in defending the class action complaints, Uranerz and Energy Fuels may not be able to proceed with the Transaction even if all required approvals, including the approvals of the shareholders of Uranerz, are obtained. In addition, Uranerz and Energy Fuels may become subject to awards of damages against us.

The rights of Uranerz shareholders who become Energy Fuels shareholders in the Transaction will be governed by the OBCA and subject to Energy Fuels Articles and Bylaws.

Uranerz shareholders who receive Energy Fuels common shares in the Transaction will become Energy Fuels shareholders. Energy Fuels is a corporation governed under the laws of the Province of Ontario, Canada. As a result, Uranerz shareholders who become shareholders in Energy Fuels will be governed by the OBCA and their rights will be subject to Energy Fuels Articles and Energy Fuels Bylaws, rather than being governed by the NRS and Uranerz Amended and Restated Articles of Incorporation, as amended, and Uranerz Amended and Restated Bylaws. There may be material differences between the current rights of Uranerz shareholders, as compared to the rights they will have as Energy Fuels shareholders.

These material differences may include, but are not limited to, the following:

- Energy Fuels has only one class of authorized shares, common shares, and under the Energy Fuels Articles, Energy Fuels board of directors has the authority to issue an unlimited number of common shares;
- pursuant to the OBCA, at least 25% of the directors of Energy Fuels must be resident Canadians;
- directors of Energy Fuels may be removed only by a majority vote of the shareholders of Energy Fuels whereas Uranerz directors may be removed only by two-thirds of the voting power of the Uranerz shareholders;
- the Uranerz Articles require, generally, a majority of the voting power, but in certain cases, the vote of 66 2/3% of the votes cast of the corporation, to repeal or amend certain provisions, while the Energy Fuels Articles require 66 2/3% of the votes cast, in person or by proxy, of the shares of the corporation to amend the Energy Fuels Articles;
- the Uranerz Bylaws provide that the presence, in person or by proxy, of the persons entitled to vote one-third of the shares entitled to vote at any meeting of shareholders shall constitute a quorum for the transaction of business while under the Energy Fuels Bylaws, two shareholders entitled to vote at such meeting, whether present in person or represented by proxy constitute a quorum; and
- The OBCA, being the corporate statute that governs Energy Fuels, provides an oppression remedy that enables a court to make any order, including awarding money damages, appointing a receiver, dissolving the corporation, forcing the acquisition of securities and amending charter documents, to rectify matters that are oppressive or unfairly prejudicial to, or that unfairly disregard the interests of, any securityholder, creditor, director or officer of the corporation if an application is made to a court by a recognized complainant under the OBCA.

For more information, see *Comparison of Rights of Uranerz Shareholders and Energy Fuels Shareholders* beginning on page 194 of this proxy statement/prospectus.

The Merger Agreement contains provisions that could discourage a potential competing acquiror of Uranerz.

The Merger Agreement contains provisions that, subject to limited exceptions, restrict Uranerz ability to solicit, encourage, facilitate or discuss competing third-party proposals to acquire shares or assets of Uranerz. In addition, certain shareholders holding approximately 3.99% of the issued and outstanding shares of Uranerz common stock have entered into support agreements with Energy Fuels pursuant to which they have agreed to vote in favor of the Transaction. These provisions and the support agreements could discourage a potential competing acquiror that might have an interest in acquiring all or a significant part of Uranerz from considering or proposing that acquisition, even if it were prepared to pay consideration with a higher per share, cash or market value than the Transaction consideration proposed to be received or realized in the Transaction, or might result in a potential competing acquiror proposing to pay a lower price than it might otherwise have proposed to pay because of the added expense of the \$5 million termination fee that may become payable in certain circumstances.

If the Merger Agreement is terminated by Uranerz, it may not be able to negotiate a transaction with another party on terms comparable to, or better than, the terms of the Transaction.

The fairness opinion obtained by the independent Special Committee of the board of directors of Uranerz from its independent financial advisor will not reflect subsequent changes.

In connection with the proposed Transaction, Euro Pacific, the independent financial advisor to the Special Committee, delivered to the Special Committee an opinion dated January 3, 2015 to the effect that as of that date, and based upon and subject to the various considerations set forth in the opinion, the consideration to be received by holders of shares of Uranerz common stock pursuant to the Merger Agreement was fair, from a financial point of view, to those holders. The opinion does not reflect changes that may occur or that have occurred after the date of the opinion, including changes to the operations and prospects of Energy Fuels or Uranerz, fluctuations in the spot price of uranium, changes in the market prices of the common shares of Energy Fuels or Uranerz, changes in general market or economic conditions or regulatory or other factors. Any such changes, or changes of other factors on which the opinion is based, may materially alter or affect the relative values of Uranerz and Energy Fuels and the value of the Transaction consideration payable to Uranerz shareholders.

Risk Relating to the Combined Company

The market price of Energy Fuels common shares has been, and may continue to be, volatile, and Uranerz shareholders could lose all or part of their investment.

The market price of Energy Fuels common shares has fluctuated substantially, may continue to do so, and may be higher or lower than the initial price received upon the exchange. As a result, Energy Fuels future stock price may be volatile. Over the twelve month period ending on May 15, 2015, the market price of Energy Fuels common shares on the TSX has ranged from a low of C\$5.03 to a high of C\$9.44. Over the twelve month period ending on May 15, 2015, the market price of Energy Fuels common shares on the NYSE MKT has ranged from a low of \$4.00 to a high of \$8.56. The market price of Energy Fuels common shares following the Transaction will depend on a number of factors many of which are beyond Energy Fuels control. These fluctuations could cause Uranerz shareholders to lose all or part of their investment in Energy Fuels common shares since Uranerz shareholders might be unable to sell their shares at or above the price initially received upon the exchange of shares of Uranerz common stock. Factors that could cause fluctuations in the market price of Energy Fuels common shares include the following:

- price and volume fluctuations in the overall stock market from time to time;

- volatility in the market prices and trading volumes of uranium mining stocks and/or the spot price of uranium;
- changes in operating performance and stock market valuations of other uranium mining companies generally, or those in Energy Fuels industry in particular;
- future capital raising activities of Energy Fuels;
- sales of Energy Fuels common shares by holders thereof or Energy Fuels;
- failure of securities analysts to maintain coverage of Energy Fuels, changes in financial estimates by securities analysts who follow Energy Fuels, or Energy Fuels failure to meet these estimates or the expectations of investors;
- the financial projections Energy Fuels may provide to the public, any changes in those projections or Energy Fuels failure to meet those projections;
- the announcements by Energy Fuels or its competitors of new projects or acquisitions or divestitures;
- the public's reaction to Energy Fuels press releases, other public announcements and filings with the SEC and the applicable Canadian securities regulatory authorities;
- rumors and market speculation involving Energy Fuels or other companies in Energy Fuels industry;
- actual or anticipated changes in Energy Fuels operating results or fluctuations in Energy Fuels operating results;
- actual or anticipated developments in Energy Fuels business, Energy Fuels competitors businesses or the competitive landscape generally;
- litigation involving Energy Fuels, Energy Fuels industry or both, or investigations by regulators into Energy Fuels operations or those of Energy Fuels competitors;
- announced or completed acquisitions of businesses by Energy Fuels or Energy Fuels competitors;
- new laws or regulations or new interpretations of existing laws or regulations applicable to Energy Fuels and its business;
- changes in accounting standards, policies, guidelines, interpretations or principles;
- any significant change in Energy Fuels management; and
- general economic conditions and slow or negative growth of Energy Fuels markets.

Current Uranerz shareholders will have reduced ownership and voting interests after the Transaction.

Based on 95,912,806 shares of common stock of Uranerz outstanding on May 26, 2015, the record date for the Special Meeting, and the exchange ratio, it is anticipated that Energy Fuels will issue 24,457,766 Energy Fuels common shares to the shareholders of Uranerz on completion of the Transaction. Based on the number of common shares of Energy Fuels outstanding on May 26, 2015, the record date for the Special Meeting, current Uranerz shareholders and current Energy Fuels shareholders would own approximately 55.6% and 44.4% of Energy Fuels common shares, respectively, upon the completion of the Transaction, assuming no additional issuances of common shares by either Energy Fuels and Uranerz between the record date and the Effective Time. However, Energy Fuels could issue up to 1,824,941 common shares upon the exercise of outstanding Energy Fuels warrants and options prior to the Effective Time and Uranerz could issue up to 18,594,180 shares of common stock (equivalent to 4,741,516 Energy Fuels common shares) upon the exercise of outstanding Uranerz warrants and options prior to the Effective Time. In addition, following the effective time, Energy Fuels may issue additional common shares pursuant to the exercise of outstanding Energy Fuels warrants and options, including pursuant to those Uranerz warrants and options assumed by Energy Fuels in connection with the Transaction. Further, Energy Fuels may issue additional common shares in connection with future financings or other transactions.

Uranerz shareholders currently have the right to vote for the directors of Uranerz and on other matters affecting Uranerz. At the closing of the Transaction, each Uranerz shareholder who receives Energy Fuels common shares will become a shareholder of Energy Fuels. As a result, the percentage ownership of Energy Fuels held by each current Uranerz shareholder will be smaller than such shareholder's percentage ownership of Uranerz prior to the Transaction. Uranerz current shareholders will, therefore, have proportionately less ownership and voting interests in Energy Fuels following the Transaction than they have now in Uranerz.

The Transaction will result in changes to Energy Fuels' board of directors and management that may affect the strategy and operations of the combined company as compared to that of Uranerz and Energy Fuels as they currently exist.

If the Transaction is completed, the composition of Energy Fuels' board of directors and management team will change. Upon completion of the Transaction, the Energy Fuels board of directors will be comprised of eight members. Energy Fuels' board of directors currently consists of nine members, and on closing of the Transaction, two members of the Energy Fuels board of directors are anticipated to resign and two additional board members designated by Uranerz will be appointed to the Energy Fuels board of directors. These individuals are Dennis Higgs and Glenn Catchpole.

In addition, Mr. Paul Goranson, current President and COO of Uranerz is expected to become the Executive Vice President, ISR Operations of Energy Fuels. Furthermore, Energy Fuels is currently in negotiations with Mr. Dennis Higgs to stay on as an employee or a consultant following the closing of the Transaction. There can be no assurance that the newly constituted board of directors and new management of Energy Fuels will function effectively as a team and that there will not be any adverse effect on Energy Fuels' business as a result.

Any delay in completing the Transaction may reduce or eliminate the benefits expected to be achieved thereunder.

In addition to the required regulatory approvals and clearances, the Transaction is subject to a number of other conditions beyond shareholders' control that may prevent, delay, or otherwise materially adversely affect its completion. It is not predictable whether and when these other conditions will be satisfied. Furthermore, the requirements for obtaining the required clearances and approvals could delay the completion of the Transaction for a significant period of time or prevent it from occurring. Any delay in completing the Transaction could cause shareholders not to realize some or all of the synergies and other benefits that are expected to be achieved if the Transaction is successfully completed within its expected time frame.

Uncertainties associated with the Transaction may cause a loss of management personnel and other key employees which could adversely affect the future business and operations following the Transaction.

The combined company will be dependent on the experience and industry knowledge of Uranerz and Energy Fuels officers and other key employees to execute its business plans. Energy Fuels' success after the Transaction will depend in part upon its ability to retain key management personnel and other key employees. Uranerz' and Energy Fuels' current and prospective employees may experience uncertainty about their roles within Energy Fuels following the Transaction or other concerns regarding its operations following the Transaction, any of which may have an adverse effect on Energy Fuels' ability to attract or retain key management and other key personnel. Accordingly, no assurance can be given that Uranerz and Energy Fuels will be able to attract or retain key management personnel and other key employees until the Transaction is consummated or following the Transaction to the same extent that Uranerz and Energy Fuels have previously been able to attract or retain such employees.

The expected benefits of the Transaction may not be realized.

To be successful after the Transaction, Energy Fuels will need to combine and integrate the operations of Uranerz and Energy Fuels. Integration will require substantial management attention and resources and could detract attention and resources from the day-to-day business of Energy Fuels. Energy Fuels could encounter difficulties in the integration process, such as:

- the potential inability to extract predicted amounts of uranium from the Uranerz ISR operations and to achieve anticipated sales under sales agreements;
- the potential inability to successfully carry out the Uranerz plan of operations for the Nichols Ranch ISR Uranium Project, including the planned wellfield and operating unit expansions;
- the potential inability to successfully combine Uranerz' business with Energy Fuels' business or difficulties in connection with the in situ recovery mining method in a manner that permits it to achieve the operational and cost synergies expected to be achieved as a result of the completion of the Transaction and other benefits anticipated to result from the Transaction;
- complexities associated with managing the combined businesses, including difficulty addressing possible differences in corporate cultures and management philosophies and the challenge of integrating different hard-rock and in-situ recovery mining methods and assets of each of the companies in a seamless manner that minimizes any adverse impact on customers, clients, employees, lenders, and other constituencies;
- the loss of key employees, customers, suppliers, vendors and partners;
- insufficient capital and liquidity to achieve the business plan;
- the inability of the combined company to meet its cost and production expectations;

- insufficient uranium prices to allow the combined business to achieve its production goals; and
- potential unknown liabilities and unforeseen increased expenses or delays associated with the Transaction.

If Energy Fuels cannot integrate Uranerz business successfully with its own, Energy Fuels may fail to realize the expected benefits of the Transaction. In addition, there is no assurance that all of the goals and anticipated benefits of the Transaction will be achievable, particularly as the achievement of the benefits are in many important respects subject to factors that neither Energy Fuels nor Uranerz controls. These factors include such things as the reactions of third parties with whom contracts are entered into and with which business is undertaken and the reactions of investors and analysts.

In addition, Uranerz and Energy Fuels have operated and, until the completion of the Transaction, will continue to operate independently. It is possible that the integration process could result in diversion of the attention of each company's management which could adversely affect each company's ability to maintain relationships with customers, clients, employees, and other constituencies or Energy Fuels ability to achieve the anticipated benefits of the Transaction, or could reduce each company's operating results or otherwise adversely affect Energy Fuels business and financial results following the Transaction.

The obligations and liabilities of Energy Fuels, some of which may be unanticipated or unknown, may be greater than anticipated, which may diminish the value of Energy Fuels' shares.

Energy Fuels' obligations and liabilities, some of which may be unanticipated or unknown, or may be greater than anticipated, may not be reflected or reserved for in Energy Fuels' historical financial statements. The obligations and liabilities of Energy Fuels could have a material adverse effect on Energy Fuels' business, financial condition, or results of operations following the Transaction. Uranerz shareholders will not be entitled to indemnification from Energy Fuels under the Merger Agreement with respect to obligations or liabilities of Energy Fuels, whether known or unknown. Any such liabilities could substantially reduce Energy Fuels' earnings and cash flows or otherwise materially and adversely affect its business, financial condition, or results of operations following the Transaction.

Energy Fuels has made a Determination that the Transaction will not constitute a Change of Control Under its Convertible Debentures, and, like any other Determination, could Potentially be Challenged.

Energy Fuels currently has convertible debentures outstanding in the aggregate principal amount of CDN\$22 million. If there is a change of control of Energy Fuels as such term is defined in the trust indenture, Energy Fuels would be obligated to offer to redeem the convertible debentures. Energy Fuels has determined that the completion of the Transaction will not constitute a change of control as defined under the trust indenture and accordingly that Energy Fuels will not be obligated to offer to redeem the convertible debentures on completion of the Transaction. However, there can be no assurance that all holders of debentures will agree with Energy Fuels' determination on this matter, and it is therefore possible that legal action under the Indenture could result. If one or more holders brought such an action, it could result in costs to Energy Fuels and a diversion of management attention. Furthermore, if a court found, despite the language of the trust indenture, that there was a change of control, then Energy Fuels may be required to redeem some or possibly all of the convertible debentures. Such a redemption would adversely impact the working capital and financial position of Energy Fuels and Energy Fuels may be required to seek additional financing to fund the redemption. While Energy Fuels believes that it would be able to raise such additional financing, there can be no assurance that it would be able to do so on commercially reasonable terms. In addition, the completion of any additional financing may be dilutive to the shareholders of Energy Fuels. The inability of Energy Fuels to complete any additional financing, if required, on commercially reasonable terms or at all, could adversely impact its stock price and, accordingly, the value of the former Uranerz shareholders investment in Energy Fuels.

Energy Fuels future results following the Transaction may differ materially from the unaudited pro forma financial information included in this proxy statement/prospectus.

The unaudited pro forma combined financial information contained in this proxy statement/prospectus is presented for purposes of presenting Energy Fuels historical consolidated financial statements with Uranerz historical consolidated financial statements as adjusted to give effect to the Transaction as though the Transaction had occurred on December 31, 2014, and is not necessarily indicative of the financial condition or results of operations of Energy Fuels following the Transaction. The unaudited pro forma financial information reflects adjustments, which are based upon preliminary estimates, to allocate the purchase price to Uranerz acquired assets and liabilities. The purchase price allocation reflected in this proxy statement/prospectus is preliminary, and final allocation of the purchase price will be based upon the actual purchase price and the fair value of the assets and liabilities of Uranerz as of the date of the completion of the Transaction. In addition, the assumptions used in preparing the pro forma financial information may not prove to be accurate, and other factors may affect Energy Fuels financial condition and results of operations following the Transaction. Any change in Energy Fuels financial condition or results of operations may cause significant variations in the value of the Energy Fuels shares issued to shareholders of Uranerz as part of the Transaction. See the section entitled Unaudited Pro Forma Condensed Financial Statements beginning on page 186 for more information.

Additional reporting requirements may apply if Energy Fuels loses its status as a Foreign Private Issuer under the Exchange Act.

Energy Fuels is considered a foreign private issuer under the rules of the SEC. However, following completion of the Transaction it is likely to lose its foreign private issuer status effective at the beginning of its next fiscal year. As a foreign private issuer, Energy Fuels is subject to the reporting requirements under the Exchange Act applicable to foreign private issuers. Energy Fuels is required to file its annual report on Form 40-F with the SEC at the time it files its annual information form with the applicable Canadian securities regulatory authorities. In addition, Energy Fuels must furnish reports on Form 6-K to the SEC regarding certain information required to be publicly disclosed by Energy Fuels in Canada or filed with the TSX and which was made public by the TSX, or regarding information distributed or required to be distributed by Energy Fuels to its shareholders. Moreover, although Energy Fuels is required to comply with Canadian disclosure requirements, in some circumstances Energy Fuels is not required to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act. Energy Fuels is required to file financial statements in accordance with IFRS, and therefore does not file financial statements prepared in accordance with U.S. generally accepted accounting principles. Furthermore, Energy Fuels is not required to comply with Regulation FD, which addresses certain restrictions on the selective disclosure of material information, although it must comply with Canadian disclosure requirements. In addition, among other matters, Energy Fuels officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions of Section 16 of the Exchange Act and the rules under the Exchange Act with respect to their purchases and sales of Energy Fuels common shares. If Energy Fuels loses its status as a foreign private issuer, it will no longer be exempt from such rules and, among other things, will be required to file periodic reports and financial statements as if it were a company incorporated in the United States. Energy Fuels does, however, file quarterly financial information under Canadian periodic reporting requirements for public corporations, which is accessible through the Internet at www.sedar.com, and will furnish such quarterly financial information to the SEC under cover of Form 6-K, which is available at www.sec.gov. Insiders of Energy Fuels are generally required to disclose their trading in Energy Fuels shares within 5 days of the date of the trade and these trading activity reports can be accessed through the Internet at www.sedi.ca.

Uranerz and Energy Fuels expect to incur substantial expenses related to the Transaction and the integration of the two companies.

Energy Fuels expects to incur significant transaction costs and significant synergy planning and integration costs in connection with the Transaction. While Energy Fuels has assumed that this level of expense will be incurred, there are many factors beyond its control that could affect the total amount or the timing of the Transaction and integration expenses. Moreover, many of the expenses that will be incurred are, by their nature, difficult to estimate accurately. To the extent these Transaction and integration expenses are higher than anticipated or are incurred at different times than anticipated, Energy Fuels' future operating results and financial condition may be materially adversely affected.

Energy Fuels' future results will suffer if it does not effectively manage its expanded operations following the Transaction.

Following the Transaction, the size of Energy Fuels' business will increase significantly. Its future success depends, in part, upon its ability to manage this expanded business, which will pose substantial challenges for management, including challenges related to the management and monitoring of new operations, and associated increased costs and complexity. There can be no assurances that Energy Fuels will be successful following the Transaction.

The Transaction may result in a loss of customers, clients and strategic alliances.

As a result of the Transaction, some of the customers, clients, potential customers or clients or strategic partners of Uranerz or Energy Fuels may terminate their business relationship with Uranerz or Energy Fuels following the Transaction. Potential clients or strategic partners may delay entering into, or decide not to enter into, a business relationship with Uranerz or Energy Fuels because of the Transaction. Further one of Uranerz' existing uranium supply contracts will require the purchaser's consent to the change of control of Uranerz, and there can be no assurance that such consent will be forthcoming. If customer or client relationships or strategic alliances are adversely affected by the Transaction, Energy Fuels' business and financial performance following the Transaction would suffer.

The market price of Energy Fuels common shares may be affected by factors different from those affecting the Energy Fuels common shares or Uranerz common shares prior to consummation of the Transaction.

Energy Fuels' mining methods and historical business differ from that of Uranerz. Accordingly, the results of operations of the combined company and the market price of Energy Fuels' common shares may be affected by factors different from those that previously affected the independent results of operations and the market price of the common shares of each of Uranerz and Energy Fuels. The ability to produce and level and timing of production at Energy Fuels' existing mines and mill, which are based on conventional hard-rock underground mining and alternate feed material production, are different from those of Uranerz, which are based on ISR production. These differences may lead to different production profiles in different price scenarios from Energy Fuels' conventional and ISR production facilities, which could lead to adverse impacts on the market price for Energy Fuels' shares.

Third parties may terminate or alter existing contracts with Uranerz and Energy Fuels.

Uranerz has a customer uranium sales contract that contains a "change of control" or similar clause that allows the counterparty to terminate or change the terms of its contract upon the closing of the Transaction as contemplated by the Merger Agreement. Energy Fuels and Uranerz have agreed to work together to obtain the necessary consent from such third party, but if such third party consent cannot be obtained, or is obtained on unfavorable terms, Energy Fuels and Uranerz may lose the benefit of such contract going forward, including benefits that may be material to Energy Fuels' business following the Transaction. Energy Fuels and Uranerz do not anticipate knowing whether any contracts will be terminated, or whether any such contracts will be renegotiated, until the Transaction has been completed and, accordingly, Uranerz and Energy Fuels cannot currently quantify the financial impact, if any, of the loss of any benefits of such contract.

Energy Fuels is an emerging growth company and Energy Fuels and Uranerz cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make Energy Fuels common shares less attractive to investors.

Energy Fuels is an emerging growth company as defined in the JOBS Act, whereas Uranerz is not an emerging growth company. Energy Fuels will continue to qualify as an emerging growth company until the earliest to occur of: (a) the last day of the fiscal year during which Energy Fuels has total annual gross revenues of US\$1,000,000,000 or more; (b) the last day of the fiscal year of Energy Fuels following the fifth anniversary of the date of the first sale of common equity securities of Energy Fuels pursuant to an effective registration statement under the Securities Act, such as this proxy statement/prospectus or the Form S-8 Registration Statement filed by Energy Fuels on March 31, 2014; (c) the date on which Energy Fuels has, during the previous 3-year period, issued more than US\$1,000,000,000 in non-convertible debt; or (d) the date on which Energy Fuels is deemed to be a large accelerated filer.

For so long as Energy Fuels continues to qualify as an emerging growth company, it will be exempt from the requirement to include an auditor attestation report relating to internal control over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act ("SOA") in its annual reports filed under the Exchange Act, even if it does not qualify as a smaller reporting company, as well as certain other exemptions from various reporting requirements that are applicable to other public companies.

Any U.S. domestic issuer that is an emerging growth company is able to avail itself of the reduced disclosure obligations regarding executive compensation in periodic reports and proxy statements, and to not present to its shareholders a nonbinding advisory vote on executive compensation, obtain approval of any golden parachute payments not previously approved, or present the relationship between executive compensation actually paid and Energy Fuels' financial performance. In contrast, Uranerz is currently subject to all of these requirements. As a foreign private issuer, Energy Fuels is not subject to such requirements, and will not become subject to such requirements even if Energy Fuels ceases to be an emerging growth company, unless Energy Fuels also ceases to be a foreign private issuer.

Energy Fuels is and will remain through December 31, 2015, an emerging growth company within the meaning under the JOBS Act, and until Energy Fuels ceases to be an emerging growth company Energy Fuels may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the SOA. Investors in Uranerz who are familiar with Uranerz' reporting regime, may find Energy Fuels' common shares less attractive because Energy Fuels relies on these exemptions. If some of Uranerz' investors find Energy Fuels common shares less attractive as a result, there may be a less active trading market for Energy Fuels common shares and Energy Fuels share price may be more volatile.

Section 7874 of the Code may limit the ability of Uranerz, and U.S. persons related to Uranerz, to utilize certain U.S. tax attributes to offset certain U.S. taxable income, if any, generated by the Transaction and the transactions contemplated by this Merger Agreement, or certain specified transactions for a period of time following the Transaction.

Section 7874 of the Code may limit the ability of a U.S. corporation acquired by a foreign corporation, and U.S. persons related to the acquired U.S. corporation, to utilize certain U.S. tax attributes (including net operating losses and certain tax credits) to offset certain U.S. taxable income. Specifically, if the shareholders of the acquired U.S. corporation own, following an acquisition by a foreign corporation, at least 60%, but less than 80%, measured either by vote or by value, of the shares of the acquiring foreign corporation, the taxable income of the acquired U.S. corporation (and any U.S. person related to the U.S. corporation) for any given year, within a ten-year period beginning on the date of the acquisition will be no less than that person's inversion gain for that taxable year. A person's inversion gain includes gain from the transfer of shares, or any other property (other than property held for sale to customers), and income from the license of any property that is either transferred or licensed as part of the acquisition, or that is transferred or licensed to a non-U.S. related person after the acquisition.

Pursuant to the Merger Agreement, and subject to changes in the current share prices of Energy Fuels common shares and shares of Uranerz common stock with respect to outstanding Uranerz and Energy Fuels options and warrants, the Uranerz shareholders are expected to own less than 60% of the vote and value of Energy Fuels common shares after the Transaction. As a result, under current law, Uranerz and U.S. persons related to Uranerz, are not expected to be subject to such limitations on the use of U.S. tax attributes. However, there can be no assurance that there will not exist in the future a change in the facts or in the law that might cause Uranerz to be subject to such limitations, including with retroactive effect. Further, there can be no assurance that the IRS will agree with the position that the 60% ownership requirement is not satisfied.

Future changes to U.S. and non-U.S. tax laws could materially affect Energy Fuels and Uranerz, including the ability of Uranerz to utilize certain U.S. tax attributes, and adversely affect their anticipated financial positions and results.

Although Uranerz is not expected to satisfy the tests with respect to Section 7874, described above, and therefore should not be subject to such limitations on the use of U.S. tax attributes, changes to the rules in section 7874 of the Code or the Treasury regulations promulgated thereunder, or other changes in law, could adversely affect the ability of Uranerz (and any U.S. person related to Uranerz) to utilize certain U.S. tax attributes, the effective tax rate of Uranerz or the combined company, or future planning for the combined company that is based on current law, and any such changes could have prospective or retroactive application to Energy Fuels, Uranerz, and their shareholders and related persons, and/or the Transaction. For example, recent legislative proposals have aimed to expand the scope of section 7874 of the Code, or otherwise address certain perceived issues arising in connection with inversion transactions. It is presently uncertain whether any of such legislative proposals will be enacted into law and, if so, what impact such legislation would have on Energy Fuels or Uranerz. In addition, the U.S. Treasury has indicated that it is considering possible regulatory action in connection with inversion transactions, including, most recently, in Notice 2014-52 (the **Notice**). The timing and substance of any such action is presently uncertain. Any such change of law or regulatory action could adversely impact Energy Fuels or Uranerz tax positions as well as either of their financial positions and results in a material manner. It is not expected that the promulgation of any of the Treasury regulations described in the Notice will have any such material adverse impact, nor are such regulations expected to change the U.S. federal income tax consequences of the transactions as described herein. However, the precise scope and application of the regulatory proposals will not be clear until proposed Treasury regulations are actually issued, and, accordingly, until such regulations are promulgated and fully understood, it cannot be certain that there will be no such impact. In any case, no such change of law or regulatory action would be grounds for terminating the Transaction or the transactions contemplated by the Merger Agreement.

Moreover, the U.S. Congress, the Organization for Economic Co-operation and Development and government agencies in jurisdictions where Energy Fuels and its affiliates do business have had an extended focus on issues related to the taxation of multinational corporations. In particular, specific attention has been paid to base erosion and profit shifting, where payments are made between affiliates from a jurisdiction with high tax rates to a jurisdiction with lower tax rates. As a result, the tax laws in the U.S. and other countries in which Energy Fuels and its affiliates do business could change on a prospective or retroactive basis, and any such change could adversely affect Energy Fuels.

If Energy Fuels is, or becomes, a "passive foreign investment company," adverse U.S. federal income tax consequences may result for U.S. shareholders of Energy Fuels

U.S. holders of Energy Fuels common shares should be aware that Energy Fuels believes it was not classified as a passive foreign investment company (**PFIC**) for its tax year ended December 31, 2014, and based on current business plans and financial expectations, Energy Fuels expects that it will not be a PFIC for the current tax year. Energy Fuels has not made any determination as to its PFIC status for future tax years. PFIC classification is fundamentally factual in nature, generally cannot be determined until the close of the tax year in question, and is determined annually. Consequently, there can be no assurance that Energy Fuels will not become a PFIC for any tax year during which U.S. holders own Energy Fuels shares.

If Energy Fuels is a PFIC for any year during a U.S. holder's holding period, then such U.S. holder generally will be required to treat any gain realized upon a disposition of Energy Fuels common shares, or any excess distribution received on its Energy Fuels common shares, as ordinary income, and to pay an interest charge on a portion of such gain or distribution, unless the U.S. holder makes a timely and effective qualified electing fund election (**QEF Election**) or a "mark-to-market" election with respect to its Energy Fuels common shares. A U.S. holder who makes a QEF Election generally must report on a current basis its share of Energy Fuels' net capital gain and ordinary earnings for any year in which Energy Fuels is a PFIC, whether or not Energy Fuels distributes any amounts to its shareholders. However, U.S. holders should be aware that there can be no assurance that Energy Fuels will satisfy the record keeping requirements that apply to a QEF, or that Energy Fuels will supply U.S. holders with information that such U.S. holders require to report under the QEF Election rules, in the event that Energy Fuels is a PFIC and a U.S. holder wishes to make a QEF Election. Thus, U.S. holders may not be able to make a QEF Election with respect to their Energy Fuels common shares. A U.S. holder who makes a mark-to-market election generally must include as ordinary income each year the excess of the fair market value of the Energy Fuels common shares over the taxpayer's basis therein. This risk factor is qualified in its entirety by the discussion below under the heading **Proposal One The Transaction Material U.S. Federal Income Tax Considerations**. Each U.S. holder should consult its own tax advisors regarding the PFIC rules and the U.S. federal income tax consequences of the Transaction and the acquisition, ownership, and disposition of Energy Fuels common shares.

The Transaction is expected to result in an ownership change for Energy Fuels, and may result in an ownership change for Uranerz, under Section 382 of the Code, potentially limiting the use of Energy Fuels' and Uranerz' net operating loss carryforwards and certain other tax attributes in future years. In addition, each of Energy Fuels' and Uranerz' ability to use its net operating loss carryforwards may be further limited if taxable income does not reach sufficient levels.

As of March 31, 2015, Uranerz had approximately \$60 million of net operating loss (**NOL**) carryforwards available to reduce U.S. federal taxable income in future years. As of March 31, 2015, Energy Fuels had approximately \$132 million of NOL carryforwards available to reduce U.S. federal taxable income in future years. Under Section 382 of the Code, if a corporation undergoes an "ownership change," the corporation's ability to use its pre-change NOL carryforwards and other pre-change tax attributes to offset its post-change income and taxes may be limited. In general, an "ownership change" occurs if there is a cumulative change in ownership by "5-percent shareholders" that exceeds 50 percentage points over a rolling three-year period.

The Transaction is expected to result in an ownership change under Section 382 of the Code for Energy Fuels, potentially limiting the use of Energy Fuels' NOL carryforwards in future taxable years for U.S. federal income tax purposes. These limitations may affect the timing of when these NOL carryforwards can be used which, in turn, may impact the timing of when cash is used to pay the taxes of Energy Fuels and have a negative impact on Energy Fuels' financial position and results of operations. In addition, Energy Fuels' ability to use its NOL carryforwards will be dependent on its ability to generate taxable income. Some portion of the NOL carryforwards could expire before Energy Fuels generates sufficient taxable income.

The Transaction, together with other transactions, may result in an ownership change under Section 382 of the Code for Uranerz, potentially limiting the use of Uranerz NOL carryforwards in future taxable years for U.S. federal income tax purposes. These limitations may affect the timing of when these NOL carryforwards can be used which, in turn, may impact the timing of when cash is used to pay the taxes of Uranerz and have a negative impact on Uranerz financial position and results of operations. In addition, Uranerz ability to use its NOL carryforwards will be dependent on its ability to generate taxable income. Some portion of the NOL carryforwards could expire before Uranerz generates sufficient taxable income.

Uranerz warrants not held in Registered Plans may be subject to Canadian Tax on completion of the Transaction.

As described in more detail under Effect of the Transaction on Uranerz Warrants , at the Effective Time each outstanding Uranerz warrant will entitle its holder to acquire, in lieu of one Uranerz share, a number of Energy Fuels common shares equal to the Exchange Ratio upon exercise, in accordance with the terms of the original Uranerz warrant. Although the matter is not free from doubt, Energy Fuels management believes the better view is that this treatment of the Uranerz Warrants under the Transaction should not be considered to be a disposition of the Uranerz warrants or receipt of a new warrant at the Effective Time, such that a Resident Uranerz Holder and Non-Resident Uranerz Holder (each as defined under Proposal One The Transaction Material Canadian Federal Income Tax Considerations) should not realize a capital gain (or capital loss) with respect to the Uranerz warrants at the Effective Time. However, no tax ruling or legal opinion has been sought or obtained in this regard, and the Canada Revenue Agency may not agree with this interpretation. Such holders of Uranerz warrants should review the section entitled Proposal One The Transaction Material Canadian Federal Income Tax Considerations and consult with their own tax advisors with respect to the tax considerations relevant to the treatment of the Uranerz warrants under the Transaction.

Uranerz warrants held in Registered Plans appear to cease to be qualified investments on completion of the Transaction.

The effect of the Regulations to the Tax Act (as defined under Proposal One The Transaction Material Canadian Federal Income Tax Considerations) appears to be that the Uranerz Warrants cease to be a qualified investment for Plans (as defined under Proposal One The Transaction Eligibility For Investment) as a result of the Transaction. Although it is not clear that this result would have been intended by the Department of Finance (Canada), there is insufficient guidance to form a contrary conclusion, and no income tax ruling or legal opinion has been sought or obtained in this regard. On the understanding that Uranerz warrants cease to be qualified investments for Plans as a result of the Transaction, affected Plans would be deemed to have acquired a non-qualified investment at such time, and the holder or annuitant of an affected Plan would be liable for a special penalty tax under the Tax Act imposed in respect of the fair market value of the Uranerz warrants held within the affected Plan at the relevant time, and other adverse results (not reviewed in this summary) can be expected to arise in respect of the Plan and its holder or annuitant under the Tax Act. The precise impact of these rules and the status of Uranerz warrants as investments other than qualified investments for purposes of the Plans, and potential mitigating steps for consideration by an affected holder or annuitant, are beyond the scope of this summary, and all affected Plan holders or annuitants (as the case may be) are advised to consult with their own tax advisors in this regard well in advance of the Effective Time.

Financing requirements of the combined business.

The combined entity may need additional financing in connection with the implementation of its business and strategic plans from time to time after closing of the Transaction. The exploration and development of mineral properties and the ongoing operation of mines, requires a substantial amount of capital and may depend on the combined entity's ability to obtain financing through joint ventures, debt financing, equity financing or other means. The combined entity may accordingly need further capital depending on wellfield development plans, production and operational results and market conditions, including the prices at which the combined entity sells its production, or in order to take advantage of further opportunities or acquisitions. The combined entity's financial condition, general market conditions, volatile uranium and vanadium markets, volatile interest rates, a claim against the combined entity, a significant disruption to the combined entity's business or operations or other factors may make it difficult to secure financing necessary for the expansion of mining activities or to take advantage of opportunities for acquisitions. Further, continuing volatility in the credit markets may increase costs associated with debt instruments due to increased spreads over relevant interest rate benchmarks, or may affect the ability of the combined entity, or third parties it seeks to do business with, to access those markets. There is no assurance that the combined entity will be successful in obtaining required financing as and when needed on acceptable terms, if at all. If the combined entity raises additional funding by issuing additional equity securities or securities convertible, exercisable or exchangeable for equity securities, such financing may substantially dilute the interests of the shareholders of the combined entity and reduce the value of their investment.

Risks Related to Energy Fuels Business

You should read and consider the other risk factors specific to Energy Fuels' businesses that will also affect Energy Fuels after the consummation of the Transaction described in Energy Fuels Form 40-F Annual Report for the year ended December 31, 2014 filed with the SEC on March 20, 2015 and other documents that have been filed by Energy Fuels with the SEC and which are incorporated by reference into this proxy statement/prospectus.

Risks Related to Uranerz Business

You should read and consider the other risk factors specific to Uranerz' businesses that will also affect Energy Fuels after the consummation of the Transaction, described in Part I, Item 1A of Uranerz' Annual Report on Form 10-K for the year ended December 31, 2014 filed with the SEC on March 16, 2015, and other documents that have been filed by Uranerz with the SEC and which are incorporated by reference into this proxy statement/prospectus.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING INFORMATION

This proxy statement/prospectus and the documents to which Uranerz and Energy Fuels refer herein contain forward-looking statements that involve risks, uncertainties, and assumptions that are difficult to predict. Words and expressions reflecting optimism, satisfaction, or disappointment with current prospects, as well as words such as believes, hopes, intends, estimates, expects, projects, plans, anticipates, and variations thereof, or tense, identify forward-looking statements, but their absence does not mean that a statement is not forward-looking. Such forward-looking statements are not guarantees of performance and actual results could differ materially from those contained in such statements. Such forward-looking statements include but are not limited to statements and information regarding:

- the calculations used by Euro Pacific for its fairness opinion including the net asset value calculation (based on project-level discounted cash flow analyses), analysts price to net asset value calculation and analysts estimates and research;
- the expectation that the Transaction will be completed;
- the expected benefits and synergies of the Transaction;
- the expected financial condition, results of operations, earnings outlook and prospects of Energy Fuels, Uranerz and the combined company;
- the terms of any potential funds loaned from Energy Fuels to Uranerz;
- the terms of any amendments to change of control agreements which may be entered into among members of Uranerz management and Energy Fuels; and
- the prospective information regarding the properties of Energy Fuels and Uranerz.

Factors that could cause or contribute to differences to the forward-looking statements include, but are not limited to: the occurrence of any event, change or other circumstances that could give rise to the termination of the Merger Agreement, the failure to obtain Uranerz shareholder approval or the failure to satisfy any of the other closing conditions, the failure to obtain the necessary regulatory approvals on conditions permissible under the Merger Agreement; risks related to disruption of management's attention from Uranerz or Energy Fuels ongoing business operations due to the Transaction; the effect of the announcement of the Transaction on the ability of Uranerz and Energy Fuels to retain customers and retain and hire key personnel and maintain relationships with suppliers, operating results and business generally; Uranerz and Energy Fuels ability to raise outside capital and to repay debt as it comes due; Uranerz and Energy Fuels ability to maintain compliance with the listing requirements of, and thereby maintain the listing of their common stock or common shares, as applicable, on, the NYSE MKT, or the TSX; and the other concerns identified in the Risk Factors above.

Although Uranerz and Energy Fuels believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect. The underlying expected actions or Uranerz or Energy Fuels results of operations involve risks and uncertainties, many of which are outside of either company's control, and any one of which, or a combination of which, could materially affect Uranerz and Energy Fuels results of operations and whether the forward-looking statements ultimately prove to be correct. These forward-looking statements speak only as of the date on which the statements were made and neither Uranerz nor Energy Fuels undertakes any obligation to update or revise any forward-looking statements made in this proxy statement/prospectus or elsewhere as a result of new information, future events, or otherwise, except as required by law.

In addition to other factors and matters contained or incorporated in this document, Uranerz believes the following factors could cause actual results to differ materially from those discussed in the forward-looking statements:

- the occurrence of any event, change, or other circumstances that could give rise to the termination of the Merger Agreement and the possibility that Uranerz could be required to pay a fee to Energy Fuels in connection therewith;
- risks that the regulatory approvals required to complete the Transaction will not be obtained in a timely manner, if at all;
- the inability to complete the Transaction due to the failure to obtain Uranerz shareholder approval of the Transaction or failure to satisfy any other conditions to the completion of the Transaction;
- business uncertainty and contractual restrictions during the pendency of the Transaction;
- adverse outcomes of pending or threatened litigation or governmental investigations;
- the failure of the Transaction to close for any other reason;
- the amount of the costs, fees, expenses and charges related to the Transaction;
- the outcome of shareholder class-action complaints relating to the Transaction;
- diversion of management's attention from ongoing business concerns;
- the effect of the announcement of the Transaction on Uranerz and Energy Fuels business, creditor and customer relationships, operating results, and business generally, including the ability to retain key employees;
- risks that the proposed Transaction disrupts current plans and operations;
- the possible adverse effect on Uranerz and Energy Fuels business and the prices of their respective common stock if the Transaction is not completed in a timely fashion or at all;
- risks that the combined company may be unable to successfully integrate Uranerz business and personnel with Energy Fuels business and personnel;
- risks that the expected benefits of the Transaction may not be realized; and
- other risk factors relating to the businesses of each of Uranerz and Energy Fuels, as detailed from time to time in each of Uranerz and Energy Fuels reports filed with the SEC and, in the case of Energy Fuels, the applicable Canadian securities regulatory authorities.

Many of the factors that will determine Uranerz and Energy Fuels future results are beyond Uranerz and Energy Fuels ability to control or predict. Uranerz and Energy Fuels cannot guarantee any future results, levels of activity, performance, or achievements. In light of the significant uncertainties inherent in the forward-looking statements, readers should not place undue reliance on forward-looking statements.

Additional information about these factors and about the material factors or assumptions underlying such forward-looking statements may be found in this proxy statement/prospectus, as well as in Uranerz Annual Report on Form 10-K for the fiscal year ended December 31, 2014 and in Energy Fuels Form 40-F Annual Report for the year ended December 31, 2014. See Where You Can Find More Information beginning on page 213. These important factors also include those set forth under the section entitled Risk Factors, beginning on page 34.

Readers are cautioned that any forward-looking statement speaks only as of the date of this proxy statement/prospectus, and it should not be assumed that the statements remain accurate as of any future date. Neither Energy Fuels nor Uranerz undertakes any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by law. Uranerz and Energy Fuels caution further that, as it is not possible to predict or identify all relevant factors that may impact forward-looking statements, the foregoing list should not be considered a complete statement of all potential risks and uncertainties.

Readers should carefully consider the cautionary statements contained or referred to in this section in connection with any subsequent forward-looking statements that may be issued by Uranerz or Energy Fuels or persons acting on behalf of either party.

CAUTIONARY NOTES TO UNITED STATES INVESTORS CONCERNING MINERAL RESERVE AND RESOURCE ESTIMATES

This proxy statement/ prospectus incorporates by reference documents that have been prepared by Energy Fuels which have been prepared in accordance with the requirements of Canadian provincial securities laws, which differ from the requirements of U.S. securities laws. Unless otherwise indicated, all reserve and resource estimates included or incorporated by reference in this proxy statement/ prospectus 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 (the **CIM**) CIM Definition Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended. NI 43-101 is an instrument developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. The terms mineral reserve , proven mineral reserve and probable mineral reserve are Canadian mining terms as defined in accordance with NI 43-101 and CIM standards. These definitions differ from the definitions in the SEC s Industry Guide 7 under the Securities Act.

Under United States 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 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.

In addition, the terms mineral resource , measured mineral resource , indicated mineral resource and inferred mineral resource are defined in and required to be disclosed by NI 43-101; however, these terms are not defined terms under SEC Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC. Investors are cautioned not to assume that all or any part of mineral deposits in these categories will ever be converted into reserves. Inferred mineral resources have a great amount of uncertainty as to their existence, and great uncertainty 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, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. 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 in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute reserves by SEC Industry Guide 7 standards as in place tonnage and grade without reference to unit measures.

Accordingly, information contained in this proxy statement/ prospectus and the documents incorporated by reference herein contain descriptions of mineral deposits that may not be comparable to similar information made public by United States companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

THE SPECIAL MEETING OF URANERZ SHAREHOLDERS

This section contains information about the Special Meeting of Uranerz shareholders that has been called to approve the Merger Agreement and the Transaction, approve the adjournment of the Special Meeting for the solicitation of additional proxies in the event there are insufficient votes present, in person or represented by proxy, at the time of the Special Meeting to approve the Merger Agreement, to approve, on an advisory (non-binding) basis as required by Item 402(t) of Regulation S-K and Section 14A(b) of the Exchange Act, certain golden parachute compensation that may become payable to Uranerz named executive officers in connection with the Transaction, and to consider any other business properly before the Special Meeting. This proxy statement/prospectus is being furnished to Uranerz shareholders in connection with the solicitation of proxies by the Uranerz board of directors to be used at the Special Meeting. Uranerz is first mailing this proxy statement/prospectus and enclosed proxy card on or about May 28, 2015.

Date, Time and Place

The special meeting will be held at 10:00 am Mountain Daylight Time, on June 18, 2015 at the Casper Petroleum Club, 1301 Wilkins Circle, Casper, Wyoming, U.S.A. 82601 (unless it is adjourned or postponed to a later date).

Purpose of Special Meeting

The purpose of the Special Meeting is for Uranerz shareholders to: (i) consider and vote upon approval of the Merger Agreement, (ii) consider and vote upon, on an advisory (non-binding) basis, a proposal to approve golden parachute compensation that may become payable to the named executive officers of Uranerz in connection with the Transaction, (iii) approve the adjournment proposal, and (iv) to transact such other business as may properly come before the Special Meeting (and any adjournment or postponement thereof), including consideration of any procedural matters incident to the conduct of the Special Meeting.

Recommendation of the Uranerz Board of Directors

After careful consideration and upon the unanimous recommendation from the Special Committee, the Uranerz board of directors unanimously (1) determined that the Merger Agreement and the Transaction are advisable and in the best interests of Uranerz and its shareholders, (2) approved the Transaction and the Merger Agreement and (3) resolved to recommend adoption of the Merger Agreement to Uranerz shareholders. **The Uranerz board of directors recommends that the Uranerz shareholders vote FOR the adoption of the Merger Agreement and FOR the adjournment of the Uranerz Special Meeting, if necessary or appropriate to solicit additional proxies if there are not sufficient votes to adopt the Merger Agreement at the time of the Uranerz Special Meeting.** For a discussion of the material factors considered by the Uranerz board of directors in reaching its conclusions, see Proposal One The Transaction Recommendations of the Uranerz Board of Directors; Uranerz Reasons for the Transaction beginning on page 79.

Uranerz shareholders should carefully read this proxy statement/prospectus in its entirety for more detailed information concerning the Transaction. In addition, Uranerz shareholders are directed to the Merger Agreement, which is included as Annex A in this proxy statement/prospectus.

Uranerz Record Date; Shares Entitled to Vote

The record date for the Special Meeting is May 26, 2015. Only Uranerz shareholders of record at the close of business on May 26, 2015 will be entitled to receive notice of, and to vote at, the Special Meeting or any adjournments or postponements thereof.

As of the close of business on the record date of May 26, 2015, there were 95,912,806 shares of Uranerz common stock outstanding and entitled to vote at the Special Meeting. Each holder of Uranerz common stock is entitled to one vote for each share of Uranerz common stock owned as of the Uranerz record date.

A complete list of Uranerz shareholders entitled to vote at the Special Meeting will be available for inspection at the principal place of business of Uranerz during regular business hours for a period of no less than 10 days before the special meeting and at the place of the Special Meeting during the meeting.

Stock Ownership by and Voting Rights of Uranerz Directors and Executive Officers

When considering the recommendation of Uranerz board of directors, you should be aware that certain of Uranerz executive officers and directors have interests in the Transaction other than their interests as Uranerz shareholders generally, as well as pursuant to individual agreements with certain officers and directors. These interests are different from your interests as a Uranerz shareholder; however, the members of Uranerz board of directors have taken these additional interests into consideration.

A change in control for purposes of the individual change in control severance agreements to which certain of Uranerz directors and executive officers are party, as discussed in greater detail below, will be deemed to occur upon the consummation of the Transaction which will entitle such directors and executive officers to, among other things, severance payments.

Certain of Uranerz non-employee directors hold stock options to acquire shares of common stock of Uranerz, which will become options to acquire common stock of Energy Fuels upon completion of the Transaction. Pursuant to the Merger Agreement, stock options held by independent directors of Uranerz, who will not continue as officers or directors of Energy Fuels on Closing, shall expire on the earlier of (i) the current expiry date of such Uranerz option or (ii) six months after the Closing Date.

At the close of business on the record date for the Special Meeting, Uranerz directors and executive officers and their affiliates beneficially owned 7,547,600 shares of Uranerz common stock (inclusive of shares issuable upon exercise of stock options within 60 days of the record date) and had the right to vote 3,828,600 shares of Uranerz common stock at the Special Meeting, which represents approximately 3.99% of the Uranerz common stock entitled to vote at the Uranerz special meeting. Pursuant to individual support agreements entered into between Energy Fuels and the directors and executive officers of Uranerz, the directors and executive officers of Uranerz will be obligated to Energy Fuels to vote their shares FOR the adoption of the Merger Agreement. It is expected that Uranerz non-director executive officers will vote their shares FOR the adoption of the Merger Agreement and FOR the adjournment of the Uranerz Special Meeting, if necessary or appropriate to solicit additional proxies if there are not sufficient votes to adopt the Merger Agreement at the time of the Uranerz Special Meeting.

Quorum

A quorum of shareholders is required to carry on the business of the Uranerz Special Meeting. One-third of the voting power of the issued and outstanding common stock of Uranerz as of the close of business on the record date for the determination of shareholders entitled to vote at the Special Meeting must be represented in person or by proxy at the meeting in order to constitute a quorum. On the record date, there were 95,912,806 shares of Uranerz common stock issued and outstanding. Any abstentions will be counted in determining whether a quorum is present at the Uranerz Special Meeting. In the event that a quorum is not represented in person or by proxy at the Uranerz Special Meeting, the holders of Uranerz common stock present in person or represented by proxy at the Uranerz Special Meeting and entitled to vote thereat, or the chairman of the Special Meeting, may adjourn the meeting until a quorum is represented in person or by proxy, without notice other than announcement at the meeting. If the adjournment is for more than 30 days, or if after adjournment a new record date is set, a notice of the adjourned meeting will be given to each Uranerz shareholder of record entitled to vote at the meeting.

The Uranerz proposals are not considered a routine matter with respect to shares of Uranerz common stock that are represented at the Special Meeting, but that are held by brokers, banks or other nominees who do not have authority to vote such shares (i.e., broker non-votes). Therefore, your broker will not be permitted to vote on the Uranerz proposals without instruction from you as the beneficial owner of the shares of Uranerz common stock. Broker non-votes (if any) will, however, be counted for purposes of determining whether a quorum is present at the Uranerz Special Meeting.

Required Vote

The approval of the Merger Agreement requires the affirmative vote of (i) the shares representing a majority of the outstanding shares of Uranerz common stock entitled to vote at the Special Meeting and (ii) the holders of the majority of shares of Uranerz common stock cast at the Special Meeting, exclusive of all shares of common stock owned, directly or indirectly by Energy Fuels and Merger Sub and the officers and directors of Uranerz. If you abstain from voting, either in person or by proxy, or do not instruct your broker or other nominee how to vote your shares, it will have the same effect as (a) a vote AGAINST the approval of the Absolute Majority Vote and (b) your votes will not be deemed to have been cast and will therefore not have an effect on the Disinterested Shareholder Vote.

As required by Item 402(t) of Regulation S-K and Section 14A(b) of the Exchange Act, Uranerz is providing its shareholders with the opportunity to cast an advisory (non-binding) vote on the golden parachute compensation that may become payable to its named executive officers in connection with the completion of the Transaction. The approval of the proposal to approve, on an advisory (non-binding) basis, this golden parachute compensation requires that the number of shares voted in favor of the proposal are greater than those voted against. If you abstain from voting, either in person or by proxy, or do not instruct your broker or other nominee how to vote your shares, it will not affect the advisory vote on this golden parachute compensation.

The approval of the proposal to adjourn the Special Meeting (if necessary or appropriate) to solicit additional proxies requires (i) if a quorum exists, that the number of shares voted in favor of adjournment are greater than those voted against, or (ii) in the absence of a quorum, the affirmative vote of the holders of a majority of the shares of Uranerz common stock represented at the Special Meeting or the decision of the chairman of the meeting to adjourn the Special Meeting. If you abstain from voting, either in person or by proxy, or do not instruct your broker or other nominee how to vote your shares, your votes will not be deemed to have been cast and will therefore not have an effect on adoption of Proposal Three.

The Transaction cannot be completed unless (i) Uranerz shareholders holding a majority of the outstanding shares entitled to vote at the Special Meeting approve the Merger Agreement and (ii) the holders of the majority of shares of Uranerz common stock cast at the Special Meeting, exclusive of all shares of common stock owned, directly or indirectly by Energy Fuels and Merger Sub and the officers and directors of Uranerz approve the Merger Agreement. Whether or not you plan to attend the Special Meeting in person, please complete, sign, date and return promptly the enclosed proxy card or follow the related Internet or telephone voting instructions. If you hold shares through a bank, broker or other nominee, you should follow the procedures provided by your bank, broker or other nominee.

Voting of Proxies by Holders of Record

If you are entitled to vote at the Uranerz Special Meeting and hold your shares in your own name, you can submit a proxy or vote in person by completing a ballot at the Special Meeting. However, Uranerz encourages you to submit a proxy before the Uranerz Special Meeting even if you plan to attend the Uranerz Special Meeting in order to ensure that your shares are voted. A proxy is a legal designation of another person to vote your shares of Uranerz common stock on your behalf. If you hold shares in your own name, you may submit a proxy for your shares by:

- faxing the enclosed proxy card to the number provided on the proxy card;
- accessing the Internet web site or calling the telephone number specified on the enclosed proxy card and follow the instructions provided to you; or
- filling out, signing and dating the enclosed proxy card and mailing it in the prepaid envelope included with these proxy materials.

When a shareholder submits a proxy by fax, by telephone or through the Internet, his or her proxy is recorded immediately. Uranerz encourages its shareholders to submit their proxies using these methods whenever possible. If you submit a proxy through the Internet web site or by telephone, please do not return your proxy card by mail.

All shares represented by each properly executed and valid proxy received before the Uranerz Special Meeting will be voted in accordance with the instructions given on the proxy. If a Uranerz shareholder executes a proxy card without giving instructions, the shares of Uranerz common stock represented by that proxy card will be voted in accordance with the recommendations of the Uranerz board of directors.

Please submit your proxy by Internet, telephone, fax or mail, whether or not you plan to attend the meeting in person.

Shareholders Sharing an Address

As permitted by the Exchange Act, only one copy of this proxy statement/prospectus is being delivered to Uranerz shareholders residing at the same address, unless Uranerz shareholders have notified Uranerz of their desire to receive multiple copies of this proxy statement/prospectus. This is known as householding.

Uranerz will promptly deliver, upon oral or written request, a separate copy of this proxy statement/prospectus to any Uranerz shareholder residing at an address to which only one copy was mailed. Shareholders who do not receive a separate copy of this proxy statement/prospectus and who want to receive a separate copy may request to receive a separate copy of this proxy statement/prospectus by writing to Investor Relations at Uranerz Energy Corporation 800 West Pender St., Suite 1410, Vancouver, British Columbia, Canada V6C 2V6, or by calling (604) 689-1659. Uranerz undertakes to deliver promptly a copy of this proxy statement/prospectus upon the receipt of such request. Shareholders who share an address and receive multiple copies of this proxy statement/prospectus may also request to receive a single copy by following the instructions above.

Revocability of Proxy; Changing Your Vote

You may revoke your proxy and/or change your vote at any time before your proxy is voted at the Uranerz Special Meeting. *If you are a shareholder of record, you can do this by:*

- sending a written notice stating that you revoke your proxy to Uranerz at, Uranerz Energy Corporation, Attn: Corporate Secretary, 1701 East E Street, Casper, Wyoming, 82605 that bears a date later than the date of the proxy and is received prior to the Uranerz Special Meeting and states that you revoke your proxy;
- submitting a valid, later-dated proxy by mail, fax, telephone or the Internet that is received prior to the Special Meeting; or
- attending the Uranerz special meeting and voting by ballot in person (your attendance at the Uranerz Special Meeting will not, by itself, revoke any proxy that you have previously given).

If you hold your shares of Uranerz common stock in street name through a broker, bank or other nominee, you must follow the directions you receive from your broker, bank or other nominee in order to revoke or change your vote.

Adjournments and Postponements

Although it is not currently expected, the Special Meeting may be adjourned or postponed for the purpose of soliciting additional proxies. Any adjournment may be made without notice, other than by an announcement made at the Special Meeting of the time, date and place of the adjourned meeting. For the proposal to adjourn the Special Meeting, if necessary or appropriate, to solicit additional proxies if there is an insufficient number of votes at the time of such adjournment to approve the Merger Agreement, you may vote FOR, AGAINST or ABSTAIN. Abstentions and broker non-votes will count for the purpose of determining whether a quorum is present at the Special Meeting. However, broker non-votes and abstentions will not count as shares entitled to vote on the adjournment proposal. As a result, abstentions and broker non-votes will not have any effect on the vote to adjourn the Special Meeting if necessary or appropriate, to solicit additional proxies if there are an insufficient number of votes at the time of such adjournment to approve the Merger Agreement. Any signed proxies received by Uranerz for which no voting instructions are provided on such matter will be voted FOR the adjournment proposal. Any adjournment of the Special Meeting for the purpose of soliciting additional proxies will allow Uranerz shareholders who have already sent in their proxies to revoke them at any time prior to the Special Meeting as adjourned.

At any time prior to convening the Special Meeting, the Special Meeting may be postponed for any reason without the approval of the Uranerz shareholders. If postponed, Uranerz will publicly announce the new meeting date. Although it is not currently expected, Uranerz may postpone the Special Meeting for the purpose of soliciting additional proxies if Uranerz concludes that by the date of the Special Meeting it is reasonably likely that Uranerz will not have received sufficient proxies to constitute a quorum or sufficient votes for approval of the Merger Agreement. Similar to adjournments, any postponement of the Special Meeting for the purpose of soliciting additional proxies will allow Uranerz shareholders who have already sent in their proxies to revoke them at any time prior to the Special Meeting, as postponed.

Shares Held in Street Name

If your shares of Uranerz common stock are held in an account at a broker, bank or through another nominee, you must instruct the broker, bank or other nominee on how to vote your shares by following the instructions that the broker, bank or other nominee provides to you with these proxy materials. Most brokers offer the ability for shareholders to submit voting instructions by mail by completing a voting instruction card, by telephone and via the Internet.

If you do not provide voting instructions to your broker, bank or other nominee your shares will not be voted on any proposal on which your broker, bank or other nominee does not have discretionary authority to vote. This is referred to in this proxy statement/prospectus and in general as a broker non-vote. Under the current rules of the NYSE MKT, brokers do not have discretionary authority to vote on the proposal (i) to adopt the Merger Agreement, (ii) to approve the adjournment of the Uranerz Special Meeting, if necessary or appropriate to solicit additional proxies if there are not sufficient votes to adopt the Merger Agreement at the time of the Uranerz Special Meeting or (iii) to vote on other business that comes before the Uranerz Special Meeting. Any broker non-votes would have the same effect as a vote against adoption of the Merger Agreement and would have no effect on the proposal to approve the adjournment of the Uranerz Special Meeting.

If you hold shares through a broker, bank or other nominee and wish to vote your shares in person at the Uranerz Special Meeting, you must obtain a proxy from your broker, bank or other nominee and present it to the inspector of election with your ballot when you vote at the Uranerz Special Meeting.

Solicitation of Proxies

Uranerz will pay the cost of distributing and soliciting proxies. This proxy solicitation is being made by Uranerz on behalf of its board of directors. In addition to solicitation by use of the mail, Uranerz directors, officers and employees may also solicit proxies in person or by telephone, electronic mail, facsimile transmission or other means of communication. Uranerz will also request brokers and other fiduciaries to forward proxy solicitation material to the beneficial owners of shares of Uranerz common stock that the brokers and fiduciaries hold of record. In accordance with the regulations of the SEC, Uranerz will reimburse them for expenses incurred in sending proxies and proxy materials to beneficial owners of shares of Uranerz common stock.

Shareholders should not send stock certificates with their proxies. If approved, a letter of transmittal and instructions for the surrender of Uranerz common stock certificates will be mailed to Uranerz shareholders shortly after the completion of the Transaction.

PROPOSAL ONE THE TRANSACTION

The following is a discussion of the proposed Transaction and the Merger Agreement. This is a summary only and may not contain all of the information that is important to a reader. This summary is subject to, and qualified in its entirety by reference to the Merger Agreement a copy of which is attached to this proxy statement/prospectus as Annex A and is incorporated by reference herein. Uranerz shareholders are urged to read this entire proxy statement/prospectus carefully, including the Merger Agreement, for a more complete understanding of the Transaction.

Effects of the Transaction

In order to effect the acquisition of Uranerz by Energy Fuels, Merger Sub will merge with and into Uranerz in accordance with the plan of merger set forth in the Merger Agreement. Uranerz will be the surviving corporation in the merger and will become a wholly-owned subsidiary of Energy Fuels.

Pursuant to the Merger Agreement, at the Effective Time, each issued and outstanding Uranerz common share will be canceled and extinguished and automatically converted into the right to receive a fraction of a fully paid and nonassessable Energy Fuels common share equal to the Exchange Ratio, provided that holders of Uranerz common stock who have properly and validly exercised and perfected their right to dissent shall not have their shares of Uranerz common stock so converted. The Exchange Ratio shall be equal to 0.255 Energy Fuels common shares.

Background of the Transaction

The Uranerz board of directors, together with certain members of Uranerz senior management, periodically reviews and considers various strategic alternatives available to Uranerz, including, from time to time, whether the continued execution of Uranerz strategy as a stand-alone company, possible strategic acquisitions or the possible sale of Uranerz to, or a combination of Uranerz with, a third party would offer the best avenue to maximize stockholder value. In addition, the Uranerz board of directors, together with certain members of Uranerz senior management, periodically reviews and assesses Uranerz operations and financial performance, competitive position, industry trends and potential strategic initiatives, including potential acquisitions, dispositions, and business combinations.

Similarly, since the Fukushima nuclear accident in March 2011, which significantly and adversely impacted the uranium price environment as well as the market valuations of publicly-traded uranium companies, Energy Fuels has regularly been considering and evaluating business and strategic opportunities, including consolidating with other industry players, as evidenced by its acquisition of Titan Uranium Inc. in February 2012, the US assets of Denison Mines Corp. in June 2012 and Strathmore Minerals Corp. in August 2013.

Energy Fuels and Uranerz management teams have known one another for many years. In November 2012 and November 2013, Steve Antony and Dennis Higgs spoke briefly about the general benefits of consolidation in the U.S. uranium sector.

On April 28, 2014, Cantor Fitzgerald Canada Corporation (**Cantor**), was retained by Energy Fuels to provide financial advisory services in connection with a variety of potential M&A transactions, including a potential transaction with Uranerz.

Energy Fuels President and Chief Executive Officer, Stephen Antony, first approached Uranerz Executive Chairman, Mr. Higgs, on June 16, 2014.

On June 17, 2014, Mr. Antony telephoned Mr. Higgs to express Energy Fuels interest in evaluating a business combination with Uranerz. Mr. Higgs reported the interest of Energy Fuels to the other executive members of the Uranerz board of directors, being Glenn Catchpole and Paul Goranson, and the execution of a confidentiality agreement with Energy Fuels was discussed.

On June 19, 2014, Mr. Antony sent to Mr. Higgs an initial draft of a confidentiality agreement proposed by Mr. Antony to be entered into between Uranerz and Energy Fuels.

On June 24, 2014, Cantor and Energy Fuels had preliminary discussions to evaluate potential ISR uranium producers for a potential M&A transaction. Following those discussions, Cantor and Energy Fuels reviewed publicly available information on various companies and prepared certain analyses. From these analyses and discussions, Uranerz was identified as an attractive counter-party, given Uranerz producing assets, existing term contracts, portfolio of other assets with identified resources, extensive land position with exploration potential, ISR expertise and perceived ability to successfully integrate the management teams and boards of directors of the two companies.

Energy Fuels and Uranerz entered into a confidentiality agreement effective July 3, 2014.

On July 7, 2014, the executive members of the Uranerz board of directors held a conference call and discussed, among other things, the potential merits and risks of a potential business combination with Energy Fuels.

On July 8, 2014, the executive members of the Uranerz board of directors and executive management of Energy Fuels held a conference call to discuss preliminary ideas and the potential for a business combination, as well as other potential joint endeavors. Participants in the call included Mr. Higgs, Mr. Catchpole and Mr. Goranson from Uranerz and Mr. Antony, and Dan Zang from Energy Fuels and Graham Moylan of Cantor.

On July 11, 2014, Mr. Antony advised Mr. Higgs that Energy Fuels proposed to engage Cantor as its financial advisor in connection with the evaluation of a possible business combination transaction with Uranerz.

On July 18, 2014, Mr. Higgs discussed a number of potential acquisition ideas for Uranerz with Haywood Securities Inc., Uranerz financial adviser (**Haywood**), and at that time, Mr. Higgs advised Haywood that Energy Fuels had expressed an interest in a possible business combination transaction with Uranerz.

On July 25, 2014, the executive members of the Uranerz board of directors held a conference call and discussed various matters relating to a potential business combination with Energy Fuels, including Energy Fuels production levels, the potential synergies between Energy Fuels and Uranerz, and the outcome of Mr. Goranson's meeting with Energy Fuels then Senior Vice-President of Corporate Marketing, Gary Steele and the current Senior Vice-President of Marketing and Corporate Development, Curtis Moore.

On August 5, 2014, Energy Fuels, together with its Canadian legal counsel, Borden Ladner Gervais LLP (**BLG**) and Cantor reviewed certain financial and market analyses and began drafting a non-binding letter of intent that contemplated the business combination of Uranerz and Energy Fuels by way of an acquisition by Energy Fuels of all of the issued and outstanding shares of Uranerz (the **LOI**).

On August 6, 2014, Energy Fuels provided Uranerz with the initial draft LOI that proposed the acquisition of Uranerz by Energy Fuels on the basis of an exchange ratio of 0.17 Energy Fuels common share for each Uranerz common share.

The executive members of the Uranerz board of directors had a number of discussions relating to the terms of the proposed business combination reflected in the LOI, both among themselves and with Haywood. Following these discussions, Mr. Higgs had a telephone conference call with Mr. Antony on August 8, 2014 in which Mr. Higgs advised that the financial terms reflected in the LOI were not acceptable to Uranerz. On August 9, 2014, Haywood likewise informed Energy Fuels and Cantor on behalf of Uranerz that the terms of the initial LOI were unacceptable, with the primary issue being the proposed exchange ratio.

On August 11, 2014, Mr. Higgs and Mr. Antony discussed various issues relating to the proposed business combination, including the requirement of Uranerz of a higher premium.

The executive members of the Uranerz board of directors continued to have a number of discussions relating to the terms of the proposed business combination reflected in the Energy Fuels LOI, both among themselves and with Haywood as Uranerz financial advisor. The executive members of the Uranerz board of directors met in Casper, Wyoming on August 22, 2014 and discussed the Energy Fuels proposal in detail. The executive members were joined by Mr. Leboe on August 23, 2014 and again met to discuss the proposed business combination transaction and the terms on which a business combination may be acceptable to Uranerz.

On August 26, 2014, Haywood, acting on behalf of Uranerz, sent Cantor a modified non-binding LOI that included a proposed exchange ratio of 0.30 share of Energy Fuels for each share of Uranerz. Haywood communicated that the exchange ratio proposed by Energy Fuels did not recognize the decline in the price of the Uranerz common shares following the prospectus offering of common shares completed by Uranerz in July 2014. Uranerz proposed a higher exchange ratio that reflected a base price unaffected by the financing plus a standard change of control premium.

Also on August 26, 2014, Mr. Higgs provided an update to the independent directors of Uranerz regarding the status of negotiations with Energy Fuels.

On September 2, 2014, Energy Fuels and Cantor reviewed and discussed additional financial information on Uranerz. On September 2, 2014, management of Energy Fuels held a conference call with representatives of BLG and Dorsey & Whitney LLP (**Dorsey & Whitney**), as external legal counsel to Energy Fuels, and Cantor to discuss the structure of the potential transaction.

On September 3, 2014, Uranerz provided additional operational and financial information to Energy Fuels via Haywood.

On September 8, 2014, Mr. Higgs provided Mr. Arnold Dyck, an independent member of the Uranerz board of directors, with an update as to the status of the Energy Fuels proposal.

On September 8, 2014, Mr. Antony sent a further revised draft of the LOI to Mr. Higgs for review by Uranerz. The revised LOI reflected a proposed exchange ratio of 0.24 Energy Fuels common share for each Uranerz common share. This revised LOI was circulated to Uranerz senior management for discussion.

Following internal discussions among the executive members of the Uranerz board of directors, on September 11, 2014, the Executive Committee of Uranerz held a conference call with Haywood and discussed various matters relating to the proposed transaction, including the transaction value, the proposed exchange ratio, and other transaction terms.

On September 11, 2014, Mr. Higgs provided an update to Mr. Gerhard Kirchner, an independent member of the Uranerz board of directors, on the status of negotiations with Energy Fuels.

On September 12, 2014, Uranerz, with Haywood as its financial advisor, and Energy Fuels, with the assistance of Cantor, held a multi-hour negotiation session over several phone calls to discuss the exchange ratio and other transaction terms. Participants in the discussions included, at various points, Mr. Higgs, Mr. Catchpole, Mr. Goranson and Ben Leboe from Uranerz and Mr. Antony, Mr. Zang and David Frydenlund from Energy Fuels. Haywood and Cantor negotiated, based on instructions from the Uranerz management participants and the Energy Fuels management participants, respectively, several potential deal terms back and forth. After several calls and proposals over several hours, the general terms of a LOI were concluded. Haywood then updated the LOI to reflect the agreed upon terms and circulated to Energy Fuels. Energy Fuels responded with minor changes to the LOI on September 15, 2014.

On September 15, 2014, Energy Fuels and Uranerz executed the non-binding LOI, which was expressly subject to finalization of a binding definitive agreement to be entered into between the parties and the approval of the definitive agreement by each party's respective board of directors. The executed LOI set forth the indicative transaction business combination structure contemplated by the parties, which included the following terms which were to be set forth in the definitive agreement: (i) the acquisition of Uranerz by Energy Fuels to be completed by way of the Transaction based upon an agreed exchange ratio of 0.265 Energy Fuels common share for each Uranerz common share, (ii) the appointment of three directors of Uranerz to the post-Transaction board of directors of Energy Fuels, which board would be comprised of nine or more members, (iii) the execution of support agreements, and (iv) mutual deal protection mechanisms, including a mutual break fee of \$5.0 million payable by either party to the other upon the occurrence of certain events, non-solicitation provisions and a right to match any superior proposal. The LOI provided for the binding agreement of the parties to negotiate exclusively with one another (the **Exclusivity Provisions**) until October 30, 2014. The LOI expressly provided that neither party would be under any obligation of any kind whatsoever to complete the Transaction until such time as a definitive transaction agreement was executed.

Following execution of the LOI, Uranerz and Energy Fuels (along with their professional advisors and technical consultants) continued with their respective due diligence activities, which, amongst other things, included reciprocal project site and office tours. In addition, Uranerz and Energy Fuels and their advisors began considering, and had numerous discussions regarding how to structure the transaction and draft the Merger Agreement.

On September 23, 2014, Cantor forwarded a due diligence request list on behalf of Energy Fuels, to Haywood, on behalf of Uranerz. Also on that same day, Uranerz engaged McMillan LLP (**McMillan**) to advise on the potential transaction with Energy Fuels.

On September 24, 2014, the Uranerz board of directors met and discussed, among other matters, management's report on the negotiations with Energy Fuels and reviewed the proposed terms of the Transaction.

On September 30, 2014, Uranerz delivered its due diligence request list to Energy Fuels.

Throughout September and October 2014, Cantor had numerous telephone discussions with Energy Fuels regarding financial and operating assumptions related to Energy Fuels' various assets based on certain commodity price assumptions. In addition, Energy Fuels and Cantor reviewed and discussed financial and operational information on Uranerz. Energy Fuels, Uranerz, Cantor and Haywood also participated in conference calls to discuss both companies' businesses.

On October 1, 2014, Uranerz executive management, including Mr. Higgs, Mr. Catchpole, Mr. Leboe and Mr. Goranson, and independent director Paul Saxton held a conference call with representatives of McMillan and a representative of Haywood and discussed, among other things: (i) the fiduciary duties of the board of directors in connection with evaluation of the potential transaction, (ii) the advisability of forming the Special Committee of independent directors, (iii) the proposed mandate for the Special Committee, (iv) the arrangement for an independent fairness opinion by the Special Committee, (v) the engagement of Haywood as an advisor to Uranerz, (vi) the engagement of SRK for technical due diligence, (vii) the engagement of additional tax and litigation/environmental legal counsel, (viii) the due diligence process, and (ix) the process of negotiating the Transaction.

Also on October 1, 2014, Uranerz engaged SRK Consulting (**SRK**) to complete a technical and engineering due diligence review on the material Energy Fuels properties.

On October 2, 2014, Dorsey & Whitney delivered to Energy Fuels a memorandum outlining two possible structuring proposals whereby Uranerz and Energy Fuels could effect a business combination transaction, together with an assessment of various corporate, securities and tax issues. A copy of the structuring memorandum was delivered to Uranerz, Haywood and McMillan on October 2, 2014.

On October 6, 2014, Uranerz and its financial and legal advisors and Uranerz tax counsel Davis Wright Tremaine LLP (**DWT**) held a conference call to discuss the structure and tax consequences of the proposed transaction, as outlined in the structuring memorandum.

On October 7 and October 8, 2014, Uranerz and Energy Fuels executive management conducted joint site visits of the Nichols Ranch, Sheep Mountain, Canyon Mine, Pinenut Mine and White Mesa Mill properties.

On October 14, 2014, Uranerz management provided an update to the Uranerz board of directors on the site visits. The same day, Haywood provided an update on the Transaction to the Uranerz board of directors.

On October 15, 2014, the Uranerz board of directors met and considered, among other things, the tax advice received from DWT on U.S. tax issues associated with the Transaction, the possible deal structures, transaction alternatives, preliminary technical reports and the results of the management site visits. A representative of McMillan joined the meeting for the purpose of discussing various structuring issues. A representative of Haywood joined the meeting for the purpose of discussing its update on the Transaction. At that meeting, the Uranerz board of directors resolved to (i) form the Special Committee consisting of independent directors Arnold Dyck (Chair), Paul Saxton and Gerhard Kirchner for the purpose of advising management and the board of directors, as requested from time to time, on specific transaction terms relating to the proposed business combination Transaction, and (ii) authorize management to proceed with negotiating and drafting a definitive Merger Agreement. The Uranerz board of directors authorized management to engage Hein & Co. for the purpose of conducting financial due diligence on Energy Fuels. Following the board of directors meeting that day, Mr. Higgs confirmed to Mr. Antony that the board of directors of Uranerz had met that day and advised of the Uranerz board of directors' determination to proceed with drafting and negotiating a definitive agreement.

On October 17, 2014, the Uranerz board of directors approved the mandate of the newly-formed Special Committee, namely: (i) to advise management and the board of directors on the terms of the proposed transaction; (ii) to evaluate and advise the board of directors as to the fairness of the Transaction and, in connection with this duty, to retain an independent financial advisor to prepare a fairness opinion; (iii) to consider and make recommendations to the board of directors with respect to any potential conflicts of interest of any director or officer of Uranerz; and (iv) to make any other recommendations to the Uranerz board of directors as requested from time to time. In connection with the discharge of its duties, the Special Committee was empowered to (i) engage legal counsel of its own choosing to advise it on the discharge of its duties, (ii) engage an independent and qualified financial advisor of its choosing to prepare the fairness opinion, (iii) negotiate appropriate compensatory arrangements with its financial advisor and legal counsel and (iv) take such further action as the Special Committee considered necessary or desirable to carry out its duties.

On October 20, 2014, Mr. Zang, Chief Financial Officer of Energy Fuels, visited the Uranerz Casper office in connection with Energy Fuels' financial due diligence and met with members of Uranerz management.

On October 21, 2014, the Uranerz Special Committee interviewed a prospective independent financial advisor candidate for the purpose of providing the Special Committee with a fairness opinion. In addition, on October 21, 2014, members of Uranerz management held a conference call with representatives of McMillan to discuss organization and coordination of due diligence investigations.

On October 23, 2014, the Uranerz Special Committee met with Uranerz inside counsel and discussed matters relating to the Transaction, including (i) the engagement of separate outside legal counsel for the Special Committee, (ii) financial due diligence on Energy Fuels and the post-Transaction corporation, (iii) the identity and qualifications of certain candidates to act as independent financial advisor to the Uranerz Special Committee, and (iv) the role of the Special Committee in the due diligence process.

On October 27, 2014, the Uranerz Special Committee interviewed Euro Pacific Canada, Inc. (**Euro Pacific**) as a prospective financial advisory firm candidate for purposes of obtaining an independent fairness opinion.

On October 30, 2014, DWT confirmed its advice to the Uranerz board of directors on the tax consequences of completing the proposed transaction.

On October 30, 2014, Uranerz and Energy Fuels agreed to extend the Exclusivity Provisions set forth in the LOI until November 21, 2014 in order to provide for additional time to complete due diligence and negotiate the definitive Merger Agreement contemplated under the LOI.

Also on October 30, 2014, Mr. Higgs had a telephone call with Mr. Antony in which Mr. Antony stated that a lower exchange ratio may be required by Energy Fuels and also proposed that the parties consider a potential change to the composition of the Transaction consideration. Members of Uranerz management, including Mr. Higgs, Mr. Catchpole, Mr. Goranson and Mr. Leboe, together with a representative from Haywood, then held a conference call that day and discussed Mr. Antony's proposals. Uranerz management identified their concerns with Mr. Antony's proposal and decided to proceed on the basis set forth in the previously executed LOI. Later on October 30, 2014, Mr. Higgs provided to the Uranerz board of directors an executed copy of the extension agreement together with an update on the status of negotiations with Energy Fuels.

From October 30 to November 6, 2014, Energy Fuels, together with Dorsey & Whitney and BLG, prepared a draft of the definitive Merger Agreement contemplated under the LOI. There were numerous internal conferences among Energy Fuels, Dorsey & Whitney and BLG to discuss the Merger Agreement during this time period. The companies continued to exchange due diligence information.

On November 3, 2014, the Uranerz Special Committee met with Uranerz inside legal counsel and discussed, among other things: (i) the qualifications, absence of potential conflicts and terms of engagement of Euro Pacific as the proposed independent financial advisor to the Special Committee, (ii) the results of the interim technical due diligence report prepared by SRK on the Energy Fuels material properties and the need for additional technical due diligence, (iii) issues related to the convertible debentures of Energy Fuels and the proposed exchange ratio, and (iv) a proposed request that Energy Fuels prepare a financial operations plan for the combined entity.

On November 5, 2014, the Uranerz Special Committee met with Uranerz inside counsel and McMillan to discuss the legal due diligence undertaken by its outside legal counsel to date. Later in that meeting, members of Uranerz management were asked to join the conference call to provide an update regarding the status of the Transaction. The Uranerz Special Committee identified five priorities that it requested Uranerz management focus on in order to enable the Uranerz Special Committee to complete its evaluation of the Transaction. Management provided an update to the Uranerz Special Committee as to the status of these priorities.

On November 6, 2014, Energy Fuels provided the first draft of the Merger Agreement to Uranerz and to McMillan. The initial draft of the Merger Agreement reflected the deal protection provisions that had been contemplated in the original LOI executed between Uranerz and Energy Fuels.

On November 7, 2014, the Uranerz Special Committee met with Uranerz inside legal counsel, a representative of Euro Pacific, as prospective independent financial advisor to the Special Committee, and legal counsel for Euro Pacific and discussed various matters in connection with the Transaction, including fiduciary duties. The representative of Euro Pacific and its legal counsel then left the meeting and a representative of McMillan joined the meeting. The Uranerz Special Committee then discussed the prospective financial position of the combined company, the future capital requirements for Uranerz if the proposed transaction was not undertaken and the engagement of independent outside legal counsel to further advise the Special Committee.

On November 12, 2014, the Uranerz Special Committee met with inside legal counsel in Vancouver in advance of the scheduled Uranerz board of directors meeting and discussed the status of technical and environmental due diligence on the Energy Fuels properties and the impact of uranium prices on the Energy Fuels sales contracts. The Special Committee determined that SRK should be instructed to address certain technical due diligence issues and that Uranerz management should proceed to retain local U.S. counsel to conduct environmental litigation due diligence on the Energy Fuels properties and provide advice to the Uranerz board of directors.

Later that day on November 12, 2014, the entire Uranerz board of directors met in Vancouver together with a representative of Haywood and a representative of McMillan. The board of directors discussed a range of issues relating to the proposed merger with Energy Fuels, including the status of negotiations and certain terms of the definitive merger agreement and the due diligence undertaken by management to date. The representative of McMillan provided an overview of the draft definitive merger agreement that had been received from Energy Fuels. The board also reviewed a five-year financial model prepared by Uranerz management for Uranerz, on a stand-alone basis, that was prepared for the dual purposes of enabling the Board to evaluate and consider the future financial position and financing requirements of Uranerz on a stand-alone basis, and providing to Energy Fuels for its completion of a five-year financial operations plan for the combined entity. The five-year financial model prepared by Uranerz management assumed operations in a low uranium spot-price environment in which management would operate the Nichols Ranch Project in a manner in order to preserve the available working capital of Uranerz pending recovery of the uranium market. The representative of Haywood provided an update as to their review of the financial models for the transaction and the status of preparation of the five-year financial operations plan for the combined entity. Mr. Dyck, as chairman of the Special Committee, provided an update to the board of directors as to the status of the Special Committee's determinations, including its determination to engage Gibson Dunn & Crutcher LLP (**GDC**) as legal counsel to the Special Committee. The board of directors further (i) debated the advisability of gauging the interest of other suitors, (ii) considered the financial terms of Haywood's proposed engagement, and (iii) discussed the financial position of the combined company following completion of the Transaction.

On November 12, 2014, Mr. Antony provided an update to the Energy Fuels Board on the status of the proposed business combination.

On November 14, 2014, representatives of Uranerz management had a telephone conference call with representatives of Energy Fuels management to discuss outstanding technical issues. On that same day, the Uranerz Special Committee retained GDC as its external legal counsel.

Also on November 14, 2014, Haywood forwarded to Uranerz a draft of its proposed engagement letter to confirm the advisory services to be provided by Haywood in connection with the Transaction and the compensation to be paid to Haywood as consideration for these advisory services.

On November 17, 2014, Uranerz engaged Wellborn, Sullivan, Meck & Tooley, PC (**WSMT**) as local U.S. counsel to review and summarize the litigation and environmental exposure of Energy Fuels.

On November 18, 2014, Uranerz management conferred with the Uranerz board of directors concerning the extension of the LOI with Energy Fuels.

On November 19, 2014, Energy Fuels provided a three year financial operations plan for the combined entity for consideration by Uranerz. On that same day, the Uranerz Controller provided the Special Committee with a valuation and comparison of the Uranerz and Energy Fuels uranium sales contracts at different uranium pricing levels.

The Uranerz Special Committee subsequently met on November 19, 2014 with Uranerz inside legal counsel and discussed the valuation and comparison of the Uranerz and Energy Fuels uranium sales contracts, as well as various other legal issues relating to the Transaction.

On November 20, 2014, legal counsel to the Uranerz Special Committee provided the Uranerz Special Committee with an initial mark-up of the draft Merger Agreement. The revised draft Merger Agreement included a provision that the Transaction be subject to approval by both a majority of the outstanding shares of common stock of Uranerz, as well as by the disinterested shareholders of Uranerz (exclusive of any shares owned by directors and officers of Uranerz). The revised draft also included proposed enhancements to the deal protection provisions of the Merger Agreement and suggested that the inclusion of a go shop provision be considered.

On November 21, 2014, Uranerz and Energy Fuels agreed to further extend the Exclusivity Provisions of the LOI until December 18, 2014 in order to provide for additional time to complete due diligence and negotiate the Merger Agreement. Concurrently with the execution of the extension, Mr. Higgs and Mr. Antony spoke, and Mr. Antony indicated that Energy Fuels wanted to lower the exchange ratio. Messrs. Higgs and Antony agreed to defer discussion of the exchange ratio until after the Thanksgiving weekend. Mr. Antony also advised Mr. Higgs that the inclusion of a go-shop provision in the Merger Agreement would not be agreeable to Energy Fuels. Mr. Higgs relayed the conversation that he had with Mr. Antony on November 21, 2014 to the entire board of directors and to Uranerz legal counsel on November 22, 2014.

Also on November 21, 2014, a conference call between Uranerz management and inside legal counsel and Energy Fuels management and inside legal counsel was held to discuss environmental, litigation and regulatory due diligence matters.

On November 24, 2014, the Uranerz Special Committee met with Uranerz inside counsel and representatives of GDC and discussed the extension of the LOI and the expressed intention of Energy Fuels to lower the exchange ratio. The Uranerz Special Committee determined to advise Uranerz management that it required confirmation from Energy Fuels as to the definitive exchange ratio to which Energy Fuels would agree and the delivery of a five-year financial operations plan for the combined company from Energy Fuels before proceeding to expend resources in connection with the proposed Transaction.

Also on November 24, 2014, McMillan provided an updated draft of the Merger Agreement to Dorsey & Whitney that reflected Uranerz comments on the draft Merger Agreement and identified outstanding matters proposed to be discussed, including the inclusion of a go-shop provision and other deal protection mechanisms in the Merger Agreement.

Following receipt of such comments, Uranerz, Energy Fuels, and their respective legal and financial advisors continued to negotiate the Merger Agreement, including numerous calls to discuss key terms, such as tax structure and deal protection provisions, and whether to include a go-shop provision in the Merger Agreement. Concurrently, management continued to advance its due diligence investigations.

On November 26, 2014, the Uranerz Special Committee requested that Uranerz management impose a December 8, 2014 deadline for Energy Fuels to provide the following to Uranerz as a condition of Uranerz continuing to expend resources in connection with the proposed Transaction (i) confirmation by Energy Fuels of the exchange ratio and other material terms on which it is prepared to complete the Transaction, and (ii) the previously requested five year financial operations plan in order to enable the Uranerz Special Committee to understand the proposed long-range plan and viability of the combined company.

On December 4, 2014, Dorsey & Whitney sent a revised draft of the Merger Agreement to McMillan and Uranerz.

On December 5, 2014, WSMT provided environmental and litigation due diligence advice to the Uranerz board of directors.

On December 8, 2014, members of management of Energy Fuels and Uranerz and representatives of Dorsey & Whitney, BLG, McMillan, Cantor and Haywood held a conference call to discuss key outstanding provisions of the Merger Agreement. Amendments to the deal protection provisions proposed by Uranerz were discussed, including the proposals to include a separate approval of the Transaction by disinterested shareholders of Uranerz and the inclusion of a go shop provision. Energy Fuels again stated its opposition to inclusion of a go shop provision.

On December 9, 2014, Energy Fuels received a draft engagement letter from Roth Capital Partners LLC (**Roth**) with respect to being its independent financial advisor in connection with the Transaction.

Also on December 9, 2014, the Uranerz Special Committee met in Vancouver with Uranerz inside counsel and were later joined by representatives from GDC via telephone conference. The Special Committee reviewed key due diligence documents and memoranda and presentations regarding issues relating to the potential transaction prepared by management, counsel and advisors, as well as advice from the Special Committee's counsel with respect to legal considerations for directors considering a possible business combination. The Uranerz Special Committee also discussed the merits of proceeding to spend funds on the proposed transaction in the absence of the requested commitments and the five year financial operations plan for the combined company. In particular, the Uranerz Special Committee discussed the need for the five-year financial operations plan prior to engaging an independent financial advisor to render a fairness opinion. Representatives of GDC joined the meeting and provided the Special Committee with an overview of various possible alternative deal protection mechanisms.

In addition, on December 9, 2014, Energy Fuels forwarded to Uranerz a five-year financial operations plan, reflecting Energy Fuels operations on a stand-alone basis, and the plan was forwarded to the Uranerz board of directors.

On December 10, 2014, the entire Uranerz board of directors met in Vancouver and discussed various operational and corporate governance matters, including, among other things, the 2015 capital and operating budget of Uranerz, cash flow projections and potential future capital requirements. A representative of Haywood then joined the board of directors meeting for a discussion as to the status of negotiations with Energy Fuels. Haywood discussed with the Uranerz board of directors potential alternate suitors for Uranerz, together with its analysis as to potential synergies with these alternate suitors, the familiarity of the potential suitors with Uranerz assets, the potential interest of any alternate suitor, and the ability of another suitor to match or exceed the value of the Energy Fuels proposal. In response to the potential that, depending on the final transaction structure, it may be determined that the Transaction could trigger a redemption obligation, Haywood discussed with the Uranerz board of directors options to address the Energy Fuels convertible debentures should the completion of the Transaction trigger a redemption obligation. The board of directors discussed the conference call held on December 8, 2014 regarding the Merger Agreement, the advice of Haywood, key provisions of the Merger Agreement (including deal protection mechanisms suggested by Uranerz Special Committee counsel), the requirement for delivery of the five year financial operations plan for the combined company from Energy Fuels, Energy Fuels plans for various projects and the impact of the proposed transaction on the existing Uranerz and Energy Fuels uranium sales contracts.

On December 11, 2014, Mr. Antony contacted Mr. Higgs to initiate discussions on a revised, lower exchange ratio. Mr. Antony advised Mr. Higgs that as a result of its due diligence since executing the LOI, Energy Fuels continued to be interested in the transaction, but only on the basis of a revised exchange ratio. Subsequently, Mr. Higgs and Mr. Antony continued discussions as to a revised exchange ratio, with each party proposing revised exchange ratios throughout the day. Mr. Antony then provided Mr. Higgs with Energy Fuels final proposed exchange ratio of 0.255 and Mr. Higgs advised Mr. Antony that he did not have approval from the Uranerz board of directors to accept that proposed exchange ratio. At this point, counsel for both parties stopped work on the Merger Agreement.

On December 12, 2014, the Uranerz board of directors met and resolved to accept Energy Fuels proposed exchange ratio of 0.255, based on Energy Fuels position that Uranerz wellfield development and production forecasts were lower than the forecasts previously provided by Uranerz to Energy Fuels in its five-year financial model for the fourth quarter of 2014, on the condition that the following items promptly be delivered: (i) written confirmation of the 0.255 exchange ratio; (ii) a five-year financial operations plan for the combined companies; and (iii) a description of how the convertible debentures could be addressed if necessary to avoid a negative impact on the combined company. Later that same day, Mr. Higgs advised Mr. Antony as to the determinations of the Uranerz board of directors.

On December 13, 2014, Mr. Antony provided Mr. Higgs an outline of possible strategies to manage any potential redemption of Energy Fuels convertible debentures and Mr. Higgs subsequently provided an update to the Uranerz board of directors as to these strategies.

On December 14, 2014, McMillan circulated a further revised draft of the Merger Agreement to Dorsey & Whitney, BLG and Energy Fuels. On the same day, representatives of McMillan, BLG and Dorsey & Whitney held a conference call to discuss outstanding matters relating to the Merger Agreement.

Also on December 14, 2014, Mr. Leboe, Chief Financial Officer of Uranerz, provided certain financial due diligence information to the Special Committee.

On December 15, 2014, the Uranerz Special Committee met with Uranerz inside legal counsel and discussed various matters relating to the Transaction, including, among other things, certain financial and other due diligence information (both received and to be provided), the status of the drafting of the Merger Agreement, and the practicality of certain deal protections under the circumstances. The meeting was adjourned and reconvened later that day, with representatives of GDC joining the meeting. The Special Committee discussed with the representatives of GDC various legal issues relating to the Transaction.

Also on December 15, 2014, McMillan provided certain legal due diligence advice to the Uranerz board of directors.

On December 16, 2014, the Energy Fuels board of directors held a meeting with Cantor to discuss the potential transaction. The board of directors discussed suitable candidates to perform an independent analysis of the share exchange ratio, alternate structures to address any potential change of control concerns, potential synergies and cost savings, and whether the transaction should be postponed to a later date.

Also on December 16, 2014, the Uranerz board of directors (i) acknowledged receipt of the proposals of Energy Fuels to address the Energy Fuels convertible debentures, if necessary, in a manner to avoid a negative impact on the combined companies, and (ii) resolved to accept Energy Fuels proposed revised Exchange Ratio of 0.255 Energy Fuels share for each Uranerz share on the condition that Energy Fuels provide, by no later than the close of business on December 18, 2014, both the written confirmation of the 0.255 Exchange Ratio and the requested five-year financial operations plan for the combined companies.

On December 18, 2014, Energy Fuels forwarded to Uranerz the five-year financial operations plan prepared by Energy Fuels for the combined companies. Based on the delivery of the five-year financial operations plan, the Uranerz Special Committee determined to proceed with the engagement of Euro Pacific to prepare a fairness opinion and executed an engagement agreement with Euro Pacific on December 18, 2014.

Also on December 18, 2014, Uranerz and Energy Fuels agreed to further extend the Exclusivity Provisions under the LOI until December 23, 2014, in order to provide for additional time to complete due diligence and negotiate the Merger Agreement, and to confirm the revised exchange ratio of 0.255.

Also on December 18, 2014, Energy Fuels engaged Roth as its independent financial advisor in connection with the Transaction.

On December 19, 2014, BLG forwarded to McMillan a draft form of the proposed support agreement to be entered into by each of the directors and certain officers of Uranerz and Energy Fuels.

On December 20, 2014, representatives of BLG, Dorsey & Whitney, McMillan and GDC held a conference call to discuss outstanding issues including tax issues and deal protection provisions. Representatives of GDC relayed the Uranerz Special Committee's proposals on deal protection provisions, including the inclusion of a go shop provision, to representatives of Dorsey & Whitney and BLG. Later that evening, Dorsey & Whitney circulated a revised draft of the Merger Agreement. The revised draft of the Merger Agreement reflected an exchange ratio of 0.255 and included a separate approval of the disinterested shareholders of Uranerz, as requested by the Uranerz Special Committee, but did not include a go shop provision.

On December 21, 2014, Mr. Antony called Mr. Higgs and proposed a further extension to the Exclusivity Period under the LOI to January 2, 2015 in order to facilitate finalizing the Merger Agreement during the holiday period and allow sufficient time for the respective financial advisers to complete their financial analyses.

On December 22, 2014, the Uranerz Special Committee met with representatives of GDC, Uranerz inside legal counsel, and legal counsel for Euro Pacific and discussed, among other things, various deal protection mechanisms and other terms of the Merger Agreement, as well as an update on negotiations with Energy Fuels. The Uranerz Special Committee also discussed, among other things, (i) potential alternative suitors and the reasons why it was believed these suitors would not be viable, (ii) the merits and drawbacks of the Transaction versus the alternative of continuing to operate as an independent entity, and (iii) the scope of the Euro Pacific fairness opinion, including the need for Euro Pacific to assume that Energy Fuels will not put the Canyon project into production during the foreseeable future.

Also on December 22, 2014, the Uranerz Board passed a consent resolution approving the extension of the LOI to January 2, 2015.

From December 22 through December 24, 2014, management of Energy Fuels and Uranerz continued negotiations regarding the deal protection provisions. Mr. Antony confirmed to Mr. Higgs on December 22, 2014 that Energy Fuels would refuse to proceed with the transaction if a go-shop provision is required by Uranerz. On December 23, 2014, the Chairman of the Uranerz Special Committee advised Uranerz management stating that it had discussed the importance of a go-shop provision with its advisors, and that following those discussions, the Uranerz Special Committee was willing to proceed in the absence of a go-shop based in part on analysis from Haywood suggesting that there did not appear to be a viable alternative suitor. Subsequent discussions among Uranerz legal and financial advisors ensued regarding the go-shop and related negotiation points, including the termination fee tail and disinterested shareholder voting requirements.

On December 23, 2014, the Uranerz Special Committee met with its legal counsel and Uranerz inside legal counsel, and discussed, among other things, (i) potential alternative suitors and the cash limitations of one identified potential suitor, (ii) the potential future financing requirements for Uranerz, (iii) the relative financial positions of each of Energy Fuels and Uranerz, (iv) the scope of the fairness opinion, and (v) the forecasts included in the financial plans of each of Uranerz and Energy Fuels, with specific consideration of inventories and a comparison of production costs in relation to contract prices. Euro Pacific and legal counsel for Euro Pacific then joined the meeting of the Uranerz Special Committee and Euro Pacific provided a summary of the analysis completed by Euro Pacific to that date. Members of the Uranerz Special Committee questioned Euro Pacific as to its initial assessments as to fairness and the relative contributions of Uranerz and Energy Fuels to the combined entity.

Also on December 23, 2014, Uranerz and Energy Fuels agreed to further extend the Exclusivity Provisions under the LOI until January 2, 2015 to provide for additional time to complete finalization of the Merger Agreement.

On December 24, 2014, Uranerz executed an engagement letter dated December 19, 2014 with Haywood to act as its financial advisor with respect to the Transaction.

Discussions on outstanding issues continued among McMillan, BLG and Dorsey & Whitney, with input from members of Uranerz and Energy Fuels management, through to December 26, 2014, and included discussions on NI 43-101 technical report issues, the provision of dissent rights to Uranerz shareholders, the support agreements and the deal protection provisions. On December 26, 2014, McMillan circulated a revised draft of the Merger Agreement to Dorsey & Whitney and BLG. Later that same day, the draft Merger Agreement along with a Notice of a Board Meeting was provided to the board of directors of Energy Fuels for a meeting to be held on January 2, 2015.

On December 29, 2014, the Uranerz Special Committee met with Uranerz inside legal counsel, representatives of GDC, representatives of Euro Pacific and legal counsel for Euro Pacific and discussed the draft fairness analysis that had previously been circulated by Euro Pacific to the Special Committee for review. The Special Committee asked that Euro Pacific provide additional analysis as to the options presented by Energy Fuels to address the convertible debentures if, depending on the final transaction structure, it was determined that repayment may be required. The Special Committee made further inquiry of Euro Pacific as to (i) whether it had considered potential write-offs to assets on the balance sheet of Energy Fuels due to impairments, (ii) the net asset value of each company and the valuation of Uranerz and Energy Fuels respective pounds of uranium, (iii) discussions between Euro Pacific and WSMT regarding the environmental and litigation related liabilities of Energy Fuels and the quantification of these liabilities, (iv) the valuation methodologies being used by Euro Pacific, and (v) the financial modeling being applied by Euro Pacific. The Special Committee further confirmed with Euro Pacific the timing of the delivery and the form of the fairness opinion. Euro Pacific advised the Special Committee it would be prepared to render an unqualified fairness opinion to the Uranerz Special Committee with respect to the Transaction in the near future.

Also on December 29, 2014, McMillan circulated to BLG and Dorsey & Whitney a revised draft of the form of support agreement.

On December 30, 2014, Dorsey & Whitney circulated a revised draft of the Merger Agreement and members of Uranerz and Energy Fuels management and representatives of McMillan, BLG and Dorsey & Whitney held a conference call to discuss the Merger Agreement, the support agreements and the disclosure schedules. Also on December 30, 2014, BLG circulated to McMillan a further revised draft of the form of support agreement.

On the evening of December 30, 2014, Energy Fuels circulated a draft of the Energy Fuels disclosure letter and schedule to McMillan. Later that evening, McMillan circulated Uranerz draft disclosure schedules to Energy Fuels, BLG and Dorsey & Whitney.

On December 31, 2014, the Uranerz Special Committee again met with Uranerz inside legal counsel, representatives of GDC, representatives of Euro Pacific and legal counsel to Euro Pacific to discuss the draft fairness analysis prepared by Euro Pacific and to request that it be revised to reflect stock prices through close of business at year end. The Uranerz Special Committee discussed with GDC and Euro Pacific the potential impact of price fluctuations in the Energy Fuels shares between the date of execution of the Merger Agreement and the closing of the Transaction. The Special Committee further discussed the value and risks of owning equity in the combined company, the advantages and disadvantages of remaining an independent entity and the fairness of the fixed-ratio offer.

Also on December 31, 2014, management of both Uranerz and Energy Fuels, and representatives of McMillan, BLG and Dorsey & Whitney held conference calls in order to work towards finalization of the terms of the Merger Agreement, the form of the support agreement and the disclosure schedules. During the course of these discussions, the mechanism for withholding shares of Energy Fuels from certain shareholders of Uranerz who are present or former 5% shareholders of Uranerz and in respect of whom Energy Fuels is subject to a withholding obligation under the FIRPTA rules was discussed and agreed to. During the course of these negotiations, Mr. Higgs contacted Mr. Antony and explained he was the only Uranerz shareholder that was both restricted from selling any of his shares, as required under his support agreement, and also subject to the FIRPTA withholding tax. Mr. Higgs proposed and Mr. Antony indicated his agreement in principal for Energy Fuels to withhold 10% of the Energy Fuels shares otherwise payable to Mr. Higgs in exchange for his Uranerz shares, and that Mr. Higgs would have no obligation to Energy Fuels in the event that such shares were sold at a lower price than the value of the FIRPTA withholding tax, and Energy Fuels would have no obligation to Mr. Higgs if such shares were sold at a higher price than the value of such withholding tax. It was later agreed that this withholding process would apply to all holders of shares of Uranerz common stock (who do not also hold Uranerz warrants) who are subject to FIRPTA withholding, as more fully described in the section titled *The Agreement and Plan of Merger Amendment to the Merger Agreement* .

On January 1, 2015, management of both Uranerz and Energy Fuels, and representatives of McMillan, BLG and Dorsey & Whitney held conference calls in order to finalize the terms of the Merger Agreement and the disclosure letters. It was discussed that the arrangement discussed between Mr. Antony and Mr. Higgs should be memorialized by a separate agreement to be entered into directly between Mr. Higgs and Energy Fuels. In addition, the parties circulated drafts of the joint press release. Later that afternoon a further revised draft of the Merger Agreement was circulated by Dorsey & Whitney and later that evening the parties agreed to the forms of support agreements.

Also on January 1, 2015, Uranerz inside counsel circulated a notice of meeting of the Uranerz board of directors to be held on January 2, 2015.

Also on January 1, 2015, the Special Committee requested a summary of all agreements or arrangements, including prospective employment or other compensation arrangements, currently in place or being discussed regarding change of control payments or involving post-Transaction employment.

On January 2, 2015, revised drafts of Uranerz and Energy Fuels disclosure letters were circulated. Later that afternoon, the Energy Fuels board of directors met to consider the Merger Agreement. During this meeting, the Energy Fuels board of directors had discussions with members of Energy Fuels executive management team as well as members of Cantor and Roth. The Energy Fuels board of directors unanimously approved Energy Fuels to enter into the Merger Agreement.

Also on January 2, 2015, the Uranerz Special Committee met with Uranerz inside counsel and representatives of GDC and McMillan and determined that certain proposed arrangements between Energy Fuels and members of Uranerz management should be further documented and disclosed to the Uranerz board of directors in advance of the Uranerz Special Committee rendering a recommendation and the Uranerz board of directors voting on the Transaction. The Uranerz Special Committee resolved that all financial interests, including anticipated or prospective financial interests, should be disclosed prior to the Uranerz board of directors vote on the Transaction as provided under the Nevada Revised Statutes.

On January 3, 2015, the Uranerz board of directors held a meeting, which included representatives from McMillan, GDC, Euro Pacific, Haywood and Uranerz management. The board of directors received and reviewed the fairness opinion from Euro Pacific and discussed the opinion with Euro Pacific. Haywood and the board of directors then discussed the main reasons for supporting the Transaction, potential questions that may be raised with respect to the Transaction and the various alternatives to the Transaction, including acquisitions by other parties and maintaining the status quo, and the comparative ability of the combined entity to realize new equity financing and to complete strategic acquisitions versus Uranerz on a stand-alone basis. These reasons for supporting the Transaction included (i) the premium to the current Uranerz common stock price represented by the Transaction consideration; (ii) peer orientation in the uranium sector of the public company market and associative benefits; (iii) the prospect of access to additional uranium resources and growth in a higher uranium price environment; (iv) better near-term financial stability; and (v) various accretive valuation metrics to Uranerz and its stockholders. The board of directors next considered financial, legal and technical due diligence information. At the request of the Chairman of the Special Committee, each Uranerz Director and the CFO disclosed his financial interest, if any, in the proposed Transaction. The Uranerz Special Committee then summarized its conclusions, including a discussion of which Uranerz Officers and Directors were expected to be retained by the combined company and other matters related to prospective employment agreements, change in control payments or other possible conflicts of interest. The Uranerz Special Committee stated the steps taken to maximize shareholder value by the Uranerz Special Committee and confirmed the results of the fairness opinion it received from Euro Pacific, and thereafter recommended that the Uranerz board of directors approve the Transaction with Energy Fuels, including the exchange ratio of 0.255. The Uranerz board of directors discussed the reasons supporting the Transaction, including the significance of the premium, the potential increase for liquidity for shareholders, analyst coverage and market profile, the financial ability on a combined versus stand-alone basis, the relative resource positions of each company, the ability to grow through acquisitions on a combined versus a stand-alone basis, management and operational synergies, the increased scale of the business of the combined entity and the ability to leverage future uranium prices. The Uranerz board of directors also discussed comparative balance sheets and pro formas, as well as net asset values. The Uranerz board of directors further considered challenges that would be faced by the combined entity following completion of the Transaction. The reasons for remaining a stand-alone company and the associated risks were discussed. Following this discussion, the Uranerz board of directors unanimously approved execution of the Merger Agreement with Energy Fuels.

On January 3, 2015, the parties executed an extension letter agreement to extend the Exclusivity Provisions until January 5, 2015 to enable the parties to finalize the Merger Agreement and related documents.

On the evening of January 4, 2015, Energy Fuels and Uranerz executed the Merger Agreement.

On January 5, 2015, Energy Fuels and Uranerz issued a joint press release before the market opened announcing the Transaction.

On March 31, 2015, Euro Pacific discovered that it had used an incorrect figure for the number of issued and outstanding shares of Uranerz stock in connection with the calculation of certain valuation metrics calculated on a per share basis of Uranerz common stock in connection with the preparation of its fairness opinion. The valuation metrics affected, as well as the original and corrected calculations, are presented below under Opinion of Euro Pacific Canada Inc. as Independent Financial Advisor to the Special Committee. Promptly after discovery, Euro Pacific informed the Chairman of the Uranerz Special Committee by letter dated April 2, 2015 of the computational error and the corrected analysis and confirmed that the correction did not result in any change to the fairness opinion that was delivered by Euro Pacific on January 3, 2015. On April 7, 2015, Euro Pacific orally confirmed to the Uranerz board of directors that the correction did not result in any change to the fairness opinion that was delivered by Euro Pacific on January 3, 2015.

On April 27, 2015, management of Uranerz, including Mr. Higgs, Mr. Catchpole, Mr. Goranson and Uranerz inside legal counsel, met with management of Energy Fuels, including Mr. Antony, Mr. Zang and Mr. Frydenlund, in Denver to discuss operational plans. At that meeting, it was discussed that Energy Fuels may advance to Uranerz a bridge loan in an amount up to \$3,000,000 for the purpose of funding wellfield development by Uranerz. The terms of the bridge loan, including any security to be granted, applicable repayment obligations and conversion terms have not been concluded as of the date hereof and there is no assurance that the bridge loan will be advanced. Management of Energy Fuels also advised that it proposed to discuss with the members of Uranerz management who would not continue as employees or officers of Energy Fuels following completion of the Transaction an arrangement whereby the management members would agree that the severance payments payable by Energy Fuels as a result of the completion of the Transaction would be paid over a deferred period. The terms of such arrangements, were subsequently agreed to by Messrs. Higgs, Catchpole and Leboe whereby half of such severance payments will be paid through the issuance of Energy Fuels common shares calculated based on the five day volume weighted average closing price of the Energy Fuels common shares on the NYSE MKT on the date of closing of the Transaction with the remaining amounts to be paid in cash on closing of the Transaction. The parties also discussed a further amendment to the Merger Agreement to provide for a uniform withholding process of amounts required to be withheld under applicable tax laws (including FIRPTA withholding amounts) with respect to shares of Uranerz common stock. Following that meeting on April 29, 2015, Mr. Antony proposed to Mr. Higgs that an extension to the termination date of the Transaction under the Merger Agreement be considered by the respective boards of Uranerz and Energy Fuels.

On May 8, 2015, Uranerz and Energy Fuels entered into an agreement to amend the Merger Agreement in order to (i) provide that the board of directors of Energy Fuels following the Merger would be comprised of eight directors, of whom two would be members of the existing Uranerz board of directors, (ii) provide for withholding on account of amounts required to be withheld under applicable tax laws with respect to the Uranerz warrants, and (iii) provide for a uniform withholding process of amounts required to be withheld under applicable tax laws with respect to shares of Uranerz common stock.

Recommendations of the Energy Fuels Board of Directors; Energy Fuels Reasons for the Transaction

Energy Fuels board of directors has unanimously determined that the Merger Agreement and the transactions contemplated thereby are advisable and in the best interests of Energy Fuels and its shareholders.

Factors Considered by the Energy Fuels Board of Directors

In the course of their due diligence and evaluation of the Merger Agreement and Transaction, the Energy Fuels board of directors consulted with Energy Fuels executive management team and legal counsel as well as with members of Cantor and Roth. The Energy Fuels board of directors also reviewed a significant amount of information and considered a number of factors related to the Transaction, and believes that the Transaction will provide Energy Fuels and its shareholders with a number of benefits, including but not limited to:

- providing Energy Fuels with ISR uranium production, which the Energy Fuels board of directors believes is a particularly important benefit given the current uranium price environment;
- providing Energy Fuels with additional long-term uranium supply contracts extending to 2020 at substantially higher selling prices than the current uranium spot price, which the Energy Fuels board of directors believes is a particularly important benefit given the current uranium price environment;
- positioning Energy Fuels as the only integrated conventional and in-situ uranium mining company focused on the United States, which is expected to improve Energy Fuels competitive positioning with United States-based utilities;
- diversifying Energy Fuels production centers by adding the Nichols Ranch in-situ uranium mine and plant in Wyoming to its existing production center at the White Mesa uranium mill in Utah,;
- providing Energy Fuels with additional in-situ recovery uranium resources on Uranerz land holdings which may be developed into additional future sources of ISR uranium production;
- positioning Energy Fuels to continue to be an attractive platform for further consolidation, including adding the expertise to evaluate and integrate in-situ recovery opportunities, within the United States uranium sector; and
- providing Energy Fuels with the potential for cost savings and synergies with additional potential for other operating efficiencies.

In the course of its due diligence and evaluation of the Transaction and the Merger Agreement, the Energy Fuels board of directors also identified and considered a variety of risks, including those described in greater detail under Risk Factors , Risks Related to the Transaction, Risks Relating to the Combined Company, Risks Related to Uranerz Business and Risks Related to Energy Fuels Business.

Based on the foregoing analysis, Energy Fuels' board of directors has unanimously determined that the Merger Agreement and the transactions contemplated thereby are advisable and in the best interests of Energy Fuels and its shareholders.

Recommendations of the Uranerz Board of Directors; Uranerz' Reasons for the Transaction

On January 3, 2015, at a special meeting of the Uranerz board of directors, by unanimous vote after receiving the unanimous recommendation of the Uranerz Special Committee consisting of independent directors Messrs. Dyck, Saxton and Kirchner, the Uranerz board of directors determined that the Merger Agreement and the transactions contemplated by the Merger Agreement, including the Transaction, are advisable and in the best interests of Uranerz and its shareholders. **The Uranerz board of directors recommends that Uranerz shareholders vote FOR the adoption of the Merger Agreement and FOR the adjournment of the Uranerz special meeting if necessary or appropriate to solicit additional proxies in favor of such adoption.**

In considering the proposed business combination with Energy Fuels and in making its determination that the Transaction is advisable and in the best interests of Uranerz and its shareholders, the Uranerz board of directors consulted with its management and financial, legal and other advisors, and considered a variety of factors weighing in favor of or relevant to the Transaction, including the factors discussed below.

Strategic Benefits of the Transaction. The Uranerz board of directors believes that the combination of Uranerz and Energy Fuels should result in significant strategic benefits to the combined company, which would benefit Uranerz and its shareholders as shareholders of the combined company. These strategic benefits include the following:

- The creation of a larger, more diversified uranium extraction company than Uranerz currently is alone, with diversified uranium extraction from both ISR and conventional hard-rock mining operations, as well as production from processing material at the White Mesa Mill processing facility;
- A combined Energy Fuels and Uranerz will offer the shareholders of Uranerz exposure to the benefit of a combined NI 43-101 resource base that is more than 500% greater than the current NI 43-101 mineral resources of Uranerz on a stand-alone basis, resulting in the ability of the Uranerz shareholders to participate in a combined company with a significantly larger NI 43-101 resource base of uranium properties;
- The advantages presented by the larger scale and expanded scope of the combined company in meeting the challenges facing the uranium industry, including current low spot prices for uranium;
- A combined Energy Fuels and Uranerz will offer the shareholders of Uranerz exposure to Energy Fuels' strong balance sheet, including its finished goods inventory of uranium product;

- A combined Energy Fuels and Uranerz will have a strong portfolio of several uranium sales contracts extending to 2020, at sales prices significantly higher than the current spot uranium price;
- The fact that all uranium projects of Uranerz and Energy Fuels are located in the Western United States, which offers the opportunity to operate the combined company more effectively and efficiently;
- The expected market capitalization, balance sheet and capital structure of the combined company relative to Uranerz on a stand-alone basis will place the combined company in a position to have potentially better access to capital and better ability to complete strategically accretive acquisitions that otherwise might not be available to Uranerz on a stand-alone basis;
- The aggregate value of the Transaction consideration to be received by Uranerz shareholders in the Transaction;
- The opportunity for the combined company to achieve significant operating synergies, including the potential to secure greater access to long-term contracts with uranium energy producers as a result of the expanded uranium extraction capabilities and scale of the combined company's operations; and
- The opportunity for Uranerz shareholders to participate in a combined company with an experienced management team with expertise in both conventional hard-rock and ISR uranium mining in the United States.

Financial Benefits of the Transaction. The Uranerz board of directors believes that the combination of Uranerz and Energy Fuels should result in significant financial benefits to the shareholders of Uranerz and the combined company. These financial benefits include the following:

- The fact that the Exchange Ratio of Energy Fuels common shares for each Uranerz share represented a substantial premium to the market price of the Uranerz common stock based on the trading price, with specific consideration to the following factors:
 - the Exchange Ratio represents a 37% premium for Uranerz shareholders based on the January 2, 2015 closing prices of Uranerz and Energy Fuels on the NYSE MKT,
 - the Exchange Ratio represents a 46% premium for Uranerz shareholders based on the 20-day volume-weighted average prices of Uranerz and Energy Fuels on the NYSE MKT through to January 2, 2015,
 - the Exchange Ratio is fixed and will not fluctuate based upon changes in the market price of Uranerz or Energy Fuels common shares between the date of the Merger Agreement and the date of the consummation of the Transaction, and accordingly Uranerz shareholders are protected from any decline in the Uranerz share price as compared to the Energy Fuels share price,

- A combined Energy Fuels and Uranerz will allow shareholders of Uranerz to own shares in a combined entity that will have significantly larger market capitalization, with the following associated benefits, each of which offer the opportunity of increased demand and liquidity for the common shares of the combined company:
 - the common shares of Energy Fuels post-Transaction have the potential for increased trading liquidity on the basis of the larger market capitalization of the combined company,
 - a combined Energy Fuels and Uranerz has the potential for increased analyst coverage based on its larger capitalization,
 - a combined Energy Fuels and Uranerz has the potential for better stock exchange index weighting,
 - a combined Energy Fuels and Uranerz, with operations in the top two uranium districts in the United States and a significant increase in combined uranium extraction, NI 43-101 mineral resources and market capitalization, has the potential to have a heightened trading profile in U.S. capital markets,
- The approximate 55% ownership position of the Uranerz shareholders in the combined company;
- A combined Energy Fuels and Uranerz will offer the shareholders of Uranerz greater exposure to the benefits of potential future increases in uranium prices as Energy Fuels has significant projects that may be capable of being brought into extraction operations if uranium prices increase significantly;
- A combined Energy Fuels and Uranerz will have a stronger balance sheet compared to Uranerz on a stand-alone basis, and specifically the combined entity will have a stronger working capital position following the Transaction than Uranerz on a stand-alone basis, giving it potentially greater access to capital markets and better flexibility in financing;
- The belief that, upon closing of the Transaction, the combined company will have a stronger financial profile relative to Uranerz on a stand-alone basis; and
- The significant value to Uranerz shareholders represented by the potential earnings improvement of the combined company and the views of Uranerz management as to the expected realization of synergies by the combined company.

Corporate Governance Benefits of the Transaction. During the course of its deliberations relating to the Transaction, the Uranerz board of directors also considered factors related to the corporate governance of the combined company, including the following benefits:

- The initial composition of Energy Fuels board of directors comprised of at least 9 members, which would include 3 representatives of Uranerz (the Merger Agreement was later amended to provide that 2 Uranerz representatives would be appointed to the board of directors of Energy Fuels which would be comprised of eight directors);

- The fact that three Uranerz directors, each of whom has an in-depth knowledge of Uranerz and its business, would have meaningful continued participation on the board of directors of Energy Fuels following the Transaction (the Merger Agreement as amended provides for two Uranerz directors being appointed to the Energy Fuels board of directors as further described in the section titled "The Agreement and Plan of Merger Amendment to the Merger Agreement"); and
- The fact that Paul Goranson, the President and Chief Operating Officer of Uranerz, who has an in-depth knowledge of the in situ recovery mining method, Uranerz and its business and Nichols Ranch ISR operations, would continue as part of the executive management team of Energy Fuels following the Transaction.

Other Factors Considered. During the course of its deliberations relating to the Transaction, the Uranerz board of directors considered the following factors in addition to the benefits described above:

- The financial analysis reviewed and discussed with the Uranerz board of directors by representatives of Euro Pacific as well as the fairness opinion rendered by Euro Pacific to the Uranerz Special Committee, to the effect that, as of January 3, 2015 and based upon and subject to the various considerations and limitations set forth in Euro Pacific's opinion, the consideration to be received by shareholders of Uranerz in their capacity as such pursuant to the proposed Merger Agreement was fair, from a financial point of view, to such holders;
- The Uranerz board of directors' and management's analysis and understanding of the business, operations, financial performance, financial condition, liquidity earnings, strategy and future prospects of Uranerz on a stand-alone basis, including the ability of Uranerz to complete future financings, and the assessment, based on such analysis and understanding, that the Transaction would be more favorable to Uranerz and its shareholders in the long-term in light of the potential risks and uncertainties associated with Uranerz continuing to operate as a stand-alone entity;
- The fact that both majority and disinterested approval of the shareholders of Uranerz would be required for Uranerz to proceed with the Transaction, specifically (i) the approval of the Transaction and the adoption of the Merger Agreement at the Special Meeting by shareholders of Uranerz holding a majority of the shares of Uranerz common stock outstanding and entitled to vote, and (ii) approval of the disinterested shareholders of Uranerz (which vote will exclude the votes of shares held by the officers and directors of Uranerz) holding a majority of the votes cast at the Special Meeting;
- The results of the due diligence investigations of Energy Fuels by management of Uranerz in consultation with its engineering, financial and legal advisors, which included technical engineering, financial and legal due diligence;
- The fact that the Merger Agreement does not preclude a third party from making a proposal for an acquisition of or business combination with Uranerz and that, under certain circumstances more fully described in the section "The Agreement and Plan of Merger - Non-Solicitation and Acquisition Proposals" beginning on page 164 of this proxy statement/prospectus, Uranerz may provide information to and negotiate with such a third party and the Uranerz board may change its recommendation to Uranerz shareholders regarding the Transaction with Energy Fuels; and

- The availability of dissenters' rights provided by action of the board of directors of Uranerz for those Uranerz shareholders who do not vote in favor of Transaction, such shareholders will be entitled to receive payment from the surviving corporation of the fair value of their shares of Uranerz common stock instead of receiving the Transaction consideration.

The Uranerz board of directors weighed these factors against a number of uncertainties, risks and potentially negative factors relevant to the Transaction, including:

- The fact that completion of the Transaction would preclude Uranerz from completing an alternate transaction, such as (i) an acquisition transaction in which Uranerz would be acquired by another company, (ii) a lateral business combination or merger with a like-sized industry peer, and/or (iii) completion of acquisitions by Uranerz in order to grow in size. The board considered the likelihood of completion by Uranerz of such alternate transactions and the probability as to whether any of these transactions would result in an accretion in value to the shareholders of Uranerz that would be greater than the premium offered in the Transaction;
- The fact that the completion of the Transaction would preclude Uranerz from continuing its operations on a status quo basis was considered by the board, together with the ability of Uranerz to meet its financing requirements on a stand-alone basis;
- The fact that if the Transaction were determined to result in a change of control of Energy Fuels under the trust indenture that governs the CDN\$22 million convertible debentures issued by Energy Fuels in 2012, Energy Fuels could be required to make an offer to the holders of the convertible debentures to repurchase their convertible debentures at a price equal to 100% of the principal amount of the convertible debentures. The Uranerz Board considered a number of possible funding alternatives should Energy Fuels be required to purchase the convertible debentures;
- The operating and capital costs associated with the conventional hard-rock mining assets of Energy Fuels in contrast to the operating and capital costs associated with Uranerz's ISR mining assets;
- The risk that anticipated operating synergies and cost savings may not be achieved or may take longer to achieve than anticipated;
- The fact that a number of the Energy Fuels mines, including the Henry Mountains Complex, the La Sal Complex, the Daneros Mine and the Whirlwind Mine, have been placed on stand-by operations and accordingly are currently not in production and are subject to ongoing standby-costs;

- The risk that the existing operations of Energy Fuels, including the White Mesa Mill, and certain proposed development projects of Energy Fuels, including the Canyon Mine, may be impacted by environmental litigation or other legal hurdles related to the operation of uranium projects in environmentally sensitive areas and the advice of legal counsel as to the merits and costs of this litigation;
- The fact that key prospective Energy Fuels development projects (which are associated with significant NI 43-101 resources), including the Roca Honda mine and the Sheep Mountain mine, will require substantial capital investment and higher uranium prices, in order to be financed, constructed and placed into production;
- The fact that key prospective Energy Fuels development projects will be subject to permitting and licensing of operations and the track record of management of Energy Fuels in permitting and licensing uranium projects in the United States;
- The potential impact of the litigation related to Energy Fuels Canyon Mine, including the possibility of delay and increased expense resulting from this litigation, coupled with the fact that the cash flow forecasts of Energy Fuels provided to the board of directors did not assume development of the Canyon Mine;
- The fact that because the Transaction consideration is a fixed Exchange Ratio of Energy Fuels shares to shares of Uranerz common stock, Uranerz shareholders could be adversely affected by a decrease in the trading price of Energy Fuels shares, relative to the trading price of Uranerz shares, during the period leading up to the completion of the Transaction and the fact that the Merger Agreement does not provide Uranerz with a price-based termination right or similar protection;
- The fact that the support agreements and certain provisions of the Merger Agreement may have the effect of discouraging alternative acquisition transactions involving Uranerz, including: (1) the restrictions on Uranerz ability to solicit proposals for alternative transactions; (2) the requirement that the Uranerz board of directors submit the Merger Agreement to the Uranerz shareholders for adoption in certain circumstances, even if it withdraws its recommendation for the Transaction; and (3) the requirement that Uranerz pay a termination fee of \$5.0 million to Energy Fuels in certain circumstances following the termination of the Merger Agreement;
- The fact that the Transaction will not qualify as a reorganization for U.S. federal income tax purposes and, as a result that shareholders taxable in the United States will be deemed to have disposed of their shares in Uranerz upon completion of the Transaction, without relief from any taxable capital gain, if applicable;
- The fact that shareholders in Canada will not be able to exchange their shares of Uranerz for common shares of Energy Fuels on a tax-deferred or rollover basis, with the result that they may be subject to capital gains tax as a result of completion of the Transaction;
- The restrictions on the conduct of the business of Uranerz during the period between execution of the Merger Agreement and the completion of the Transaction;

- The risk that the Transaction may not be completed despite the parties' efforts or that completion may be unduly delayed, even if the requisite approval is obtained from Uranerz' shareholders, and the risk that one or more of such shareholders might seek to enjoin the Transaction;
- The risk that changes in the regulatory, commodity pricing, competitive or environmental landscape may adversely affect the business benefits anticipated to result from the proposed transaction; and
- The other risks described in the sections entitled "Risk Factors" beginning on page 34 and "Cautionary Statement Concerning Forward-Looking Information" beginning on page 52.

The Uranerz board of directors concluded, on balance, that the uncertainties, risks and potentially negative factors relevant to the Transaction were outweighed by the potential benefits that it expected Uranerz and the Uranerz shareholders would achieve as a result of the Transaction.

The Uranerz board of directors and the Uranerz Special Committee also took into account the fact that Euro Pacific's opinion addressed only the fairness, from a financial point of view, of the value of the consideration to be paid to the Uranerz shareholders and did not address the value of the Energy Fuels' common shares or strategic considerations or the other factors considered by the Uranerz Board, as discussed above.

This discussion of the information and factors considered by the Uranerz board of directors includes the principal positive and negative factors considered by the board of directors, but is not intended to be exhaustive and may not include all of the factors considered. The Uranerz board of directors did not quantify or assign any relative or specific weights to the various factors that it considered in reaching its determination that the Merger Agreement and the Transaction are advisable and in the best interests of Uranerz and its shareholders.

The Uranerz board of directors viewed its position and recommendation as being based on the totality of the information presented to it and the factors it considered. In addition, individual members of the Uranerz board of directors may have given differing weights to different factors. It should be noted that this explanation of the reasoning of the board of directors of Uranerz and certain information presented in this section is forward-looking in nature and, therefore, that information should be read in light of the factors discussed in the section entitled "Cautionary Statement Concerning Forward-Looking Information" in this proxy statement/prospectus, beginning on page 52.

Opinion of Euro Pacific Canada Inc. as Independent Financial Advisor to the Special Committee

Pursuant to an engagement letter dated December 18, 2014, the Uranerz Special Committee retained Euro Pacific to provide an opinion to the Uranerz Special Committee as to whether, as of the date of the opinion, the per share consideration to be received by shareholders of Uranerz in their capacity as such pursuant to the Merger Agreement was fair, from a financial point of view, to such holders.

Euro Pacific is a Canadian registered investment dealer and investment banking firm headquartered in Toronto, Ontario, with offices in Montreal, Quebec, Vancouver, British Columbia, and Tokyo, Japan. Euro Pacific is a member or participating organization of the TSX and TSX Venture Exchange, and is a dealer member of the Investment Industry Regulatory Organization of Canada (IIROC). Euro Pacific offers an integrated platform of equity research, institutional sales and trading, investment banking services in the areas of business and securities valuations, fairness opinions, corporate finance transactions, and strategic advice regarding acquisitions, divestitures and mergers of middle-market companies in a variety of sectors, including metals and mining. Euro Pacific has experience in transactions involving valuations and fairness opinions of stock exchange listed companies.

On January 3, 2015, Euro Pacific rendered its oral opinion, subsequently confirmed in writing, to the Uranerz Special Committee and the full board of directors that, as of such date, and based upon and subject to the various assumptions made, matters considered and qualifications and limitations set forth in the opinion, the per share consideration to be received by the shareholders of Uranerz in their capacity as such pursuant to the Merger Agreement was fair, from a financial point of view, to such shareholders. The fairness opinion represents the opinion of Euro Pacific and its form and content were approved by senior investment banking professionals of Euro Pacific, each of whom is experienced in merger, acquisition, divestiture, valuation and fairness opinion matters.

The full text of Euro Pacific's written opinion, dated January 3, 2015, which sets forth, among other things, the assumptions made, matters considered and qualifications and limitations on the review undertaken by Euro Pacific in rendering its opinion, is attached to this proxy statement/prospectus as Annex D and is incorporated by reference herein. The summary of the Euro Pacific opinion provided in this proxy statement/prospectus is qualified in its entirety by reference to the full text of the opinion. Shareholders of Uranerz are urged to read the opinion carefully and in its entirety.

Subsequent to the rendering of its fairness opinion, Euro Pacific determined that certain of the information presented to the Uranerz Special Committee and the Uranerz board of directors at the January 3, 2015 Uranerz board of directors meeting was incorrect due to a computational error. The error related to the number of issued and outstanding shares of Uranerz common stock used to derive certain per share valuation metrics presented to the Special Committee and Uranerz board of directors. Euro Pacific delivered its letter to the Special Committee on April 2, 2015 in which it (i) advised as to the nature of the error, (ii) confirmed the corrected per share valuation metrics, (iii) advised that the errors did not have an impact on the en bloc (in the whole) valuation of Uranerz presented to the Special Committee and Uranerz board of directors, and (iv) confirmed that the errors did not impact the conclusion or opinion of Euro Pacific as to the fairness of the Transaction to the stockholders of Uranerz, from a financial point of view.

The corrected valuation metrics are presented in the discussion of Euro Pacific's financial analysis in the discussion entitled Summary of Material Financial Analysis below. A reconciliation of the corrected valuation metrics to the original valuation metrics is provided below under Summary of Material Financial Analysis - Corrected Valuation Metrics .

Euro Pacific was not involved in determining the amount of the per share consideration to the shareholders of Uranerz, nor in making any recommendations to Uranerz or Energy Fuels in that regard. Euro Pacific's opinion addresses only the fairness of the per share consideration, from a financial point of view, to the shareholders of Uranerz in their capacity as such pursuant to the Merger Agreement, as of the date of the opinion, and does not address the relative merits of the Transaction as compared to any alternative business strategies or transactions that might exist for Uranerz, Uranerz's underlying business decision to proceed with the Transaction or the effects of any other transaction in which Uranerz will or might engage. Euro Pacific's opinion was directed to the Uranerz Special Committee in connection with its consideration of the Transaction and was not intended to be, and does not constitute, an opinion or recommendation to any shareholder as to how such shareholder should vote with respect to the Transaction, any related matter or any other transactions.

In arriving at its opinion, Euro Pacific reviewed and relied upon, among other things, the following:

- the draft Merger Agreement provided to Euro Pacific on December 31, 2014 (the **Latest Draft Agreement**);
- audited financial statements and management's discussion and analysis of Uranerz for the 12 months ended December 31 for each of 2009, 2010, 2011, 2012 and 2013;
- quarterly interim reports of Uranerz, including the unaudited financial statements and management's discussion and analysis for the three month periods ended March 31, 2010 through to September 30, 2014;
- audited financial statements and management's discussion and analysis of Energy Fuels for the 15 months ended December 31, 2013, the 12 months ended September 30, 2012, and the interim quarterly periods between September 30, 2012 and September 30, 2014;
- Uranerz NI 43-101 technical reports on the Reno Creek Property, North Rolling Pin Property, South Doughstick Property, Doughstick Property, Nichols Ranch Property, West North Butte Satellite Properties, Hank Unit Property, Arkose Mining Venture Project, and the combined Preliminary Economic Assessment of Nichols Ranch and Hank Unit Properties;
- Energy Fuels Preliminary Feasibility Study on the Sheep Mountain Project, NI 43-101 technical reports on the Arizona Strip Uranium Project, Daneros Mine Project, Roca Honda Project, Gas Hills Project, La Sal Complex, Juniper Ridge Project, Sage Plain Project, Henry Mountains Complex, Whirlwind, EZ 1 Complex, EZ 2 Complex, Marquez Uranium Property, Torbyn Property and Nose Rock Uranium Property;
- press releases, material change reports, information circulars and other material documents issued or filed on SEDAR by Uranerz and Energy Fuels since January 1, 2013;
- a pro-forma 5-year consolidated financial operations plan prepared by senior management of Energy Fuels;
- certain internal financial, operational, corporate, budget and other information concerning Uranerz prepared or provided by the management of Uranerz;
- various due diligence reports prepared for Uranerz by its advisors;
- various equity research analysts' reports on Uranerz and Energy Fuels;

- selected other corporate, uranium sector and mining industry research publications published by equity research analysts or commentators that Euro Pacific considered to be relevant;
- Uranerz corporate investor relations presentation dated December 2, 2014 and Energy Fuels corporate investor relations presentation dated November 2014;
- certain other financial, legal and operating information prepared by or for senior management of Uranerz;
- discussions with members of the Uranerz Special Committee regarding the current operations and financial condition and the prospects of Uranerz and Energy Fuels, including information relating to certain strategic, financial and operational benefits and risks anticipated to result or arise from the Transaction;
- discussions with members of Uranerz management with respect to the information and issues Euro Pacific considered to be relevant;
- public information relating to the business, operations, financial performance and stock trading history of Uranerz, Energy Fuels and other selected public companies that Euro Pacific considered to be relevant;
- public information with respect to certain other transactions of a comparable nature that Euro Pacific considered to be relevant; and
- such other information, analysis and inquiries as Euro Pacific considered appropriate.

For its opinion, Euro Pacific accepted the foregoing financial statements and other information, without further verification, as correctly reflecting the business conditions and operating results for Uranerz and Energy Fuels, as applicable, for the respective periods, except as noted in its opinion. Euro Pacific's fairness opinion is based on the assumption that no material changes have taken place in the business, operations, asset positions or prospects of either Uranerz or Energy Fuels, other than to the extent brought to Euro Pacific's attention since the date of the financial information utilized by Euro Pacific. Euro Pacific relied upon and assumed, without assuming any responsibility for independent verification, the accuracy and completeness of all of the information, data, opinions and other materials provided to, discussed with or reviewed by Euro Pacific, and Euro Pacific did not assume any responsibility for such information.

In preparing the fairness opinion, Euro Pacific assumed that (i) the Transaction will be consummated in accordance with the terms set forth in the Latest Draft Agreement and any related transaction documents, (ii) that the Latest Draft Agreement and related transaction documents will not differ in any material respect from the drafts provided to Euro Pacific, (iii) that all of the conditions required to complete the Transaction will be met, (iv) that the procedures being followed to implement the Transaction are valid and effective, (v) that all required documents will be distributed to the shareholders of Uranerz and Energy Fuels in accordance with applicable laws, and (vi) all forms of consideration, both direct and indirect, to be received, or that have already been received by the shareholders of Uranerz in connection with the Transaction have been disclosed to Euro Pacific.

Euro Pacific did not comment on the trading prices or marketability of Uranerz or Energy Fuels common shares on the public markets (as at the date of its opinion or following the consummation of the Transaction or at any time) and Euro Pacific did not express any opinion or recommendation to any security holders of Uranerz or Energy Fuels as to how to vote at any shareholders meetings to be held in connection with the Transaction. Euro Pacific's opinion did not address the relative merits of the Transaction as compared to alternative transactions or strategies that might be available to Uranerz, nor should Euro Pacific's opinion be interpreted as an endorsement of the merits of the Transaction. Euro Pacific rendered its opinion as of January 3, 2015 on the basis of securities markets, economic and general business and financial conditions prevailing and the condition and prospects, financial and otherwise, of Uranerz as they were reflected in the information and documents reviewed by Euro Pacific and as they were represented to Euro Pacific in discussions with management of Uranerz. Euro Pacific relied upon the completeness, accuracy and fair presentation of all such information without further verification.

Euro Pacific's opinion addresses only the fairness, from a financial point of view, to the shareholders of Uranerz of the per share consideration to be received by such holders in their capacity as such pursuant to the Merger Agreement, and no opinion or view was expressed by Euro Pacific with respect to any other consideration paid or received in connection with the Transaction or any other transaction by the holders of any class of securities, creditors or other constituencies of any party. Euro Pacific did not express any opinion with respect to the fairness of the amount or nature of the compensation of any of the officers, directors or employees of Uranerz, or any class of such persons, relative to the consideration to be received by the holders of Uranerz common stock pursuant to the Transaction.

Euro Pacific's opinion does not in any manner address any term, condition, aspect or implication of the Transaction or the Merger Agreement (other than the consideration to be received by the shareholders of Uranerz in their capacity as such pursuant to the Merger Agreement to the extent expressly specified herein), including, without limitation, the form or structure of the Transaction, the timing or other terms or conditions related to the Transaction, any distributions to the shareholders or other security holders of Uranerz, or any other transaction, agreement, arrangement or understanding referenced in the Merger Agreement or related to the Transaction, the Merger Agreement or otherwise, including, without limitation, the fairness of the amount or nature of, or any other aspect relating to any compensation to any officers, directors or employees of any party to the Transaction or any related transaction, or any class of such persons. Euro Pacific was not requested to, and did not, participate in the negotiation of the terms of the Transaction. In addition, Euro Pacific was not requested to, and did not, solicit indications of interest or proposals from third parties.

Summary of Material Financial Analysis

The following is a summary of the material financial analyses performed by Euro Pacific and reviewed by the Uranerz Special Committee in connection with Euro Pacific's opinion relating to the Transaction and does not purport to be a complete description of the financial analyses performed by Euro Pacific. The rendering of an opinion is a complex analytic process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. Therefore, this summary does not purport to be a complete description of the analyses performed by Euro Pacific or of its presentation to the Uranerz Special Committee and the full Uranerz board of directors on January 3, 2015.

Euro Pacific based its opinion on methods and techniques that it considered appropriate in the circumstances and considered a number of factors in its review of the Transaction, including:

- a net asset value analysis (based on project-level discounted cash flow analyses);
- a price to net asset value multiple analysis;
- a comparable companies analysis;
- a comparable transactions analysis;
- a survey of investment research analysts' estimates and targets;

and sensitivities related to a range of possible future uranium prices.

Net Asset Value Analysis (based on project level discounted cash flow analyses)

Pursuant to this and other approaches and under the various assumptions and limitations described, Euro Pacific estimated Uranerz' net asset value per share of Uranerz common stock in three cases: a Management Base Case that assumed a U3O8 spot price of \$55/lb and a term price of \$60/lb; a Management Upside Case that assumed a U3O8 spot price of \$70/lb and a term price of \$75/lb; and a Management Downside Case that assumed a U3O8 spot price of \$40/lb and a term price of \$45/lb. In each case, these estimates were derived based on project level discounted cash flows and assumptions and calculations determined by Euro Pacific to be relevant to its fairness opinion. Readers should be aware that the net asset value estimates described herein were prepared by Euro Pacific for the limited purpose of developing a net asset valuation range for Uranerz based on a project level discounted cash flow analysis for consideration in developing Euro Pacific's fairness opinion and should not be construed as a formal valuation. Such net asset valuation range was intended to include certain assumptions the purpose of which was to consider the fairness of the Transaction in light of highly favorable stand-alone models for Uranerz that assumed an accelerated development of Uranerz' projects without capital constraints and made certain assumptions regarding costs and expenses. Such assumptions are not based on a feasibility study under the requirements of the SEC for the establishment of reserves or a feasibility study, pre-feasibility study or preliminary economic assessment for the purposes of Canadian securities laws, and do not represent Uranerz' expectations as to future production, cash flows or profitability in any of the three cases analyzed. As a result, such net asset value per share estimates considered by Euro Pacific in forming its fairness opinion should not be relied on by investors for any purpose other than the fairness opinion and should not be considered to be predictive of the current or future value of Uranerz.

Euro Pacific's net asset value analysis concluded that the Transaction consideration constituted a premium to Uranerz' net asset value at each of the uranium price cases evaluated. Specifically, based on the assumptions discussed above, Euro Pacific estimated for purposes of forming its fairness opinion the net asset value per Uranerz share (CDN) to be CDN\$1.07 in the Management Base Case, CDN\$0.39 in the Management Downside Case and CDN\$1.72 in the Management Upside case. These net asset values on a U.S. dollar basis, based on the Bank of Canada noon exchange rate on January 2, 2015 of \$0.8527 per CDN\$1.00, were \$0.91 in the Management Base Case, \$0.33 in the Management Downside Case and \$1.47 in the Management Upside.

Target Price-to-Net Asset Value Multiple Analysis

This approach was based on the average equity analyst Target Price-to-Net Asset Value multiples applied to the valuation of Uranerz and Euro Pacific's calculated Net Asset Value at a project level of Uranerz, based on the assumptions discussed above. Euro Pacific's method included a control premium of 30%. As in all other methods utilized by Euro Pacific, the downside, base and upside scenarios were considered, and ranges of implied share prices were calculated and considered for the purposes of the opinion rendered by Euro Pacific.

Comparable Companies Analysis

In order to assess how the public market values shares of publicly traded companies similar to Uranerz, Euro Pacific reviewed and compared certain financial information relating to Uranerz with selected companies, which, in the exercise of its professional judgment and based on its knowledge of the industry, Euro Pacific deemed relevant to Uranerz. Although none of the selected companies is identical to Uranerz, Euro Pacific selected these companies because they had publicly traded equity securities and were deemed to be similar to Uranerz in one or more respects including the nature of their business, size, financial performance, geographic concentration or listing jurisdiction. The selected comparable companies included:

- Uranium Energy Corp.
- Ur-Energy Inc.
- Uranium Resources, Inc.
- Peninsula Energy Limited

For each of the selected companies, Euro Pacific reviewed publicly available information in order to analyze the trading performance and analyst net asset value calculations of the comparable companies, applying a control premium of 30%. Various metrics were considered for each company where possible, including the market capitalizations, enterprise values, analyst price-to-NAV multiples and enterprise values per pound of uranium. A table summarizing some of the information considered by Euro Pacific is reproduced below.

Public Comparables

In millions of CDN except per share data

Company Name	Market Cap	Enterprise Value	Analyst P/NAV		EV/lb
			Avg.	Med	
Uranium Energy	\$185.9	\$202.8	1.04x	1.03x	2.89x
UR-Energy	\$128.0	\$171.6	1.07x	1.05x	4.74x
Uranium Resources	\$54.3	\$49.7	NA	NA	1.19x

Peninsula Energy Limited	\$81.1	\$89.0	0.76x	0.88x	1.66x
Mean	112.34	128.28	0.96x	0.98x	2.62x
Median	104.55	130.29	1.04x	1.03x	2.27x
Max	185.93	202.83	1.07x	1.05x	4.74x
Min	54.32	49.70	0.76x	0.88x	1.19x
Uranerz Energy	\$120.8	\$133.0	1.08x	1.03x	6.97x

**For the purposes of the above table, Analyst P/NAV means the average 12-month share price targets of investment research analysts covering the comparable companies divided by the net asset value per share of such comparable companies as determined and published by the same investment research analysts, as at the date of the fairness opinion.*

*** For the purposes of the above table, EV/lb means Enterprise Value of the comparable companies as at December 31, 2014 divided by the total pounds of uranium reserves and resources (inclusive of inferred resources) disclosed in the comparable companies' respective NI 43-101 technical reports (except in the case of Peninsula Energy Limited, where such information was disclosed in a public report prepared pursuant to the Australasian Joint Ore Reserves Committee (JORC).Code).*

Source: Company reports, Bloomberg, Capital IQ, 31 December 2014

No company utilized in the peer group comparison is identical to Uranerz. In evaluating the comparable companies, Euro Pacific made judgments and assumptions with regard to general business, economic, market and financial conditions and other matters, which are beyond the control of Uranerz, such as the impact of competition on the business of Uranerz or the industry generally, industry growth and the absence of any adverse material change in the financial condition of Uranerz or the industry or in the financial markets in general, which could affect the public trading value of the company. Mathematical analysis is not in itself a meaningful method of using comparable company data.

The comparable public companies analysis described above produced reference ranges of multiples that informed Euro Pacific in rendering its fairness opinion relating to the Transaction. Euro Pacific's enterprise values per pound of uranium comparable company analysis estimated Uranerz price per share (CDN) to be CDN\$0.51 in the Management Base Case, CDN\$0.48 in the Management Downside Case and CDN\$1.14 in the Management Upside Case. These enterprise values on a U.S. dollar basis, based on the Bank of Canada noon exchange rate on January 2, 2015 of \$0.8527 per CDN\$1.00, were \$0.44 in the Management Base Case, \$0.41 in the Management Downside Case and \$0.97 in the Management Upside Case.

Comparable Transactions Analysis

Euro Pacific reviewed the acquisition premiums paid for selected transactions using publicly available information. The following transactions were reviewed in connection with this analysis:

- Strathmore Minerals/Energy Fuels (30.7%)
- Calypso Uranium/U3O8 Corp. (12.0%)
- Uranium One/ARMZ Uranium Holding (18.7%)
- JNR Resources/Denison Mines Corp. (55.3%)
- Pitchstone Exploration/Fission Energy Corp. (35.5%)
- Curnamona Energy/Havilah Resources (25.7%)
- Extract Resources/China General Nuclear Power (6.9%)
- Southern Andes Energy/Macusani Yellowcake (29.3%)
- Cue Resources/Uranium Energy Corp. (52.2%)
- Titan Uranium/Energy Fuels (33.7%)
- Rio Tinto Canada Uranium/Rio Tinto, Fer et Titane (16.6%)
- White Canyon Uranium/Denison Mines Corp. (20.0%)
- Brinkley Mining/Eurogold Ltd. (61.5%)

Some of these transactions were not considered to be strategic or synergistic, but were still deemed to be pertinent to Euro Pacific's analyses based on the industry knowledge and professional judgment of Euro Pacific. Based on these analyses, Euro Pacific noted that the mean Volume Weighted Average Price (**VWAP**) premium paid relative to the closing stock price one day prior to transaction announcement was 30.6% for all of the offers noted. Individual one-day VWAP premiums for these precedent transactions are listed above in parentheses next to each transaction. VWAP premiums were also calculated for one-week, one-month and three-month periods, and these ranges were 6.6% to 75.9% (one week), 10.5% to 108.6% (one month) and 9.1% to 123.6% (three months), respectively. This exercise was done to confirm that the premium being paid was in line with precedent transactions of a comparable nature. Precedent VWAP premiums were further broken down by stock (mean of 37.3%) and cash (mean of 15.6%) offers.

No company or transaction utilized in the above premium analyses is identical to Uranerz, Energy Fuels, or the Transaction. In evaluating the precedent transactions, Euro Pacific made judgments and assumptions with regard to general business, market and financial conditions and other matters, which are beyond the control of Uranerz and Energy Fuels, such as the impact of competition on the business of Uranerz, Energy Fuels or the industry generally, industry growth and the absence of any adverse material change in the financial condition of Uranerz, Energy Fuels or the industry or in the financial markets in general, which could affect the public trading value of the companies and the aggregate value of the transactions to which they are being compared.

Survey of Investment Research Analysts' Estimates and Targets

Euro Pacific reviewed and analyzed the public market trading price targets for Uranerz common shares prepared and published by equity research analysts during the period from September 3, 2014 through November 11, 2014. These targets reflected each analyst's publicly available estimate of the future public market trading price of Uranerz common shares at the end of the particular time period considered for each estimate. Euro Pacific noted that such analyst price targets for Uranerz common shares ranged from CDN\$1.50 to CDN\$2.00 per Uranerz common share, and that each analyst considered had published a buy recommendation. Using a control premium of 30%, Euro Pacific arrived at a range of present values of the equity analyst price targets for Uranerz common shares of CDN\$1.95 to CDN\$2.60 per share (equivalent to \$1.66 to \$2.22 per share on a U.S. dollar basis, based on the Bank of Canada noon exchange rate on January 2, 2015 of \$0.8527 per CDN\$1.00).

The public market trading price targets published by equity research analysts did not necessarily reflect actual market trading prices for Uranerz common shares or Energy Fuels common stock and these estimates were subject to uncertainties, including the future financial performance of Uranerz and Energy Fuels and future financial market conditions.

Fairness Opinion Conclusion

Euro Pacific determined an average en bloc fair market value of CDN\$1.56 per share for the Management Base Case, inclusive of a control premium of 30% (where appropriate), compared to the transaction consideration of CDN\$1.82 per share. Euro Pacific also determined an en bloc fair market value of CDN\$0.93 for the Management Downside Case and an en bloc fair market value of CDN\$2.21 for the Management Upside Case. These en bloc fair market value estimates on a U.S. dollar basis, based on the Bank of Canada noon exchange rate on January 2, 2015 of \$0.8527 per CDN\$1.00, were \$1.55 in the Management Base Case, \$0.79 in the Management Downside Case and \$1.88 in the Management Upside Case. The en bloc fair market value was derived using a weighted average of the methodologies used in the fairness analysis. The following weightings were applied: (i) 35% to the net asset value methodology, (ii) 20% to the investment research analysts' estimates analysis, (iii) 20% to the target P/NAV multiples approach, (iv) 20% to the 12 month trading data, and (v) 5% to the comparable companies approach. Based on its analysis, Euro Pacific concluded the transaction was fair from a financial point of view to the holders of Uranerz common shares.

Revised Metrics

The corrected per share amounts for the Uranerz common stock presented in the discussion above and set forth in Euro Pacific's letter delivered to the Special Committee on April 2, 2015 are provided below, with reference to the original per share amounts presented to the Special Committee and Uranerz board of directors:

Metric	Management Base Case		Management Downside Case		Management Upside Case	
	Revised	Original	Revised	Original	Revised	Original
CDN\$						
Net Asset Value per Share (based on project level discounted cash flow)	1.07	1.19	0.39	0.44	1.72	1.92
Target Price-to-Net Asset Value (based on project level discounted cash flow) per Share	1.47	1.64	0.54	0.60	2.36	2.64
Comparable Company Analysis	0.51	0.57	0.48	0.54	1.14	1.27

These changes result in the following changes to Euro Pacific's summary en bloc fair market value conclusions:

<u>Summary</u>	<u>Revised</u>	<u>Original</u>
Management Base Case	CDN\$1.54	CDN\$1.62
Management Downside Case	CDN\$0.93	CDN\$0.96
Management Upside Case	CDN\$2.21	CDN\$2.34

The average fair market value of Uranerz common stock per share based upon Euro Pacific's weightings was CDN\$1.56 (revised) as opposed to CDN\$1.64 (original). The consideration being offered by Energy Fuels was determined to be equivalent to CDN\$1.82 at the relevant time.

General

Euro Pacific noted that the preparation of a fairness opinion is a complex process and is not necessarily amenable to partial analysis or summary description. Euro Pacific believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create an incomplete view of the process underlying the fairness opinion. Accordingly, Euro Pacific noted the fairness opinion should be read in its entirety.

Euro Pacific's opinion is based on economic, monetary, market and other conditions and circumstances in effect on, and the information made available to it as of, the date of the opinion. Although subsequent developments may affect the opinion, Euro Pacific does not have any obligation to update, revise, reaffirm or withdraw the opinion, or otherwise comment on or consider circumstances, developments or events occurring after the date thereof, and Euro Pacific expressly disclaims any responsibility to do so.

As described above, Euro Pacific's opinion was only one of many factors considered by the Uranerz Special Committee and the board of directors in making its determination to approve the Transaction. Euro Pacific was not requested to, and did not solicit any expressions of interest from any other parties with respect to any business combination with Uranerz.

Euro Pacific is a full service securities dealer engaged in securities trading and brokerage activities, as well as providing investment banking and other financial services. Euro Pacific, as part of its investment banking business, is continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements and valuations for investment research, corporate and other purposes. Euro Pacific and its affiliates have not in the past provided any investment banking services to Uranerz or Energy Fuels (other than in regard to the fairness opinion described herein and related advice to the Uranerz Special Committee); however, Euro Pacific may in the future provide investment banking and other financial services to Uranerz, entities that are affiliated with Uranerz, or other parties to the Merger Agreement, for which Euro Pacific would expect to receive compensation. In the ordinary course of business, Euro Pacific and its affiliates may acquire, hold or sell, for itself and its affiliates own accounts and for the accounts of customers, equity, debt and other securities and financial instruments of Uranerz and the other parties to the Merger Agreement, and, accordingly, may at any time hold a long or a short position in such securities.

Euro Pacific acted as financial advisor to the Uranerz Special Committee solely to render the opinion and was paid a fixed rate fee of CDN\$85,000 for Euro Pacific's services in connection with the rendering of the opinion, all of which was payable without regard to whether the Transaction is approved and consummated. In addition, Uranerz has agreed to indemnify Euro Pacific for certain liabilities and other items arising out of Euro Pacific's engagement and to reimburse Euro Pacific for certain expenses in connection with its services.

Board of Directors and Management After the Transaction

Upon completion of the Transaction, the Energy Fuels board of directors will be comprised of eight members. Energy Fuels currently has nine directors and on closing of the Transaction, two members of the Energy Fuels board of directors are anticipated to resign and two additional board members to be designated by Uranerz, Dennis Higgs and Glenn Catchpole, will be appointed to the Energy Fuels board of directors. In accordance with the provisions of the OBCA and the Energy Fuels Bylaws, the directors may appoint one or more directors, to fill vacancies created by the resignation of existing directors.

In addition, Paul Goranson, current President and COO of Uranerz is expected to become the Executive Vice President, ISR Operations of Energy Fuels. Furthermore, Energy Fuels is currently in negotiations with Dennis Higgs to stay on as an employee or a consultant following the closing of the Transaction.

The directors of Uranerz will resign as of the Effective Time. Information about Messrs. Dennis Higgs and Glenn Catchpole and the current Energy Fuels directors and executive officers can be found in the documents listed under the heading "Where You Can Find More Information" beginning on page 213.

Current Directors of Energy Fuels

Name and State of Residence	Office Held	Director Since ⁽¹⁾	Principal Occupation, if different than Office Held
J. Birks Bovaird ⁽²⁾ Ontario, Canada	Chair and Director	2006	Consultant, providing advisory services to natural resource companies
Stephen P. Antony ⁽³⁾ Colorado, USA	President, CEO and Director	2009	Same
Paul A. Carroll ⁽⁵⁾ Ontario, Canada	Director	2010	President of Carnarvon Capital Corporation; President & CEO of World Wide Minerals Ltd.
Larry Goldberg ⁽⁵⁾ Ontario, Canada	Director	2012	Chief Financial Officer of JSN Jewelry Inc.
Mark E. Goodman ^{(3) (4)} Ontario, Canada	Director	2010	Vice President of Dundee Corporation
Bruce D. Hansen ⁽²⁾⁽⁵⁾ Colorado, USA	Director	2007	CEO of General Moly Inc.
Ron F. Hochstein ⁽³⁾⁽⁴⁾ British Columbia, Canada	Director	2012	President and CEO of Lundin Gold, Inc.
Joo Soo Park Seoul, Korea	Director	2015 ⁽⁶⁾	General Manager, Overseas Resources Project Department, Korea Electric Power Corporation
Richard Patricio ⁽²⁾⁽⁴⁾ Ontario, Canada	Director	2012	CEO of Pinetree Capital Ltd.

Notes:

- (1) Directors are elected annually and hold office until a successor is elected at a subsequent annual meeting of Energy Fuels, unless a director's office is earlier vacated in accordance with the by-laws of Energy Fuels.
- (2) Member of the Governance and Nominating Committee.
- (3) Member of the Compensation Committee.
- (4) Member of the Environment, Health and Safety Committee.
- (5) Member of the Audit Committee.
- (6) Mr. Park was appointed a director by the Board on January 28, 2015, to fill the vacancy created by the resignation of Mr. Tae Hwan Kim who had been appointed a director by the board on January 23, 2014, as the designated nominee of KEPCO at that time.

Stephen P. Antony President, Chief Executive Officer and Director

Mr. Antony is a registered professional engineer in a number of states in which Energy Fuels holds properties. He is a graduate of the Colorado School of Mines, and holds a Masters of Business Administration from the University of Denver. Over the last 38 years, Mr. Antony has held increasingly senior positions in both the technical and managerial sectors of the mining business. He first entered the uranium business with Mobil Oil's Mining and Mineral group in the mid 1980s, during which time he developed the reclamation plan for Mobil's El Mesquite ISL operation in south Texas. He joined Energy Fuels Nuclear, Inc. ("EFN") in 1986 as the company was growing to become the largest U3O8 producer in the US, peaking at more than five million pounds annually. Mr. Antony served as director of Technical Services for the company where he authored many of the feasibility studies which provided justification for the expansion of EFN's highly successful Breccia Pipe Mine projects in the Arizona Strip. Subsequent to his employment with EFN, Mr. Antony held a brief position with Power Resources, Inc. as Vice President of Business Development. He then consulted to Cameco Corp. on due diligence prior to their acquisition of PRI, which Cameco undertook as part of their strategy to become a significant uranium producer in the US. Mr. Antony was most recently Chief Operating Officer of Energy Fuels, responsible for the daily operations of Energy Fuels, including all aspects of uranium property exploration, ore production and mill processing. He was appointed President and Chief Executive Officer of Energy Fuels on April 1, 2010.

J. Birks Bovaird

For a majority of his career, Mr. Bovaird's focus has been the provision and implementation of corporate financial consulting and strategic planning services. He was previously the Vice President of Corporate Finance for one of Canada's major accounting firms. He currently is the Chair of NunaMinerals A/S, a public mining exploration and development company listed on the Copenhagen Exchange (NUNA.CO). He is a director of Noble Minerals Exploration (TSX.V:NOB) where he is Chair of the Nominating, Compensation and Governance Committee as well as a member of the Audit Committee. He is also the Chair of the board of directors of GTA Resources and Mining Inc., as well as a member of the Audit Committee. He has previously been involved with numerous public resource companies, both as a member of management and as a director. He is a graduate of the Canadian Director Education Program and holds an ICD.D designation.

Paul A. Carroll

Mr. Carroll has had a lengthy business career in the mining industry, both as a lawyer and as a director and/or officer of many mining companies. He has been engaged in the mineral exploration and mining industry in Canada, the U.S., Mexico, Central and South America, Africa, China, Russia and Kazakhstan. Mr. Carroll is President of Carnarvon Capital Corporation, a corporate management and advisory company based in Toronto, Canada. Companies with which he has been extensively involved include Dundee Corporation, a full-service investment bank, Corona Corporation, where he was a member of the Executive Committee, Zemex Corporation, Royex Gold Mining Corporation, Campbell Resources Inc., Cobra Emerald Mines Ltd., Lacana Mining Corporation where he was Chair, Arcon International Resources plc where he was Chair, Tahera Corporation, World Wide Minerals Ltd. where he is President and Chief Executive Officer, Poco Petroleum Ltd., Mascot Gold Mines Ltd., United Keno Hill Mines Ltd., Repadre Capital Corporation (now IAMgold Corporation), Crowflight Minerals Inc., War Eagle Mining Company Inc. and Mammoth Resources Corporation. From 2004 to 2005, as one of the committee of independent directors thereof, Mr. Carroll was a director of Argus Corporation Limited and Hollinger Inc. and in 2005 he was Chief Executive Officer. He was a director of The Uranium Institute (now the World Nuclear Association) in 1998. In addition to Energy Fuels, Mr. Carroll is currently a director of the following companies: World Wide Minerals Ltd. (TSX, CDN, OTC); War Eagle Mining Company Inc. (TSX Venture Exchange (**TSX-V**)) and Mammoth Resources Corp. (TSX-V). Mr. Carroll serves on the Audit Committee of War Eagle Mining Company Inc.

Lawrence A. Goldberg

Mr. Goldberg is a Chartered Professional Accountant (CPA, CA). He is currently Chief Financial Officer of JSN Jewellery Inc. From May 2013 to May 2014 he was Chief Financial Officer of Blue Goose Capital Corp., a private organic food company. From May 2012 to May 2013 he was Chief Financial Officer and Chief Operating Officer of Arcestra Inc., a private software company. From August 2010 to September 2011, Mr. Goldberg was the Chief Financial Officer of ZENN Motor Company Inc., a TSX-V listed energy storage technology company. From February 2000 to August 2010, Mr. Goldberg was the Chief Financial Officer of Mega Uranium Ltd., a uranium exploration company listed on the TSX, and of Pinetree Capital Ltd., a TSX-listed investment company. From May 2004 to December 2009, Mr. Goldberg was the CFO of Brownstone Ventures Inc. (now called Brownstone Energy Inc.), an energy company listed on the TSX-V.

Mark E. Goodman

Mr. Goodman has worked in the financial services and mining industry since 1992. He began his career working for Dundee Corporation and has held numerous positions within that organization. In 2005 he founded Cogitore Resources Inc., a base metal exploration company active in Northern Quebec. He has also served as President and Chief Executive Officer of both Valdez Gold and Cogitore Resources. Mr. Goodman is currently a Vice President of Dundee Corporation. He sits on the board of directors of the following publicly and privately held companies: Cogitore Resources Inc. (TSX-V); Corona Gold Corp. (TSX); Dundee Energy (TSX); Focused Capital Corp. (TSX-V); Focused Capital II (TSX-V); Ryan Gold Corp (TSX-V); Odyssey Resources Inc. (TSX-V); Nighthawk Gold Corp. (TSX-V) and Dynamic Venture Opportunities Fund (Ontario Labour Sponsored Fund).

Bruce D. Hansen

Mr. Hansen is currently Chief Executive Officer and a director of General Moly Inc., a position he has held since 2007. Prior to that, Mr. Hansen was Senior Vice-President, Operations Services and Development with Newmont Mining Corporation. He worked with Newmont for ten years holding increasingly senior roles, including CFO from 1999 to 2005. Prior to joining Newmont, Mr. Hansen spent 12 years with Santa Fe Pacific Gold, where he held increasingly senior management roles including Senior Vice President of Corporate Development and Vice President Finance and Development. Mr. Hansen holds a Masters of Business Administration from the University of New Mexico and a Bachelor's of Science Degree in Mining Engineering from the Colorado School of Mines. Mr. Hansen is also a director and serves on the Audit Committee of ASA Gold and Precious Metals Ltd. (NYSE).

Ron F. Hochstein

Mr. Hochstein is currently President and Chief Executive Officer of Lundin Gold Inc., a position he has held since December 2014. Mr. Hochstein is also currently Executive Chairman of Denison Mines Corp., and previously served as its President and Chief Executive Officer since 2009. Prior to this Mr. Hochstein served as President and Chief Operating Officer of Denison Mines Corp. since 2006, when International Uranium Corporation ("IUC") and Denison Mines Inc. combined to form Denison Mines Corp. Mr. Hochstein served as President and Chief Executive Officer of IUC from 2000 to 2006 after serving as Vice President Corporate Development and Vice President and Chief Operating Officer. Prior to joining IUC Mr. Hochstein was a Project Manager with Simons Mining Group and was with Noranda Minerals as a metallurgical engineer. Mr. Hochstein is a Professional Engineer and holds a Masters of Business Administration from the University of British Columbia and a Bachelor of Science in Mineral Processing from the University of Alberta. Mr. Hochstein is a Director of Denison Mines Corp. (TSX, NYSE MKT) and Lundin Gold Inc. (TSX, OMX). He is also a Director and serves on the Audit Committee of Sprott Resource Corp. (TSX).

Joo Soo Park

Since 2012, Mr. Park has been Team Leader and General Manager, Overseas Resources Development Department for KEPCO, an international electric power company headquartered in Korea. From 2007 to 2012, Mr. Park was Senior Manager, Korea Electric Power Research Institute for KEPCO, and from 2002 to 2007, Mr. Park was Senior Manager, Kum-ho Nuclear Power Plant Construction Division for KEPCO. Mr. Park has been with KEPCO for nearly twenty five years, and has been involved in many domestic and overseas projects for KEPCO. Mr. Park has a business degree from Chungnam National University, Korea, and a Masters of Business Administration from Helsinki School of Economics, Finland.

Richard J. Patricio

Since March 2015, Mr. Patricio has been the Chief Executive Officer and President of Mega Uranium Ltd., where he previously was, since 2005, the Executive Vice President, Corporate Affairs. In addition, since February 2015, Mr. Patricio is the Chief Executive Officer of Pinetree Capital Ltd., where he previously was the Vice President of Corporate and Legal Affairs since 2005. Prior to joining Pinetree, Mr. Patricio worked as in-house General Counsel for a senior TSX listed manufacturing company. Prior to that, Mr. Patricio practiced law at Osler Hoskin & Harcourt LLP in Toronto where he focused on mergers and acquisitions, securities law and general corporate transactions. In addition to his legal and corporate experience, Mr. Patricio has built a number of mining companies with global operations. He holds senior officer and director positions in several junior mining companies that are listed on the TSX, TSX-Venture, AIM, ASX and New York exchanges. Mr. Patricio is a lawyer qualified to practice in the Province of Ontario. Prior to Energy Fuels' acquisition of Titan Uranium Inc., Mr. Patricio was a director of Titan. Mr. Patricio is also a director of NexGen Energy Ltd. (TSX-V), Plateau Uranium Ltd. (formerly Macusani Yellowcake Inc.) (TSX-V) and Toro Energy Ltd. (ASX). He formerly served as a Director for Caledonia Mining Corp. (TSX, AIM, NASDAQ-OTCQX), Santa Maria Petroleum Inc. (formerly Quetzal Energy Ltd.), U3O8 Corp. (TSX, OTCQX), X-Terra Resources Corporation, Dejour Enterprises Ltd., Titan Uranium Inc., Mooncor Oil & Gas Corp., Vesta Capital Corp. and Macarthur Minerals Ltd. (TSX). He has also agreed to resign as a director of Terreno Resources Corp. (TSX-V) and Mega Precious Metals Inc. (TSX-V), pending completion of certain acquisition transactions anticipated to be completed by the second quarter of fiscal 2015.

Current Officers of Energy Fuels

Name and State of Residence	Office Held	Held Position Since
Stephen P. Antony Colorado, USA	President, CEO and Director	2009
Daniel G. Zang Colorado, USA	Chief Financial Officer and Controller	2014
Harold R. Roberts Colorado, USA	Executive Vice President and Chief Operating Officer	2012
David C. Frydenlund Colorado, USA	Senior Vice President, General Counsel and Corporate Secretary	2012

Daniel G. Zang Chief Financial Officer

Mr. Zang is Chief Financial Officer for Energy Fuels. He has many years of experience as Chief Financial Officer, Controller, Chief Accounting Officer and other positions with a number of public and private companies, including Controller and Treasurer of General Moly, Inc. and Vice President and Controller of Cyprus Copper Company, an operating division of Cyprus Minerals Company that earned annual revenues in excess of \$1 billion. Prior to his coming to Energy Fuels, Mr. Zang served as Deputy Chief Financial Officer of Umami Sustainable Seafood Inc. in San Diego, California from 2012 to 2013, and Chief Financial Officer of Umami from 2010 to 2012. Prior to Umami, Mr. Zang was a Senior Finance and Accounting Professional based in Littleton, Colorado from 2009 to 2010. From 2007 to 2009, Mr. Zang was Controller and Treasurer for General Moly Inc.

Harold R. Roberts Executive Vice President and Chief Operating Officer

Mr. Roberts is Executive Vice President and Chief Operating Officer for Energy Fuels. He was previously the Executive Vice President U.S. Operations for Denison Mines Corp. from 2006 to 2012. Prior to his employment with Denison, Mr. Roberts was the President of Energy Fuels Nuclear, Inc. Throughout his career Mr. Roberts has held various positions related to operations oversight, project development, and permitting of mining operations. Mr. Roberts obtained his Bachelor of Science degree in Civil Engineering from Montana State University in 1975, and is a Registered Professional Engineer in several western states. Mr. Roberts is a director and serves on the audit committee of Virginia Energy Resources Inc. (TSX.V: VUI).

David C. Frydenlund Senior Vice President, General Counsel and Corporate Secretary

Mr. Frydenlund is Senior Vice President, General Counsel and Corporate Secretary of Energy Fuels. Mr. Frydenlund's responsibilities include all legal matters relating to Energy Fuels' activities. His expertise extends to NRC, EPA, State and Federal regulatory and environmental laws and regulations. From 1997 to July 2012, Mr. Frydenlund was Vice President Regulatory Affairs, Counsel and Corporate Secretary of Denison Mines Corp., and its predecessor International Uranium Corporation (IUC), and was also a director of IUC from 1997 to 2006 and Chief Financial Officer of IUC from 2000 to 2005. From 1996 to 1997, Mr. Frydenlund was a Vice President of the Lundin Group of international public mining and oil and gas companies, and prior thereto was a partner with the Vancouver law firm of Ladner Downs (now Borden Ladner Gervais) where his practice focused on corporate, securities and international mining transactions law. Mr. Frydenlund holds a bachelor's degree from Simon Fraser University, a master's degree from the University of Chicago and a law degree from the University of Toronto.

Energy Fuels Director Compensation*Director Compensation Table*

Energy Fuels policy with respect to directors compensation was developed by its board, on recommendation of its Compensation Committee. The following table sets forth the compensation awarded, paid to or earned by the directors of Energy Fuels during the most recently completed financial year. Directors of Energy Fuels who are also officers or employees of Energy Fuels are not compensated for service on the board; therefore no fees are payable to Stephen P. Antony for his service as a director of Energy Fuels.

Name	Fees Earned (\$)⁽¹⁾	Share-Based Awards (\$)	Option-Based Awards (\$)⁽²⁾	Non- Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
J. Birks Bovaird	45,156	Nil	53,154	Nil	Nil	Nil	98,310
Paul A. Carroll	27,841	Nil	53,154	Nil	Nil	Nil	80,995
Eun Ho Cheong ⁽³⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
W. Robert Dengler ⁽⁴⁾	11,148	Nil	53,154	Nil	Nil	Nil	64,302
Lawrence A. Goldberg	38,366	Nil	53,154	Nil	Nil	Nil	91,520
Mark E. Goodman	21,729	Nil	53,154	Nil	Nil	Nil	74,883
Bruce D. Hansen	28,859	Nil	53,154	Nil	Nil	Nil	82,013
Ron F. Hochstein	31,918	Nil	53,154	Nil	Nil	Nil	85,072
Stephen N. Khan ⁽⁵⁾	5,452	Nil	53,154	Nil	Nil	Nil	58,606
Tae Hwan Kim ⁽⁶⁾	20,541	Nil	53,154	Nil	Nil	Nil	73,695
Richard Patricio	31,238	Nil	53,154	Nil	Nil	Nil	84,392

Notes:

- (1) Except for Mr. Hansen (a US director), directors' compensation was paid in Canadian dollars. The amounts relating to such directors' compensation have been converted into US dollars using an average annual exchange rate of C\$1 to US\$0.9054 for the financial period ended December 31, 2014.
- (2) The fair value of each option award granted at the time of the grant was calculated using the Black-Scholes option-pricing model. For the assumptions made in calculating the fair value of options, see Note 18 Share-Based Payments to Energy Fuels' financial statements for the 12-month period ended December 31, 2014. Option fair values were calculated in Canadian dollars and converted into US dollars using an average annual exchange rate of C\$1 to US\$0.9054 for the financial period ended December 31, 2014.
- (3) Mr. Cheong resigned as a director effective January 13, 2014.
- (4) Mr. Dengler did not stand for re-election and was no longer a director of Energy Fuels as of May 21, 2014.
- (5) Mr. Khan resigned as a director, effective March 31, 2014.
- (6) Mr. Kim was appointed as a director by the Energy Fuels board of directors effective January 23, 2014.

Retainer and Meeting Fees

Energy Fuels' director compensation program is designed to enable Energy Fuels to attract and retain highly qualified individuals to serve as directors. Effective October 1, 2013, the directors' compensation, which is paid only to non-employee directors, consisted of:

For the period January 1, 2014 through December 31, 2014:

- annual retainer for each board member of C\$15,000;
- annual retainer for committee chairs (other than audit committee chairman) of C\$18,750;
- annual retainer for audit committee chairman of C\$30,000;
- annual retainer for chairman of the board of directors of C\$37,500;
- meeting fee of C\$1,125 per meeting for any and all board and committee meetings if attended in person or telephonically; and
- reimbursement of related travel and out-of-pocket expenses.

Effective January 1, 2015, the directors' compensation, which is paid only to non-employee directors, consists of:

- annual retainer for each board member of C\$45,000;
- annual retainer for committee chairs (other than audit committee chairman) of C\$50,000;
- annual retainer for audit committee chairman of C\$55,000;
- annual retainer for chairman of the board of C\$60,000; and
- reimbursement of related travel and out-of-pocket expenses.

Incentive Plan Awards

The table below shows the number of stock options outstanding for each director and their value as at December 31, 2014 based on the last trade of Energy Fuels common shares on the TSX prior to the close of business on December 31, 2014 of C\$7.14.

Outstanding Share-Based Awards and Option-Based Awards as at December 31, 2014

Name	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options ⁽¹⁾	Option Exercise Price (C\$) ⁽¹⁾⁽²⁾	Option Expiration Date	Value of Unexercised In-the-Money Options (\$)	Number of Shares or Units of Shares that Have Not Vested (\$)	Market or Payout Value of Share-Based Awards that Have Not Vested (\$)
J. Birks Bovaird (Chair)	3,000	15.00	8/5/2015	Nil	Nil	Nil
	2,000	25.50	4/13/2016	Nil	Nil	Nil
	7,200	15.50	3/7/2017	Nil	Nil	Nil
	20,000	11.50	8/27/2017	Nil	Nil	Nil
	10,000	8.75	7/16/2018	Nil	Nil	Nil
	10,000	9.05	1/23/2019	Nil	Nil	Nil
Paul A. Carroll	3,000	15.00	8/5/2015	Nil	Nil	Nil
	4,000	25.50	4/13/2016	Nil	Nil	Nil
	7,200	15.50	3/7/2017	Nil	Nil	Nil
	20,000	11.50	8/27/2017	Nil	Nil	Nil
	10,000	8.75	7/16/2018	Nil	Nil	Nil
	10,000	9.05	1/23/2019	Nil	Nil	Nil
Eun Ho Cheong ⁽³⁾	Nil	NA	NA	Nil	Nil	Nil
W. Robert Dengler ⁽⁴⁾	Nil	Nil	Nil	Nil	Nil	Nil
Lawrence A. Goldberg	7,200	15.50	3/7/2017	Nil	Nil	Nil
	20,000	11.50	8/27/2017	Nil	Nil	Nil
	10,000	8.75	7/16/2018	Nil	Nil	Nil
	10,000	9.05	1/23/2019	Nil	Nil	Nil
Mark E. Goodman	3,000	15.00	8/5/2015	Nil	Nil	Nil
	2,000	25.50	4/13/2016	Nil	Nil	Nil
	7,200	15.50	3/7/2017	Nil	Nil	Nil
	20,000	11.50	8/27/2017	Nil	Nil	Nil
	10,000	8.75	7/16/2018	Nil	Nil	Nil
	10,000	9.05	1/23/2019	Nil	Nil	Nil
Bruce D. Hansen	3,000	15.00	8/5/2015	Nil	Nil	Nil
	2,000	25.50	4/13/2016	Nil	Nil	Nil
	7,200	15.50	3/7/2017	Nil	Nil	Nil
	20,000	11.50	8/27/2017	Nil	Nil	Nil
	10,000	8.75	7/16/2018	Nil	Nil	Nil
	10,000	9.05	1/23/2019	Nil	Nil	Nil

Ron F. Hochstein	20,000	11.50	8/27/2017	Nil	Nil	Nil
	10,000	8.75	7/16/2018	Nil	Nil	Nil
	10,000	9.05	1/23/2019	Nil	Nil	Nil
Steven N. Khan ⁽⁵⁾	Nil	Nil	Nil	Nil	Nil	Nil
Tae Hwan Kim ⁽⁶⁾	10,000	9.05	1/23/2019	Nil	Nil	Nil

Name	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options ⁽¹⁾	Option Exercise Price (C\$) ⁽¹⁾⁽²⁾	Option Expiration Date	Value of Unexercised In-the-Money Options (\$)	Number of Shares or Units of Shares that Have Not Vested (\$)	Market or Payout Value of Share-Based Awards that Have Not Vested (\$)
Richard Patricio	7,200	15.50	3/7/2017	Nil	Nil	Nil
	2,720	19.50	3/7/2015	Nil	Nil	Nil
	3,400	43.00	3/7/2016	Nil	Nil	Nil
	20,000	11.50	8/27/2017	Nil	Nil	Nil
	10,000	8.75	7/16/2018	Nil	Nil	Nil
	10,000	9.05	1/23/2019	Nil	Nil	Nil

Notes:

- (1) The number of options and the exercise price of the options has been adjusted to take into account the 50 for 1 share consolidation that occurred on November 5, 2013 (the **Consolidation**).
- (2) The options were granted and are reported in Canadian dollars.
- (3) Mr. Cheong resigned as a director effective January 13, 2014.
- (4) Mr. Dengler did not stand for re-election and was no longer a director as of May, 21, 2014.
- (5) Mr. Khan resigned as a director effective March 31, 2014.
- (6) Mr. Kim was appointed as a director by the Energy Fuels board of directors effective January 23, 2014.

Incentive Plan Awards Value Vested or Earned During the 12-Month Period Ended December 31, 2014

Name	Option-Based Awards Value Vested During the Year (\$)	Share-Based Awards Value Vested During the Year ⁽¹⁾ (\$)	Non-Equity Incentive Plan Compensation Value Earned During the Year ⁽¹⁾ (\$)
J. Birks Bovaird	Nil	Nil	Nil
Paul A. Carroll	Nil	Nil	Nil
Eun Ho Cheong	Nil	Nil	Nil
W. Robert Dengler	Nil	Nil	Nil
Lawrence A. Goldberg	Nil	Nil	Nil
Mark E. Goodman	Nil	Nil	Nil
Bruce D. Hansen	Nil	Nil	Nil
Ron F. Hochstein	Nil	Nil	Nil
Sheldon Inwentash	Nil	Nil	Nil
Steven N. Khan	Nil	Nil	Nil
Richard Patricio	Nil	Nil	Nil

Share Ownership Requirement

At its meeting held on January 23, 2014, the board of Energy Fuels adopted a share ownership requirement for its board members. It provides that all non-employee directors must own a requisite number of Energy Fuels common shares by the later of five years from the commencement of their directorship or the date on which the Energy Fuels common share ownership requirement was adopted. Under this requirement, non-employee directors are required to own Energy Fuels common shares with a value equal to twice the value of their annual director retainers. Energy Fuels common shares are valued at the higher of the price they were acquired or the year-end closing price of Energy Fuels shares on the TSX for the previous year. Further, until such time as a non-employee director reaches his or her share ownership requirement, the non-employee director is required to hold 50% of all Energy Fuels common shares received upon exercise of stock options (net of any Energy Fuels common shares utilized to pay for the exercise price of the option and tax withholding), and shall not otherwise sell or transfer any Energy Fuels common shares. This requirement does not apply to a nominee of a shareholder of Energy Fuels pursuant to a contractual right of the shareholder to nominate one or more directors to the Board. As a result, these requirements do not apply to Mr. Park, as the nominee of KEPCO, which has a contractual right to designate a nominee for election as a director.

Securities Authorized For Issuance under Equity Compensation Plans

The following table provides information as of December 31, 2014, concerning options outstanding pursuant to Energy Fuels 2013 amended and restated stock option plan (the **Energy Fuels Stock Option Plan**), which has been approved by shareholders:

Plan Category	Number of Common Shares to be issued upon exercise of outstanding options⁽¹⁾	Weighted-average exercise price of outstanding options (C\$)⁽¹⁾	Number of Common Shares remaining available for future issuance under the Energy Fuels Stock Option Plan
Energy Fuels Stock Option Plan	902,620	\$11.59	1,065,135
Strathmore Replacement Options	2,793	32.35	Nil
Total	905,413	11.66	1,065,135

(1) The number of Energy Fuels common shares and the exercise price have been adjusted to take into account the Consolidation.

Energy Fuels Stock Option Plan

Energy Fuels stock option plan was established by the directors on February 24, 2003 and first approved by shareholders on July 8, 2003. The stock option plan was re-approved by shareholders on June 13, 2005, and again on May 26, 2006. At an annual and special meeting of shareholders held on May 16, 2007, the 2007 Amended and Restated Stock Option Plan was approved, which reflected certain amendments to the stock option plan of Energy Fuels so as to remove provisions that were required when Energy Fuels was listed on the TSX-V, but were no longer required after Energy Fuels became listed on the TSX in March 2007. The 2007 Amended and Restated Stock Option Plan was again ratified by shareholders at the annual and special meeting of shareholders on March 10, 2010. On January 25, 2013, the board of Energy Fuels approved the Energy Fuels Stock Option Plan, which incorporates amendments and updates to the 2007 Amended and Restated Stock Option Plan, to update the plan to meet current industry practices. The Energy Fuels Stock Option Plan was ratified by shareholders at the annual and special meeting of shareholders held on March 6, 2013. The board of directors of Energy Fuels adopted the Energy Fuels 2015 Equity

Omnibus Compensation Plan on January 28, 2015 (the **Omnibus Plan**). The Omnibus Plan is subject to TSX approval and will be brought before the shareholders of Energy Fuels to be ratified at Energy Fuels' next annual or special meeting. Although not required to demonstrate compliance with this policy until the later of five years from the commencement of their directorships or January 23, 2014, a majority of the directors of the Company are currently in compliance with this policy.

Strathmore Replacement Options

Energy Fuels issued 292,971 stock options of Energy Fuels (adjusted for the Consolidation) to the holders of options granted pursuant to the Strathmore Minerals Corp.'s Stock Option Plan in connection with the acquisition of Strathmore Minerals Corp. (**Strathmore**) on August 31, 2013. These options are exercisable for Energy Fuels common shares. No further stock options will be granted pursuant to the Strathmore's Stock Option Plan. The options have varying expiry dates with the last options expiring in October 2022.

Energy Fuels Executive Compensation*Summary Compensation Table*

With the exception of Mr. Moylan whose compensation was paid in Canadian dollars, the compensation of the NEOs is paid and reported in United States dollars.

Name and Principal Position	Year	Salary (US\$)	Share-Based Awards (US\$)	Option-Based Awards (US\$) ⁽¹⁾	Non-Equity Incentive Plan Compensation (\$)		Pension Value (US\$)	All Other Compensation (US\$)	Total Compensation (US\$)
					Annual Incentive Plans	Long-Term Incentive Plans			
Stephen P. Antony President & CEO	2014	360,000	Nil	212,616	75,000	Nil	Nil	10,400	658,016

Name and Principal Position	Year	Salary (US\$)	Share-Based Awards (US\$)	Option-Based Awards (US\$) ⁽¹⁾	Non-Equity Incentive Plan Compensation (\$)		Pension Value (US\$)	All Other Compensation (US\$)	Total Compensation (US\$)
					Annual Incentive Plans	Long-Term Incentive Plans			
Graham G. Moylan ⁽²⁾⁽³⁾ CFO	2014	36,204	Nil	Nil	62,593	Nil	Nil	8,357	107,154
Daniel G. Zang ⁽⁴⁾	2014	196,250	Nil	106,308	20,500	Nil	Nil	8,670	331,728
Harold R. Roberts Executive VP & COO	2014	235,000	Nil	106,308	7,500	Nil	Nil	6,567	355,375
David C. Frydenlund Sr. VP, General Counsel and Corporate Secretary	2014	230,000	Nil	106,308	25,000	Nil	Nil	Nil	361,308
Gary R. Steele ⁽⁵⁾ Sr. VP Marketing and Sales	2014	118,500	Nil	53,154	7,500	Nil	Nil	27,800	206,955

Notes:

- (1) The fair value of each option award granted at the time of the grant was calculated using the Black-Scholes option-pricing model. For the assumptions made in calculating the fair value of these options, see Note 20 Share-Based Payments to Energy Fuels financial statements for the 12-month period ended December 31, 2014. Option fair values were calculated in Canadian dollars and converted into US dollars using an average annual exchange rate of: (i) US\$1 to C\$1.1045 for the financial period ended December 31, 2014.
- (2) As Mr. Moylan is a resident of Canada, his compensation was paid in Canadian dollars. The amounts relating to his compensation have been converted into US dollars using an average annual exchange rate of US\$1 to C\$1.1045 for the financial period ended December 31, 2014.
- (3) Mr. Moylan resigned as CFO of Energy Fuels effective February 15, 2014.
- (4) Mr. Zang was appointed as CFO of Energy Fuels effective February 15, 2014.
- (5) Mr. Steele resigned as Sr. VP Marketing and Sales of Energy Fuels effective September 30, 2014. Consulting fees paid to Mr. Steele after his retirement totaled \$12,384, which are not included in the table

Incentive Plan Awards

The table below shows the number of Energy Fuels options outstanding for each named executive officer and their value as at December 31, 2014 based on the last trade of Energy Fuels common shares on the TSX prior to the close of business on December 31, 2014 of \$C7.14.

Outstanding Share-Based Awards and Option-Based Awards

Name	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options ⁽¹⁾	Option Exercise Price (C\$) ⁽¹⁾⁽²⁾	Option Expiration Date	Value of Unexercised In-the-Money Options (C\$)	Number of Shares or Units of Shares that Have Not Vested (#)	Market or Payout Value of Share-Based Awards that Have Not Vested (C\$)
Stephen P. Antony	6,000	10.00	7/13/2015	Nil	Nil	Nil
	6,000	25.50	4/13/2016	Nil	Nil	Nil
	19,200	15.50	3/7/2017	Nil	Nil	Nil
	20,000	11.50	8/27/2017	Nil	Nil	Nil
	16,000	8.75	7/16/2018	Nil	Nil	Nil
	40,000	9.05	1/23/2019	Nil	Nil	Nil
Graham G. Moylan	Nil	--	--	Nil	Nil	Nil
Daniel G. Zang	6,000	8.00	5/10/2018	Nil	Nil	Nil
	6,000	8.75	7/16/2018	Nil	Nil	Nil
	20,000	9.05	1/23/2019	Nil	Nil	Nil
Harold R. Roberts	12,000	11.50	8/13/2017	Nil	Nil	Nil
	10,000	8.75	7/16/2018	Nil	Nil	Nil
	20,000	9.05	1/23/2019	Nil	Nil	Nil
David C. Frydenlund	7,000	11.50	8/13/2017	Nil	Nil	Nil
	8,000	8.75	7/16/2018	Nil	Nil	Nil
	20,000	9.05	1/13/2019	Nil	Nil	Nil
Gary R. Steele ⁽⁵⁾	2,000	10.00	7/13/2015	Nil	Nil	Nil
	2,400	25.50	4/13/2016	Nil	Nil	Nil
	6,000	15.50	3/7/2017	Nil	Nil	Nil
	12,000	11.50	8/27/2017	Nil	Nil	Nil
	4,000	8.75	7/16/2018	Nil	Nil	Nil
	10,000	9.05	1/23/2019	Nil	Nil	Nil

Notes:

- (1) The number of Energy Fuels stock options and the exercise price of Energy Fuels stock options have been adjusted to take into account the Consolidation.
- (2) Energy Fuels stock options were granted and are reported in Canadian dollars.
- (3) Mr. Moylan resigned as CFO of Energy Fuels effective February 15, 2014.
- (4) Mr. Zang was appointed as CFO of Energy Fuels effective February 15, 2014.

(5) Mr. Steele resigned as Sr. VP Marketing and Sales of Energy Fuels effective September 30, 2014.

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Incentive Plan Awards Value Vested or Earned

Name	Option-Based Awards Value Vested During the Year (\$)	Share-Based Awards Value Vested During the Year⁽¹⁾ (\$)	Non-Equity Incentive Plan Compensation Value Earned During the Year (\$)
Stephen P. Antony	Nil	Nil	75,000
Graham G. Moylan ⁽¹⁾	Nil	Nil	62,593
Daniel G. Zang ⁽²⁾	Nil	Nil	20,500
Harold R. Roberts	Nil	Nil	7,500
David C. Frydenlund	Nil	Nil	25,000
Gary R. Steele	Nil	Nil	7,500

Notes:

(1) Mr. Moylan resigned as CFO of Energy Fuels effective February 15, 2014.

(2) Mr. Zang was appointed as CFO of Energy Fuels effective February 15, 2014.

Pension Plan Benefits and Deferred Compensation Plans

Energy Fuels does not provide defined pension plan benefits or any other pension plans that provide for payments or benefits at, following or in connection with retirement to its directors or officers.

Energy Fuels does not have any deferred compensation plans relating to its named executive officers.

Treatment of Uranerz Stock Options*Stock Options*

Each outstanding Uranerz option will be automatically converted at the Effective Time into options to acquire, in lieu of one Uranerz share of common stock, 0.255 (subject to adjustment in the same manner as the exchange ratio related to the shares of Uranerz common stock) of an Energy Fuels common share upon exercise in accordance with the terms of the original Uranerz option (with the exercise price to be adjusted) as granted under Uranerz 2005 Nonqualified Stock Option Plan. Uranerz options held by independent directors of Uranerz, who will not continue as officers or directors of Energy Fuels on Closing, shall expire on the earlier of (i) the current expiry date of such Uranerz option or (ii) six months after the Closing Date.

Financial Interest of Uranerz Directors and Officers in the Transaction

When considering the recommendation of Uranerz board of directors, you should be aware that certain of Uranerz executive officers and directors have interests in the Transaction other than their interests as Uranerz shareholders generally, pursuant to individual agreements with certain officers and directors. These interests are different from your interests as a Uranerz shareholder, however, the members of Uranerz board of directors have taken these additional interests into consideration. In addition, certain members of Uranerz board will serve on the board of Energy Fuels following the Transaction, including Messrs. Higgs and Catchpole. Furthermore, Paul Goranson, President and COO of Uranerz is expected to serve as Executive Vice President, ISR Operations of Energy Fuels, following the Transaction. Furthermore, Energy Fuels is currently in negotiations with Mr. Dennis Higgs to continue as an employee or a consultant of Energy Fuels following the closing of the Transaction.

The table below shows, for each of Uranerz directors and executive officers who beneficially own Uranerz stock, the number of shares of stock held by such person:

Name	Number of Shares of Uranerz Common Stock Beneficially Owned(3)	Percent of Uranerz Class(1)	Value of Such Stock in Transaction(2)(3)
Dennis Higgs, Director and Executive Chairman	2,378,000	2.48%	\$ 2,965,247
Glenn Catchpole, Director, CEO/Principal Executive Officer	2,395,100	2.5%	\$ 2,986,570
Paul Goranson Director, President and COO	248,000	**%	\$ 309,244
Dr. Gerhard Kirchner, Director	699,000	**%	\$ 871,618
Paul Saxton, Director	325,500	**%	\$ 405,882
Peter Bell, Director	364,000	**%	\$ 453,890

Arnold J. Dyck, Director	321,000	**%	\$	400,271
Benjamin Leboe, Senior Vice President, Finance and CFO/Principal Financial Officer	817,000	**%	\$	1,018,758

**less than 1%

- (1) As of May 22, 2015.
- (2) Based on the Transaction consideration to be issued in the Transaction and the closing sale price of \$4.89 for Energy Fuels common shares on the NYSE MKT on May 15, 2015.
- (3) The share totals and the calculation of value of such shares include shares of common stock currently owned and shares acquirable within 60 days of May 22, 2015.

In addition, completion of the Transaction will be considered a change in control under certain change in control severance agreements entered into between Uranerz and certain of its executive officers, as described below under Employment, Severance and Change in Control Agreements which will entitle such executive officers, in certain circumstances, to payment of the amounts detailed below under Golden Parachute Payments. A change in control for purposes of the change in control agreements discussed below is deemed to occur if, among other things, Uranerz consummates a merger in which Uranerz is not the surviving corporation or pursuant to which shares of Uranerz common stock would be converted into securities, other than a merger in which substantially all of the holders of Uranerz common stock immediately prior to the Transaction own more than 65% of the common stock of the surviving corporation in the same relative proportions as they did immediately prior thereto. The closing of the Transaction with Merger Sub will trigger a change in control for purposes of these agreements.

Employment, Severance and Change in Control Agreements

The following discussion describes the different contractual arrangements and other rights of Uranerz executive officers that could be triggered in connection with a change in control of Uranerz and, with respect to double trigger arrangements, in the event that a termination of the executive's employment were to occur in connection with a change of control.

Glenn Catchpole, Chief Executive Officer

Uranerz entered into a new change in control severance agreement with Mr. Glenn Catchpole, Uranerz Chief Executive Officer, on May 1, 2014 (the **Catchpole Agreement**), replacing a 2007 arrangement, and into a consulting agreement with Catchpole Enterprises, Inc., an entity which is 50% owned by Glenn Catchpole and 50% owned by his wife Judy Catchpole, on March 1, 2005, which was amended on January 1, 2007, January 1, 2008 and October 29, 2014 (as amended, the **Catchpole Enterprises Agreement**). Following annual reviews by Uranerz Compensation Committee, Catchpole Enterprises, Inc. is currently paid a base compensation of \$250,000 per year and is eligible to receive an annual bonus upon the achievement of performance and management objectives reasonably established by Uranerz Compensation Committee. Mr. Catchpole's target bonus is currently set at 60% of his annual base salary, or \$150,000 for 2015.

Pursuant to the Catchpole Agreement, if Mr. Catchpole's employment is terminated without cause or he resigns for good reason (as those terms are defined in the Catchpole Agreement) from and after the date of a change in control during the term of the Catchpole Agreement, then Mr. Catchpole would receive:

- all earned but unpaid base salary;
- any earned but unpaid bonus from the preceding fiscal year;
- a credit for any accrued vacation not taken;
- an amount equal to his target bonus for that year multiplied by a fraction, the numerator being the number of full months worked in the fiscal year, and the denominator being twelve;
- a severance payment equal to twenty four times the sum of his monthly base salary in effect in the month preceding the change in control and 1/12 of his target bonus;
- continued medical and dental insurance coverage for Mr. Catchpole and his dependents on the same basis in effect prior to the change in control for twenty four months following the change in control (i.e. \$4,000 per annum in lieu of coverage);
- and any legal fees or expenses incurred as a result of such termination of employment.

In addition, if Mr. Catchpole's employment is terminated following a change in control, all stock options or restricted stock owned or promised to be payable to him that were not yet vested will continue to vest per the original schedule for twenty four months following termination and shall be exercisable (together with all options or restricted stock owned by him and vested at the termination date) at the earlier of their original expiry date or twenty four months from termination.

The Catchpole Agreement also provides that, regardless of whether Mr. Catchpole continues to be employed following a change in control, for the twenty four month period following a change in control any incentive plan or arrangement (including any compensation plan, long-term incentive plan, bonus or contingent bonus arrangements or credits, performance awards or similar benefits) available to him at the time of the change in control shall continue in effect, and any benefit or compensation plan, stock ownership plan, stock purchase plan, bonus plan, life insurance plan, health-and-accident plan or disability plan in which he is eligible to participate at the time of the change in control shall continue in effect. The severance benefits described above are contingent upon Mr. Catchpole providing Uranerz with a general release of all claims, including agreements related to confidentiality, non-competition, non-solicitation, non-disparagement and arbitration. The Catchpole Agreement has an initial eight month term and automatically renews for additional one-year terms on January 1st of each year, provided that the Catchpole Agreement will continue in effect for a period of 24 months beyond the term provided therein if a change in control has occurred during such term.

On April 27, 2015, management of Energy Fuels advised that it proposed to discuss with the members of Uranerz management who would not continue as employees or officers of Energy Fuels following completion of the Transaction an arrangement whereby the management members would agree that the severance payments payable by Energy Fuels as a result of the completion of the Transaction would be paid over a deferred period. Mr. Catchpole is one of the members of Uranerz management to whom Energy Fuels made such a proposal. Energy Fuels and Mr. Catchpole have since agreed that half of such severance payments will be paid through the issuance of Energy Fuels common shares calculated based on the five day volume weighted average closing price of the Energy Fuels common shares on the NYSE MKT on the date of closing of the Transaction with the remaining amount being paid in cash at the closing of the Transaction. Mr. Catchpole will agree to a contractual restriction on resale with respect to the Energy Fuels common shares issued on closing of the Transaction with respect to the severance payment such that (i) no sales will be made during the initial six months from closing of the Transaction, and (ii) not more than 50% of the shares issued may be sold during the period from six months to one year following closing of the Transaction.

In addition to the foregoing, it is anticipated that Mr. Catchpole will serve as a Director on the Energy Fuels Board of Directors following the Transaction and be entitled to receive director's fees as an Energy Fuels director, including reimbursement of customary and reasonable out-of-pocket and travel expenses.

Dennis Higgs, Executive Chairman

Uranerz entered into a new change in control severance agreement with Mr. Dennis Higgs, Uranerz Executive Chairman, on May 1, 2014 (the **Higgs Agreement**), replacing a 2007 arrangement, and into a consulting agreement with Ubex Capital Inc., an entity which is wholly owned by Mr. Higgs, on July 1, 2005, which was amended on January 1, 2007, January 1, 2008 and October 29, 2014 (as amended, the **Ubex Agreement**). Following annual reviews by Uranerz Compensation Committee, Ubex Capital, Inc. is paid a base compensation of \$250,000 per year and is eligible to receive an annual bonus upon the achievement of performance and management objectives reasonably established by Uranerz Compensation Committee. Mr. Higgs' target bonus is currently set at 60% of his annual base salary, or \$150,000 for 2015.

Pursuant to the Higgs Agreement, if Mr. Higgs' employment is terminated without cause or he resigns for good reason (as those terms are defined in the Higgs Agreement) from and after the date of a change in control during the term of the Higgs Agreement, then Mr. Higgs would receive:

- all earned but unpaid base salary;
- any earned but unpaid bonus from the preceding fiscal year;
- a credit for any accrued vacation not taken;
- an amount equal to his target bonus for that year multiplied by a fraction, the numerator being the number of full months worked in the fiscal year, and the denominator being twelve;
- a severance payment equal to twenty four times the sum of his monthly base salary in effect in the month preceding the change in control and 1/12 of his target bonus;
- continued medical and dental insurance coverage for Mr. Higgs and his dependents on the same basis in effect prior to the change in control for twenty four months following the change in control (i.e. \$4,000 per annum in lieu of coverage); and

- any legal fees or expenses incurred as a result of such termination of employment.

In addition, if Mr. Higgs' employment is terminated following a change in control, all stock options or restricted stock owned or promised to be payable to him that were not yet vested will continue to vest per the original schedule for twenty four months following termination and shall be exercisable (together with all options or restricted stock owned by him and vested at the termination date) at the earlier of their original expiry date or twenty four months from termination.

The Higgs Agreement also provides that, regardless of whether Mr. Higgs continues to be employed following a change in control, for the twenty four month period following a change in control any incentive plan or arrangement (including any compensation plan, long-term incentive plan, bonus or contingent bonus arrangements or credits, performance awards or similar benefits) available to him at the time of the change in control shall continue in effect, and any benefit or compensation plan, stock ownership plan, stock purchase plan, bonus plan, life insurance plan, health-and-accident plan or disability plan in which he is eligible to participate at the time of the change in control shall continue in effect. The severance benefits described above are contingent upon Mr. Higgs providing Uranerz with a general release of all claims, including agreements related to confidentiality, non-competition, non-solicitation, non-disparagement and arbitration. The Higgs Agreement has an initial eight month term and automatically renews for additional one-year terms on January 1st of each year, provided that the Higgs Agreement will continue in effect for a period of 24 months beyond the term provided therein if a change in control has occurred during such term.

Mr. Higgs will serve as a Director on the Energy Fuels Board of Directors following the Transaction. In addition, Energy Fuels is currently in negotiations with Mr. Dennis Higgs to stay on as an employee or a consultant of Energy Fuels following the closing of the Transaction. If an arrangement is concluded between Energy Fuels and Mr. Higgs, it is anticipated that Energy Fuels would agree to pay to Mr. Higgs aggregate compensation that would be not less than the amount payable to Mr. Higgs under the Higgs Agreement and, in exchange, Mr. Higgs would forgo any payment under the Higgs Agreement to which Mr. Higgs would be otherwise entitled as a result of the change in control of Uranerz resulting from completion of the Transaction. In addition, Mr. Higgs may be entitled to the payment of additional consideration and/or benefits under any such arrangement. The terms of any employment or consulting agreement between Energy Fuels and Mr. Higgs have not been concluded and there is no assurance that any such agreement will be concluded. If an agreement is not concluded, then it is anticipated that Mr. Higgs will be entitled to payment under the Higgs Agreement as a result of the change in control of Uranerz resulting from completion of the Transaction, as described in the discussion above and as in the table below under "Golden Parachute Compensation". If Mr. Higgs is retained as a consultant or employee of Energy Fuels, he will not be entitled to receive any fees for serving as a director.

On April 27, 2015, management of Energy Fuels advised that it proposed to discuss with the members of Uranerz management who would not continue as employees or officers of Energy Fuels following completion of the Transaction an arrangement whereby the management members would agree that the severance payments payable by Energy Fuels as a result of the completion of the Transaction would be paid over a deferred period. Mr. Higgs is one of the members of Uranerz management to whom Energy Fuels made such a proposal. Energy Fuels and Mr. Higgs have since agreed that half of such severance payments will be paid through the issuance of Energy Fuels common shares calculated based on the five day volume weighted average closing price on the NYSE MKT of the Energy Fuels common shares on the date of closing of the Transaction with the remaining amount to be paid in cash at closing of the Transaction. Mr. Higgs will agree to a contractual restriction on resale with respect to the Energy Fuels common shares issued on closing of the Transaction with respect to the severance payment such that (i) no sales will be made during the initial six months from closing of the Transaction, and (ii) not more than 50% of the shares issued may be sold during the period from six months to one year following closing of the Transaction.

Paul Goranson, Chief Operating Officer

Uranerz entered into a change in control severance agreement with Mr. William Paul Goranson, Uranerz President and Chief Operating Officer, on May 1, 2014 (the **Goranson Agreement**) and into an employment agreement with Mr. Goranson on November 25, 2013 (the **Goranson Employment Agreement**). The Goranson Employment Agreement establishes an annual base salary of \$230,000 per year and a potential cash bonus award of 60% of Mr. Goranson's annual base salary, or \$138,000 for 2015.

Pursuant to the Goranson Agreement, if Mr. Goranson's employment is terminated without cause or he resigns for good reason (as those terms are defined in the Goranson Agreement) from and after the date of a change in control during the term of the Goranson Agreement, then Mr. Goranson would receive:

- all earned but unpaid base salary;
- any earned but unpaid bonus from the preceding fiscal year;
- a credit for any accrued vacation not taken; an amount equal to his target bonus for that year multiplied by a fraction, the numerator being the number of full months worked in the fiscal year, and the denominator being twelve;
- a severance payment equal to twenty four times the sum of his monthly base salary in effect in the month preceding the change in control and 1/12 of his target bonus;
- continued medical and dental insurance coverage for Mr. Goranson and his dependents on the same basis in effect prior to the change in control for twenty four months following the change in control; and
- any legal fees or expenses incurred as a result of such termination of employment.

In addition, if Mr. Goranson's employment is terminated following a change in control, all stock options or restricted stock owned or promised to be payable to him that were not yet vested will continue to vest per the original schedule for twenty four months following termination and shall be exercisable (together with all options or restricted stock owned by him and vested at the termination date) at the earlier of their original expiry date or twenty four months from termination.

The Goranson Agreement also provides that, regardless of whether Mr. Goranson continues to be employed following a change in control, for the twenty four month period following a change in control any incentive plan or arrangement (including any compensation plan, long-term incentive plan, bonus or contingent bonus arrangements or credits, performance awards or similar benefits) available to him at the time of the change in control shall continue in effect, and any benefit or compensation plan, stock ownership plan, stock purchase plan, bonus plan, life insurance plan, health-and-accident plan or disability plan in which he is eligible to participate at the time of the change in control shall continue in effect. The severance benefits described above are contingent upon Mr. Goranson providing Uranerz with a general release of all claims, including agreements related to confidentiality, non-competition, non-solicitation, non-disparagement and arbitration. The Goranson Agreement has an initial eight month term and automatically renews for additional one-year terms on January 1st of each year, provided that the Goranson Agreement will continue in effect for a period of 24 months beyond the term provided therein if a change in control has occurred during such term.

On March 9, 2015, Mr. Goranson accepted an offer of employment from Energy Fuels and entered into a letter agreement with Energy Fuels setting out the terms of Mr. Goranson's employment with Energy Fuels following the closing of the Transaction. The letter agreement will supersede all terms and conditions of Mr. Goranson's employment with Uranerz at closing. Following the closing of the Transaction, Mr. Goranson will be employed by Energy Fuels as Executive Vice President, ISR Operations and will be responsible for all aspects of all ISR operations in Wyoming. It is anticipated that Mr. Goranson will be paid a base salary of \$240,000 per annum with a discretionary bonus as determined by Energy Fuels' board of directors and will be eligible for Energy Fuels' benefits and savings plans. Upon a change of control or termination without cause, it is anticipated that Mr. Goranson will receive a multiple of his base salary at a rate that is yet to be determined but is currently anticipated to be not less than 100% of annual base salary. Energy Fuels will provide Mr. Goranson with a standard indemnification agreement given to all Energy Fuels officers and Mr. Goranson will receive both restricted stock units and stock options in Energy Fuels at the discretion of Energy Fuels' board of directors. The restricted stock unit grant for 2015 is estimated to be a pro-rata amount, based on the period of employment with Energy Fuels during 2015, representing such pro-rata amount of additional annual compensation of \$84,000, or the pro-rata amount of approximately 35% of base salary, for 2015.

Benjamin Leboe, Chief Financial Officer

Uranerz entered into a new change in control severance agreement with Mr. Benjamin Leboe, Uranerz's Chief Financial Officer, on May 1, 2014 (the **Leboe Agreement**), replacing a 2007 arrangement, and into a consulting agreement with Independent Management Consultants of B.C., an entity which is wholly owned by Mr. Leboe, on May 23, 2006, which was amended on January 1, 2008 and October 29, 2014 (as amended, the **IMC Agreement**). Following annual reviews by Uranerz's Compensation Committee Independent Management Consultants of B.C. is currently paid a base compensation of \$200,000 per year and is eligible to receive an annual bonus upon the achievement of performance and management objectives reasonably established by Uranerz's board of directors or Compensation Committee. Mr. Leboe's target bonus is currently set at 60% of his annual base salary, or \$120,000 for 2015.

Pursuant to the Leboe Agreement, if Mr. Leboe's employment is terminated without cause or he resigns for good reason (as those terms are defined in the Leboe Agreement) from and after the date of a change in control during the term of the Leboe Agreement, then Mr. Leboe would receive:

- all earned but unpaid base salary;
- any earned but unpaid bonus from the preceding fiscal year;

- a credit for any accrued vacation not taken;
- an amount equal to his target bonus for that year multiplied by a fraction, the numerator being the number of full months worked in the fiscal year, and the denominator being twelve;
- a severance payment equal to twenty four times the sum of his monthly base salary in effect in the month preceding the change in control and 1/12 of his target bonus;
- continued medical and dental insurance coverage for Mr. Leboe and his dependents on the same basis in effect prior to the change in control for twenty four months following the change in control (i.e. \$4,000 per annum in lieu of coverage); and
- any legal fees or expenses incurred as a result of such termination of employment.

In addition, if Mr. Leboe's employment is terminated following a change in control, all stock options or restricted stock owned or promised to be payable to him that were not yet vested will continue to vest per the original schedule for twenty four months following termination and shall be exercisable (together with all options or restricted stock owned by him and vested at the termination date) at the earlier of their original expiry date or twenty four months from termination.

The Leboe Agreement also provides that, regardless of whether Mr. Leboe continues to be employed following a change in control, for the twenty four month period following a change in control any incentive plan or arrangement (including any compensation plan, long-term incentive plan, bonus or contingent bonus arrangements or credits, performance awards or similar benefits) available to him at the time of the change in control shall continue in effect, and any benefit or compensation plan, stock ownership plan, stock purchase plan, bonus plan, life insurance plan, health-and-accident plan or disability plan in which he is eligible to participate at the time of the change in control shall continue in effect. The severance benefits described above are contingent upon Mr. Leboe providing Uranerz with a general release of all claims, including agreements related to confidentiality, non-competition, non-solicitation, non-disparagement and arbitration. The Leboe Agreement has an initial eight month term and automatically renews for additional one-year terms on January 1st of each year, provided that the Leboe Agreement will continue in effect for a period of 24 months beyond the term provided therein if a change in control has occurred during such term.

On April 27, 2015, management of Energy Fuels advised that it proposed to discuss with the members of Uranerz management who would not continue as employees or officers of Energy Fuels following completion of the Transaction an arrangement whereby the management members would agree that the severance payments payable by Energy Fuels as a result of the completion of the Transaction would be paid over a deferred period. Mr. Leboe is one of the members of Uranerz management to whom Energy Fuels made such a proposal. Energy Fuels and Mr. Leboe have since agreed that half of such severance payments will be paid through the issuance of Energy Fuels common shares calculated based on the five day volume weighted average closing price on the NYSE MKT of the Energy Fuels common shares on the date of closing of the Transaction with the remaining amount to be paid in cash on closing of the Transaction. Mr. Leboe will agree to a contractual restriction on resale with respect to the Energy Fuels common shares issued on closing of the Transaction with respect to the severance payment such that (i) no sales will be made during the initial six months from closing of the Transaction, and (ii) not more than 50% of the shares issued may be sold during the period from six months to one year following closing of the Transaction.

Golden Parachute Compensation

The following table sets forth the estimated amounts of golden parachute compensation (for purposes of Item 402(t) of Regulation S-K) that each of Uranerz named executive officers could receive in connection with the Transaction pursuant to their respective change in control severance agreements and employment/ consultant agreements, and their subsequent agreements with Energy Fuels, each as described above under Employment, Severance and Change in Control Agreements. The completion of the Transaction will constitute a change of control under each executive officer's change in control severance agreement and they will be entitled to receive the compensation summarized below in the event that either (i) the executive officer's employment is terminated by Uranerz without cause, or (ii) the executive terminates their employment for good reason subsequent to the completion of the Transaction. We anticipate that the employment of Mr. Catchpole and Mr. Leboe will each be terminated by Uranerz following the completion of the Transaction, with the result that the compensation summarized below will be payable. However, we anticipate that Mr. Goranson will continue as an employee of Uranerz or Energy Fuels following the completion of the Transaction, with the result that we anticipate the compensation summarized below will not be paid to Mr. Goranson. Further, we anticipate that the employment agreement to be negotiated and executed by Mr. Goranson with Energy Fuels will provide a waiver to the right to receive any of such compensation as a result of the completion of the Transaction. If the current negotiations between Energy Fuels and Mr. Higgs, results in Mr. Higgs continuing as an employee or consultant of Uranerz or Energy Fuels following the completion of the Transaction, it is anticipated that the compensation summarized below will not be paid to Mr. Higgs. In that case, any employment or consulting agreement to be negotiated and executed by Mr. Higgs with Energy Fuels would be expected to provide a waiver to the right to receive any of such compensation as a result of the completion of the Transaction. With respect to stock options, all options held by the executive officers will continue to be exercisable for a period of 24 months following the closing date of the Transaction and any unvested options held will continue to vest on the original vesting schedule.

While Energy Fuels and Uranerz do not expect that Mr. Goranson's employment will terminate in connection with the Transaction and Energy Fuels is currently in negotiations with Mr. Higgs to stay on as an employee or a consultant for a transition period at the closing of the Transaction, in which case the amounts below may not apply to Mr. Higgs, the amounts in the table assume, where applicable (and except as expressly noted), that each named executive officer's employment is terminated in circumstances that would trigger the right to receive severance benefits and accelerated vesting in connection with a change in control of Uranerz under the agreements described above (a **qualifying termination**), and that such a qualifying termination of the executive's employment occurred on May 15, 2015. The actual amounts that would be paid upon a named executive officer's termination of employment can be determined only at the time of such executive's separation from Uranerz. As a result, the actual amounts received by a named executive officer may differ in material respects from the amounts set forth below (see Proposal One The Transaction Employment, Severance and Change of Control Agreements above for additional information).

Name	Cash	Equity	Perquisites/	Other	Total
	Severance		Benefits		
	(\$)(1)	(\$)(2)	(\$)(3)	(\$)(4)	(\$)
Glenn Catchpole	428,000	Nil	8,000	428,000	864,000
Paul Goranson	782,000	Nil	38,000	Nil	820,000

Dennis Higgs	428,000	Nil	8,000	428,000	864,000
Benjamin Leboe	342,500	Nil	8,000	342,500	693,000

- (1) The amounts reported in this column represent the potential cash severance payments that would be made to the named executive officer assuming a qualifying termination of the executive's employment on May 15, 2015 in connection with the Transaction. Energy Fuels and Uranerz do not, however, expect that the employment of each of the named executive officers' employment will be terminated in connection with the Transaction, as discussed above.
- (2) The individuals named above will not be entitled to receive any payment on account of: (A) stock awards for which vesting would be accelerated; (B) in-the-money option awards for which vesting would be accelerated; and (C) payments in cancellation of stock and option awards. The individuals named above hold the following options to purchase shares of Uranerz common stock which will be converted into options to purchase Energy Fuels common shares upon completion of the Transaction, as set forth below:

Name	Option Awards					
	Number of Shares of Uranerz Underlying Uranerz Options	Exercise Price of Uranerz Options (\$)	Uranerz Option Expiry Date	Number of Shares of Energy Fuels Underlying Energy Fuels Options	Exercise Price of Energy Fuels Options (\$)	Energy Fuels Option Expiry Date
Dennis Higgs	75,000	0.75	Jan 6, 2016	19,125	2.94	Two years from date of completion of the Transaction
	62,500	2.64	Jan 7, 2018	15,937	10.35	
	20,000	0.65	Jan 5, 2019	5,100	2.55	
	35,000	1.33	Jan 4, 2020	8,925	5.22	
	67,500	1.89	Dec 12, 2021	17,212	7.41	
	67,500	1.32	Dec 16, 2022	17,212	5.18	
	107,500	1.22	Jul 11, 2023	27,413	4.78	
	73,000	1.14	Jan 16, 2025	18,615	4.47	
Glenn Catchpole	190,000	0.75	Jan 6, 2016	48,450	2.94	Two years from date of completion of the Transaction
	125,000	2.64	Jan 7, 2018	31,875	10.35	
	70,000	1.33	Jan 4, 2020	17,850	5.22	
	135,000	1.89	Dec 12, 2021	34,425	7.41	
	135,000	1.32	Dec 16, 2022	34,425	5.18	
	150,500	1.22	Jul 11, 2023	38,377	4.78	
	73,000	1.14	Jan 16, 2025	18,615	4.47	

Paul Goranson	175,000	1.06	Dec 1, 2023 Jan 16, 2025	44,625	4.16	Two years from date of completion of the Transaction
	73,000	1.14		18,615	4.47	
Benjamin Leboe	100,000	1.96	May 23, 2016	25,500	7.69	Two years from date of completion of the Transaction
	125,000	2.64	Jan 7, 2018	31,875	10.35	
	70,000	1.33		17,850	5.22	
	135,000	1.89	Jan 4, 2020	34,425	7.41	
	135,000	1.32	Dec 12, 2021	34,425	5.18	
	114,100	1.22	Dec 16, 2022	29,095	4.78	
	73,000	1.14		18,615	4.47	
			Jul 11, 2023			
			Jan 16, 2025			

- (3) For Mr. Goranson, the amount reported in this column represents the estimated cost to provide the health and welfare benefits described above (including reimbursement of COBRA premiums for the applicable period) to the executive following a qualifying termination in connection with the Transaction. In the case of Messrs. Higgs, Catchpole and Leboe, the amounts reflect \$4,000 per annum in lieu of coverage.
- (4) The amounts reported in this column represent an amount of the cash severance payment otherwise payable that the named executive officer has agreed to accept payment of by the issuance of Energy Fuels common shares calculated based on the five day volume weighted average closing price of the Energy Fuels common shares on the NYSE MKT on the closing of the Transaction.

Effect of the Transaction on Uranerz Warrants

At the Effective Time, each outstanding Uranerz warrant will entitle its holder to acquire, in lieu of one Uranerz share, a number of Energy Fuels common shares equal to the number of Uranerz warrants held multiplied by the Exchange Ratio, upon exercise in accordance with the terms of the original Uranerz warrant. The per share exercise price for the Energy Fuels shares issuable upon exercise of an assumed Uranerz warrant shall be equal (rounded up to the nearest whole cent) to the per-share exercise price of the Uranerz warrant immediately prior to the Effective Time divided by the Exchange Ratio. In the event a holder of the warrants exercises its warrants and receives shares of Uranerz common stock pursuant to the terms of the warrant prior to the Effective Time, those shares will be treated in the Transaction like all other shares of Uranerz common stock. As a result of the Transaction, certain non-U.S. holders of Uranerz warrants who are greater than 5% holders as determined under Sections 897 and 1445 of the Code may become subject to U.S. tax withholding under the Foreign Investment in Real Property Tax Act.

Material U.S. Federal Income Tax Considerations

General

The following general discussion sets forth the anticipated material U.S. federal income tax consequences applicable to U.S. holders (as defined below) and non-U.S. holders (as defined below) with respect to the receipt of Energy Fuels common shares pursuant to the Transaction and U.S. holders with respect to the ownership and disposition of such Energy Fuels common shares. This discussion addresses only holders who hold their shares of Uranerz common stock, and, after the Effective Time, U.S. holders who hold their Energy Fuels common shares, as a capital asset within the meaning of Section 1221 of the Code (as defined below).

This discussion is for general information purposes only and does not purport to be a complete analysis or listing of all potential U.S. federal income tax considerations that may apply to a U.S. holder or non-U.S. holder as a result of the Transaction or may apply to a U.S. holder as a result of the ownership and disposition of Energy Fuels common shares. This discussion does not take into account the individual facts and circumstances of any particular U.S. holder or non-U.S. holder that may affect the U.S. federal income tax consequences to the holder, including specific tax consequences to a holder under an applicable tax treaty. Except as specifically set forth below, this summary does not discuss applicable tax reporting requirements. Accordingly, this discussion is not intended to be, and should not be construed as, legal or U.S. federal income tax advice with respect to any holder. In addition, this discussion does not address the U.S. federal alternative minimum, U.S. federal estate and gift, Medicare contribution, U.S. state and local or non-U.S. tax consequences of the Transaction or the ownership and disposition of Energy Fuels common shares.

No opinion from U.S. legal counsel or ruling from the Internal Revenue Service (the **IRS**) has been requested, or will be obtained, regarding the U.S. federal income tax consequences of the Transaction or the ownership and disposition of Energy Fuels common shares received pursuant to the Transaction. This summary is not binding on the IRS, and the IRS is not precluded from taking a position that is different from, and contrary to, the positions taken in this summary. In addition, because the authorities on which this summary is based are subject to various interpretations, the IRS and the U.S. courts could disagree with one or more of the positions taken in this summary.

This summary is based on the Internal Revenue Code of 1986, as amended (**Code**), U.S. Treasury regulations (whether final, temporary, or proposed), published rulings of the IRS, published administrative positions of the IRS, the Convention Between Canada and the United States of America with Respect to Taxes on Income and Capital, signed September 26, 1980, as amended (the **Canada-U.S. Tax Convention**), and U.S. court decisions that are applicable and, in each case, as in effect and available as of the date of this Registration Statement. Any of the authorities on which this summary is based could be changed in a material and adverse manner at any time, and any such change could be applied on a retroactive or prospective basis which could affect the U.S. federal income tax considerations described in this summary. This summary does not discuss the potential effects, whether adverse or beneficial, of any proposed legislation that, if enacted, could be applied on a retroactive or prospective basis.

This summary does not address holders subject to special tax rules, including without limitation, the following:

- banks, financial institutions, underwriters, or insurance companies;

- real estate investment trusts and regulated investment companies;
- tax-exempt organizations, qualified retirement plans, individual retirement accounts, or other tax-deferred accounts;
- U.S. expatriates or former long-term residents of the United States;
- entities or arrangements that are treated as partnerships for U.S. federal income tax purposes and investors in such partnerships;
- dealers or traders in securities, commodities or currencies;
- grantor trusts;
- S corporations;
- passive foreign investment companies;
- controlled foreign corporations;
- holders subject to the alternative minimum tax;
- holders whose functional currency is not the U.S. dollar;
- holders who received their shares of Uranerz common stock, or, after the Transaction, U.S. holders who received their Energy Fuels common shares, through the exercise of options or otherwise as compensation or through a tax-qualified retirement plan;
- holders who own (directly, indirectly or through attribution) 5% or more by vote or value of the outstanding Uranerz common stock, or, after the Transaction, U.S. holders who own (directly, indirectly or through attribution) 5% or more by vote or value of the outstanding Energy Fuels common shares; or
- holders holding shares of Uranerz common stock, or, after the Transaction, U.S. holders holding Energy Fuels common shares, as part of a straddle, synthetic security, hedge, constructive sale, conversion transaction or other integrated investment.

Holders that are subject to special provisions under the Code, including U.S. holders described immediately above, should consult their tax advisors regarding all U.S. federal, U.S. state and local, and non-U.S. tax consequences of the Transaction and the ownership and disposition of Energy Fuels common shares.

If an entity or arrangement that is classified as a partnership (including any other pass-through entity) for U.S. federal income tax purposes holds shares of Uranerz common stock (or after the Transaction, Energy Fuels common shares), the U.S. federal income tax consequences to such partnership and the partners (or owners) of such partnership of participating in the Transaction and the ownership and disposition of Energy Fuels common shares received pursuant to the Transaction generally will depend on the activities of the partnership and the status of such partners (or owners). This summary does not address the tax consequences to any such partnership or partner (or owner). Partners (or owners) of entities and arrangements that are classified as partnerships for U.S. federal income tax purposes should consult their own tax advisors regarding the U.S. federal income tax consequences of the Transaction and the ownership and disposition of Energy Fuels common shares received pursuant to the Transaction.

Transactions Not Addressed

This summary does not address the U.S. federal income tax consequences of transactions effected prior or subsequent to, or concurrently with, the Transaction (whether or not any such transactions are undertaken in connection with the Transaction), including, without limitation, the following:

- (a) any conversion into shares of Uranerz common stock or Energy Fuels common shares of any notes, debentures or other debt instruments;
- (b) any vesting, conversion, assumption, disposition, exercise, exchange, or other transaction involving any rights to acquire shares of Uranerz common stock or Energy Fuels common shares, including the Uranerz options and the Uranerz warrants; and
- (c) any transaction, other than the Transaction, in which shares of Uranerz common stock or Energy Fuels common shares are acquired.

As used in this discussion, a *U.S. holder* means a beneficial owner of shares of Uranerz common stock or, after the Transaction, Energy Fuels common shares who is, for U.S. federal income tax purposes, (i) a citizen or resident of the United States, (ii) a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state or political subdivision thereof, (iii) a trust that (A) is subject to the primary jurisdiction of a court within the United States and the control of one or more U.S. persons with respect to all of its substantial decisions, or (B) has a valid election in effect under applicable Treasury regulations to be treated as a U.S. person, or (iv) an estate that is subject to U.S. federal income tax on its income, regardless of source.

As used in this discussion, a *non-U.S. holder* is a beneficial owner of shares of Uranerz common stock or, after the Transaction, Energy Fuels common shares, participating in the Transaction or exercising dissenters' rights that is not a U.S. holder and is not an entity classified as a partnership for U.S. federal income tax purposes.

Please consult your own tax advisor as to the specific tax consequences of the Transaction and the ownership and disposition of Energy Fuels common shares, including the applicable U.S. federal, state, local and non-U.S. tax consequences to you of the Transaction and the ownership and disposition of Energy Fuels common shares.

Material U.S. Federal Income Tax Considerations of the Transaction to U.S. Holders

Exchange of Shares of Uranerz Common Stock for Energy Fuels Common Shares under the Transaction

The Transaction should be treated as a taxable exchange and not as a tax-deferred exchange under Section 368(a) of the Code. Assuming that the Transaction is a taxable transaction, the exchange of shares of Uranerz common stock for Energy Fuels common shares will generally result in the following U.S. federal income tax consequences:

- (a) a U.S. holder of shares of Uranerz common stock will recognize gain or loss equal to the difference between (i) the fair market value of Energy Fuels common shares received by such U.S. holder in the Transaction, and (ii) the adjusted tax basis of such U.S. holder in such shares of Uranerz common stock exchanged pursuant to the Transaction;

(b) the aggregate tax basis of Energy Fuels common shares received by a U.S. holder of shares of Uranerz common stock in the Transaction will be equal to the aggregate fair market value of Energy Fuels common shares on the date of receipt; and

(c) the holding period of Energy Fuels common shares received by a U.S. holder in the Transaction will begin on the day after such shares are received.

Any gain or loss described in clause (a) immediately above would be capital gain or loss, which would be long-term capital gain or loss if the holding period with respect to such shares of Uranerz common stock is more than one year as of the Effective Time. Preferential tax rates apply to long-term capital gains of a U.S. holder that is an individual, estate, or trust. There are currently no preferential tax rates for long-term capital gains of a U.S. holder that is a corporation. Deductions for capital losses are subject to complex limitations under the Code.

U.S. Holders Exercising Dissenters' Rights

A U.S. holder that exercises dissenters' rights in the Transaction and is paid cash in exchange for all of such U.S. holder's shares of Uranerz common stock generally will recognize gain or loss in an amount equal to the difference, if any, between (a) the amount of cash received by such U.S. holder in exchange for shares of Uranerz common stock (other than amounts, if any, that are or are deemed to be interest for U.S. federal income tax purposes, which amounts will be taxed as ordinary income) and (b) the adjusted tax basis of such U.S. holder in such shares of Uranerz common stock surrendered. Such gain or loss generally will be capital gain or loss, which will be long-term capital gain or loss if such shares of Uranerz common stock have been held for more than one year. Preferential tax rates apply to long-term capital gains of a U.S. holder that is an individual, estate, or trust. There are currently no preferential tax rates for long-term capital gains of a U.S. holder that is a corporation. Deductions for capital losses are subject to complex limitations under the Code.

Material U.S. Federal Income Tax Considerations to U.S. Holders of Owning Energy Fuels Common Shares

The following discussion is subject, in its entirety, to the rules described below under the heading *Passive Foreign Investment Company Rules*.

Taxation of Distributions

A U.S. holder that receives a distribution, including a constructive distribution, with respect to Energy Fuels common shares will be required to include the amount of the distribution in gross income as a dividend (without reduction for any foreign income tax withheld from the distribution) to the extent of the current or accumulated earnings and profits of Energy Fuels, as computed for U.S. federal income tax purposes. To the extent that a distribution exceeds the current and accumulated earnings and profits of Energy Fuels, the distribution will be treated first as a tax-free return of capital to the extent of a U.S. holder's tax basis in the Energy Fuels common shares and thereafter as a gain from the sale or exchange of the Energy Fuels common shares (see *Sale or Other Taxable Disposition of Energy Fuels Common Shares* below). However, Energy Fuels may not maintain the calculations of its earnings and profits in accordance with U.S. federal income tax principles, and each U.S. holder may have to assume that any distribution by Energy Fuels with respect to its common shares will constitute ordinary dividend income. Dividends received on Energy Fuels common shares by corporate U.S. holders generally will not be eligible for the dividends received deduction. Subject to applicable limitations and provided Energy Fuels is eligible for the benefits of the Canada-U.S. Tax Convention, dividends paid by Energy Fuels to non-corporate U.S. holders generally will be eligible for the preferential tax rates applicable to qualified dividends, provided certain holding period and other conditions are satisfied, including that Energy Fuels is not a passive foreign investment company or PFIC (as defined below in the section entitled *Passive Foreign Investment Company Rules*) in the tax year of distribution or in the preceding tax year. The dividend rules are complex, and each U.S. holder should consult its own tax advisor regarding the application of such rules.

Sale or Other Taxable Disposition of Energy Fuels Common Shares

A U.S. holder will recognize gain or loss on the sale or other taxable disposition of Energy Fuels common shares in an amount equal to the difference, if any, between (a) the amount of cash plus the fair market value of any property received (other than amounts, if any, that are, or are deemed to be, interest for U.S. federal income tax purposes, which amounts will be taxed as ordinary income), and (b) the U.S. holder's tax basis in the Energy Fuels common shares sold or otherwise disposed of. Any such gain or loss generally will be capital gain or loss, which will be long-term capital gain or loss if, at the time of the sale or other disposition, the Energy Fuels common shares have been held for more than one year.

Preferential tax rates apply to long-term capital gains of a U.S. holder that is an individual, estate, or trust. There are currently no preferential tax rates for long-term capital gains of a U.S. holder that is a corporation. Deductions for capital losses are subject to significant limitations under the Code.

Passive Foreign Investment Company Rules

If Energy Fuels were to constitute a PFIC for any year during a U.S. holder's holding period, then certain potentially adverse rules would affect the U.S. federal income tax consequences to a U.S. holder resulting from the acquisition, ownership and disposition of Energy Fuels common shares. Energy Fuels believes that it was not a PFIC for the tax year ended December 31, 2014. Based on current business plans and financial expectations, Energy Fuels expects that it will not be a PFIC for the current tax year ending December 31, 2015. Energy Fuels has made no determination regarding its PFIC status for future tax years. However, PFIC classification is fundamentally factual in nature, generally cannot be determined until the close of the tax year in question, and is determined annually. Additionally, the analysis depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. Consequently, there can be no assurance that Energy Fuels has never been, and will not become, a PFIC for any tax year during which U.S. holders hold Energy Fuels common shares. No opinion of legal counsel or ruling from the IRS concerning the status of Energy Fuels as a PFIC has been obtained or is currently planned to be requested.

In any year in which Energy Fuels is classified as a PFIC, a U.S. holder will be required to file an annual report with the IRS containing such information as Treasury regulations and/or other IRS guidance may require. In addition to penalties, a failure to satisfy such reporting requirements may result in an extension of the time period during which the IRS can assess a tax. U.S. holders should consult their own tax advisors regarding the requirements of filing such information returns under these rules, including the requirement to file an IRS Form 8621.

Energy Fuels generally will be a PFIC if, after the application of certain "look-through" rules with respect to subsidiaries in which Energy Fuels holds at least 25% of the value of such subsidiary, for a tax year, (a) 75% or more of the gross income of Energy Fuels for such tax year is passive income (the "income test") or (b) 50% or more of the value of Energy Fuels' assets either produce passive income or are held for the production of passive income (the "asset test"), based on the quarterly average of the fair market value of such assets. Gross income generally includes all sales revenues less the cost of goods sold, plus income from investments and from incidental or outside operations or sources, and passive income generally includes, for example, dividends, interest, certain rents and royalties, certain gains from the sale of stock and securities, and certain gains from commodities transactions. Active business gains arising from the sale of commodities generally are excluded from passive income if substantially all (85% or more) of a foreign corporation's commodities are stock in trade or inventory, depreciable property used in a trade or business or supplies regularly used or consumed in the ordinary course of its trade or business, and certain other requirements are satisfied.

If Energy Fuels were a PFIC in any tax year during which a U.S. holder held Energy Fuels common shares, such holder generally would be subject to special rules with respect to excess distributions made by Energy Fuels on the Energy Fuels common shares and with respect to gain from the disposition of Energy Fuels common shares. An excess distribution generally is defined as the excess of distributions with respect to the Energy Fuels common shares received by a U.S. Holder in any tax year over 125% of the average annual distributions such U.S. holder has received from Energy Fuels during the shorter of the three preceding tax years, or such U.S. holder's holding period for the Energy Fuels common shares. Generally, a U.S. holder would be required to allocate any excess distribution or gain from the disposition of the Energy Fuels common shares ratably over its holding period for the Energy Fuels common shares. Such amounts allocated to the year of the disposition or excess distribution would be taxed as ordinary income, and amounts allocated to prior tax years would be taxed as ordinary income at the highest tax rate in effect for each such year and an interest charge at the rate applicable to underpayments of tax would apply. Any distribution made by Energy Fuels that does not constitute an excess distribution generally will be treated in the manner described above under Material U.S. Federal Income Tax Consequences to U.S. Holders of Owning Energy Fuels Common Shares-Taxation of Distributions, except that the preferential tax rate applicable to qualified dividends would not apply with respect to the Energy Fuels shares.

While there are U.S. federal income tax elections that can be made to mitigate the above-described adverse tax consequences (including the QEF Election under Section 1295 of the Code and the Mark-to-Market Election under Section 1296 of the Code), such elections are available in limited circumstances and must be made in a timely manner. A U.S. holder who makes a QEF Election generally must report on a current basis its share of Energy Fuels' net capital gain and ordinary earnings for any year in which Energy Fuels is a PFIC, whether or not Energy Fuels distributes any amounts to its shareholders. However, U.S. holders should be aware that there can be no assurance that Energy Fuels will satisfy the record keeping requirements that apply to a QEF, or that Energy Fuels will supply U.S. holders with information that such U.S. holders require to report under the QEF Election rules, in the event that Energy Fuels is a PFIC and a U.S. holder wishes to make a QEF Election. Thus, U.S. holders may not be able to make a QEF Election with respect to their Energy Fuels common shares. A U.S. holder who makes a mark-to-market election generally must include as ordinary income each year the excess of the fair market value of the Energy Fuels common shares over the taxpayer's basis therein.

U.S. holders should be aware that, for each tax year, if any, that Energy Fuels is a PFIC, Energy Fuels can provide no assurances that it will satisfy the record keeping requirements or make available to U.S. holders the information such U.S. holders require to make a QEF Election with respect to Energy Fuels or any subsidiary that also is classified as a PFIC. U.S. holders should consult their own tax advisors regarding the potential application of the PFIC rules to the ownership and disposition of Energy Fuels common shares, and the availability of certain U.S. tax elections under the PFIC rules.

Additional Considerations

Foreign Tax Credit

A U.S. holder that pays (whether directly or through withholding) Canadian income tax in connection with the Transaction or in connection with the ownership or disposition of Energy Fuels common shares may be entitled, at the election of the U.S. holder, to receive either a deduction or a credit for the Canadian income tax paid. Generally, a credit will reduce a U.S. holder's U.S. federal income tax liability on a dollar-for-dollar basis, whereas a deduction will reduce a U.S. holder's income subject to U.S. federal income tax. This election is made on a year-by-year basis and applies to all foreign taxes paid (whether directly, or through withholding) by a U.S. holder during a year.

Complex limitations apply to the foreign tax credit, including the general limitation that the credit cannot exceed the proportionate share of a U.S. holder's U.S. federal income tax liability that the U.S. holder's foreign source taxable income bears to the U.S. holder's worldwide taxable income. In applying this limitation, a U.S. holder's various items of income and deduction must be classified, under complex rules, as either foreign source or U.S. source. Generally, dividends paid by a foreign corporation should be treated as foreign source for this purpose, and gains recognized on the sale of stock of a foreign corporation by a U.S. holder should be treated as U.S. source for this purpose, except as otherwise provided in an applicable income tax treaty, and if an election is properly made under the Code. However, the amount of a distribution with respect to the Energy Fuels common shares that is treated as a dividend may be lower for U.S. federal income tax purposes than it is for Canadian federal income tax purposes, which would result in a reduced foreign tax credit allowance to a U.S. holder. In addition, this limitation is calculated separately with respect to specific categories of income. Special foreign tax credit rules apply for foreign income taxes paid with respect to any distribution on shares of a PFIC. The foreign tax credit rules are complex, and each U.S. holder should consult its own U.S. tax advisor regarding the foreign tax credit rules.

Foreign Currency

The amount of any distribution or proceeds paid in Canadian dollars to a U.S. holder in connection with the ownership of Energy Fuels common shares, or on the sale, exchange or other taxable disposition of Energy Fuels common shares, or any Canadian dollars received in connection with the Transaction (including, but not limited to, U.S. holders exercising dissenters' rights under the Transaction), will generally be included in the gross income of a U.S. holder as translated into U.S. dollars calculated by reference to the exchange rate prevailing on the date of actual or constructive receipt of such amount, regardless of whether the Canadian dollars are converted into U.S. dollars at that time. If the Canadian dollars received are not converted into U.S. dollars on the date of receipt, a U.S. holder will have a basis in the Canadian dollars equal to its U.S. dollar value on the date of receipt. Any U.S. holder who receives payment in Canadian dollars and engages in a subsequent conversion or other disposition of the Canadian dollars may have a foreign currency exchange gain or loss that would be treated as ordinary income or loss, and generally would be U.S. source income or loss for foreign tax credit purposes. Different rules apply to U.S. holders who use the accrual method with respect to foreign currency received upon the sale, exchange or other taxable disposition of the shares of Uranerz common stock or Energy Fuels common shares. Each U.S. holder should consult its own U.S. tax advisor regarding the U.S. federal income tax consequences of receiving, owning, and disposing of Canadian dollars.

Information Reporting and Backup Withholding Tax

Under U.S. federal income tax law, certain categories of U.S. holders must file information returns with respect to their investment in, or involvement in, a foreign corporation. For example, U.S. return disclosure obligations (and related penalties) are imposed on individuals who are U.S. holders that hold certain specified foreign financial assets in excess of certain thresholds. The definition of specified foreign financial assets includes not only financial accounts maintained in foreign financial institutions, but also, unless held in accounts maintained by a financial institution, any stock or security issued by a non-U.S. person, any financial instrument or contract held for investment that has an issuer or counterparty other than a U.S. person and any interest in a foreign entity. U.S. holders may be subject to these reporting requirements unless their shares are held in an account at certain financial institutions. Penalties for failure to file certain of these information returns are substantial. U.S. holders should consult with their own tax advisors regarding the requirements of filing information returns, including the requirement to file an IRS Form 8938.

Payments made within the United States or by a U.S. payor or U.S. middleman of (a) distributions on Energy Fuels common shares, (b) proceeds arising from the sale or other taxable disposition of Energy Fuels common shares, or (c) cash payments received in connection with the Transaction (including, but not limited to, U.S. holders exercising dissenters' rights) may be subject to information reporting and backup withholding tax, currently at the rate of 28%. A U.S. holder generally will not be subject to backup withholding, however, if the U.S. holder (a) furnishes a correct taxpayer identification number, certifies, under penalties of perjury, that the U.S. holder is not subject to backup withholding on a Form W-9, and otherwise complies with applicable requirements of the backup withholding rules or, (b) provides proof that it is otherwise exempt from backup withholding. Backup withholding is not an additional U.S. federal tax. Any amounts withheld under the backup withholding tax rules generally will be allowed as a refund or credit against a U.S. holder's U.S. federal income tax liability, if any, provided the U.S. holder furnishes required information to the IRS in a timely manner.

The discussion of reporting requirements set forth above is not intended to constitute an exhaustive description of all reporting requirements that may apply to a U.S. holder. A failure to satisfy certain reporting requirements may result in an extension of the time period during which the IRS can assess a tax, and under certain circumstances, such an extension may apply to assessments of amounts unrelated to any unsatisfied reporting requirement. Each U.S. holder should consult its own tax advisors regarding the information reporting and backup withholding rules.

Material U.S. Federal Income Tax Considerations of the Transaction to Non-U.S. Holders

Exchange of Shares of Uranerz Common Stock for Energy Fuels Common Shares

A non-U.S. holder who exchanges its shares of Uranerz common stock for Energy Fuels common shares pursuant to the Transaction will generally not be subject to U.S. federal income tax on any gain with respect to the Transaction unless:

the gain is effectively connected with the conduct of a trade or business in the United States and, if an income tax treaty applies, is attributable to a U.S. permanent establishment maintained by the non-U.S. holder;

the non-U.S. holder is an individual who is present in the United States for 183 days or more in the taxable year of the Transaction, and certain other conditions are met; or

Uranerz is, or has been, a United States real property holding corporation, as discussed below under Classification of Uranerz as a United States Real Property Holding Corporation, for U.S. federal income tax purposes at any time during the shorter of (a) the five-year period ending at the Effective Time or (b) the period during which the non-U.S. holder has owned Uranerz common shares, and the non-U.S. holder has directly, indirectly, or constructively owned 5% or more of the issued and outstanding Uranerz common shares at any time during the same period.

If a non-U.S. holder's gain is described in the first bullet point above, such non-U.S. holder will generally be treated for U.S. federal income tax purposes in the same manner as a U.S. holder as described above under Material U.S. Federal Income Tax Consequences of the Transaction to U.S. Holders, and generally will be subject to U.S. federal income tax on any gain realized, net of certain deductions, at the rates applicable to U.S. holders. Corporate non-U.S. holders whose gain is described in the first bullet point (and not the third bullet point) above may also be subject to the branch profits tax at a 30% rate (or such lower rate as may be specified by an applicable income tax treaty) on such effectively connected income (or, if an income tax treaty applies, on such income attributable to a U.S. permanent establishment). Individual non-U.S. holders described in the second bullet point above will generally be subject to U.S. federal income tax at a flat rate of 30% (or such lower rate as may be specified by an applicable income tax treaty) on any gain realized, which may be offset by U.S. source capital losses, even though such non-U.S. holders are not considered to be residents of the U.S.

Non-U.S. holders are urged to consult their own tax advisors regarding the tax consequences of the exchange of shares of Uranerz common stock for Energy Fuels common shares pursuant to the Transaction and the potential applicability of any income tax treaty.

Classification of Uranerz as a United States Real Property Holding Corporation

Uranerz believes that it likely is, or has been, a United States real property holding corporation, or USRPHC, as defined for U.S. federal income tax purposes. Generally, a U.S. corporation is a USRPHC if, at any time during the prior five-year period, at least 50% of the value of its real property and certain other assets consist of United States real property interests (**USRPIs**). For purposes of these rules, a USRPI includes land, growing crops and timber, and mines, wells and other natural deposits (including oil and gas properties and deposits) located in the United States, as well as equity interests in a USRPHC.

An exchange of shares of a USRPHC by a non-U.S. holder generally is subject to U.S. federal income tax as if the gain or loss from such exchange were effectively connected with the conduct of a U.S. trade or business (or, if a tax treaty applies, attributable to a U.S. permanent establishment). However, if shares of Uranerz common stock are considered regularly traded on an established securities market (including an over-the-counter market) within the meaning of Section 897 of the Code and the Treasury regulations issued thereunder, gain realized by a non-U.S. holder on the exchange of shares of Uranerz common stock for Energy Fuels common shares pursuant to the Transaction should not be subject to U.S. federal income tax unless such holder has directly, indirectly, or constructively owned more than 5-percent of the Uranerz common stock at any time during the shorter of (a) the five-year period ending on the Effective Date or (b) the period during which the non-U.S. holder has owned Uranerz common stock (a 5% non-U.S. holder). For this purpose, constructive ownership generally includes ownership through corporations and other entities and options, warrants or other securities convertible into or exercisable for Uranerz common stock. 5% non-U.S. holders will be subject to U.S. federal income tax on any gain realized pursuant to the Transaction. Non-U.S. holders should consult their own tax advisors regarding whether they are 5% non-U.S. holders under the applicable U.S. federal income tax rules.

Uranerz expects that its shares of Uranerz common stock, which are traded on the NYSE MKT, should be treated as regularly traded on an established securities market for purposes of the applicable U.S. Treasury regulations. It is a condition to closing the Transaction, that legal counsel to Uranerz deliver an opinion to Energy Fuels which concludes that the shares of Uranerz common stock shall be regularly traded on an established securities exchange within the meaning of U.S. Treasury regulation Section 1.897 -9T(d) as of the Effective Time. However, such opinion will not be binding upon the IRS and no assurances can be given that the IRS will agree that Uranerz will satisfy the regularly traded exception at the Effective Time. If shares of Uranerz common stock are considered regularly traded on an established securities market, a non-U.S. holder generally will not recognize any realized gain for U.S. federal income tax purposes with respect to the exchange of shares pursuant to the Transaction, unless the U.S. Holder is a 5% non-U.S. holder. Energy Fuels will be required to withhold 10% of the gross fair market value of its common shares issued in exchange for a 5% non-U.S. holder s shares of Uranerz common stock pursuant to Section 1445 of the Code.

If shares of Uranerz common stock are not considered to be regularly traded on an established securities market, all non-U.S. holders generally will recognize any realized gain for U.S. federal income tax purposes with respect to the exchange of shares pursuant to the Transaction. Energy Fuels will be required to withhold 10% of the gross fair market value of its shares being issued in exchange for all non-U.S. holders shares of Uranerz common stock pursuant to Section 1445 of the Code.

Any tax withheld on the exchange of shares in the Transaction can be credited against a non-U.S. holder's U.S. federal income tax liability. Exceptions that reduce or eliminate the withholding tax may apply if certain requirements are met.

Non-U.S. holders should consult their own tax advisors concerning the federal income tax related to USRPIs.

Non-U.S. Holders Exercising Dissenters' Rights

A non-U.S. holder who exercises dissenters' rights in the Transaction generally should not be taxed on the receipt of cash in exchange for all of such non-U.S. holder's shares of Uranerz common stock except in the circumstances described above under the Material U.S. Federal Income Tax Consequences of the Transaction to Non-U.S. Holders-Exchange of Uranerz Common Shares for Energy Fuels Common Shares. Amounts that are, or are deemed to be, interest for U.S. federal income tax purposes will be subject to a 30% withholding tax, unless an exemption applies or the rate is reduced or eliminated under an applicable income tax treaty.

Material Canadian Federal Income Tax Considerations

The following is, as of the date hereof, a general summary of the principal Canadian federal income tax considerations generally applicable under the Income Tax Act (Canada) (the **Tax Act**) and the regulations enacted thereunder (the **Regulations**) to a beneficial owner of Energy Fuels common shares, shares of Uranerz common stock and Uranerz warrants who for the purposes of the Tax Act and at all relevant time: (i) deals at arm's length with Energy Fuels and Uranerz; (ii) is not affiliated with Energy Fuels or Uranerz; and (iii) holds Energy Fuels common shares, shares of Uranerz common stock and Uranerz warrants (as the case may be) as capital property (each a **Holder**). Generally, the Energy Fuels common shares, shares of Uranerz common stock and Uranerz warrants will be considered to be capital property to a holder provided the holder does not hold them in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Holder: (i) that is a financial institution (as defined in the Tax Act for the purposes of the mark-to-market rules), (ii) an interest in which would be a tax shelter investment (as defined in the Tax Act), (iii) that is a specified financial institution (as defined in the Tax Act), (iv) that has elected to report its Canadian tax results (as defined in the Tax Act) in a currency other than Canadian currency, (v) who enters into or has entered into a synthetic disposition arrangement or a derivative forward agreement (as defined in the Tax Act) with respect to the Energy Fuels common shares, shares of Uranerz common stock or Uranerz warrants, or (vi) in respect of which Uranerz constitutes a foreign affiliate (as defined in the Tax Act). Additional considerations, not discussed herein, may be applicable to a Holder that is a corporation resident in Canada, and that is, or becomes as part of a transaction or event or series of transactions or events that includes the acquisition of Energy Fuels shares, controlled by a non-resident corporation, for purposes of the foreign affiliate dumping rules in section 212.3 of the Tax Act. Any such Holder should consult its own tax advisor.

This summary is not applicable to a Holder who has acquired or will acquire shares of Uranerz common stock or Energy Fuels common shares on the exercise of an employee stock option received in respect of, in the course of, or by virtue of, employment. In addition, this summary does not address tax considerations relevant to the treatment of Uranerz options under the Transaction. All affected Holders should consult their own tax advisors in this regard.

This summary is based upon the provisions of the Tax Act and the Regulations in force as of the date hereof, and management's understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency (the **CRA**). This summary takes into account all specific proposals to amend the Tax Act or the Regulations that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the **Proposed Amendments**) and assumes that the Proposed Amendments will be enacted in the form proposed, although no assurance can be given that the Proposed Amendments will be enacted or otherwise implemented in their current form, if at all. If the Proposed Amendments are not enacted or otherwise implemented as proposed, the Canadian federal income tax consequences may not be as described below.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable in the respect of the Transaction and, except for the Proposed Amendments, does not take into account or anticipate any changes in the law, whether by legislative, regulatory or judicial action, or changes in the administrative policies or assessing practices of the CRA. This summary does not take into account any provincial, territorial or foreign tax considerations, which may differ significantly from the Canadian federal income tax consequences discussed herein.

This summary is of a general nature only and is not intended to be, and should not construed to be, legal, business or tax advice to any particular Holder of Energy Fuels common shares, shares of Uranerz common stock and Uranerz warrants. Accordingly, such Holders should consult their own tax advisors with respect to their particular circumstances.

Considerations of the Transaction Relevant to Energy Fuels Shareholders

Energy Fuels Shareholders Resident in Canada

The following portion of this summary is generally applicable to a Holder of Energy Fuels common shares who, for purposes of the Tax Act and at all relevant times is or is deemed to be resident in Canada and is not exempt from tax under Part I of the Tax Act (referred to as a **Resident Energy Fuels Shareholder**).

A Resident Energy Fuels Shareholder will not dispose of the Energy Fuels common shares or receive any consideration by virtue of the Transaction. Accordingly, each Resident Energy Fuels Shareholder will not realize a capital gain (or incur a capital loss).

Energy Fuels Shareholders Not Resident in Canada

The following portion of this summary is generally applicable to a Holder of Energy Fuels common shares and Energy Fuels warrants who, for purposes of the Tax Act and at all relevant times: (i) is not resident, nor deemed to be resident, in Canada for purposes of the Tax Act, and (ii) does not and will not use or holds or be deemed to use or hold Energy Fuels common shares or Energy Fuels warrants in the course of carrying on business in Canada (referred to as a **Non-Resident Energy Fuels Shareholder**). Special rules, which are not discussed below, may apply to a non-resident of Canada that is an insurer which carries on business in Canada and elsewhere. Non-Resident Energy Fuels Shareholders should obtain tax advice of any foreign tax consequences of the Transaction based upon their particular circumstances.

A Non-Resident Energy Fuels Shareholder will not dispose of the Energy Fuels common shares or receive any consideration by virtue of the Transaction. Accordingly, each Non-Resident Energy Fuels Shareholder will not realize a capital gain (or incur a capital loss).

Considerations of the Transaction Relevant to Holders of shares of Uranerz common stock and Uranerz Warrants

Uranerz Holders Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act and any applicable income tax convention, is, or is deemed to be, resident in Canada and is not exempt from tax under Part I of the Tax Act, and who holds shares of Uranerz common stock or Uranerz warrants (referred to in this portion of the summary as a **Resident Uranerz Holder**).

Exchange of shares of Uranerz common stock

Generally, a Resident Uranerz Holder whose shares of Uranerz common stock are exchanged as a result of the Transaction for Energy Fuels common shares will realize a capital gain (or capital loss) equal to the amount, if any, by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to the Resident Uranerz Holder of the shares of Uranerz common stock immediately prior to the Transaction. The proceeds of disposition to the Resident Uranerz Holder in respect of the Holder's shares of Uranerz common stock will be equal to the aggregate of the fair market value at that time of the Energy Fuels common shares received in exchange for such shares of Uranerz common stock.

Treatment of Uranerz Warrants

As described in more detail under "Effect of the Transaction on Uranerz Warrants", at the Effective Time each outstanding Uranerz warrant will entitle its holder to acquire, in lieu of one Uranerz share, a number of Energy Fuels common shares equal to the Exchange Ratio upon exercise, in accordance with the terms of the original Uranerz warrant. Although the matter is not free from doubt, Energy Fuels management believes the better view is that this treatment of the Uranerz Warrants under the Transaction should not be considered to be a disposition of the Uranerz warrants or receipt of a new warrant at the Effective Time, such that Resident Uranerz Holders should not realize a capital gain (or capital loss) with respect to the Uranerz warrants at the Effective Time. However, no tax ruling or legal opinion has been sought or obtained in this regard, and Resident Uranerz Holders should consult with their own tax advisors with respect to the tax considerations relevant to the treatment of the Uranerz warrants under the Transaction.

Exercise of Dissent Rights

The exercise of the dissent rights will be taxed as a disposition of the shares of Uranerz common stock. Such person who dissents will realize a capital gain (or capital loss) equal to the amount, if any, by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to the Resident Uranerz Holder of the shares of Uranerz common stock immediately prior to the Transaction.

Taxation of Capital Gains and Losses

One-half of any capital gain realized by a Resident Uranerz Shareholder will be included in the Resident Uranerz Shareholder's income as a taxable capital gain and one-half of any capital loss realized by a Resident Uranerz Shareholder may generally be deducted only from taxable capital gains in accordance with the provisions of the Tax Act. Allowable capital losses for a taxation year in excess of taxable capital gains for that year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and under the circumstances described in the Tax Act.

Alternative Minimum Tax

Capital gains realized or dividends received, or deemed to be received, by a Resident Uranerz Holder that is an individual or a trust, other than certain specified trusts, may give rise to alternative minimum tax under the Tax Act.

Additional Refundable Tax

A Resident Uranerz Holder that is throughout the relevant taxation year a Canadian-controlled private corporation (as defined in the Tax Act) may be liable to pay a refundable tax of 6 2/3% on its aggregate investment income, which is defined in the Tax Act to include taxable capital gains.

Foreign Tax Credit or Deduction

U.S. taxes payable by a Resident Uranerz Holder in connection with the disposition of the shares of Uranerz common stock in the Transaction may be eligible for a foreign tax credit or deduction to the extent and subject to the limitations provided in the Tax Act. Affected Resident Uranerz Holders should consult their own tax advisors.

Uranerz Holders Not Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act, is not, and is not deemed to be, resident in Canada and does not use or hold, and is not deemed to use or hold, the shares of Uranerz common stock or Uranerz warrants in a business carried on in Canada (referred to in this portion of the summary as a **Non-Resident Uranerz Holder**). Special rules, which are not discussed in this summary, may apply to certain Holders that are insurers carrying on an insurance business in Canada and elsewhere.

A Non-Resident Uranerz Holder will not be subject to tax under the Tax Act in respect of any capital gain realized by such Non-Resident Uranerz Holder on a disposition of the shares of Uranerz common stock unless the shares of Uranerz common stock constitute taxable Canadian property (as defined in the Tax Act) of the Non-Resident Uranerz Holder at the time of disposition and the Non-Resident Uranerz Holder is not entitled to relief under an applicable income tax convention between Canada and the country in which the Non-Resident Uranerz Holder is resident.

Provided the shares of Uranerz common stock are then listed on a designated stock exchange (which currently includes the NYSE MKT and the TSX), the shares of Uranerz common stock will generally not constitute taxable Canadian property of a Non-Resident Uranerz Shareholder at that time, unless at any time during the 60 month period immediately preceding the disposition of the shares of Uranerz common stock the following two conditions are satisfied concurrently: (i)(a) the Non-Resident Uranerz Holder, (b) persons with whom the Non-Resident Uranerz Holder did not deal at arm's length, (c) partnerships in which the Non-Resident Uranerz Holder or a person described in (b) holds a membership interest directly or indirectly through one or more partnerships, or (d) any combination of the persons and partnerships described in (a) through (c), owned 25% or more of the issued shares of any class or series of the shares of Uranerz; and (ii) more than 50% of the fair market value of the shares of Uranerz common stock was derived directly or indirectly from one or any combination of: real or immovable property situated in Canada, Canadian resource properties, timber resource properties (each as defined in the Tax Act), and options in respect of, or interests in or for civil law rights in, such properties. A Non-Resident Uranerz Holder holding shares of Uranerz common stock that may constitute taxable Canadian property should consult a tax advisor prior to such disposition.

The exercise of the dissent rights will be treated as a disposition of the shares of Uranerz common stock, and for purposes of the following discussion, such disposition is assumed to occur at a time when the Uranerz common stock is no longer listed on a designated stock exchange. The Uranerz common stock will generally not constitute taxable Canadian property to a dissenting Non-Resident Uranerz Holder at that time, unless at any time during the 60-month period immediately preceding the disposition more than 50% of the fair market value of the Uranerz common stock was derived directly or indirectly (otherwise than through a corporation, partnership or trust the shares or interests in which were not themselves taxable Canadian property at the particular time) from one or any combination of: real or immovable property situated in Canada, Canadian resource properties, timber resource properties (each as defined in the Tax Act), and options in respect of, or interests in or for civil law rights in, such properties. A dissenting Non-Resident Uranerz Holder should consult a tax advisor to confirm the specific tax consequences that would be applicable.

As described in more detail under Effect of the Transaction on Uranerz Warrants, at the Effective Time each outstanding Uranerz warrant will entitle its holder to acquire, in lieu of one Uranerz share, a number of Energy Fuels common shares equal to the Exchange Ratio upon exercise, in accordance with the terms of the original Uranerz warrant. Although the matter is not free from doubt, Energy Fuels management believes the better view is that this treatment of the Uranerz Warrants under the Transaction should not be considered to be a disposition of the Uranerz warrants or receipt of a new warrant at the Effective Time, such that Non-Resident Uranerz Holders should not realize a capital gain (or capital loss) with respect to the Uranerz warrants at the Effective Time. However, no tax ruling or legal opinion has been sought or obtained in this regard, and Non-Resident Uranerz Holders should consult with their own tax advisors with respect to the tax considerations relevant to the treatment of the Uranerz warrants under the Transaction.

Material Canadian Federal Tax Consequences of Holding Energy Fuels Shares, Uranerz Warrants and Energy Fuels Warrants

Residents of Canada

The following portion of this summary is generally applicable, subsequent to the completion of the Transaction, to a Holder of Energy Fuels common shares, Uranerz warrants or Energy Fuels warrants who, for purposes of the Tax Act and at all relevant times is or is deemed to be resident in Canada and is not exempt from tax under Part I of the Tax Act (referred to as a **Resident Energy Fuels Holder**). In this portion of the summary, references to Uranerz warrants are references to warrants of Uranerz that effectively become exercisable into Energy Fuels common shares in the manner described in more detail under *Effect of the Transaction on Uranerz Warrants* .

Dispositions of Energy Fuels Shares, Uranerz Warrants and Energy Fuels Warrants

On the disposition or deemed disposition of an Energy Fuels share, Uranerz Warrant or Energy Fuels Warrant (other than a disposition arising on the exercise or expiry of a Uranerz Warrant or an Energy Fuels Warrant), the Resident Energy Fuels Holder will realize a capital gain (or capital loss) equal to the amount by which the Resident Energy Fuels Holder's proceeds of disposition exceed (or are less than) the aggregate of the adjusted cost base of the Energy Fuels share, Uranerz Warrant or Energy Fuels Warrant, respectively, and any reasonable costs of disposition. For a description of the treatment of capital gains and capital losses, see *Material Canadian Federal Income Tax Considerations - Material Canadian Tax Consequences of Holding Energy Fuels Shares, Uranerz Warrants and Energy Fuels Warrants - Residents of Canada - Capital Gain and Capital Losses* below.

Exercise of Warrants

The exercise of a Uranerz Warrant or an Energy Fuels warrant will not constitute a disposition of property for purposes of the Tax Act and, consequently, no gain or loss will be realized by a Resident Energy Fuels Holder upon the exercise of a Uranerz Warrant or an Energy Fuels warrant to acquire an Energy Fuels common share. When a Uranerz Warrant or an Energy Fuels warrant is exercised, the Resident Energy Fuels Holder's cost of the Energy Fuels common share acquired thereby will be the aggregate of the Resident Energy Fuels Holder's adjusted cost base of such Uranerz Warrant or Energy Fuels warrant exercised and the exercise price paid to thereby acquire the Energy Fuels common share. The cost to a Resident Energy Fuels Holder of an Energy Fuels common share so acquired must be averaged with the adjusted cost base (determined immediately before the exercise of a Uranerz Warrant or an Energy Fuels warrant) of all other Energy Fuels common shares held by the Resident Energy Fuels Holder as capital property at the time of the exercise of a Uranerz Warrant or an Energy Fuels warrant to determine the Resident Energy Fuels Holder's adjusted cost base of all such Energy Fuels common shares held.

Expiry of Warrants

The expiry of an unexercised Uranerz Warrant or Energy Fuels warrant will generally result in a capital loss to the Resident Energy Fuels Holder equal to the Resident Energy Fuels Holder's adjusted cost base of such Uranerz Warrant or Energy Fuels warrant immediately before its expiry. For a description of the treatment of capital gains and capital losses, see Material Canadian Federal Income Tax Considerations - Material Canadian Tax Consequences of Holding Energy Fuels Shares, Uranerz Warrants and Energy Fuels Warrants - Residents of Canada - Capital Gain and Capital Losses below.

Capital Gains and Capital Losses

One-half of any capital gain realized by a Resident Energy Fuels Holder will be included in the Resident Energy Fuels Holder's income as a taxable capital gain and one-half of any capital loss realized by a Resident Energy Fuels Holder may generally be deducted only from taxable capital gains in accordance with the provisions of the Tax Act. Allowable capital losses for a taxation year in excess of taxable capital gains for that year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and under the circumstances described in the Tax Act.

Where a Resident Energy Fuels Holder that is a corporation or trust (other than a mutual fund trust) disposes of an Energy Fuels share, the Resident Energy Fuels Holder's capital loss from the disposition will generally be reduced by the amount of dividends previously designated by Energy Fuels to have been received by the Resident Energy Fuels Holder except to the extent that a loss on a previous disposition of an Energy Fuels share has been reduced by those dividends. Analogous rules apply where a corporation or trust (other than a mutual fund trust) is a member of a partnership that disposes of Energy Fuels shares. Affected Resident Energy Fuels Holders should consult their own tax advisors.

Dividends on Energy Fuels Common Shares

A Resident Energy Fuels Holder that is an individual (other than certain trusts), will be required to include in income the dividends received or deemed to be received on the Energy Fuels common shares, which will be subject to the normal gross-up and dividend tax credit rules applicable to dividends paid by taxable Canadian corporations under the Tax Act, including the enhanced gross-up and dividend tax credit applicable to any dividend designated by Energy Fuels as an eligible dividend in accordance with the provisions of the Tax Act. There may be limitations on Energy Fuels' ability to designate dividends as eligible dividends, and Energy Fuels has made no commitments in this regard.

A Resident Energy Fuels Holder that is a corporation will be required to include in income any dividend received or deemed to be received on the Energy Fuels common shares and generally will be entitled to deduct an equivalent amount in computing its taxable income, subject to all restrictions under the Tax Act.

Private corporations (as defined in the Tax Act) and or certain other corporations controlled by or for the benefit of an individual (other than a trust) or related group of individuals (other than trusts) generally will be liable to pay a 33 1/3% refundable tax under Part IV of the Tax Act on dividends received or deemed to be received on the Energy Fuels common shares to the extent such dividends are deductible in computing taxable income.

Alternative Minimum Tax

Capital gains realized or dividends received, or deemed to be received, by a Resident Energy Fuels Holder that is an individual or a trust, other than certain specified trusts, may give rise to alternative minimum tax under the Tax Act.

Additional Refundable Tax

A Resident Energy Fuels Holder that is throughout the relevant taxation year a Canadian-controlled private corporation (as defined in the Tax Act) may be liable to pay a refundable tax of 6 2/3% on its aggregate investment income, which is defined in the Tax Act to include taxable capital gains.

Non-Residents of Canada

The following portion of this summary is generally applicable, subsequent to the completion of the Transaction, to a Holder of Energy Fuels common shares, Uranerz warrants or Energy Fuels warrants who, for purposes of the Tax Act and at all relevant times: (i) is not resident, nor deemed to be resident, in Canada for purposes of the Tax Act, and (ii) does not and will not use or holds or be deemed to use or hold Energy Fuels common shares, Uranerz warrants, or Energy Fuels warrants in the course of carrying on business in Canada (referred to as a **Non-Resident Energy Fuels Holder**). Special rules, which are not discussed below, may apply to a nonresident of Canada that is an insurer which carries on business in Canada and elsewhere.

Disposition of Energy Fuels Shares, Uranerz Warrants and Energy Fuels Warrants

A Non-Resident Energy Fuels Holder will not generally be subject to tax under the Tax Act on a disposition of an Energy Fuels common share, a Uranerz Warrant or an Energy Fuels warrant, unless the Energy Fuels common share, Uranerz Warrant or Energy Fuels warrant constitutes taxable Canadian property (as defined in the Tax Act) of the Non-Resident Energy Fuels Holder at the time of disposition and the Non-Resident Energy Fuels Holder is not entitled to relief under an applicable income tax treaty or convention.

Provided the Energy Fuels common shares are listed on a designated stock exchange, as defined in the Tax Act (which currently includes the NYSE MKT and the TSX) at the time of disposition, the Energy Fuels common shares, the Uranerz Warrants and the Energy Fuels warrants will generally not constitute taxable Canadian property of a Non-Resident Energy Fuels Holder at that time, unless at any time during the 60-month period immediately preceding the disposition the following two conditions are satisfied concurrently: (i) (a) the Non-Resident Energy Fuels Holder; (b) persons with whom the Non-Resident Energy Fuels Holder did not deal at arm's length; (c) partnerships in which the Non-Resident Energy Fuels Holder or a person described in (b) holds a membership interest directly or indirectly through one or more partnerships; or (d) any combination of the persons and partnerships described in (a) through (c), owned 25% or more of the issued shares of any class or series of the shares of Energy Fuels; and (ii) more than 50% of the fair market value of the Energy Fuels common shares was derived directly or indirectly from one or any combination of: real or immovable property situated in Canada, Canadian resource properties, timber resource properties (each as defined in the Tax Act), and options in respect of, or interests in or for civil law rights in, such properties. A Non-Resident Energy Fuels Holder contemplating a disposition of Energy Fuels shares, Uranerz Warrants and Energy Fuels Warrants that may constitute taxable Canadian property should consult a tax advisor prior to such disposition.

Even if the Energy Fuels common shares, the Uranerz Warrants or Energy Fuels warrants are "taxable Canadian property" to a Non-Resident Energy Fuels Holder, such Non-Resident Energy Fuels Holder may be exempt from tax under the Tax Act on the disposition of such Energy Fuels common shares, Uranerz Warrants or Energy Fuels warrants by virtue of an applicable income tax treaty or convention. Non-Resident Energy Fuels Holders of common shares, Uranerz Warrants or Energy Fuels warrants that may constitute "taxable Canadian property" should consult their own tax advisors in this regard. If the Energy Fuels common shares, Uranerz Warrants or Energy Fuels warrants are "taxable Canadian property" to a Non-Resident Energy Fuels Holder and such Non-Resident Energy Fuels Holder is not exempt from tax under the Tax Act in respect of the disposition of such Energy Fuels common shares, Uranerz Warrants or Energy Fuels warrants pursuant to an applicable income tax treaty or convention, the tax consequences as described above under the headings " Material Canadian Tax Consequences of Holding Energy Fuels Shares, Uranerz Warrants and Energy Fuels Warrants - Residents of Canada - Capital Gains and Capital Losses " will generally apply. If the capital gains (or capital losses) are derived from the disposition of taxable Canadian property by a Non-Resident Energy Fuels Holder, the Non-Resident Energy Fuels Holder may in certain circumstances be required to file a Canadian tax return reporting the disposition even if no gain is realized by the Non-Resident Energy Fuels Holder on the disposition or the gain is otherwise exempt from Canadian tax under the provisions of an applicable income tax treaty or convention.

Receipt of Dividends on Energy Fuels Shares

Dividends received or deemed to be received by a Non-Resident Energy Fuels Holder on the Energy Fuels common shares will be subject to Canadian withholding tax under the Tax Act. The general rate of withholding tax is 25%, although such rate may be reduced under the provisions of an applicable income tax convention between Canada and the Non-Resident Energy Fuels Holder's country of residence, for example, under the *Canada-United States Income Tax Convention (1980)* as amended, the rate is generally reduced to 15%.

ELIGIBILITY FOR INVESTMENT

The Energy Fuels common shares and Energy Fuels warrants would be qualified investments for trusts governed by registered retirement savings plans (**RRSPs**), registered retirement income funds (**RRIFs**), registered disability savings plans, deferred profit savings plans, tax-free savings accounts (**TFSA**s), and registered education savings plans, collectively, the **Plans** , provided that

- a) with respect to the Energy Fuels common shares, that the Energy Fuels common shares are listed on a designated stock exchange (which currently includes the NYSE MKT and TSX) at the relevant time; and
- b) with respect to the Energy Fuels warrants, that either (i) the warrants are listed on a "designated stock exchange" (as defined in the Tax Act) at the relevant time, or (ii) the Energy Fuels common Shares are listed on a "designated stock exchange" as defined in the Tax Act and neither Energy Fuels nor any person with whom Energy Fuels does not deal at arm's length is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of, the Plan.

Notwithstanding that the Energy Fuels common shares and Energy Fuels warrants may be a qualified investment for a trust governed by a TFSA, RRSP or RRIF, the holder of a TFSA or the annuitant under a RRSP or RRIF, as the case may be, who holds the Energy Fuels common shares or Energy Fuels warrants will be subject to a penalty tax if such Energy Fuels common shares or Energy Fuels warrants are a prohibited investment for purposes of the Tax Act. The Energy Fuels common shares or Energy Fuels warrants will generally be a prohibited investment if the holder or annuitant, as the case may be: (i) does not deal at arm's length with Energy Fuels for the purposes of the Tax Act; or (ii) has a significant interest in Energy Fuels, within the meaning of the Tax Act. In addition, the Energy Fuels common shares or Energy Fuels warrants will not be a prohibited investment if they are excluded property as defined in the Tax Act for trusts governed by a TFSA, RRSP or RRIF. **Holders and annuitants should consult their own tax advisors to ensure that the Energy Fuels common shares or Energy Fuels warrants would not be a prohibited investment for a trust governed by a TFSA, RRSP or RRIF in their particular circumstances.**

As described in more detail under *Effect of the Transaction on Uranerz Warrants*, at the Effective Time each outstanding Uranerz warrant will entitle its holder to acquire, in lieu of one Uranerz share, a number of Energy Fuels common shares equal to the Exchange Ratio upon exercise, in accordance with the terms of the original Uranerz warrant. **The effect of the Regulations to the Tax Act appears to be that the Uranerz Warrants cease to be a qualified investment for Plans as a result of the Transaction.** Although it is not clear that this result would have been intended by the Department of Finance (Canada), there is insufficient guidance to form a contrary conclusion, and no income tax ruling or legal opinion has been sought or obtained in this regard. On the understanding that Uranerz warrants cease to be qualified investments for Plans as a result of the Transaction, affected Plans would be deemed to have acquired a non-qualified investment at such time, and the holder or annuitant of an affected Plan would be liable for a special penalty tax under the Tax Act imposed in respect of the fair market value of the Uranerz warrants held within the affected Plan at the relevant time, and other adverse results (not reviewed in this summary) can be expected to arise in respect of the Plan and its holder or annuitant under the Tax Act. **The precise impact of these rules and the status of Uranerz warrants as investments other than qualified investments for purposes of the Plans, and potential mitigating steps for consideration by an affected holder or annuitant, are beyond the scope of this summary, and all affected Plan holders or annuitants (as the case may be) are advised to consult with their own tax advisors in this regard well in advance of the Effective Time.**

Regulatory Approvals Required for the Transaction and Other Regulatory Matters

Energy Fuels and Uranerz have agreed to use their commercially reasonable efforts to obtain all governmental and regulatory approvals required to complete the Transaction as contemplated by the Merger Agreement.

US Nuclear Regulatory Commission

The uranium recovery operations of Uranerz are regulated by the United States Nuclear Regulatory Commission (the **NRC**) pursuant to the Atomic Energy Act of 1954, as amended. The NRC's primary function is to ensure the protection of employees, the public and the environment from radioactive materials as well as to regulate most aspects of the uranium recovery process. The NRC regulations pertaining to uranium recovery facilities are codified in Title 10 of the Code of Federal Regulations (**10 CFR**). Uranerz currently holds a Materials License issued by the NRC for the Nichols Ranch ISR Project in Johnson and Campbell Counties, Wyoming. Under 10 CFR, the transfer of the Materials License is not permitted unless the NRC, after securing full information, finds that the transfer is in accordance with the provisions of the Atomic Energy Act and has given its consent in writing. The completion of the Transaction will result in a change of control with respect to Uranerz that triggers the requirement that the consent of the NRC be obtained in advance of completion of the Transaction. In order to obtain this consent, Uranerz must file a Notice of Change of Control and Ownership Information to the NRC (**Notice**). The Notice provides the NRC with a complete description of the proposed Transaction including, but not limited to, any transfer of stocks or assets or merger, any name change, any changes in personnel or duties that relate to the licensed program, and any changes in the organization, location, or procedures that relate to the licensed program. Uranerz must also confirm that all records concerning the safe and effective decommissioning of the facility will be transferred to the transferee and confirm that the transferee will abide by all constraints, conditions, requirements and commitments of the transferor under the Materials License. Under the Atomic Energy Act, the NRC will be required to make a determination that the completion of the Transaction will not be inimical to the common defense and security, and would not constitute unreasonable risk to the health and safety of the public. As part of this determination, the NRC will consider certain foreign ownership, control and domination factors. In addition, the NRC may require Energy Fuels to agree to certain commitments designed to ensure ongoing compliance with the terms of the Materials License.

Uranerz and Energy Fuels have submitted the Notice to the NRC in connection with the completion of the Transaction. Uranerz and Energy Fuels anticipate that the NRC may make a determination to grant its consent within 90 days of the submission; however the time frame for obtaining the consent may be longer than anticipated.

Wyoming Department of Environmental Quality

The uranium operations of Uranerz in Wyoming are also regulated by the Wyoming Department of Environmental Quality (the **WDEQ**). The WDEQ exercises delegated jurisdiction from the United States Environmental Protection Agency to administer the Clean Water Act and the Clean Air Act, and directly administers Wyoming statutes on mined land reclamation. Uranerz has been issued a number of permits for its operations at the Nichols Ranch ISR project, including permits relating to wellfield operations, deep disposal wells and air quality. Uranerz has discussed the change of control of Uranerz that will result from the completion of the Transaction with the WDEQ and is of the understanding that no approval of the WDEQ is required in connection with the Transaction as Uranerz will be the surviving corporation in the Transaction.

Wyoming Bond Financing Agreement

Uranerz entered into a Financing Agreement dated November 26, 2013 (the **Financing Agreement**) with Johnson County, Wyoming (the **County**) pursuant to which the County agreed to loan to Uranerz (the **Wyoming Loan**) the proceeds from the sale of its \$20,000,000 Taxable Industrial Development Revenue Bond (Uranerz Energy Corporation Project), Series 2013, (the **Bond**) upon the terms and conditions set out in the Financing Agreement, for the purpose of financing the Nichols Ranch Project. The Bond was issued by the County pursuant to an indenture of trust dated as of November 26, 2013 between the County and UMB BANK, n.a. as trustee thereunder. The State of Wyoming, acting by and through the Wyoming State Treasurer, agreed to purchase the Bond subject to the terms and conditions specified under Wyoming Statute 9-4-715(m) and pursuant to the terms and conditions set out in a Bond Purchase Agreement entered into on November 26, 2013 among the State of Wyoming, acting by and through the Wyoming State Treasurer (the **State**), the County and Uranerz.

Uranerz has initiated discussions with the County and the State as to the appropriate documentation and acceptances that will be required in connection with the completion of the Transaction. It is anticipated that Uranerz, will be required to execute and deliver to the County and the State an executed assumption agreement pursuant to which it agrees to perform all of the original covenants and conditions under the Financing Agreement, together with an opinion of its legal counsel relating to the execution of the assumption agreement as well as other additional assurances and covenants.

Utah Department of Environmental Quality

Energy Fuels White Mesa Mill is regulated by the State of Utah Department of Environmental Quality (**UDEQ**) pursuant to a Radioactive Materials License, Groundwater Discharge Permit and Air Approval Order. Energy Fuels does not believe the completion of the Transaction will result in a change of control with respect to Energy Fuels that would trigger the requirement that the consent of UDEQ be obtained in advance of completion of the Transaction. Energy Fuels has requested confirmation from UDEQ that its consent will not be required, or, alternatively, that UDEQ grant its consent should UDEQ determine that such consent is required.

U.S. Antitrust Regulations

The completion of the Transaction is conditioned upon the receipt of all required antitrust clearances, consents and approvals. Although neither Uranerz nor Energy Fuels are required, in the United States or elsewhere, to make pre-Transaction notification filings or to await the expiration of any statutory waiting periods prior to completing the Transaction, the Federal Trade Commission, the Department of Justice, a state attorney general, or an antitrust enforcement authority in another country could challenge or seek to block the Transaction at any time, either before or after closing under the antitrust laws, as it deems necessary or desirable in the public interest. Moreover, a competitor, customer or other third party could initiate a private action under the antitrust laws challenging or seeking to enjoin the Transaction, before or after it is completed. Neither Uranerz nor Energy Fuels believe that the completion of the Transaction will result in a violation of any applicable U.S. or foreign antitrust laws. However, there can be no assurance that a challenge to the Transaction on antitrust grounds will not be made or, if such a challenge is made, what the result will be.

U.S. National Security Review

Section 721 of the Defense Production Act of 1950 (**Section 721**), authorizes the President of the United States to investigate, and to suspend or to prohibit, any transaction that could result in control of a U.S. business by a foreign person (a **Covered Transaction**) where the President determines that such transaction threatens to impair U.S. national security, and no other adequate and appropriate means are available to address that threat. In the exercise of Section 721 authority, the President relies on the inter-agency Committee on Foreign Investment in the United States . CFIUS consists of representatives of several U.S. agencies, including the Departments of Commerce, Defense, Energy, Homeland Security, Justice, State, and the Treasury, as well as the U.S. Trade Representative and other White House offices. The Treasury Department chairs and acts as the secretariat for CFIUS. CFIUS is empowered to review and to investigate Covered Transactions (i) where appropriate, to negotiate agreements to mitigate identified national security threats; (ii) to monitor and to enforce such mitigation agreements; (iii) to determine that no further action under Section 721 is necessary concerning a Covered Transaction based on the outcome of its review or investigation (including conclusion of a mitigation agreement); and (iv) to make recommendations to the President for a final decision if it is unable itself to resolve issues concerning a Covered Transaction.

There is no requirement to file a notice of a Covered Transaction with CFIUS, but CFIUS itself may self-initiate an investigation without being notified by the parties. Further, even if the parties to a Covered Transaction do not file a notice with CFIUS or if CFIUS does not self-initiate an investigation, the President maintains the authority to conduct an investigation into, and to suspend, to prohibit, and to reverse a Covered Transaction. Accordingly, it is customary and generally considered prudent to file a joint voluntary notice with CFIUS in order to secure timely CFIUS consideration of a Covered Transaction.

Upon initiation of a review of a Covered Transaction by CFIUS (which ordinarily occurs after CFIUS has accepted as complete a joint voluntary notice), Section 721 provides for a potentially three-stage process of consideration. Initially, CFIUS conducts a review, which must be completed no later than 30 days after initiation. In this review stage, CFIUS may either conclude consideration of the Covered Transaction after determining that there are no national security issues that warrant further action, or it may determine to initiate an investigation. If CFIUS initiates an investigation, then the investigation must be completed no later than 45 days after it commences. Upon the completion of its investigation, CFIUS may either determine that no further action is warranted (including by reason of a mitigation agreement), or it may determine to refer the matter to the President with its report and recommendations. If CFIUS refers the matter to the President, then the President may take up to another 15 days to reach a final determination.

With respect to this statutory timeframe, Section 721 requires that CFIUS ordinarily proceed to conduct an investigation of a Covered Transaction in certain circumstances. These circumstances include where the foreign person acquiring control of the U.S. business is controlled by a foreign government. In addition, the statutory timeframe may effectively be varied by CFIUS approval of a request by the parties to withdraw their notice. If the parties withdraw and later refile a notice, then the CFIUS review process commences from the beginning of the timeframe.

In evaluating a Covered Transaction under Section 721, CFIUS and the President are guided by various factors, including: (i) domestic production needed for projected national defense requirements; (ii) the capability and capacity of domestic industries to meet national defense requirements; (iii) the control of domestic industries and commercial activity by foreign citizens as it affects the capability and capacity of the United States to meet the requirements of national security; (iv) the potential effects of the proposed or pending transaction on sales of military goods, equipment, or technology to certain countries; (v) the potential effects of the proposed or pending transaction on U.S. international technological leadership in areas affecting U.S. national security; (vi) the potential national security-related effects on U.S. critical infrastructure, including major energy assets; (vii) the potential national security-related effects on U.S. critical technologies; (viii) whether the covered transaction is a foreign government-controlled transaction, and if so, (A) the adherence of the subject country to nonproliferation control regimes, including treaties and multilateral supply guidelines, (B) the relationship of such country with the United States, specifically on its record on cooperating in counter-terrorism efforts, and (C) the potential for transshipment or diversion of technologies with military applications, including an analysis of national export control laws and regulations; (ix) the long-term projection of United States requirements for sources of energy and other critical resources and material; and (x) such other factors as CFIUS or the President may determine to be appropriate generally or in connection with a specific review or investigation.

Uranerz and Energy Fuels submitted a joint voluntary notice with CFIUS on March 17, 2015, and the review period began March 20, 2015. On April 20, 2015, CFIUS issued a letter to Uranerz and Energy Fuels indicating that it had completed its review of the notice and had determined that there are no unresolved national security concerns with respect to the transaction.

Energy Fuels Status as a Foreign Private Issuer under the United States Securities Exchange Act of 1934

Energy Fuels is considered a foreign private issuer under the rules of the SEC. Energy Fuels is subject to the reporting requirements under the Exchange Act applicable to foreign private issuers. Energy Fuels is required to file its annual report on Form 20-F with the SEC within four months of its fiscal year end, or Form 40-F, if applicable, with the SEC at the time it files its annual information form with the applicable Canadian securities regulatory authorities. In addition, Energy Fuels must furnish reports on Form 6-K to the SEC regarding certain information required to be publicly disclosed by Energy Fuels in Canada or filed with the TSX, or regarding information distributed or required to be distributed by Energy Fuels to its shareholders.

Moreover, although Energy Fuels is required to comply with Canadian disclosure requirements, in some circumstances Energy Fuels is not required to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act. Energy Fuels is required to file financial statements in accordance with IFRS, and therefore does not file financial statements prepared in accordance with U.S. generally accepted accounting principles. Furthermore, Energy Fuels is not required to comply with Regulation FD, which addresses certain restrictions on the selective disclosure of material information, although it must comply with Canadian disclosure requirements. In addition, among other matters, Energy Fuels officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions of Section 16 of the Exchange Act and the rules under the Exchange Act with respect to their purchases and sales of Energy Fuels common shares. If Energy Fuels loses its status as a foreign private issuer, it will no longer be exempt from such rules and, among other things, will be required to file periodic reports and financial statements as if it were a company incorporated in the United States. Energy Fuels does, however, file quarterly financial information under Canadian periodic reporting requirements for public corporations, which is accessible through the Internet at www.sedar.com, and will furnish such quarterly financial information to the SEC under cover of Form 6-K, which is available at www.sec.gov. Insiders of Energy Fuels are generally required to disclose their trading in Energy Fuels shares within 5 days of the date of the trade and these trading activity reports can be accessed through the Internet at www.sedi.ca.

Energy Fuels expects that, upon completion of the Transaction, it will likely cease being considered a foreign private issuer under the rules of the SEC effective at the beginning of its next fiscal year.

Exchange of Shares in the Transaction

At or prior to the Effective Time, an exchange agent will be appointed to handle the exchange of shares of Uranerz common stock for Energy Fuels shares. Shares of Uranerz common stock will be automatically converted into the right to receive Energy Fuels common shares without the need for any action by the holders of shares of Uranerz common stock, provided that holders of shares of Uranerz common stock who have properly and validly exercised and perfected their right to dissent shall not have their shares automatically converted.

As promptly as practicable after the Effective Time, the exchange agent will send to each Uranerz shareholder of record a letter of transmittal. The letter of transmittal will specify that delivery will be effected, and risk of loss and title to any certificates shall pass, only upon proper delivery of such certificates to the exchange agent. The letter of transmittal will be accompanied by instructions. Uranerz shareholders should **not** return stock certificates with the enclosed proxy card.

After the Effective Time, shares of Uranerz common stock will no longer be outstanding, will be automatically cancelled and will cease to exist and be delisted from the NYSE MKT and the TSX and deregistered under the Exchange Act, and each certificate, if any, that previously represented shares of Uranerz common stock will represent only the right to receive the Transaction consideration as described above. Until holders of shares of Uranerz common stock have surrendered such shares to the exchange agent for exchange, those holders will not receive the Transaction consideration or any dividends or distributions on Energy Fuels shares into which their shares of Uranerz common stock have been converted with a record date after the Effective Time.

Uranerz shareholders will not receive any fractional Energy Fuels common shares pursuant to the Transaction. Each holder of Uranerz common stock exchanged pursuant to the Merger Agreement who would otherwise have been entitled to receive a fraction of an Energy Fuels common share (after taking into account all stock certificates delivered by such holder) will receive, in lieu of such fractional share, the number of Energy Fuels common shares rounded to the nearest whole number (and, if the fraction is 0.5, the number of Energy Fuels common shares shall be rounded up to the next whole number). The rounding of fractional Energy Fuels common shares was not separately bargained for consideration but merely represents a mechanical rounding off for purposes of simplifying the corporate and accounting problems that would otherwise be caused by the issuance of fractional Energy Fuels common shares.

Energy Fuels shareholders need not take any action with respect to their share certificates.

Listing of Energy Fuels Common Shares

It is a condition to the completion of the Transaction that the Energy Fuels common shares issuable in the Transaction or after the Transaction in respect of Uranerz equity awards be approved for listing on the NYSE MKT and TSX, subject, in the case of the TSX, to the making of certain prescribed filings as soon as possible following the completion of the Transaction. As of the date of this proxy statement/prospectus, the application for approval of the listing of the common shares of Energy Fuels issuable in the Transaction has been submitted to the TSX. An Additional Listing Application will be provided to the NYSE MKT in accordance with the requirements of the NYSE MKT Company Guide.

Dissenters' Rights

Nevada Revised Statutes Section 92A.380 generally provides shareholders of Nevada corporations with dissent rights in connection with merger transactions, such as the Transaction, that are completed under Chapter 92A—Mergers, Conversions, Exchange and Domestications. While there is an exemption from these dissent requirements for companies such as Uranerz whose shares are traded on a national securities exchange and are accordingly covered securities under the Securities Act of 1933, the Uranerz board of directors has nevertheless determined that it is appropriate to grant dissent rights to Uranerz shareholders in connection with the Transaction. Accordingly, a Uranerz shareholder may dissent from the Transaction and request that the surviving corporation purchase such shareholder's shares of Uranerz Common Stock for their fair value. To do this, such Uranerz shareholder must strictly comply with all applicable requirements of Nevada law.

A copy of Nevada Revised Statutes Sections 92A.300-92A.500, inclusive, regarding dissenters' rights is attached to this proxy statement/prospectus as Annex B. Shareholders who are considering exercising dissenters' rights should review the statutes carefully, particularly the steps required to perfect dissenters' rights. **NO PROVISION UNDER NEVADA LAW PROVIDES A SHAREHOLDER THE RIGHT TO LATER DEMAND PAYMENT, IF THE SHAREHOLDER DOES NOT FULLY COMPLY WITH ALL OF THE STATUTORY REQUIREMENTS.** Set forth below is a summary of the steps to be taken by a Uranerz shareholder to exercise the right to dissent. This summary should be read in conjunction with the full text of Nevada Revised Statutes Sections 92A.300-92A.500 attached hereto as Annex B.

To exercise your right to dissent:

- BEFORE THE VOTE IS TAKEN ON PROPOSAL ONE, YOU MUST DELIVER WRITTEN NOTICE TO US STATING THAT YOU INTEND TO DEMAND PAYMENT FOR YOUR SHARES IF THE TRANSACTION IS CONSUMMATED; AND
- YOU MUST NOT VOTE YOUR SHARES OF URANERZ COMMON STOCK IN FAVOR OF THE TRANSACTION EITHER BY PROXY OR IN PERSON.

If you (i) send written notice of your intent to dissent before the vote on the Transaction and (ii) do not vote in favor of the Transaction, the surviving corporation is required to send to you a written dissenters' notice within ten days after the Transaction is consummated telling you:

- where your demand for payment for your Uranerz common stock must be sent and where and when your stock certificates must be deposited;
- if your Uranerz common stock holding is not represented by certificates, to what extent the transfer of your Uranerz common stock will be restricted after the demand for payment is received; and
- the date by which the surviving corporation must receive your written demand form, which must be between 30 and 60 days after delivery of the surviving corporation's notice to you,

and providing you with:

- a form to demand payment; and
- a copy of Nevada Revised Statutes Sections 92A.300—92A.500, inclusive.

YOUR FAILURE TO DEMAND PAYMENT IN THE PROPER FORM OR DEPOSIT YOUR CERTIFICATES AS DESCRIBED IN THE DISSENTERS' NOTICE WILL TERMINATE YOUR RIGHT TO RECEIVE PAYMENT FOR YOUR URANERZ COMMON STOCK OTHER THAN AS PROVIDED IN THE MERGER AGREEMENT.

If you properly exercise your right to dissent and acquired your Uranerz common stock before January 5, 2015, when notice of the Transaction was first publicly made, then within 30 days of receipt of a properly executed demand for payment from you, the surviving corporation must pay you what it determines to be the fair value for your Uranerz common stock, plus interest. Payment is required to be accompanied by (i) specific financial records of Uranerz, (ii) a statement of the surviving corporation's fair value estimate, including how interest was calculated, (iii) information regarding your right to challenge the fair value estimate, and (iv) copies of relevant portions of the Nevada law.

If you properly exercise your right to dissent and acquired your shares on or after January 5, 2015, you are entitled to receive payment of the amount that the surviving corporation estimates is the fair value of your Uranerz common stock but only if you accept that estimate. If you wish to contest the estimate, you may do so, but then you will not receive any payment until the contest is resolved.

Within 30 days of the surviving corporation's fair value payment or notice, you have the right to notify the surviving corporation, in writing, of your own fair value estimate and demand payment of the amount not yet paid. Failure to do so will terminate your right to challenge the surviving corporation's calculation of fair value. If you and the surviving corporation cannot agree on fair value, then the surviving corporation must commence legal action within 60 days after it receives your shareholder demand, seeking court determination of fair value. If the surviving corporation fails to commence a legal action within the 60-day period, it must pay each dissenter whose demand remains unsettled the amount he, she or it demanded. Proceedings instituted by the surviving corporation will be in Carson City, Nevada. Costs of legal action will be assessed against the surviving corporation, unless the court finds that the dissenters acted arbitrarily, vexatiously or not in good faith, in which case costs will be equitably distributed. Attorneys' and expert fees may be awarded in such amount as the court deems equitable against any party that the court determines has acted arbitrarily, vexatiously or not in good faith (in the case of a former shareholder or the surviving corporation) or did not substantially comply with Sections 92A.300-92A.500 of the Nevada Revised Statutes (in the case of the surviving corporation).

FAILURE TO COMPLY STRICTLY WITH THE PROCEDURES SET FORTH IN THE NEVADA STATUTE WILL RESULT IN THE LOSS OF DISSENTERS' RIGHTS.

A Uranerz shareholder who signs and returns the enclosed proxy card without expressly directing that his, her or its shares of Uranerz common stock be voted against the Merger Agreement will effectively waive his, her or its dissenters' rights because the shares represented by the proxy form will be voted FOR the approval and adoption of the Merger Agreement.

Accordingly, a shareholder who desires to exercise and perfect dissenters' rights with respect to any of his, her or its shares of Uranerz common stock must either (i) refrain from executing and returning the enclosed proxy form and from voting in person in favor of the proposal to approve the Merger Agreement, or (ii) check either the "Against" or the "Abstain" box next to Proposal One on such form, or (iii) rescind any proxy and refrain from voting in favor of Proposal One. A vote or proxy against the Merger Agreement will not, in and of itself, constitute a notice of intent to dissent required under Nevada law.

A notice of intent to dissent may be executed by a record holder of Uranerz common stock, and may be either on behalf of such record holder or the beneficial owner of the Uranerz common stock, as the case may be. It must state that the record holder intends thereby to demand payment for his, her or its shares of Uranerz common stock if the Transaction is consummated. It should also state the record holder's name, as it appears on the stock certificate. A record holder, other than a person (such as a stock broker) who holds shares as nominee for several beneficial owners, who determines to elect to exercise dissenters' rights must dissent as to all shares of Uranerz common stock held by such record holder, or the record holder will lose his, her or its right to elect to exercise dissenters' rights for any of the Uranerz common stock such record holder owns.

A record holder serving as a nominee may exercise dissenters' rights with respect to all, but not less than all, of the shares of Uranerz common stock held for one or more beneficial owners while not exercising such rights with respect to the shares held for other beneficial owners. However, in such case, the written notice of intent to dissent should set forth fully and correctly (i) the record holder's name, as it appears on the stock certificate, and (ii) the name(s) and address(es) of and number of shares owned beneficially by each beneficial owner as to whom the record holder is dissenting.

A beneficial owner (other than an employee stock ownership plan participant as such) may also directly exercise the right of dissent WITH THE WRITTEN CONSENT OF THE RECORD HOLDER, in which case the consent of the record holder must be provided to us not later than the beneficial owner's notice of dissent. In such a case, the beneficial owner must dissent as to all shares of Uranerz common stock that he, she or it owns or over which he, she or it has voting control.

Shareholders who hold their shares in brokerage accounts or other nominee form and who wish to exercise dissenters' rights are urged to consult with their brokers or nominees to determine the appropriate procedures.

If the shares of Uranerz common stock are owned in a fiduciary capacity, such as by a trustee, guardian or custodian, execution of the notice of intent to dissent should be made in that capacity, and if the shares are owned by more than one person, as in a joint tenancy or tenancy in common, the notice should be executed by or on behalf of all joint owners. An authorized agent, including one for two or more joint owners, may execute the notice of intent to dissent on behalf of an owner; however, the agent must identify the owner or owners and expressly disclose the fact that, in executing the notice, he, she or it is acting as agent for such owner or owners.

WRITTEN NOTICES OF INTENT TO DISSENT AND DEMAND PAYMENT FOR SHARES OF URANERZ COMMON STOCK IF THE TRANSACTION IS CONSUMMATED MUST BE DELIVERED PRIOR TO THE VOTE ON THE MERGER AGREEMENT TO EITHER:

- Uranerz Energy Corporation, Attention: Corporate Secretary, 1701 East E St., Casper, Wyoming, U.S.A., 82601; or
- in person, to the Secretary of Uranerz at the Special Meeting.

Shareholders considering seeking dissenters' rights should be aware that the fair value of their shares as determined under Nevada law could be more than, the same as or less than the consideration they are entitled to receive pursuant to the Merger Agreement if they did not seek payment of their shares through the exercise of their dissenters' rights.

If any shareholder who properly demands payment for his, her or its shares of Uranerz common stock under the Nevada law fails to perfect, or effectively withdraws or loses, the right to payment, as provided under Nevada law, the shares of such shareholder will be converted into the right to receive the consideration receivable with respect to such shares in accordance with the Merger Agreement.

Because of the complexity of these procedures, you are urged to seek the advice of legal counsel if you are considering exercising your dissenters' rights. Any failure to strictly follow any of these procedures may result in a termination or waiver of your dissenters' rights under Nevada law.

Holders of Energy Fuels common shares are not entitled to dissenters' rights in connection with the issuance of Energy Fuels common shares in the Transaction.

Restrictions on Sales of Shares by Certain Affiliates

The Energy Fuels common shares to be issued in connection with the Transaction will be freely transferable under the Securities Act, except for shares issued to any Uranerz shareholder who may be deemed to be an affiliate of Uranerz or Energy Fuels. Persons who may be deemed to be affiliates include Uranerz directors or executive officers who become directors or executive officers of the combined company after the Transaction, as well as principal shareholders of Uranerz prior to the Transaction.

Persons who may be deemed to be affiliates of Uranerz or Energy Fuels may not sell any of the Energy Fuels common shares received by them in connection with the Transaction except pursuant to:

- an effective registration statement under the Securities Act of 1933 covering the resale of those shares;
- an exemption under paragraph (d) of Rule 145 under the Securities Act of 1933; or
- any other applicable exemption under the Securities Act of 1933.

The sale of Energy Fuels common shares received pursuant to the Transaction will be free from restriction under applicable Canadian securities legislation on the first trade of such Energy Fuels common shares provided that (1) Energy Fuels is and has been a reporting issuer in a jurisdiction of Canada for the four months immediately preceding the sale; (2) such sale is not a control distribution, (3) no unusual effort is made to prepare the market or to create a demand for the Energy Fuels common shares, (4) no extraordinary commission or consideration is paid to a person or company in respect of such sale and (5) if the selling security holder is an insider or officer of Energy Fuels, the selling security holder has no reasonable grounds to believe that Energy Fuels is in default of Canadian securities legislation.

Litigation Related to the Transaction

Between January 6, 2015, and February 9, 2015, Uranerz, all of its directors, Energy Fuels, and Merger Sub were named as defendants in the following putative shareholder class action suits in the District Court of Clark County, Nevada and the District Court of Washoe County, Nevada: *Barrett v. Uranerz Energy Corp., et al.*, No. A-15-711942-C (Clark Cnty.); *Foreman v. Catchpole, et al.*, No. A-15-712125-C (Clark Cnty.); *Travirca v. Uranerz Energy Corp., et al.*, No. A-15-712318-C (Clark Cnty.); *Heims v. Uranerz Energy Corp., et al.*, No. A-15-712379 (Clark Cnty.); *Bouch v. Uranerz Energy Corp., et al.*, No. A-15-712441-B (Clark Cnty.); *Toderash v. Higgs, et al.*, No. A-15-712433-C (Clark Cnty.); *Stern v. Uranerz Energy Corp., et al.*, No. A-15-712618-B (Clark Cnty.); *Lang v. Higgs, et al.*, No. CV-15-00115 (Washoe Cnty.); *Zimmer v. Uranerz Energy Corp., et al.*, No. A-15-712718-B (Clark Cnty.); *Prewitt v. Uranerz Energy Corp., et al.*, No. A-15-713683 (Clark Cnty.). These suits generally allege claims for breach of fiduciary duty and related claims regarding the Transaction and seek, *inter alia*, prohibition and/or rescission of the Transaction, damages, and attorneys' fees and costs. All of the cases in Clark County have been consolidated.

On May 18, 2015, the lead plaintiffs in Clark County filed a consolidated amended complaint, asserting claims similar to those brought in the original complaints and adding claims relating to the disclosures included by Uranerz and Energy Fuels in the Form F-4 registration statement filed by Energy Fuels with the SEC on May 8, 2015.

Uranerz and Energy Fuels believe these suits are without merit, and Uranerz, its board of directors, and Energy Fuels intend to vigorously defend against them.

THE BOARD OF DIRECTORS OF URANERZ UNANIMOUSLY RECOMMENDS A VOTE FOR THIS PROPOSAL. PROXIES RECEIVED BY URANERZ BOARD OF DIRECTORS WILL BE SO VOTED UNLESS SHAREHOLDERS SPECIFY IN THEIR PROXIES A CONTRARY CHOICE.

THE AGREEMENT AND PLAN OF MERGER

The following summary describes the material provisions of the Merger Agreement. The provisions of the Merger Agreement are complicated and not easily summarized. This summary may not contain all of the information about the Merger Agreement that is important to you.

The Merger Agreement is included in this proxy statement/prospectus to provide you with information regarding its terms and is not intended to provide any factual information about Uranerz or Energy Fuels. The Merger Agreement contains representations and warranties by each of the parties to the Merger Agreement. These representations and warranties were made solely for the benefit of the other parties to the Merger Agreement and (1) were not intended to be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate; (2) may have been qualified in the Merger Agreement by disclosures that were made to the other party in connection with the negotiation of the Merger Agreement; (3) may apply contract standards of materiality that are different from materiality under the applicable securities laws; and (4) were made only as of the date of the Merger Agreement or such other date or dates as may be specified in the Merger Agreement.

Uranerz and Energy Fuels each acknowledges that, notwithstanding the inclusion of the foregoing cautionary statements, it is responsible for considering whether additional specific disclosures of material information regarding material contractual provisions are required to make the statements in this proxy statement/prospectus not misleading.

Accordingly, the representations and warranties and other provisions of the Merger Agreement should not be read alone, but instead should be read together with the information provided elsewhere in this proxy statement/prospectus. See "Where You Can Find More Information" beginning on page 213.

This summary is qualified in its entirety by reference to the Merger Agreement a copy of which is included as Annex A to this proxy statement/prospectus. The Merger Agreement is incorporated by reference into this proxy statement/prospectus, and Energy Fuels and Uranerz encourages you to read it carefully in its entirety for a more complete understanding of the Merger Agreement.

General; The Transaction

At the Effective Time, upon the terms and subject to the conditions of the Merger Agreement and in accordance with the Nevada Business Corporations Act, Merger Sub, an indirect wholly-owned subsidiary of Energy Fuels, will merge with and into Uranerz, and the separate corporate existence of Merger Sub will cease. Uranerz will continue as the surviving corporation and as an indirect wholly-owned subsidiary of Energy Fuels.

When the Transaction Becomes Effective

If Uranerz shareholders adopt the Merger Agreement, the parties intend to close the Transaction as soon as practicable after the day on which the last condition to the completion of the Transaction set forth in the Merger Agreement is satisfied or validly waived (other than those conditions that by their terms are to be satisfied at the closing, but subject to the satisfaction of those conditions).

Merger Sub will file a statement of Transaction with the Secretary of State of the State of Nevada as soon as practicable after the satisfaction or waiver of all the closing conditions to the Transaction but in no event prior to the closing of the Transaction. The Transaction will become effective when the statement of Transaction is filed with the Secretary of State of the State of Nevada or at a later date and time as Uranerz and Energy Fuels agree and specify in the statement of Transaction.

Consideration to be Received Pursuant to the Transaction

The Merger Agreement provides that, at the Effective Time each issued and outstanding share of Uranerz common stock (other than shares of Uranerz common stock owned by Uranerz as treasury shares or by Energy Fuels), will be automatically converted into the right to receive 0.255 common shares of Energy Fuels for each share of Uranerz common stock.

The exchange ratio in the Transaction will be adjusted to reflect any stock dividend, distribution, subdivision, reorganization, reclassification, recapitalization, split, combination or exchange of shares having a record date after the date of the Merger Agreement and prior to the completion of the Transaction.

Upon conversion in the Transaction as described above, all of the shares of Uranerz common stock will be retired, will cease to be outstanding and will automatically be cancelled, and the holder of a certificate that, immediately prior to the Effective Time, represented shares of Uranerz common stock, will cease to have any rights with respect thereto, except the right to receive, upon the surrender of the certificate, the common shares of Energy Fuels as described above, without interest, together with any dividends, if applicable.

Treatment of Stock Options

Each outstanding and unexpired and unexercised option to purchase Uranerz common stock granted under Uranerz 2005 Nonqualified Stock Option Plan, as amended, will be automatically converted into an option to purchase a number of Energy Fuels common shares (rounded down to the nearest whole number of Energy Fuels common shares) equal to the product of (x) the aggregate number of shares of Uranerz common stock purchasable pursuant to the 2005 Nonqualified Stock Option Plan immediately prior to the Effective Time multiplied by (y) the Exchange Ratio at a price per Energy Fuels common share equal to the exercise price per Uranerz common share specified in the 2005 Nonqualified Stock Option Plan divided by the Exchange Ratio (such price rounded up to the nearest whole cent). Such converted options shall otherwise be subject to the same terms and conditions, including vesting and expiry date, as the 2005 Nonqualified Stock Option Plan. Energy Fuels will assume all obligations under the 2005 Nonqualified Stock Option Plan as at the Effective Time and from and after the Effective Time, and Energy Fuels will comply with all of the terms and conditions of the converted option, including the obligation to issue Energy Fuels common shares contemplated thereby upon the exercise thereof. For purposes of vesting conditions, the date of grant of the converted option shall be deemed to be the date on which the corresponding Uranerz stock option was granted.

Uranerz stock options held by independent directors of Uranerz , who are not officers or directors of Energy Fuels on Closing, shall expire on the earlier of (i) the current expiry date of such Uranerz stock options (exclusive of the operation of the early termination provisions of such Uranerz stock options) or (ii) six months after the closing date of the Transaction (the **Closing Date**).

Treatment of Warrants

Each warrant to purchase shares of Uranerz common stock that are outstanding immediately prior to the Effective Time, shall become exercisable into Energy Fuels common shares equal to the product of (x) the aggregate number of shares of Uranerz common stock issuable in respect of such Uranerz warrants immediately prior to the Effective Time multiplied by (y) the Exchange Ratio and that the exercise price of the assumed warrants will equal (i) the exercise price of the Uranerz warrants in effect immediately prior to the Effective Time, divided by (ii) the Exchange Ratio. Each assumed warrant shall, consistent with the terms of the Uranerz warrants and Uranerz warrant indentures, contain appropriate provision such that the provisions of each Uranerz warrant (including the exercise period and the exercise price and provision for adjustment of the exercise price) shall thereafter be maintained in each such assumed warrant as nearly equivalent as may be practicable in relation to such Uranerz Warrant. From and after the Effective Time, Energy Fuels will comply with all of the terms and conditions set forth in each such assumed warrant.

Procedures for Exchange of Certificates; No Fractional Shares

At or prior to the Effective Time, Energy Fuels will:

- authorize one or more transfer agent(s) to act as exchange agent with respect to the Transaction; and
- deposit with exchange agent, as depositary for the Energy Fuels common shares, or any successor depositary thereto, a number of Energy Fuels common shares equal to the aggregate number of Energy Fuels common shares to be issued in exchange for the shares of Uranerz common stock pursuant to the Exchange Ratio.

As soon as practicable after the Effective Time, the exchange agent will send to each holder of record of a Uranerz common stock share certificate a letter of transmittal and instructions for use in effecting the surrender of certificates in exchange for the applicable Energy Fuels common shares. **You should not send in your Uranerz common stock share certificates until you receive the letter of transmittal.** The letter of transmittal and instructions will tell you what to do if you have lost a certificate, or if it has been stolen or destroyed. You will have to provide an affidavit to that fact and, if required by Energy Fuels or the exchange agent, post a bond in a reasonable amount and upon such terms as Energy Fuels and the exchange agent may require as indemnity against any claim that may be made against it with respect to the lost, stolen or destroyed certificate. The exchange agent will pay in exchange for the lost, stolen or destroyed certificate the Energy Fuels common shares payable in respect of the shares of Uranerz common stock represented by the certificate, without interest.

The exchange agent will pay your Energy Fuels common shares to you (subject to any applicable withholding taxes) after you have surrendered your certificates for cancellation to the exchange agent and provided, together with the letter of transmittal, properly completed and duly executed, any other documents as may be required by the exchange agent.

If payment is to be made to a person other than the person in whose name the Uranerz common stock share certificate surrendered is registered, it will be a condition of payment that the surrendered certificate be properly endorsed or otherwise in proper form for transfer and that the person requesting the payment pay any transfer or other taxes required as a result of the issuance to a person other than the registered holder or establish to the exchange agent's satisfaction that the tax has been paid or is not applicable.

Any portion of the exchange fund held by the exchange agent that remains unclaimed by holders of Uranerz common stock one year after the Effective Time will be returned to Energy Fuels, and any holder who has not exchanged stock certificates in accordance with the letter of transmittal and exchange instructions will thereafter look only to Energy Fuels, as a general creditor, for payment of the Energy Fuels common shares in the amount due to them under the Merger Agreement. Any certificates formerly representing shares of Uranerz common stock that are not deposited with all other required documents on or before the fifth anniversary of the Effective Time shall cease to represent any right or claim of any kind or nature and the right of the former shareholder of such shares of Uranerz common stock to receive certificates representing Energy Fuels common shares. The shares of Uranerz common stock otherwise issuable to such former Uranerz shareholder shall be deemed to be surrendered to Energy Fuels together with all dividends or distributions thereon held for such shareholder.

No dividends or other distributions declared or made with respect to Energy Fuels common shares with a record date after the Effective Time will be paid to the holder of any unsurrendered or untransferred Uranerz common stock share certificate. Following surrender or transfer of any Uranerz common stock share certificate, the holder of Energy Fuels common shares will be paid, without interest, the amount of any such dividends or other distributions.

No certificates or scrip or fractional Energy Fuels common shares or book-entry credit representing any fractional share interests will be issued upon the surrender of Uranerz common stock share certificates. Each holder of Uranerz common stock exchanged pursuant to the Merger Agreement who would otherwise have been entitled to receive a fraction of an Energy Fuels common share (after taking into account all stock certificates delivered by such holder) will receive, in lieu of such fractional share, the number of Energy Fuels common shares rounded to the nearest whole number (and, if the fraction is 0.5, the number of Energy Fuels common shares shall be rounded up to the next whole number). The rounding of fractional Energy Fuels common shares was not separately bargained for consideration but merely represents a mechanical rounding off for purposes of simplifying the corporate and accounting problems that would otherwise be caused by the issuance of fractional Energy Fuels common shares.

Representations and Warranties

Uranerz has made customary representations and warranties in the Merger Agreement to Energy Fuels and Merger Sub, including, among other things, as to:

- corporate organization and valid existence, power to conduct business, qualification and good standing of Uranerz;
- validity of organizational documents and absence of a breach of those documents;
- capitalization of Uranerz;
- Uranerz corporate authority to enter into and carry out the obligations under the Merger Agreement, enforceability of the Merger Agreement against Uranerz and the approval of the board of directors of Uranerz;
- absence of a conflict with its articles of incorporation, by-laws, or any laws or the creation of any liens or payment obligations as a result of the Transaction;
- compliance of documents filed by it with all applicable requirements of the Securities Act, the Exchange Act, and applicable Canadian securities laws, as the case may be, and the applicable rules and regulations promulgated thereunder and the accuracy and completeness of the information in those documents;
- financial statements;
- absence of undisclosed liabilities;
- off-balance sheet arrangements;
- absence of any material adverse effect and other selected changes since December 31, 2013;
- tax matters;
- litigation;
- employee benefit plans;
- environmental matters;
- compliance with applicable laws and regulations;
- insurance;
- properties and mining claims;

- material contracts;
- required shareholder vote;
- accuracy and completeness of the information supplied for use in this proxy statement/prospectus or any related filing;
- intellectual property;
- transactions with affiliates and related parties;
- brokers and other transaction fees;
- the opinion of its financial advisor and its board approvals;
- related party transactions;
- compliance with the U.S. Foreign Corrupt Practices Act and other applicable anti-corruption laws;
- maintenance of disclosure controls and procedures; and
- inapplicability of anti-takeover statutes and rights agreements.

The Merger Agreement also contains representations and warranties made by Energy Fuels and Merger Sub to Uranerz, including, among other things, as to:

- corporate organization and valid existence, power to conduct business, qualification and good standing of Energy Fuels and its subsidiaries;
- validity of organizational documents and absence of a breach of those documents;
- ownership of Merger Sub;
- capitalization of Energy Fuels;
- Energy Fuels corporate authority to enter into and carry out the obligations under the Merger Agreement and enforceability of the Merger Agreement against Energy Fuels;
- absence of a conflict with its articles of incorporation, by-laws, or any laws or the creation of any liens or payment obligations as a result of the Transaction;
- compliance of documents filed by it with all applicable requirements of the Securities Act and Exchange Act, as the case may be, and the applicable rules and regulations promulgated thereunder and the accuracy and completeness of the information in those documents;
- financial statements;
- absence of undisclosed liabilities;
- off-balance sheet arrangements;

- absence of any material adverse effect and other selected changes since December 31, 2013;
- tax matters;
- litigation;
- employee benefit plans;
- environmental matters;
- compliance with applicable laws and regulations;
- insurance;
- properties and mining claims;
- material contracts;
- required shareholder vote;
- operations of Merger Sub;
- accuracy and completeness of the information supplied for use in this proxy statement/prospectus or any related filing;
- Energy Fuels common shares;
- the issuance of converted options and assumed warrants;
- intellectual property;
- transactions with affiliates;
- brokers and other transaction fees;
- the opinion of its financial advisor and its board approvals;
- related party transactions;
- compliance with the U.S. Foreign Corrupt Practices Act and other applicable anti-corruption laws;
- maintenance of disclosure controls and procedures; and
- inapplicability of anti-takeover statutes and rights agreements.

Many of the representations and warranties in the Merger Agreement are qualified by the concept of material adverse effect. For the purposes of the Merger Agreement, a material adverse effect means any effect that is, or could reasonably be expected to be, material and adverse to the business, condition (financial or otherwise), properties, assets (tangible or intangible), liabilities (whether absolute, accrued, conditional or otherwise), operations or results of operations of such party and its subsidiaries taken as a whole, other than any effect: (i) relating to the Canadian or United States economies, political conditions or securities markets in general; (ii) affecting the uranium mining or milling industry or nuclear power generation industry in general; (iii) resulting from changes in the price of uranium; (iv) relating to a change in the market trading price of shares of Uranerz or Energy Fuels, either (a) related to the Merger Agreement and the Transaction or the announcement thereof or (b) related to such a change in the market trading price primarily resulting from a change, effect, event or occurrence excluded from this definition of Material Adverse Effect referred to in clause (i), (ii), (iii) above, or (v), below or (v) relating to any generally applicable change in applicable laws (other than orders, judgments or decrees against such person or any of its subsidiaries) or in accounting principles or standards applicable to Uranerz or Energy Fuels; *provided, however*, that the effect referred to in (i), (ii) or (v) above does not primarily relate only to (or have the effect of primarily relating only to) Uranerz, Energy Fuels or any subsidiary of Energy Fuels, taken as a whole, or disproportionately adversely to Uranerz, Energy Fuels or any subsidiary of Energy Fuels, taken as a whole, compared to other companies of similar size operating in the industry in which it and its subsidiaries operate.

The representations and warranties contained in the Merger Agreement do not survive the Effective Time.

Agreements Relating to Uranerz Operations Prior to Completion of the Transaction In the Merger Agreement, Uranerz has agreed that until the completion of the Transaction, it will conduct its business in the ordinary course consistent with past practice and will use commercially reasonable efforts to preserve intact its business organizations and relationships with third parties. In addition, Uranerz has agreed, subject to limited exceptions, that it will not prior to the completion of the Transaction, do any of the following without the prior written consent of Energy Fuels:

- amend or propose to amend its articles of incorporation or bylaws or other organizational documents;
- (i) declare, set aside or pay any dividend or other distribution with respect to any shares of its capital stock, (ii) repurchase, redeem or otherwise acquire any outstanding shares of its capital stock or other securities, (iii) split, combine or reclassify any shares of its capital stock or (iv) issue any other securities in respect of, in lieu of or in substitution for shares of its capital stock, except for issuances of shares of common stock upon the exercise of its stock options or warrants, in each case, in accordance with their terms at the time of exercise;
- issue, sell, pledge, dispose of or encumber any securities (whether through the issuance or granting of options, warrants, rights or otherwise, other than upon the exercise of its stock options outstanding on the date of the Merger Agreement), or enter into any amendment of any term of any outstanding security;
- (i) incur or assume any indebtedness except indebtedness incurred in the ordinary course of business and consistent with past practice and in no event exceeding \$1,500,000 in the aggregate or as otherwise set out in the document titled 5-Year URZ Operating Summary (the **Uranerz Budget**) provided by Uranerz to Energy Fuels, (ii) modify the terms of any indebtedness, (iii) assume, guarantee, endorse or otherwise become liable or responsible (whether directly, contingently or otherwise) for the obligations of any other person, except in the ordinary course of business and consistent with past practice and in no event exceeding \$200,000 in the aggregate or as otherwise set out in the Uranerz Budget, (iv) make any loans, advances or capital contributions to, or investments in, any other person (other than short-term investments of cash in the ordinary course of business);

- subject any assets to, incur, create or assume, any lien other than a permitted lien or any liability as a guarantor or surety with respect to the obligations of any person other than in the ordinary course of business consistent with past practice;
- increase the compensation payable, or to become payable, or the benefits provided to its directors, officers or employees, except for increases in the ordinary course of business in salaries or wages of employees of Uranerz who are not directors or officers of Uranerz;
- adopt, amend or assume an obligation to contribute to any employee benefit plan or arrangement of any type or collective bargaining agreement or enter into any employment, severance or similar contract with any person;
- engage in any transaction which could subject Uranerz to either a civil penalty assessed pursuant to specified sections of the Employee Retirement Income Security Act of 1974, as amended (which are sometimes refer to in this proxy statement/prospectus as ERISA), or a tax penalty assessed pursuant to specified sections of the Internal Revenue Code;
- terminate any of its benefit plans, or take any other action with respect to a benefit plan that could result in liability;
- take any action that could adversely affect Uranerz compliance with the applicable requirements of ERISA;
- fail to make full payment when due of all amounts under Uranerz benefit plans;
- fail to file, on a timely basis, all reports and forms required by federal regulations with respect to any benefit plans;
- adopt or amend, or accelerate the payment or vesting of benefits under, any benefit plan;
- acquire, by merging or consolidating with, or by purchasing an equity interest in or the assets of, or in any other manner, any business or person, exceeding \$1,000,000;
- enter into any agreement, understanding or commitment that materially restrains, limits or impedes its ability, or would materially limit the ability of the surviving entity or any of its affiliates after the Effective Time, to compete in or conduct any line of business or compete with any person or in any geographic area or during any period of time, provided Uranerz may enter into confidentiality agreements and property acquisition agreements which contain area of interest restrictions typical in the mining industry in connection with transactions permitted under the immediately preceding bullet above;
- sell, lease, license or otherwise surrender, relinquish or dispose of any assets with an aggregate fair market value exceeding \$1,000,000;

- transfer, sell, pledge, encumber or dispose of any capital stock or other equity interest in any subsidiary, other than in connection with the immediately preceding bullet above;
- incur or commit to any capital expenditures, or become bound or obligated to participate in any operation, or consent to participate in any operation other than in the ordinary course of business, as contemplated in current mine plans or as otherwise previously disclosed to Energy Fuels;
- make any change to any material tax method of accounting, make or change any material tax election, authorize any indemnities for taxes, extend any period for assessment of any tax, file any request for ruling or determination, amend any material tax return or settle or compromise any material tax liability, except where the action would not have a material effect on the tax position of Uranerz;
- (i) pay, discharge or satisfy any material account payable or other material liability beyond or in advance of its due date or the date when the account payable or liability would have been paid in the ordinary course of business and consistent with past practice or (ii) compromise, settle, grant any waiver or release relating to any action, suit or proceeding, other than settlements or compromises where the amount paid or to be paid does not exceed \$1,000,000 in the aggregate for all claims;
- change any method of accounting or accounting practice or procedure except for any change required by U.S. GAAP;
- enter into any joint venture, partnership or other similar arrangement or materially amend or modify the terms of (or waive any material rights under) any existing joint venture, partnership or other similar arrangement;
- enter into any agreement or transaction that would be required to be disclosed by Uranerz pursuant to the Merger Agreement regarding affiliate transactions if such agreement or transaction had been entered into prior to the date of the Merger Agreement;
- grant, or change, any severance or termination pay, other than with respect to employment agreements entered into with new employees in the ordinary course of business consistent with past practice;
- engage in any transaction with, or enter into any agreement, arrangement, or understanding with, directly or indirectly, any of its affiliates, including any transactions, agreements, arrangements or understandings with any affiliate or other person covered under Item 404 of Regulation S-K under the Securities Act, that would be required to be disclosed under Item 404;
- effectuate a plant closing or mass layoff, as those terms are defined in the Worker Adjustment and Retraining Notification Act of 1988, affecting in whole or in part any site of employment, facility, operating unit or employee of Uranerz;

- adopt a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or reorganization;
- enter into, amend, modify, or terminate, or make any commitment in respect of, any contract or agreement that is material to the business, properties, assets, financial condition or results of operations of Uranerz, including, without limitation, any material contract, except in the ordinary course of business consistent with past practice, or (ii) enter into any contract or agreement that limits or otherwise restrains Uranerz from competing in or conducting any line of business or engaging in business in any significant geographic area;
- cause or allow any material insurance policies (or substantial equivalents thereof) to lapse or terminate;
- pay, discharge, settle or satisfy any lawsuit or threat of any lawsuit or proceeding or other investigation against Uranerz or relating to its business, properties or assets, other than (i) in the ordinary course of business for amounts not in excess of \$500,000 in any case, and not to exceed \$1,000,000 in the aggregate, (ii) pursuant to existing contractual obligations, or (iii) worker's compensation claims in the ordinary course of business;
- except as may be required by applicable law, settle any material audit with respect to taxes or file any amended tax return that would materially alter the tax obligation of Energy Fuels or its subsidiaries;
- take any action that would result in the breach of any representation and warranty of Uranerz under the Merger Agreement (except for representations and warranties made as of a specific date) such that Energy Fuels would have the right to terminate the Merger Agreement;
- enter into or make any loans to any of its officers, directors or employees or make any change in its borrowing or lending arrangements for or on behalf of any of such persons; and
- agree or commit to do any of the foregoing.

Agreements Relating to Energy Fuels Operations Prior to Completion of the Transaction In the Merger Agreement, Energy Fuels has agreed that until the completion of the Transaction, it will conduct its business in the ordinary course consistent with past practice and will use commercially reasonable efforts to preserve intact its business organizations and relationships with third parties. In addition, Energy Fuels has agreed, subject to limited exceptions, that it will not prior to the completion of the Transaction, do any of the following without the prior written consent of Uranerz:

- amend or propose to amend its articles of incorporation or bylaws or other organizational documents;
- (i) declare, set aside or pay any dividend or other distribution with respect to any shares of its capital stock, (ii) repurchase, redeem or otherwise acquire any outstanding shares of its capital stock or other securities or (iii) split, combine or reclassify any shares of its capital stock;

- issue, sell, pledge, dispose of or encumber any securities (whether through the issuance or granting of options, warrants, rights or otherwise, other than in the ordinary course of business, upon the exercise of Energy Fuels stock options outstanding on the date of the Merger Agreement), or enter into any amendment of any term of any outstanding security;
- (i) incur or assume any indebtedness except indebtedness incurred in the ordinary course of business and consistent with past practice and in no event exceeding \$1,500,000 in the aggregate or as otherwise set out in the document titled Energy Fuels Proposed Business Plan and Budget 2015 Through 2017 (the **Energy Fuels Budget**) provided by Energy Fuels to Uranerz, (ii) modify the terms of any indebtedness, (iii) assume, guarantee, endorse or otherwise become liable or responsible (whether directly, contingently or otherwise) for the obligations of any other person (other than a wholly owned subsidiary of Energy Fuels), except in the ordinary course of business and consistent with past practice and in no event exceeding \$200,000 in the aggregate or as otherwise set out in the Energy Fuels Budget, (iv) make any loans, advances or capital contributions to, or investments in, any other person (other than to wholly owned subsidiaries of Energy Fuels, or by such subsidiaries to Energy Fuels and other than short-term investments of cash in the ordinary course of business);
- subject any assets to, incur, create or assume, any lien other than a permitted lien or any liability as a guarantor or surety with respect to the obligations of any person other than in the ordinary course of business consistent with past practice;
- engage in any transaction which could subject Energy Fuels to either a civil penalty assessed pursuant to specified sections of the Employee Retirement Income Security Act of 1974, as amended (which are sometimes refer to in this proxy statement/prospectus as ERISA), or a tax penalty assessed pursuant to specified sections of the Internal Revenue Code;
- terminate any of its benefit plans, or take any other action with respect to a benefit plan that could result in liability;
- take any action that could adversely affect Energy Fuels compliance with the applicable requirements of ERISA;
- fail to make full payment when due of all amounts under Energy Fuels benefit plans;
- fail to file, on a timely basis, all reports and forms required by federal regulations with respect to any benefit plans;
- adopt or amend, or accelerate the payment or vesting of benefits under, any benefit plan;
- acquire, by merging or consolidating with, or by purchasing an equity interest in or the assets of, or in any other manner, any business or person, exceeding \$1,000,000;

- enter into any agreement, understanding or commitment that materially restrains, limits or impedes its ability, or would materially limit the ability of the surviving entity or any of affiliate of the surviving entity after the Effective Time, to compete in or conduct any line of business or compete with any person or in any geographic area or during any period of time, provided Energy Fuels may enter into confidentiality agreements and property acquisition agreements which contain area of interest restrictions typical in the mining industry in connection with transactions permitted under the immediately preceding bullet above;
- sell, lease, license or otherwise surrender, relinquish or dispose of any assets with an aggregate fair market value exceeding \$1,000,000;
- transfer, sell, pledge, encumber or dispose of any capital stock or other equity interest in any subsidiary other than in connection with the immediately preceding bullet above;
- incur or commit to any capital expenditures, or become bound or obligated to participate in any operation, or consent to participate in any operation other than in the ordinary course of business, as contemplated in current mine plans or as otherwise previously disclosed to Uranerz;
- make any change to any material tax method of accounting, make or change any material tax election, authorize any indemnities for taxes, extend any period for assessment of any tax, file any request for ruling or determination, amend any material tax return or settle or compromise any material tax liability, except where the action would not have a material effect on the tax position of Energy Fuels and its subsidiaries taken as a whole;
- (i) pay, discharge or satisfy any material account payable or other material liability beyond or in advance of its due date or the date when the account payable or liability would have been paid in the ordinary course of business and consistent with past practice or (ii) compromise, settle, grant any waiver or release relating to any action, suit or proceeding, other than settlements or compromises where the amount paid or to be paid does not exceed \$1,000,000 in the aggregate for all claims;
- change any method of accounting or accounting practice or procedure except for any change required by IFRS;
- enter into any joint venture, partnership or other similar arrangement or materially amend or modify the terms of (or waive any material rights under) any existing joint venture, partnership or other similar arrangement in circumstances where the sum of (i) the assets of Energy Fuels involved, and (ii) the amount of the obligations and liabilities assumed or agreed to by Energy Fuels, is in excess of \$5,000,000;
- enter into any agreement or transaction that would be required to be disclosed by Energy Fuels pursuant to the Merger Agreement regarding affiliate transactions if such agreement or transaction had been entered into prior to the date of the Merger Agreement;

- engage in any transaction with, or enter into any agreement, arrangement, or understanding with, directly or indirectly, any of its affiliates, including any transactions, agreements, arrangements or understandings with any affiliate or other person covered under Item 404 of Regulation S-K under the Securities Act, that would be required to be disclosed under Item 404;
- effectuate a plant closing or mass layoff, as those terms are defined in the Worker Adjustment and Retraining Notification Act of 1988, affecting in whole or in part any site of employment, facility, operating unit or employee of Energy Fuels;
- adopt a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or reorganization;
- (i) enter into, amend, modify, or terminate, or make any commitment in respect of, any contract or agreement that is material to the business, properties, assets, financial condition or results of operations of Energy Fuels, including, without limitation, any material contract, except in the ordinary course of business consistent with past practice, provided that, a commitment will not be considered material unless the amount of the obligations or liabilities assumed or agreed to by Energy Fuels under such commitment are in excess of \$5,000,000, or (ii) enter into any contract or agreement that limits or otherwise restrains Energy Fuels from competing in or conducting any line of business or engaging in business in any significant geographic area;
- cause or allow any material insurance policies (or substantial equivalents thereof) to lapse or terminate;
- pay, discharge, settle or satisfy any lawsuit or threat of any lawsuit or proceeding or other investigation against Energy Fuels or relating to its business, properties or assets, other than (i) in the ordinary course of business for amounts not in excess of \$500,000 in any case, and not to exceed \$1,000,000 in the aggregate, (ii) pursuant to existing contractual obligations, or (iii) worker's compensation claims in the ordinary course of business;
- except as may be required by applicable law, settle any material audit with respect to taxes or file any amended tax return that would materially alter the tax obligation of Energy Fuels or its subsidiaries;
- take any action that would result in the breach of any representation and warranty of Energy Fuels under the Merger Agreement (except for representations and warranties made as of a specific date) such that Uranerz would have the right to terminate the Merger Agreement; and
- agree or commit to do any of the foregoing.

Non-Solicitation and Acquisition Proposals

The Merger Agreement provides that each of Uranerz and Energy Fuels and their subsidiaries, and their respective officers, directors, investment bankers, attorneys, accountants, financial advisors, agents and other representatives, will not:

- solicit, assist, initiate, knowingly encourage or facilitate (including by way of discussion (other than to state they are not permitted to have discussions), negotiation, furnishing information, permitting any visit to any facilities or properties of Uranerz or Energy Fuels or their respective subsidiaries, or entering into any form of written or oral agreement, arrangement or understanding any inquiries, proposal or offers regarding, or that may reasonably be expected to lead to, any acquisition proposal;
- engage or participate in any discussions (other than to state they are not permitted to have discussions) or negotiations regarding, or provide any information with respect to or otherwise cooperate in any way with any person (other than Uranerz, Energy Fuels, and their representatives) regarding any acquisition proposal or potential acquisition proposal;
- withdraw, modify or qualify, or propose publicly to withdraw, modify or qualify, in any manner adverse to the other party, the approval or recommendation of the Transaction by such party's board of directors or any of its committees except where a material adverse effect in respect of the other party has occurred and such party's board of directors has determined that, as a consequence of such material adverse effect, it would be inconsistent with the fiduciary duties of the directors of such party to continue to recommend the Transaction;
- approve or recommend, or remain neutral with respect to, or propose publicly to approve or recommend, any acquisition proposal;
- accept or enter into, or publicly propose to accept or enter into, any letter of intent, agreement in principle, agreement, arrangement or undertaking related to any acquisition proposal (other than an acceptable confidentiality agreement as described below); or
- release any person from or waive or otherwise forebear in the enforcement of any confidentiality or standstill agreement or any other agreement with such person that would facilitate the making or implementation of any acquisition proposal.

Under the Merger Agreement, Uranerz and Energy Fuels shall immediately cease and cause to be terminated any existing solicitation, discussion, negotiation, encouragement or activity with any person by Uranerz, Energy Fuels, or any of their representatives with respect to any acquisition proposal or any potential acquisition proposal. Uranerz and Energy Fuels will also immediately cease to provide any person with access to information concerning Uranerz or Energy Fuels in respect of any acquisition proposal or any potential acquisition proposal, and request the return or destruction of all confidential information provided to any person that has entered into a confidentiality agreement with Uranerz or Energy Fuels relating to any acquisition proposal or potential acquisition proposal to the extent provided for in such confidentiality agreement and shall use all commercially reasonable efforts to ensure that such requests are honored.

The Merger Agreement requires that Uranerz and Energy Fuels shall promptly (and in any event within 24 hours) notify the other party of any proposal, inquiry, offer or request received by Uranerz, Energy Fuels or their representatives: (i) relating to an acquisition proposal or potential acquisition proposal; (ii) for discussions or negotiations in respect of an acquisition proposal or potential acquisition proposal; or (iii) for non-public information relating to Uranerz or Energy Fuels, or any of their respective subsidiaries, access to properties, books and records or a list of the holders of shares of Uranerz common stock, Energy Fuels shares or the shareholders of any of their respective subsidiaries.

However, under the Merger Agreement, following the receipt by Uranerz or Energy Fuels of a bona fide written acquisition proposal made after the date of the Merger Agreement that did not result in a breach of the Merger Agreement, Uranerz, Energy Fuels, or their representatives may:

contact the person making such acquisition proposal and its representatives solely for the purpose of clarifying the terms and conditions of such acquisition proposal and the likelihood of its consummation so as to determine whether such acquisition proposal is, or is reasonably likely to lead to, a superior proposal; and if the board of directors of Uranerz or Energy Fuels, as applicable, determines, after consultation with its outside legal and financial advisors, that such acquisition proposal is, or is reasonably likely to lead to, a superior proposal:

- o furnish information with respect to Uranerz or Energy Fuels and its subsidiaries, as applicable, to the person making such acquisition proposal and its representatives only if such person has entered into an acceptable confidentiality agreement, provided that Uranerz or Energy Fuels, as applicable, sends a copy of such confidentiality agreement to Uranerz or Energy Fuels, as applicable, promptly following its execution and Uranerz or Energy Fuels, as applicable, is promptly provided with a list of, and access to the information provided to such Person; and
- o engage in discussions and negotiations with the person making such acquisition proposal and its representatives provided that all such information access and discussions shall cease during the match period.

The Merger Agreement also provides, that Uranerz or Energy Fuels may (i) enter into an agreement (other than an acceptable confidentiality agreement) with respect to an acquisition proposal that is a superior proposal and/or (ii) make an adverse recommendation change, provided:

Uranerz or Energy Fuels shall have complied with its non-solicitation obligations under the Merger Agreement;

the board of directors of Uranerz or the board of directors of Energy Fuels, as applicable, has determined, after consultation with its outside legal and financial advisors, that such acquisition proposal is a superior proposal;

Uranerz or Energy Fuels has delivered written notice to the other party of the determination of their board of directors that the acquisition proposal is a superior proposal and of the intention of such board of directors to approve or recommend such superior proposal and/or to enter into an agreement with respect to such superior proposal, together with a copy of such agreement executed by the person making such superior proposal and a summary of the valuation analysis attributed by such board of directors, in good faith to any non-cash consideration included in such acquisition proposal after consultation with its financial advisors, and together with a summary analysis articulating why the acquisition proposal is determined by such board of directors to be a superior proposal (the "**superior proposal notice**");

- the match period has elapsed;
- if Energy Fuels (or Uranerz) has offered to amend the terms of the Transaction and the Merger Agreement during the match period, such acquisition proposal continues to be a superior proposal compared to the amendment to the terms of the Transaction offered by Energy Fuels (or Uranerz) at the termination of the match period; and
- Uranerz or Energy Fuels, as applicable, terminates the Merger Agreement in compliance with the terms of the Merger Agreement and Uranerz or Energy Fuels, as applicable, has previously paid or, concurrently with termination, pays in cash a break fee of US\$5 million to the other party.

During the match period, Energy Fuels or Uranerz shall have the opportunity, but not the obligation, to offer to amend the terms of the Transaction and the Merger Agreement and Uranerz and Energy Fuels shall cooperate with the other party with respect thereto, including negotiating in good faith with the other party to enable the other party to make such adjustments to the provisions of the Transaction and the Merger Agreement.

For purposes of the Merger Agreement, an acquisition proposal means any proposal or offer, or public announcement of an intention to make a proposal or offer, to such party or its security holders from any person or group of persons "acting jointly or in concert" (within the meaning of Multilateral Instrument 62-104 Take-Over Bids and Issuer Bids) which constitutes, or may be reasonably expected to lead to (in either case whether in one transaction or a series of transactions):

- any take-over bid, issuer bid, amalgamation, plan of arrangement, business combination, merger, tender offer, exchange offer, consolidation, recapitalization or reorganization resulting in any person or group of persons owning 20% or more of the issued and outstanding equity or voting interests of Uranerz or Energy Fuels;
- any sale of assets (or any lease, long-term supply arrangement, licence or other arrangement having the same economic effect as a sale) of Uranerz or Energy Fuels representing 20% or more of the consolidated assets (based on the fair market value thereof), revenues or earnings of Uranerz or Energy Fuels and for clarity includes (but not limited to) the sale of (1) with respect to the Uranerz, any one of the Nichols Ranch project (and/or processing plant), the Hank project, the Jane Dough project and (2) with respect to the Energy Fuels, any one of the White Mesa Mill and any surrounding mineral properties described in Energy Fuels latest filed annual report on Form 40-F (other than properties described as being non-material in such annual report on Form 40-F), the Roca Honda Project, Gas Hills project or the Sheep Mountain project;
- any sale or issuance of shares or other equity interests (or securities convertible into or exercisable for such shares or interests) in Uranerz or Energy Fuels representing 20% or more of the issued and outstanding equity or voting interests of Uranerz or Energy Fuels; and

- any arrangement whereby effective operating control of Uranerz or Energy Fuels is granted to another party or person.

For purposes of the Merger Agreement, a potential acquisition proposal means any proposal, inquiry, offer or request received by Uranerz, Energy Fuels, or their representatives that could reasonably lead or be expected to lead to an acquisition proposal.

For purposes of the Merger Agreement, an acceptable confidentiality agreement means a confidentiality agreement that contains provisions that are not less favorable to Uranerz (or Energy Fuels) than those contained in the confidentiality agreement between Energy Fuels and Uranerz dated June 30, 2014, as amended on December 4, 2014.

For purposes of the Merger Agreement, a superior proposal means a bona fide acquisition proposal that is made in writing after the date of the Merger Agreement and did not result from a breach of the Merger Agreement by Uranerz, Energy Fuels, or their representatives and that the board of directors of Uranerz or the board of directors of Energy Fuels determines in good faith after consultation with its legal and financial advisors:

- is made to Uranerz (or Energy Fuels) or all the Uranerz common shareholders (or Energy Fuels common shareholders) and in compliance with applicable securities laws, and is made for all or substantially all of the assets of Uranerz or Energy Fuels or all shares of Uranerz common stock, or Energy Fuels shares not owned by the person making the acquisition proposal;
- that funds or other consideration necessary for the consummation of such acquisition proposal are available to ensure that the third party will have the funds or other consideration necessary for the consummation of the acquisition proposal;
- if consummated in accordance with its terms would result in a transaction financially superior for Uranerz or Energy Fuels and its security holders than the transaction contemplated by the Merger Agreement, taking into account the form and amount of consideration, the likelihood and timing of completion and the other terms thereof;
- is reasonably capable of completion in accordance with its terms taking into account all legal, financial, regulatory and other aspects of such acquisition proposal;
- is not subject to approval by the board of directors or the equivalent of the third party, is not subject to the third party receiving a fairness opinion or similar evaluation, and is not subject to a due diligence condition; and
- that the taking of action in respect of such acquisition proposal is necessary for the board of directors of Uranerz or board of directors of Energy Fuels in the discharge of its fiduciary duties under applicable laws.

For purposes of the Merger Agreement, match period means five business days after the date a superior proposal notice was received by Uranerz or Energy Fuels.

For purposes of the Merger Agreement, an adverse recommendation change is the withdrawal, modification or qualification of Uranerz or Energy Fuels approval or recommendation of the

Transaction and the recommendation or approval of an acquisition proposal that is a superior proposal.

Employee Matters

The Merger Agreement provides that:

- on and after the closing of the Transaction (the **Closing**), until at least the 90th day after the Closing, Energy Fuels shall cause the surviving entity to provide each employee of Uranerz who is retained by the surviving entity with (i) salary that is not less than the salary immediately prior to the Closing, and (ii) the benefit plans, programs and arrangements that are currently provided to Energy Fuels employees under Energy Fuels benefit plans, programs and arrangements.
- upon the Closing, each Uranerz employee who is retained by the surviving entity shall be immediately eligible to participate in Energy Fuels group health plan (as defined in Section 5000(b)(1) of the Code) and credit such employee the amount of vacation time that such employee had accrued under any of Uranerz vacation policies as of the Closing Date.
- Energy Fuels shall, or shall cause the surviving entity to, assume and honor in accordance with their terms all change in control and termination agreements disclosed to Energy Fuels pursuant to the terms of the Merger Agreement applicable to employees of Uranerz arising from completion of the Transaction. Provided, however, that to the extent that Energy Fuels or the surviving entity or any other affiliate of Energy Fuels offers employment to any employee of Uranerz following completion of the Transaction, such employment shall be on terms concerning future changes of control and termination agreed to between the employee and Energy Fuels or its affiliate that are consistent with the terms currently in effect for the employees of Energy Fuels and its affiliates.

Other Agreements

The Merger Agreement further provides that:

- from the date of the Merger Agreement until the Effective Time, Uranerz will provide to Energy Fuels (and Energy Fuels officers, directors, employees, accountants, consultants, legal counsel, agents and other representatives) and Energy Fuels will provide to Uranerz (and Uranerz officers, directors, employees, accountants, consultants, legal counsel, agents and other representatives) (i) reasonable access during normal business hours, upon prior notice, to its officers, employees, agents, properties, offices and other facilities and technology, processes, books, business and financial records, business plans, budget and projections, customers, suppliers and other information of Uranerz, and the work papers of its independent accountants, and otherwise provide such assistance as may be reasonably requested and (ii) promptly furnish any information concerning the business, properties, contracts, assets, liabilities, personnel and other information as reasonably requested;
- subject to compliance with applicable law, from the date of the Merger Agreement until the Effective Time, each of Uranerz and Energy Fuels will confer on a regular and frequent basis with one or more representatives of the other to report on their respective material operational matters and the general status of ongoing operations;

- each of Uranerz and Energy Fuels will make all required filings in connection with the Merger Agreement, including with respect to the United States Nuclear Regulatory Commission;
- Uranerz and Energy Fuels will promptly notify the other after becoming aware of the occurrence or non-occurrence of any event which would be reasonably likely to cause any representation or warranty of any party contained in the Merger Agreement to be untrue or inaccurate in any material respect or otherwise cause any condition to the obligations of any party not to be satisfied;
- Uranerz and Energy Fuels will promptly notify the other after becoming aware of any failure of Uranerz or Energy Fuels to comply with or satisfy in any material respect any covenant or agreement to be complied with or satisfied pursuant to the Merger Agreement;
- Uranerz and Energy Fuels shall take all action necessary to ensure that no state takeover statute or similar statute or regulation is or becomes applicable to the Transaction or if any state takeover statute or similar statute or regulation becomes applicable take all action necessary to ensure that such transactions may be consummated as promptly as practicable and to minimize the effect of such statute or regulation on the Transaction;
- Uranerz will take steps to cause the Uranerz Shareholder Rights Plan to terminate as of the Effective Time and any rights issued under the Shareholder Rights Plan will terminate and be of no further force or effect effective as of the Effective Time;
- Uranerz shall take all steps necessary to ensure that, as of the date which Uranerz files on SEDAR a Form 10-K in respect of its financial year ended December 31, 2014, it has filed a technical report in respect of each mineral property which is material to Uranerz and which complies with the requirements of NI 43-101 and which is current as of the filing of such Form 10-K; and
- Energy Fuels shall take all steps necessary to ensure that as of the date on which Energy Fuels files on SEDAR an annual information form in respect of its financial year ended December 31, 2014, Energy Fuels has filed a technical report in respect of each mineral property which is material to Energy Fuels which complies with the requirements of NI 43-101 and which is current as of the filing of such annual information form.

Indemnification and Insurance of Uranerz Directors and Officers

The Merger Agreement provides, prior to the Effective Time, Uranerz will purchase customary tail policies of directors and officers liability insurance providing protection no less favorable in the aggregate to the protection provided by the policies maintained by Uranerz that are in effect immediately prior to the Effective Time and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Time.

Energy Fuels will, or will cause the surviving entity and its subsidiaries to, maintain such tail policies in effect without any reduction in scope or coverage for six (6) years from the Effective Time. If a tail policy is not available, then Energy Fuels agrees that for the period of two years following the Effective Time, Energy Fuels shall cause the surviving entity or any successor to the surviving entity to maintain Uranerz current directors and officers insurance policies or substantially equivalent policies subject in either case to terms and conditions no less advantageous to the directors and officers of Uranerz than those contained in the policies in effect on the date of the Merger Agreement, for all present and former directors and officers of Uranerz, covering claims made prior to or within such two year period, provided the Energy Fuels shall not be required to spend annual premiums in excess of 300% of the premiums paid by Uranerz.

Conditions to the Transaction

The obligation of each of Uranerz and Energy Fuels to complete the Transaction is subject to the satisfaction or waiver of the conditions described in this section.

Closing Conditions for Each Party

The obligations of Uranerz and Energy Fuels to complete the Transaction are subject to the fulfillment, at or prior to the Effective Time of the Transaction, of the following conditions:

- approval of the Uranerz shareholders and Unaffiliated Shareholders at the Special Meeting of Uranerz shareholders;
- the approval of the Energy Fuels shareholders at a special meeting of Energy Fuels shareholders (which may be combined with Energy Fuels annual meeting of shareholders);
- the absence of any statute, rule, regulation, executive order, decree, temporary restraining order, injunction or other order issued by a court or other governmental entity preventing the completion of the Transaction;
- this proxy statement/prospectus must be effective in accordance with the provisions of the Securities Act and no stop order suspending the effectiveness of this proxy statement/prospectus may be in effect and no proceeding for the purpose of suspending or stopping the effectiveness of this proxy statement/prospectus may be pending before or threatened by the SEC;
- the issuance of the Energy Fuels common shares to be issued in the Transaction and upon exercise of the converted options and assumed warrants must be approved for listing on the NYSE MKT and the TSX, subject to official notice of issuance or customary conditions;
- all filings, consents, authorizations and approvals of any governmental authority required to be made or obtained by Energy Fuels, Merger Sub, Uranerz or any of their subsidiaries to consummate the Transaction, including, without limitation, any required filings and or approvals of the United States Nuclear Regulatory Commission and the State of Utah Division of Radiation Control, shall have been made or obtained, other than those that if not made or obtained would not, individually or in the aggregate, have a material adverse effect on Uranerz, Energy Fuels or the surviving entity (in each case, after giving effect to the Transaction);

- There are no suits, actions, investigations, inquiries or other proceedings instituted, pending or threatened by any governmental or other regulatory or administrative agency or commission that seeks to enjoin, prevent, materially delay or otherwise impose material limitations on the consummation of the Transaction; and
- CFIUS approval has been obtained.

Additional Closing Conditions for Energy Fuels

Energy Fuels' obligation to complete the Transaction is subject to satisfaction or waiver, at or prior to the Effective Time of the Transaction, of the following additional conditions:

- the representations and warranties of Uranerz set forth in the Merger Agreement that are qualified by material adverse effect or materiality must be true and accurate and the representations and warranties of Uranerz set forth in the Merger Agreement that are not qualified by material adverse effect or materiality must be true and accurate in all material respects, in each case, as of the Closing Date (except, in either case, to the extent that the representation or warranty speaks as of another date);
- Uranerz must have performed in all material respects all obligations and complied in all material respects with all agreements and covenants in the Merger Agreement to be performed and complied with by it;
- Energy Fuels must have received a certificate signed on behalf of Uranerz to the effect that the conditions described in the preceding two bullet points have been satisfied;
- from the date of the Merger Agreement through the Effective Time, no material adverse effect must have occurred with respect to Uranerz and no event, change or circumstance that would reasonably be likely to result in a material adverse effect with respect to Uranerz must have occurred;
- Energy Fuels must have received an opinion, dated the Closing Date, of counsel to Uranerz, in form and substance reasonably satisfactory to Energy Fuels, to the effect that the shares of common stock of Uranerz are regularly traded on an established securities exchange within the meaning of Treasury Regulation Section 1.897-9T(d) as of the Closing Date;
- Energy Fuels must have received evidence reasonably satisfactory to it that the aggregate amount of all unpaid costs and expenses incurred by Uranerz in connection with the Transaction is not in excess of \$1,500,000 (excluding commissions and fees paid to Haywood or Euro Pacific);
- taxes required to be withheld by Energy Fuels or Merger Sub under Section 1445 of the Code shall not exceed \$2,000,000;
- the number of dissenting shares held by shareholders of Uranerz who have exercised dissent rights will comprise less than 5% of the issued and outstanding shares of common stock of Uranerz; and
- each consent, waiver and approval required under the Merger Agreement must have been obtained, and Uranerz must provide Energy Fuels with copies thereof.

Additional Closing Conditions for Uranerz

Uranerz obligation to complete the Transaction is subject to satisfaction or waiver, at or prior to the Effective Time of the Transaction, of the following additional conditions:

- the representations and warranties of Energy Fuels and Merger Sub set forth in the Merger Agreement relating to organization and valid existence, authority to enter into and carry out the obligations under the Merger Agreement and enforceability of the Merger Agreement (in each case, read without giving effect to any materiality or material adverse effect qualifiers set forth in those representations and warranties) must be true and correct in all material respects as of the Closing Date except to the extent that the representation or warranty speaks as of another date;
- Energy Fuels and Merger Sub must have performed in all material respects all obligations and complied in all material respects with all agreements and covenants in the Merger Agreement to be performed and complied with by them;
- Uranerz must have received a certificate signed on behalf of Energy Fuels to the effect that the conditions described in the preceding two bullet points have been satisfied;
- from the date of the Merger Agreement through the Effective Time, no material adverse effect must have occurred with respect to Energy Fuels and no event, change or circumstance that would reasonably be likely to result in a material adverse effect with respect to Energy Fuels must have occurred;
- Dennis Higgs and Glenn Catchpole must have been appointed to the board of directors of Energy Fuels and the Energy Fuels board of directors must be comprised of eight members; and
- each consent, waiver and approval required under the Merger Agreement must have been obtained, and Energy Fuels must provide Uranerz with copies thereof.

Termination of the Merger Agreement

Circumstances Under Which Either Party May Terminate the Merger Agreement

The Merger Agreement may be terminated by either party at any time before the Effective Time:

- by mutual written agreement of Energy Fuels and Uranerz;
- if the Transaction is not completed on or before July 31, 2015 (however, the right to terminate will not be available to a party whose failure to fulfill any obligation under the Merger Agreement or the breach of any representation or warranty under the Merger Agreement has been the cause of, or resulted in, the failure of the Transaction to have been completed on or before July 31, 2015);
- if any applicable law makes completion of the Transaction illegal or if any judgment, injunction, order or decree of a court or other governmental authority restrains or prohibits the completion of the Transaction and such decision becomes final and non-appealable (however, the right to terminate is not available to any party whose failure to fulfill any obligation under the Merger Agreement has been the cause of or resulted in court action);

- if there has been a breach of any representation, warranty, covenant or agreement set forth in the Merger Agreement that (i) would give rise to the failure of selected closing conditions and (ii) if susceptible to cure, has not been cured in all material respects prior to the earlier to occur of (x) 20 business days following delivery and receipt by the other party of written notice of the breach or (y) July 31, 2015;
- by either party, if the other party's shareholder approval has not been obtained because of the failure to obtain such approval at such other party's shareholder meeting;
- by either party, if the other party breaches or fails to perform in any material respect its non-solicitation obligations under the Merger Agreement;
- by either party, if the other party fails to hold or is otherwise in material breach of its obligations to hold its shareholder meeting;
- if the board of directors of the other party or any committee thereof makes an adverse recommendation change; and
- by either party, if (i) the other party delivers a superior proposal notice of such party's intent to enter into a Transaction, acquisition or other agreement (including an agreement in principle) to effect a superior proposal and received by such party in compliance with its non-solicitation obligations under the Merger Agreement and (ii) such party pays to the other party the termination fee as described below in Termination Fees and Expenses .

Effects of Terminating the Merger Agreement

If the Merger Agreement is terminated, the Merger Agreement becomes null and void and there will be no liability or obligation on the part of Energy Fuels, Merger Sub or Uranerz except for the provisions relating to confidentiality and other general provisions contained in Article XI of the Merger Agreement. Provided however, such termination will not relieve any party from any liability with respect to any willful, knowing or fraudulent breach of any representation, warranty, covenant or other obligation contained in the Merger Agreement.

Termination Fees and Expenses

Under the Merger Agreement, Uranerz has agreed to pay Energy Fuels a termination fee of \$5,000,000 in any of the following circumstances:

- Energy Fuels terminates the Merger Agreement because Uranerz breached or failed to perform in any material respect its non-solicitation obligations, the obligation of Uranerz to hold the special meeting of its shareholders to approve the Merger Agreement or the board of directors of Uranerz makes an adverse recommendation change, provided however, no such fee will be payable where the adverse recommendation change resulted from the occurrence of a material adverse effect with respect to Energy Fuels and that the board of directors of Uranerz determined, in connection with such material adverse effect, it would be inconsistent with its fiduciary duties to recommend the Transaction;

- Uranerz terminates the Merger Agreement by delivering to Energy Fuels a written notice of its intent to enter into an agreement in order to consummate a superior proposal;
- after the date of the Merger Agreement, and prior to any termination, any person publicly proposes an acquisition proposal to Uranerz and either Uranerz or Energy Fuels terminates the Merger Agreement because Uranerz shareholders fail to approve the Merger Agreement. Provided, however, Uranerz will not be required to pay the termination fee prior to entering into a definitive agreement and consummating a transaction constituting an acquisition proposal, and in no event be required to pay the termination fee if such consummation occurs more than twelve months after the termination of the Merger Agreement; and
- after the date of the Merger Agreement, and prior to any termination, any person publicly proposes an acquisition proposal to Uranerz and Energy Fuels terminates the Merger Agreement because the closing of the Transaction has not occurred on or before July 31, 2015. Provided, however, Uranerz will not be required to pay the termination fee prior to entering into a definitive agreement and consummating a transaction constituting an acquisition proposal, and in no event be required to pay the termination fee if such consummation occurs more than twelve months after the termination of the Merger Agreement.

Under the Merger Agreement, Energy Fuels has agreed to pay Uranerz a termination fee of \$5,00,000 in any of the following circumstances:

- Uranerz terminates the Merger Agreement because Energy Fuels breached or failed to perform in any material respect its non-solicitation obligations, the obligation of Energy Fuels to hold the annual and special meeting of its shareholders to approve the Merger Agreement or the board of directors of Energy Fuels makes an adverse recommendation change, provided however, no such fee will be payable where the adverse recommendation change resulted from the occurrence of a material adverse effect with respect to Uranerz and that the board of directors of Energy Fuels determined, in connection with such material adverse effect, it would be inconsistent with its fiduciary duties to recommend the Transaction;
- Energy Fuels terminates the Merger Agreement by delivering to Uranerz a written notice of its intent to enter into an agreement in order to consummate a superior proposal;
- after the date of the Merger Agreement, and prior to any termination, any person publicly proposes an acquisition proposal to Energy Fuels and either Uranerz or Energy Fuels terminates the Merger Agreement because Energy Fuels shareholders fail to approve the Merger Agreement. Provided, however, Energy Fuels will not be required to pay the termination fee prior to entering into a definitive agreement and consummating a transaction constituting an acquisition proposal, and in no event be required to pay the termination fee if such consummation occurs more than twelve months after the termination of the Merger Agreement; and
- after the date of the Merger Agreement, and prior to any termination, any person publicly proposes an acquisition proposal to Energy Fuels and Uranerz terminates the Merger Agreement because the closing of the Transaction has not occurred on or before July 31, 2015. Provided, however, Energy Fuels will not be required to pay the termination fee prior to entering into a definitive agreement and consummating a transaction constituting an acquisition proposal, and in no event be required to pay the termination fee if such consummation occurs more than twelve months after the termination of the Merger Agreement

For the purposes of the Merger Agreement and this Section Merger Agreement - Termination Fees and Expenses only, the term acquisition proposal has the same meaning as specified in Merger Agreement-Non-Solicitation and Acquisition Proposals with the exception that references to 20% or more are deemed to be changed to 50% or more .

Unless otherwise described in the bullet points above, any termination fee payable by either Uranerz or Energy Fuels is required to be paid within one business day after termination of the Merger Agreement.

Amendment of the Merger Agreement

At any time before or after approval of the Merger Agreement by Uranerz shareholders and prior to the Effective Time, the Merger Agreement may be amended or supplemented in writing by Energy Fuels and Uranerz with respect to any of its terms, except as otherwise provided by law. Following approval of the Merger Agreement by Uranerz shareholders, there will be no amendment or change to its provisions unless permitted by Chapter 92A of the Nevada Revised Statutes without further approval by the Uranerz shareholders.

On May 8, 2015, Uranerz, Energy Fuels and Merger Sub entered into an Amendment to the Agreement and Plan of Merger to amend Sections 1.3, 3.2(h), 4.23 and 7.13 of the Merger Agreement (the **Amendment Agreement**). The Amendment Agreement modified the number of Uranerz nominees Energy Fuels is required to appoint to its board of directors and modified the total number of members of the board of directors after the closing of the Transaction. The Merger Agreement originally provided for the appointment of 3 Uranerz nominees, Dennis Higgs, Glenn Catchpole and Paul Saxton, while the Amendment Agreement only requires the appointment of Dennis Higgs and Glenn Catchpole. The execution of the Amendment Agreement reflects a determination by Energy Fuels in March 2015 to adjust the size of its board of directors following the completion of the Transaction such that its board of directors would be comprised of 8 members, versus a minimum of 9 directors as originally contemplated. In order to reflect the reduced size of the board and to retain substantial representation on the Board, Energy Fuels requested, and Uranerz agreed, to reduce the number of Uranerz nominees on the board of Energy Fuels post-Transaction from 3 directors to 2 directors. The Amendment Agreement further requires the board of directors of Energy Fuels to be comprised of eight directors while the Merger Agreement originally stated that the Energy Fuels board of directors would consist of at least 9 members.

In addition, the Amendment Agreement provides for withholding of taxes for holders of Uranerz warrants who are subject to FIRPTA withholding as well as a revised process for withholding of FIRPTA taxes for holders of shares of Uranerz common stock (who do not also hold Uranerz warrants). Pursuant to the Amendment Agreement

- Energy Fuels and any holder of shares of Uranerz common stock (who does not also hold Uranerz warrants) subject to FIRPTA withholding will direct the exchange agent for the Transaction to withhold 10% of the Energy Fuels common shares issuable to such holder of shares on completion of the Transaction (the **Withheld Shares**) on account of the amount to be withheld under the Internal Revenue Code and any other applicable tax laws (the **Withholding Amount**);

- The exchange agent for the Transaction will sell the Withheld Shares to fund the Withholding Amount;
- Energy Fuels will pay all Withholding Amounts to the IRS and other government authorities under applicable tax laws;
- Such holders will have no further interest in the Withheld Shares;
- Such holders will have no obligation to Energy Fuels in the event that the amount realized is less than the Withholding Amount; and
- Energy Fuels will have no obligation to such holders to remit to such holders any proceeds of sale derived from the sale of the Withheld Shares and such holder will have no entitlement to such amounts.

It is intended that the arrangement regarding FIRPTA withholding described above will apply to all holders of shares of Uranerz common stock, who do not also hold Uranerz warrants, and who are subject to FIRPTA withholding requirements. Currently Uranerz believes that Dennis Higgs is the only shareholder subject to FIRPTA withholding requirements, however, Uranerz cannot be certain as to whether other shareholders may be subject to such withholding requirements. Additional shareholders may become subject to FIRPTA withholding requirements subsequent to the date of this registration statement and prior to Closing. In order for a holder of shares of Uranerz common stock, who does not also hold Uranerz warrants, to be subject to FIRPTA withholding, they must have held greater than 5% of the outstanding shares of Uranerz common stock at any time in the 5 years preceding Closing of the Transaction, unless during such five-years the holder had disposed of all shares of Uranerz common stock which it held prior to Closing. For more details regarding FIRPTA rules, see Proposal One The Transaction Material U.S. Federal Income Tax Considerations Materials U.S. Federal Income Tax Considerations of the Transaction to Non-U.S. Holders Classification of Uranerz as a United States Real Property Holding Corporation.

Governing Law

The Merger Agreement is to be governed by and construed in accordance with the laws of the State of Nevada, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws.

AGREEMENTS ENTERED INTO IN CONNECTION WITH THE MERGER AGREEMENT

Support Agreements

As a condition and inducement to Energy Fuels' willingness to enter into the Merger Agreement, Energy Fuels has entered into support agreements with each of the beneficial owners of Uranerz' common shares listed in the table below. The following is a summary of the terms of the support agreements only and may not contain all of the information that is important to you. A copy of the form of support agreement is attached to this proxy statement/prospectus as Annex C and is incorporated by reference herein.

According to the terms of the support agreements, each named shareholder has agreed, among other things, to:

- i) vote such party's beneficially owned shares, in favor of any resolutions approving the Transaction and other related matters,
- ii) not exercise any dissent rights,
- iii) not exercise any shareholder rights or remedies available at common law to delay, hinder, upset or challenge the Transaction,
- iv) not option, sell, assign, transfer, alienate, dispose of, gift, grant, pledge, create or permit an encumbrance on, grant a security interest in or otherwise convey any of such shareholder's securities in Uranerz,
- v) not grant or agree to grant any proxy or other right to the shareholder's securities in Uranerz, other than in support of the resolution approving the Transaction and other related matters,
- vi) not requisition or join in the requisition of any meeting of the shareholders of Uranerz for the purpose of considering any resolution,
- vii) not, in any manner, directly or indirectly solicit, initiate, or knowingly encourage any inquiries, proposals, offers or public announcements (or the submission or initiation of any of the foregoing) from any person regarding any acquisition proposals, engage in any negotiations concerning, or provide any information to, or have any discussions with or otherwise cooperate with, any person relating to an acquisition proposal, or otherwise knowingly facilitate or knowingly encourage any effort or attempt to make or implement an acquisition proposal,
- viii) not deposit or cause to be deposited such shareholder's shares in Uranerz under any acquisition proposal,
- ix) promptly notify Energy Fuels, at first orally and then in writing, of all acquisition proposals currently under consideration or of which the securityholder is aware.

The support agreements will terminate at the earlier to occur of (a) at any time by mutual consent of Energy Fuels and the shareholder party to the support agreement; (b) completion of the Transaction in accordance with the Merger Agreement; (c) termination of the Merger Agreement in accordance with its terms; (d) by written notice of the shareholder if Energy Fuels has not complied in any material respect with its covenants contained in the support agreement or if any representation or warranty of Energy Fuels contained in the support agreement is untrue and incorrect in any material respect; and (e) by written notice of Energy Fuels if the resolution approving the Transaction is not approved by the requisite majority of Uranerz shareholders.

As of May 26, 2015, the individuals below who are officers, directors and former officer of Uranerz are party to a support agreement together beneficially owned 3,829,000 shares of Uranerz common stock, or approximately 3.99% of the voting power of the shares of Uranerz common stock.

Parties to the Support Agreements	Number of Shares of Uranerz Common Stock
Dennis Higgs	1,870,000
Peter W. Bell	Nil
Glenn Catchpole	1,452,100
Arnold J. Dyck	3,000
Paul Goranson	Nil
Doug Hirschman	Nil
Dr. Gerhard F. Kirchner	476,000
Bruce Larson	4,000
Benjamin D. Leboe	16,000
Paul Saxton	11,500
Glenda Thomas	Nil
Mike Thomas	Nil

THE BOARD OF DIRECTORS OF URANERZ UNANIMOUSLY RECOMMENDS A VOTE FOR THIS PROPOSAL. PROXIES RECEIVED BY URANERZ BOARD OF DIRECTORS WILL BE SO VOTED UNLESS SHAREHOLDERS SPECIFY IN THEIR PROXIES A CONTRARY CHOICE.

PROPOSAL TWO COMPENSATION OF NAMED EXECUTIVE OFFICERS

As required by Item 402(t) of Regulation S-K and Section 14A(b) of the Exchange Act, Uranerz is providing its shareholders with the opportunity to cast an advisory (non-binding) vote on the golden parachute compensation that may become payable to its named executive officers in connection with the completion of the Transaction.

Uranerz believes that the compensation that may become payable to its named executive officers in connection with the completion of the Transaction is reasonable and demonstrates that its executive compensation program was designed appropriately and structured to ensure the retention of talented executives and a strong alignment of their interests with the long-term interests of Uranerz shareholders. This vote is not intended to address any specific item of compensation, but rather the overall compensation that may become payable to Uranerz named executive officers in connection with the completion of the Transaction. In addition, this vote is separate and independent from the vote of Uranerz shareholders on the Merger Agreement and the adjournment proposal. Uranerz board of directors asks that Uranerz shareholders vote FOR the following resolution:

RESOLVED, that the golden parachute compensation that may become payable to the named executive officers named in this proxy statement in connection with the completion of the Transaction is approved.

This vote is advisory and, therefore, it will not be binding on Uranerz, nor will it overrule any prior decision or require the board of directors of Uranerz (or any committee thereof) to take any action. The proposal will be approved if the votes cast FOR the proposal exceed the votes cast AGAINST the proposal.

More information regarding the compensation that may become payable to Uranerz named executive officers in connection with the completion of the Transaction is set forth in the section captioned Proposal One The Transaction Financial Interest of Uranerz Directors and Officers in the Transaction beginning on page 111.

Recommendation of the Uranerz Board of Directors

THE URANERZ BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE URANERZ SHAREHOLDERS VOTE FOR THE APPROVAL OF THE GOLDEN PARACHUTE COMPENSATION THAT MAY BECOME PAYABLE TO URANERZ NAMED EXECUTIVE OFFICERS IN CONNECTION WITH THE TRANSACTION.

PROPOSAL THREE APPROVAL OF THE ADJOURNMENT OF THE SPECIAL MEETING, IF NECESSARY OR APPROPRIATE, TO SOLICIT ADDITIONAL PROXIES

Uranerz may ask its shareholders to vote on a proposal to grant discretionary authority to adjourn the Special Meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the adjournment to approve the Transaction as set forth in this proxy statement/prospectus. Uranerz does not currently intend to propose adjournment at the Special Meeting if there are sufficient votes to approve the Transaction. The approval of a majority of the votes cast is required to approve the adjournment of the Special Meeting for the purpose of soliciting additional proxies. If the Uranerz shareholders approve this proposal, Uranerz may adjourn the Special Meeting and use the additional time to solicit additional proxies, including proxies from Uranerz shareholders who have previously voted against the Transaction.

If Uranerz shareholders do not approve this proposal to grant discretionary authority to adjourn the Special Meeting:

- Uranerz may not be able to consummate the Transaction on the terms set forth in the Merger Agreement, and Energy Fuels may have the right to terminate the Merger Agreement.
- Uranerz business would continue to incur significant operating losses, which would require Uranerz to seek additional capital in the form of debt or equity, which it may not be able to secure. If Uranerz is unable to secure such financing, it may need to implement additional cost reduction efforts across its operations, which could materially harm Uranerz business, results of operations and future prospects.

THE BOARD OF DIRECTORS OF URANERZ UNANIMOUSLY RECOMMENDS A VOTE FOR THIS PROPOSAL. PROXIES RECEIVED BY URANERZ BOARD OF DIRECTORS WILL BE SO VOTED UNLESS SHAREHOLDERS SPECIFY IN THEIR PROXIES A CONTRARY CHOICE.

INFORMATION ABOUT THE COMPANIES

Energy Fuels Inc.

Energy Fuels is one of the largest uranium producers in the United States, with production ranging from 19 to 25% of total US Production over the last five years. Energy Fuels operates the White Mesa Mill in Utah, which is the only conventional uranium mill currently operating in the United States.

The mill is capable of processing 2,000 tons per day of uranium ore. Energy Fuels also owns uranium projects located in Arizona, Colorado, New Mexico, Utah and Wyoming in the Western United States, including a currently producing mine, several mines on standby, and mineral properties in various stages of permitting and development.

Energy Fuels was incorporated on June 24, 1987 in the Province of Alberta under the name 368408 Alberta Inc. In October 1987, the name was changed to Trevco Oil & Gas Ltd. In May 1990 the name was changed to Trev Corp. In August 1994 the name was changed to Orogrande Resources Inc. In April 2001, the name was changed to Volcanic Metals Exploration Inc. On September 2, 2005, Volcanic Metals Exploration Inc. was continued under the Business Corporations Act (Ontario). On March 26, 2006, Volcanic Metals Exploration Inc. acquired 100% of the outstanding shares of Energy Fuels Resources Corporation. On May 26, 2006, Volcanic Metals Exploration Inc. changed its name to Energy Fuels Inc.

Energy Fuels is listed on the TSX, under the trading symbol EFR and on the NYSE MKT, under the trading symbol UUUU. The principal executive office of Energy Fuels and its subsidiaries, through which it owns and operates its business in the United States, is located at 225 Union Blvd., Suite 600, Lakewood, Colorado 80228, and Energy Fuels telephone number is (303) 974-2140. Energy Fuels maintains an administrative office located at 2 Toronto Street, Suite 500, Toronto, Ontario M5C 2B6. Energy Fuels website is www.energyfuels.com. The content of Energy Fuels website and information accessible through the website does not form part of this proxy statement/prospectus.

Additional information about Uranerz and its subsidiaries is included in documents publicly filed by Uranerz. See [Where You Can Find More Information](#) beginning on page 213.

EFR Nevada Corp.

Merger Sub is a Nevada corporation and an indirect wholly owned subsidiary of Energy Fuels. Merger Sub was formed solely for the purpose of effecting the proposed Transaction with Uranerz and has not carried on any activities other than in connection with the proposed Transaction. The address and telephone number for Merger Sub's principal executive office is the same as for Energy Fuels.

Uranerz Energy Corporation

Uranerz is a United States based uranium company focused on commercial in-situ recovery (**ISR**) uranium exploration, extraction and sales. ISR is a uranium extraction process that uses a leaching solution to extract uranium from underground sandstone-hosted uranium deposits and it is the generally accepted extraction technology used in the Powder River Basin area of Wyoming. Uranerz controls a large strategic land position in the central Powder River Basin, where it operates the Nichols Ranch ISR Uranium Project. The Nichols Ranch ISR Uranium Project is currently licensed to include the Nichols Ranch Unit and the Hank Unit. Under the licensed plan, a central processing plant has been built at Nichols Ranch and a satellite processing facility is contemplated to be built at the Hank Unit. The Nichols Ranch central processing plant is fully operational and extraction has commenced from the initial wellfields in the Nichols Unit. In March 2014, Uranerz submitted environmental permit and license applications to incorporate the Jane Dough Unit, which is adjacent to the Nichols Ranch Unit, into the Nichols Ranch ISR Uranium Project. Uranerz is seeking to amend its original environmental permit and license to revise the original plan of operations for the Nichols Ranch ISR Uranium Project in order to bring the Jane Dough Unit into extraction

operations before the Hank Unit. Due to the close proximity, fluids produced from the Jane Dough Unit can be delivered directly to the Nichols Ranch processing facility by pipeline and an additional satellite processing facility may not be required. The Uranerz management team has specialized expertise in the ISR uranium mining method, and a record of licensing, constructing and operating ISR uranium projects

Uranerz was incorporated under the laws of the State of Nevada on May 26, 1999. On July 5, 2005, Uranerz changed its name from Carleton Ventures Corp. to Uranerz Energy Corporation. The principal business office of Uranerz is located at 1701 East E Street, Casper, Wyoming, 82605, and Uranerz phone number is (307) 265-8900. Uranerz also maintains an administrative office located at Suite 1410 - 800 West Pender Street, Vancouver, British Columbia, Canada V6C 2V6, and Uranerz telephone number there is 604-689-1659 or 1-800-689-1659 (toll free). Uranerz website is www.uranerz.com. The content of Uranerz website and information accessible through the website does not form part of this proxy statement/prospectus.

Uranerz common stock is traded on the NYSE MKT and the Toronto Stock Exchange under the symbol URZ and on the Frankfurt Exchange under the symbol U9E. Additional information regarding Uranerz material mineral properties can be found in Annex E, attached hereto, which is incorporated by reference into this prospectus/registration statement.

Additional information about Uranerz and its subsidiaries is included in documents publicly filed by Uranerz. See [Where You Can Find More Information](#) beginning on page 213.

MARKET PRICE AND DIVIDEND INFORMATION

Comparative Per Share Market Information

Uranerz common shares are listed and traded on the NYSE MKT and TSX under the symbol URZ. Energy Fuels common shares are listed and traded on the TSX under the symbol EFR and on the NYSE MKT under the symbol UUUU. Energy Fuels commenced its quotation on the OTCQX on June 26, 2013 and began trading on to the NYSE MKT on December 3, 2013. The following table sets forth, for the calendar quarters indicated, the high and low sales price per share of Uranerz common stock and the high and low sales price per common share of Energy Fuels, in each case as reported on the NYSE MKT or the OTCQX, as applicable, and the TSX. The Energy Fuels share price information is adjusted to give retroactive effect to a 50 for 1 share consolidation for the periods prior to November 5, 2013. In addition, the table also sets forth the quarterly cash dividends per share declared by Uranerz with respect to its common shares and by Energy Fuels with respect to its common shares. On the Uranerz record date (May 26, 2015), there were 95,912,806 shares of Uranerz common stock outstanding and 19,677,552 Energy Fuels common shares outstanding.

	Uranerz NYSE MKT (US Dollars)			Uranerz TSX (Canadian Dollars)		
	High	Low	Dividends Declared	High	Low	Dividends Declared
2015						
First Quarter	\$ 1.33	\$ 1.00	\$	\$ 1.58	\$ 1.23	\$
2014						
First Quarter	\$ 1.97	\$ 1.22	\$	\$ 2.18	\$ 1.33	\$
Second Quarter	\$ 1.80	\$ 1.13	\$	\$ 1.98	\$ 1.23	\$
Third Quarter	\$ 1.60	\$ 1.05	\$	\$ 1.69	\$ 1.16	\$
Fourth Quarter	\$ 1.51	\$ 0.88	\$	\$ 1.70	\$ 0.99	\$
2013						
First Quarter	\$ 1.61	\$ 1.21	\$	\$ 1.60	\$ 1.25	\$
Second Quarter	\$ 1.43	\$ 0.88	\$	\$ 1.47	\$ 0.92	\$
Third Quarter	\$ 1.64	\$ 0.90	\$	\$ 1.67	\$ 0.92	\$
Fourth Quarter	\$ 1.30	\$ 0.80	\$	\$ 1.38	\$ 0.84	\$

	Energy Fuels OTC Pink/OTCQX/NYSE MKT (US Dollars)			Energy Fuels TSX (Canadian Dollars)		
	High	Low	Dividends Declared	High	Low	Dividends Declared
2015						
First Quarter	\$ 6.25	\$ 4.26	\$	\$ 7.32	\$ 5.40	\$
2014						
First Quarter	\$ 11.85	\$ 5.75	\$	\$ 13.03	\$ 6.10	\$
Second Quarter	\$ 9.87	\$ 6.62	\$	\$ 10.87	\$ 7.15	\$
Third Quarter	\$ 7.99	\$ 6.46	\$	\$ 8.68	\$ 7.22	\$
Fourth Quarter	\$ 8.00	\$ 5.55	\$	\$ 9.00	\$ 6.24	\$
2013						
First Quarter	\$ 10.00	\$ 7.00	\$	\$ 9.50	\$ 7.00	\$
Second Quarter	\$ 9.00	\$ 6.00	\$	\$ 9.00	\$ 6.25	\$
Third Quarter	\$ 11.00	\$ 7.00	\$	\$ 11.50	\$ 7.50	\$
Fourth Quarter	\$ 8.50	\$ 4.56	\$	\$ 9.00	\$ 4.75	\$

The following table sets forth, for the five most recent calendar years and the six most recent calendar months, the high and low sales price per common share of Energy Fuels as reported on the NYSE MKT, the OTCQX or the OTC

Pink, as applicable, and the TSX.

Annual	Energy Fuels OTC Pink/OTCQX/NYSE MKT				Energy Fuels TSX (Canadian Dollars)			
	High		Low		High		Low	
2015 (January 1 to May 15)	\$	6.25	\$	4.00	\$	7.32	\$	5.03
2014	\$	11.85	\$	5.55	\$	13.03	\$	6.10
2013	\$	11.00	\$	4.56	\$	11.50	\$	4.75
2012	\$	19.50	\$	6.50	\$	19.50	\$	6.50
2011	\$	80.00	\$	10.00	\$	79.50	\$	10.00

Last Six Months

April	\$	5.60	\$	4.00	\$	6.73	\$	5.03
March	\$	5.00	\$	4.26	\$	6.24	\$	5.45
February	\$	5.34	\$	4.51	\$	6.68	\$	5.65
January	\$	6.25	\$	4.50	\$	7.32	\$	5.40
December	\$	7.48	\$	6.00	\$	8.49	\$	6.97
November	\$	8.00	\$	6.03	\$	9.00	\$	6.88

The following table sets forth, for the five most recent calendar years and the six most recent calendar months, the high and low sales price per common share of Uranerz as reported on the NYSE MKT and the TSX.

Annual	Uranerz NYSE MKT				Uranerz TSX (Canadian Dollars)			
	High		Low		High		Low	
2015 (January 1 to May 15)	\$	1.35	\$	1.00	\$	1.63	\$	1.23
2014	\$	1.97	\$	0.88	\$	2.18	\$	0.99
2013	\$	1.64	\$	0.80	\$	1.67	\$	0.84
2012	\$	3.07	\$	1.08	\$	3.05	\$	1.12
2011	\$	5.93	\$	1.17	\$	5.84	\$	1.23

Last Six Months

April	\$	1.35	\$	1.00	\$	1.63	\$	1.25
March	\$	1.20	\$	1.06	\$	1.50	\$	1.30
February	\$	1.26	\$	1.00	\$	1.56	\$	1.26
January	\$	1.33	\$	1.05	\$	1.58	\$	1.23
December	\$	1.31	\$	1.05	\$	1.48	\$	1.21
November	\$	1.51	\$	0.88	\$	1.70	\$	1.02

Number of Holders of Common Stock and Number of Shares Outstanding

As of May 22, 2015, there were 1,933 registered holders of Energy Fuels common shares who held an aggregate of 19,677,552 Energy Fuels common shares.

As of May 22, 2015, there were 42 registered holders of shares of Uranerz common stock who held an aggregate of 95,912,806 shares of Uranerz common stock.

Energy Fuels Prior Sales

The following table sets out the prior sales of securities of Energy since May 26, 2014:

Date Issued/Granted	Number of Securities	Security	Price Per Security
January 28, 2015	133,150	Stock options to purchase common shares exercisable at C\$5.85 per share	n/a
January 28, 2015	153,850	Restricted Stock Units issued at C\$5.85 per share ⁽¹⁾	n/a

(1) Subject to approval of the Omnibus Plan by the shareholders of Energy Fuels and the TSX.

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**UNAUDITED PRO FORMA CONDENSED FINANCIAL STATEMENTS OF
ENERGY FUELS INC. AND URANERZ ENERGY CORPORATION**

ENERGY FUELS INC.**Pro Forma Condensed Consolidated Statement of Financial Position as at March 31, 2015****(Unaudited)***(Expressed in thousands of U.S. dollars)*

ASSETS	Energy Fuels Inc. (A)	Uranerz Energy Corporation (under US GAAP) (B)	Note	Adjustments to IFRS to conform to accounting policies with Energy Fuels Inc. (C)	Uranerz Energy Corporation (under IFRS) (D) = (B) + (C)	Note	Pro Forma Adjustments (E)	Pro Forma Consolidated Energy Fuels Inc. March 31, 2015 (F) = (A) + (D) + (E)
Current assets								
Cash and cash equivalents	\$ 6,542	\$ 4,772		\$ -	\$ 4,772	5(c)	\$ (2,587)	\$ 8,727
Marketable securities	200	-		-	-		-	200
Trade and other receivables	1,542	3,400		-	3,400		-	4,942
Inventories	29,190	2,321	4(d)	755	3,076		-	32,266
Prepaid expenses and other assets	728	1,235		-	1,235		-	1,963
Assets held for sale	1,953	-		-	-		-	1,953
	40,155	11,728		755	12,483		(2,587)	50,051
Non-current								
Prepaid expenses and other assets		568	4(h)	(206)	362		-	362
Notes receivable	704	-		-	-		-	704
Inventories	4,009	-		-	-		-	4,009
Investment in Virginia Energy	374	-		-	-		-	374
Property, plant and equipment	67,206	815	4(a) 4(b)	44,133 23,609	68,557	5(d)	(15,409)	120,354
Goodwill	-	-		-	-	5(g)	74,670	74,670
Intangible assets	3,337	-		-	-	5(f)	10,400	13,737
Restricted cash	16,148	2,100		-	2,100		-	18,248
	\$ 131,933	\$ 15,211		\$ 68,291	\$ 83,502		\$ 67,074	\$ 282,509

LIABILITIES & SHAREHOLDERS' EQUITY**Current liabilities**

Accounts payable and accrued liabilities	\$ 3,164	\$ 3,428		\$ -	\$ 3,428		\$ -	\$ 6,592
Current portion of long-term liabilities								

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Decommissioning liability	1,142	-	-	-	-	-	1,142
Loans and borrowings	654	2,204	-	2,204	-	-	2,858
	4,960	5,632	-	5,632	-	-	10,592
Non-current							
Deferred revenue	1,608	-	-	-	-	-	1,608
Decommissioning liability	15,564	2,321	4(i)	766	3,087	-	18,651
Loans and borrowings	13,938	16,377	4(h)	(206)	16,171	-	30,109
	36,070	24,330		560	24,890	-	60,960
Shareholders' equity							
Attributable to Shareholders	95,863	(9,237)		66,139	56,902	5(a)	119,598
						5(b)	7,752
						5(c)	4,057
						5(e)	(56,902)
						5(c)	(6,644)
Non-controlling interests	-	118	4(f)	1,592	1,710	5(d)	(787)
	95,863	(9,119)		67,731	58,612		67,074
	\$ 131,933	\$ 15,211		\$ 68,291	\$ 83,502		\$ 67,074
							\$ 282,509

See accompanying notes to the unaudited pro forma condensed consolidated financial statements.

ENERGY FUELS INC.**ProForma Condensed Consolidated Statement of Comprehensive Income (Loss)****For the Three Months Ended March 31, 2015****(Unaudited)***(Expressed in thousands of U.S. dollars, except per share amounts)*

	Energy Fuels Inc.	Uranerz Energy Corporation (under US GAAP)	Note	Adjustments to IFRS to conform to accounting policies with Energy Fuels Inc.	Uranerz Energy Corporation (under IFRS) (D) = (B) + (C)	Note	Pro Forma Adjustments (E)	P Co En (F)
	(A)	(B)		(C)	(C)		(E)	(F)
REVENUES	\$ 7,600	\$ 3,400		\$ -	\$ 3,400		\$ -	\$ -
COST OF SALES								
Production cost of sales	(3,640)	(1,791)		-	(1,791)		-	-
Depreciation, depletion and amortization	(311)	(120)	4(e)	(1,837)	(1,957)		-	-
Impairment of inventories	-	-	4(d)	(812)	(812)		-	-
TOTAL COST OF SALES	(3,951)	(1,911)		(2,649)	(4,560)			
GROSS PROFIT (LOSS)	3,649	1,489		(2,649)	(1,160)			
Other operating expenses	(2,861)	-		-	-		-	-
Selling, general and administrative expenses	(3,324)	(2,750)		-	(2,750)	5(h)	1,446	
Mineral property expenditures	-	(2,742)	4(c)	2,742	-		-	-
Finance income (expense)	255	(355)		-	(355)		-	-
Other income (expense)	(80)	-		-	-		-	-
NET LOSS BEFORE TAXES	(2,361)	(4,358)		93	(4,265)		1,446	
Income tax expense	-	-		-	-		-	-
NET LOSS FOR THE PERIOD	(2,361)	(4,358)		93	(4,265)		1,446	
ITEMS THAT MAYBE RECLASSIFIED TO PROFIT OR LOSS								
Unrealized gain on available-for-sale assets	(68)	-		-	-		-	-
	7	-		-	-		-	-

Share of other comprehensive income (loss) of Virginia Energy Resources Inc.							
Foreign currency translation adjustment	1,302	-	-	-	-	-	-
TOTAL OTHER COMPREHENSIVE LOSS	1,241	-	-	-	-	-	-
Attributable to shareholders	(1,120)	(4,255)	(10)	(4,265)	1,446		
Non-controlling interests	-	(103)	4(c)	103	-	-	-
NET LOSS FOR THE PERIOD	\$(1,120)	\$(4,358)	\$	93	\$(4,265)	\$	1,446
LOSS PER COMMON SHARE BASIC AND DILUTED LOSS PER SHARE	\$ (0.12)						\$

See accompanying notes to the unaudited pro forma condensed consolidated financial statements.

ENERGY FUELS INC.**Pro Forma Condensed Consolidated Statement of Comprehensive Income (Loss)****For the Year Ended December 31, 2014****(Unaudited)***(Expressed in thousands of U.S. dollars, except per share amounts)*

	Energy Fuels Inc.	Uranerz Energy Corporation (under US GAAP)	Note	Adjustments to IFRS to conform to accounting policies with Energy Fuels Inc.	Uranerz Energy Corporation (under IFRS)	Note	ProForma Adjustments	ProForma Consolidated Energy Fuels Inc.
	(A)	(B)		(C)	(D) = (B) + (C)		(E)	(F) = (A) + (D) + (E)
REVENUES \$	46,253 \$	10,007		\$ -	\$ 10,007		\$ -	\$ -