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

**FORM 40-F**

**☐ Registration statement pursuant to Section 12 of the Securities Exchange Act of 1934**

**or**

**☒ Annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934**

**For the fiscal year ended December 31, 2023** **Commission File Number 001-41489**

**enCore Energy Corp.**
**(Exact name of Registrant as specified in its charter)**

| British Columbia, Canada | 1094 | N/A |
|---|---|---|
| (Province or other jurisdiction of incorporation or organization) | (Primary Standard Industrial Classification Code Number) | (I.R.S. Employer Identification Number) |

**101 N. Shoreline Blvd. Suite 450**
**Corpus Christi, TX 78401**
**(361) 239-5449**
**(Address and telephone number of Registrant's principal executive offices)**

**Cogency Global Inc.**
**122 E. 42nd Street, 18th Floor**
**New York, New York 10168**
**(800) 221-0102**
**(Name, address (including zip code) and telephone number (including area code) of agent for service in the United States)**

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

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Common Shares | EU | The Nasdaq Stock Market LLC |

Securities registered pursuant to Section 12(g) of the Act: None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

For annual reports, indicate by check mark the information filed with this Form:

☒ Annual information form ☒ Audited annual financial statements

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: **165,133,798 Common Shares outstanding as at December 31, 2023.**

Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.

Emerging growth company ☒

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

The annual report on Form 40-F shall be incorporated by reference into or as an exhibit to, as applicable, the Registrant's Registration Statement under the Securities Act of 1933, as amended: Form F-10 (File No. 333-269428), and Form F-10 (File No. 333-272609).

## EXPLANATORY NOTE

enCore Energy Corp. (the "Company") is a Canadian issuer eligible to file its annual report pursuant to Section 13 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), on Form 40-F pursuant to the multi-jurisdictional disclosure system of the Exchange Act ("MJDS"). The Company is a "foreign private issuer" as defined in Rule 3b-4 under the Exchange Act. Accordingly, our equity securities are exempt from Sections 14(a), 14(b), 14(c), 14(f) and 16 of the Exchange Act pursuant to Rule 3a12-3.



## FORWARD-LOOKING STATEMENTS

This annual report on Form 40-F (the "Annual Report") of the Company, including the Exhibits hereto and information incorporated by reference herein, contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Exchange Act, and forward-looking information within the meaning of Canadian securities laws. Forward-looking statements can generally be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "continue", "plans" or similar terminology. Forward-looking statements are not historical facts, are made as of the date of this Annual Report, and include, but are not limited to, statements regarding discussions of results from operations (including, without limitation, statements about the Company's opportunities, strategies, competition, expected activities and expenditures as the Company pursues its business plan, the adequacy of the Company's available cash resources and other statements about future events or results), performance (both operational and financial) and business prospects, future business plans and opportunities and statements as to management's expectations with respect to, among other things, the activities contemplated in this Annual Report.

Forward-looking statements included or incorporated by reference in this Annual Report include, without limitation, statements related to: the Company's future financial and operational performance; the sufficiency of the Company's current working capital, anticipated cash flow or its ability to raise necessary funds; the anticipated amount and timing of work programs; our expectations with respect to future exchange rates; the estimated cost of and availability of funding necessary for sustaining capital; forecast capital and non-operating spending; the Company's plans and expectations for its property, exploration, development, production, and community relations operations; the use of available funds; expectations regarding the process for and receipt of regulatory approvals, permits and licenses under governmental and other applicable regulatory regimes, including U.S. government policies towards domestic uranium supply; expectations about future uranium market prices, production costs and global uranium supply and demand; expectations regarding holding physical uranium for long-term investment; the establishment of mineral resources on any of the Company's current or future mineral properties (other than the Company's properties that currently have an established mineral resource estimates); future royalty and tax payments and rates; expectations regarding possible impacts of litigation and regulatory actions; the completion of reclamation activities at former mine or extraction sites.

Such forward-looking statements reflect the Company's current views with respect to future events, based on information currently available to the Company and are subject to and involve certain known and unknown risks, uncertainties, assumptions and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed in or implied by such forward-looking statements. The forward-looking statements in this Annual Report are based on material assumptions, including the following: our budget, including expected levels of exploration, evaluation and operations activities and costs, as well as assumptions regarding market conditions and other factors upon which we have based our income and expenditure expectations; assumptions regarding the timing and use of our cash resources; our ability to, and the means by which we can, raise additional capital to advance other exploration and evaluation objectives; our operations and key suppliers are essential services, and our employees, contractors and subcontractors will be available to continue operations; our ability to obtain all necessary regulatory approvals, permits and licenses for our planned activities under governmental and other applicable regulatory regimes; our expectations regarding the demand for, and supply of, uranium, the outlook for long-term contracting, changes in regulations, public perception of nuclear power, and the construction of new and ongoing operation of existing nuclear power plants; our expectations regarding spot and long-term prices and realized prices for uranium; our expectations that our holdings of physical uranium will be helpful in securing project financing and/or in securing long-term uranium supply

agreements in the future; our expectations regarding tax rates, currency exchange rates, and interest rates; our decommissioning and reclamation obligations and the status and ongoing maintenance of agreements with third parties with respect thereto; our mineral resource estimates, and the assumptions upon which they are based; our, and our contractors', ability to comply with current and future environmental, safety and other regulatory requirements and to obtain and maintain required regulatory approvals; and our operations are not significantly disrupted by political instability, nationalization, terrorism, sabotage, pandemics, social or political activism, breakdown, natural disasters, governmental or political actions, litigation or arbitration proceedings, equipment or infrastructure failure, labor shortages, transportation disruptions or accidents, or other development or exploration risks.



The risks, uncertainties, assumptions and other factors that could cause actual results to differ materially from any future results expressed in or implied by the forward-looking statements in this Annual Report include, but are not limited to, the following factors: exploration and development risks; changes in commodity prices; access to skilled mining personnel; results of exploration and development activities; uninsured risks; regulatory risks; defects in title; availability of materials and equipment, timeliness of government approvals and unanticipated environmental impacts on operations; risks posed by the economic and political environments in which the Company operates and intends to operate; the potential for losses arising from the expansion of operations into new markets; increased competition; assumptions regarding market trends and the expected demand and desires for the Company's products and proposed products; reliance on industry manufacturers, suppliers and others; the failure to adequately protect intellectual property; the failure to adequately manage future growth; adverse market conditions; and the failure to satisfy ongoing regulatory requirements.

In addition, the risks, assumptions, and other factors set out herein and in the Company's public filings, including the most recent Annual Information Form and Management Discussion and Analysis ("MD&A") for the year ended December 31, 2023, could cause actual results to differ materially from any future results expressed in or implied by the forward-looking statements in this Annual Report. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. These risks, uncertainties, assumptions and other factors should be considered carefully, and prospective investors and readers should not place undue reliance on the forward-looking statements.

Any forward-looking statement speaks only as of the date on which such statement is made, and the Company undertakes no obligation to update any forward-looking statement or information or statements to reflect information, events, results, circumstances or otherwise after the date on which such statement is made or to reflect the occurrence of unanticipated events, except as required by applicable laws. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such fact on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements or information. All of the forward-looking statements contained or incorporated into this Annual Report are qualified by the foregoing cautionary statements.



## DIFFERENCES IN UNITED STATES AND CANADIAN REPORTING PRACTICES

The Company is permitted, under MJDS to prepare this report in accordance with Canadian disclosure requirements, which are different from those of the United States. The Company prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, and the audit was conducted in accordance with Canadian auditing standards as well as the standards of the Public Accounting Oversight Board. IFRS differs in certain respects from United States generally accepted accounting principles ("U.S. GAAP") and from practices prescribed by the US Securities and Exchange Commission ("SEC"). Therefore, all financial statements filed with this annual report may not be comparable to financial statements prepared in accordance with U.S. GAAP.

As a foreign reporting issuer listed on The Nasdaq Stock Market LLC (the "Nasdaq"), the Company is entitled to follow the governance practices of its home country in lieu of certain Nasdaq requirements. For more information refer to the Statement of Corporate Governance Differences posted on the Company's website at www.encoreuranium.com/corporate/governance. The Company's website is not incorporated herein by reference.

The Company reports mineral resources on its projects according to Canadian standards, which differs from the requirements of U.S. securities laws. As a result, the Company reports the mineral resources of the projects it has an interest in according to Canadian standards. Canadian reporting requirements for disclosure of mineral properties are governed by 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, (the "CIM Standards"). NI 43-101 is a rule 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 requirements of NI 43-101 and the CIM Standards differ from the requirements of the SEC that are applicable to domestic United States reporting companies under subpart 1300 of Regulation S-K ("S-K 1300") under the Exchange Act. As an issuer that prepares and files its reports with the SEC pursuant to the MJDS, the Company is not subject to the requirements of S-K 1300. Any mineral resources reported by the Company in accordance with NI 43-101 and CIM Standards may not qualify as such under or differ from those prepared in accordance with S-K 1300. Accordingly, information included or incorporated by reference in the Company's AIF filed as Exhibit 99.1 to this Annual Report and management's discussion and analysis for the fiscal year ended December 31, 2023 filed as Exhibit 99.2 concerning descriptions of mineralization and estimates of mineral resources under Canadian standards may not be comparable to similar information made public by United States companies subject to the reporting and disclosure requirements of S-K 1300.

## PRINCIPAL DOCUMENTS

In accordance with General Instruction B.(1) of Form 40-F, the Company hereby incorporates by reference the following:

- The Company's Annual Information Form for the fiscal year ended December 31, 2023, filed as Exhibit 99.1 to this Annual Report.
- The Company's Management's Discussion and Analysis for the year ended December 31, 2023, filed as Exhibit 99.2 to this Annual Report.
- The Company's audited consolidated financial statements for the year ended December 31, 2023, including the report of the independent auditor thereon, filed as Exhibit 99.3 to this Annual Report.



## DISCLOSURE CONTROLS AND PROCEDURES

*Report on disclosure controls and procedures*. At the end of the period covered by this Annual Report for the fiscal year ended December 31, 2023, an evaluation was carried out under the supervision of, and with the participation of, the Company's management, including its Chief Executive Officer (CEO) and Chief Financial Officer (CFO), of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act). Based upon that evaluation, the Company's CEO and CFO have concluded that the Company's disclosure controls and procedures were effective to give reasonable assurance that (i) information required to be disclosed by the Company in reports that it files or submits to the Commission under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported within the time periods specified in applicable rules and forms, and (ii) material information required to be disclosed in the Company's reports filed under the Exchange Act is provided to the Company's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow for timely decisions regarding required disclosure.

*Report on internal control over financial reporting*. Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) of the Exchange Act. A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements. It should be noted that a control system, no matter how well conceived or operated, can only provide reasonable assurance, not absolute assurance, that the objectives of the control system are met.

Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies and procedures may deteriorate.

Management, including the CEO and CFO, assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2023. In making this assessment, management used the criteria set forth in the Internal Control Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on its assessment, management has concluded that, as of December 31, 2023, the Company's internal control over financial reporting was effective and no material weaknesses in the Company's internal control over financial reporting were discovered.

The Company is not required to provide an auditor's attestation report on its internal control over financial reporting for the fiscal year ended December 31, 2023 because the Company is an emerging growth company.

*Changes in internal control over financial reporting*. The Company has disclosed in its annual MD&A any change in the issuer's ICFR that occurred during the period beginning on October 1, 2023 and ended on December 31, 2023 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.



## IDENTIFICATION OF THE AUDIT COMMITTEE

The Company's audit committee is comprised of William B. Harris (Chair), Richard M. Cherry and Susan Hoxie-Key and is established in accordance with section 3(a)(58)(A) of the Exchange Act and Rule 5605(c) of the Nasdaq. All members of the Audit Committee are, in the opinion of the Company's board of directors, independent (as determined under Rule 5605(a)(2)of the Nasdaq). All members of the audit committee are financially literate, meaning they are able to read and understand the Company's financial statements and to understand the breadth and level of complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. The audit

committee meets the composition requirements described in Rule5605(c)(2) of the Nasdaq.

**AUDIT COMMITTEE FINANCIAL EXPERT**

The Company's Board of Directors has determined that William B. Harris qualifies as financial experts (as defined in Item 407 (d)(5)(ii) of Regulation S-K under the Exchange Act), is financially sophisticated (pursuant to Rule 5605(c)(2) of the Nasdaq) and is independent (as determined under Exchange Act Rule 10A-3 and Rule 5605(a)(2) of the Nasdaq).

**PRINCIPAL ACCOUNTANT FEES AND SERVICES**

Davidson & Company LLP , Vancouver, British Columbia, Canada , Auditor Firm ID: 731, acted as the Company's independent registered public accounting firm for the fiscal year ended December 31, 2023. See page 89 of the Company's Annual Information Form, which is attached hereto as Exhibit 99.1 and incorporated herein by reference, for the total amount billed to the Company by Davidson & Company LLC for services performed in the last two fiscal years by category of service (for audit fees, audit-related fees, tax fees and all other fees).



**PRE-APPROVAL OF AUDIT AND NON-AUDIT SERVICES PROVIDED BY INDEPENDENT AUDITORS**

The Audit Committee pre-approves all audit services to be provided to the Company by its independent auditors. Non-audit services that are prohibited to be provided to the Company by its independent auditors may not be pre-approved. In addition, prior to the granting of any pre-approval, the Audit Committee must be satisfied that the performance of the services in question will not compromise the independence of the independent auditors. All non-audit services performed by the Company's auditor for the fiscal year ended December 31, 2023 were pre-approved by the Audit Committee of the Company. No non-audit services were approved pursuant to the *de minimis* exemption to the pre-approval requirement.

**CODE OF ETHICS**

The Company has adopted a written code of conduct applicable to directors, officers, employees, consultants and contractors of the Company, entitled "Code of Business Conduct and Ethics" (the "Code"). The Company monitors compliance with the Code through the Chair of the Audit Committee and the CEO. The Code provides that each person is personally responsible for and it is their duty to report violations or suspected violations of the Code, and that no person will be discriminated against for reporting what that person reasonably believes to be a breach of the Code or any law or regulation. There were no waivers granted in respect of the Code during the period covered by this Annual Report. The Code is posted on the Company's website at https://encoreuranium.com/corporate/governance/. The Company undertakes to provide to any person without charge, upon request, a copy of the Code by contacting the Company via email at info@encoreuranium.com.

**OFF-BALANCE SHEET ARRANGEMENTS**

During the year ended December 31, 2023, the Company was not a party to any off-balance-sheet arrangements that are not discussed in the MD&A.

**NOTICES PURSUANT TO REGULATION BTR**

The Company was not required by Rule 104 of Regulation BTR to send any notices to any of its directors or executive officers during the fiscal year ended December 31, 2023.

**MINE SAFETY DISCLOSURE**

Pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank Act"), issuers that are operators, or that have a subsidiary that is an operator, of a coal or other mine in the United States are required to disclose in their periodic reports filed with the SEC information regarding specified health and safety violations, orders and citations, related assessments and legal actions, and mining-related fatalities under the regulation of the Federal Mine Safety and Health Administration ("MSHA") under the Federal Mine Safety and Health Act of 1977 (the "Mine Act"). During the fiscal year ended December 31, 2023, the Company had no mines in the United States subject to regulation by MSHA under the Mine Act.



**ERRONEOUSLY AWARDED COMPENSATION**

The Company has adopted a compensation recovery policy effective October 2, 2023 (referred to as the "Incentive Compensation Clawback Policy") as required by Nasdaq listing standards and pursuant to Rule 10D-1 of the Exchange Act. The Incentive Compensation Clawback Policy is filed as Exhibit 97 to this Form 40-F. At no time during or after the fiscal year ended December 31, 2023 (as of the date of this Annual Report), was the Company required to prepare an accounting restatement that required recovery of erroneously awarded compensation pursuant to the Incentive Compensation Clawback Policy and, as of December 31, 2023, there was no outstanding balance of erroneously awarded compensation to be recovered from the application of the Incentive Compensation Clawback Policy to a prior restatement.

**DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS.**

Not applicable.

**UNDERTAKING AND CONSENT TO SERVICE OF PROCESS**

*A. Undertaking.* The Company undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

*B. Consent to Service of Process.* The Company has previously filed with the SEC a written consent to service of process on Form F-X. Any change to the name or address of the Company's agent for service shall be communicated promptly to the Commission by amendment to the Form F-X referencing the file number of the Company.



**EXHIBIT INDEX**

The following documents are being filed with the Commission as Exhibits to this Annual Report:

| Exhibit | Description |
|---|---|
| 97 | Incentive Compensation Recovery Policy |
| 99.1 | Annual Information Form for the year ended December 31, 2023 |
| 99.2 | Management's Discussion and Analysis for the year ended December 31, 2023 |
| 99.3 | Consolidated Financial Statements for the year ended December 31, 2023 |
| 99.4 | Certification of the Chief Executive Officer, pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the U.S. Securities Exchange Act of 1934 |
| 99.5 | Certification of the Chief Financial Officer, pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the U.S. Securities Exchange Act of 1934 |
| 99.6 | Certification of the Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 99.7 | Certification of the Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 99.8 | Consent of Davidson & Company LLP |
| 99.9 | Consent of W. Paul Goranson, P.E. |
| 99.10 | Consent of Carl Warren, P.E., P.G. |
| 99.11 | Consent of Douglas L. Beahm, P.E, P.G. |
| 99.12 | Consent of Steve Cutler, P.G. |
| 99.13 | Consent of Ray Moores, P.E. |
| 99.14 | Consent of Matthew Yovich |
| 99.15 | Consent of John Seeley, Ph.D., P.G., C.P.G. |
| 101 | Interactive Data File (formatted as iXBRL) |
| 101.SCH | Inline XBRL Taxonomy Extension Schema Document |
| 101.CAL | Inline XBRL Taxonomy Extension Calculation Linkbase Document |
| 101.DEF | Inline XBRL Taxonomy Extension Definition Linkbase Document |
| 101.LAB | Inline XBRL Taxonomy Extension Label Linkbase Document |
| 101.PRE | Inline XBRL Taxonomy Extension Presentation Linkbase Document |
| 104 | Cover Page Interactive Data File (formatted as iXBRL and contained in Exhibit 101) |

**SIGNATURES**

Pursuant to the requirements of the Exchange Act, the Company certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto duly authorized.

**ENCORE ENERGY CORP.**

By: /s/ W. Paul Goranson
Name: W. Paul Goranson
Title: Chief Executive Officer and Director

Date: March 28, 2024

**Exhibit 97**

**ENCORE ENERGY CORP.**

**INCENTIVE COMPENSATION RECOVERY POLICY**
**(As approved by the Board on September 28, 2023, to take effect October 2, 2023)**

1. **Introduction**.

The Board of Directors (the "**Board**") of enCore Energy Corp. (the "**Company**") believes that it is in the best interests of the Company and its shareholders to create and maintain a culture that emphasizes integrity and accountability and that reinforces the Company's compensation philosophy. The Board has therefore adopted this policy, which provides for the recovery of erroneously awarded incentive compensation in the event that the Company is required to prepare an accounting restatement due to material noncompliance of the Company with any financial reporting requirements under the federal securities laws (the "**Policy**"). This Policy is designed to comply with Section 10D of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), related rules and the listing standards of the NYSE American, including but not limited to Section 811 of the NYSE American Company Guide, or any other securities exchange on which the Company's shares are listed in the future.

2. **Administration**.

This Policy shall be administered by the Board. Any determinations made by the Board shall be final and binding on all affected individuals.

3. **Covered Executives**.

Unless and until the Board determines otherwise, for purposes of this Policy, the term "Covered Executive" means a current or former employee who is or was identified by the Company as the Company's president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person (including any executive officer of the Company's subsidiaries or affiliates) who performs similar policy-making functions for the Company. "Policy-making function" excludes policy-making functions that are not significant. "Covered Executives" will include, at minimum, the executive officers identified by the Company in its disclosure prepared in response to either (i) Item 401(b) of Regulation S-K of the Exchange Act if the Company files its annual report with the United States Securities and Exchange Commission (the "**SEC**") on Form 10-K, (ii) Item 6.B of Form 20-F if the Company files its annual report with the SEC on Form 20-F, or (iii) Item B.19 of Form 40-F if the Company files its annual report with the SEC on Form 40-F. For the avoidance of doubt, "Covered Executives" will include at least the following Company officers: Executive Chairman, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and Chief Administrative Officer.

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This Policy covers Incentive Compensation received by a person after beginning service as a Covered Executive and who served as a Covered Executive at any time during the performance period for that Incentive Compensation.

4. **Recovery: Accounting Restatement**.

In the event of an "Accounting Restatement," the Company will recover reasonably promptly any excess Incentive Compensation received by any Covered Executive during the three completed fiscal years immediately preceding the date on which the Company is required to prepare an Accounting Restatement, including transition periods resulting from a change in the Company's fiscal year as provided in Rule 10D-1 of the Exchange Act. Incentive Compensation is deemed **"received"** in the Company's fiscal period during which the Financial Reporting Measure specified in the Incentive Compensation award is attained, even if the payment or grant of the Incentive Compensation occurs after the end of that period.

(a) Definition of Accounting Restatement.

For the purposes of this Policy, an "**Accounting Restatement**" means the Company is required to prepare an accounting restatement of its financial statements filed with the Securities and Exchange Commission (the "**SEC**") due to the Company's material noncompliance with any financial reporting requirements under the federal securities laws (including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period).

The determination of the time when the Company is **"required"** to prepare an Accounting Restatement shall be made in accordance with applicable SEC and national securities exchange rules and regulations.

An Accounting Restatement does not include situations in which financial statement changes did not result from material non-compliance with financial reporting requirements, such as, but not limited to retrospective: (i) application of a change in accounting principles; (ii) revision to reportable segment information due to a change in the structure of the Company's internal organization; (iii) reclassification due to a discontinued operation; (iv) application of a change in reporting entity, such as from a

reorganization of entities under common control; (v) adjustment to provision amounts in connection with a prior business combination; and (vi) revision for stock splits, stock dividends, reverse stock splits or other changes in capital structure.



(b) Definition of Incentive Compensation.

For purposes of this Policy, "**Incentive Compensation**" means any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure, including, for example, bonuses or awards under the Company's short and long-term incentive plans, grants and awards under the Company's equity incentive plans, and contributions of such bonuses or awards to the Company's deferred compensation plans or other employee benefit plans that are not tax-qualified plans. For avoidance of doubt, Incentive Compensation that is deferred (either mandatorily or voluntarily) under the Company's non-qualified deferred compensation plans, as well as any matching amounts and earnings thereon, are subject to this Policy. Incentive Compensation does not include awards which are granted, earned and vested without regard to attainment of Financial Reporting Measures, such as time-vesting awards, discretionary awards and awards based wholly on subjective standards, strategic measures or operational measures.

(c) Financial Reporting Measures.

**"Financial Reporting Measures"** are those that are determined and presented in accordance with the accounting principles used in preparing the Company's financial statements (including non-GAAP financial measures) and any measures derived wholly or in part from such financial measures. For the avoidance of doubt, Financial Reporting Measures include stock price and total shareholder return. A measure need not be presented within the financial statements or included in a filing with the SEC to constitute a Financial Reporting Measure for purposes of this Policy.

(d) Excess Incentive Compensation: Amount Subject to Recovery.

The amount(s) to be recovered from the Covered Executive will be the amount(s) by which the Covered Executive's Incentive Compensation for the relevant period(s) exceeded the amount(s) that the Covered Executive otherwise would have received had such Incentive Compensation been determined based on the restated amounts contained in the Accounting Restatement. All amounts shall be computed without regard to taxes paid.

For Incentive Compensation based on Financial Reporting Measures such as stock price or total shareholder return, where the amount of excess compensation is not subject to mathematical recalculation directly from the information in an Accounting Restatement, the Board will calculate the amount to be reimbursed based on a reasonable estimate of the effect of the Accounting Restatement on such Financial Reporting Measure upon which the Incentive Compensation was received. The Company will maintain documentation of that reasonable estimate and will provide such documentation to the applicable national securities exchange.



(e) Method of Recovery.

The Board will determine, in its sole discretion, the method(s) for recovering reasonably promptly excess Incentive Compensation hereunder. Such methods may include, without limitation:

(i) requiring reimbursement of Incentive Compensation previously paid;

(ii) forfeiting any Incentive Compensation contribution made under the Company's deferred compensation plans;

(iii) offsetting the recovered amount from any compensation or Incentive Compensation that the Covered Executive may earn or be awarded in the future;

(iv) taking any other remedial and recovery action permitted by law, as determined by the Board; or

(v) some combination of the foregoing.

**5. No Indemnification or Advance**.

Subject to applicable law, the Company shall not indemnify, including by paying or reimbursing for premiums for any insurance policy covering any potential losses, any Covered Executives against the loss of any erroneously awarded Incentive Compensation, nor shall the Company advance any costs or expenses to any Covered Executives in connection with any action to recover excess Incentive Compensation.

**6. Interpretation**.

The Board is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate or advisable for the administration of this Policy. It is intended that this Policy be interpreted in a manner that is consistent with the requirements of Section 10D of the Exchange Act and any applicable rules or standards adopted by the SEC or any national securities exchange on which the Company's

securities are listed.

**7. Effective Date**.

The effective date of this Policy is October 2, 2023 (the "**Effective Date**"). This Policy applies to Incentive Compensation received by Covered Executives on or after the Effective Date that results from attainment of a Financial Reporting Measure based on or derived from financial information for any fiscal period ending on or after the Effective Date. In addition, this Policy is intended to be and will be incorporated as an essential term and condition of any Incentive Compensation agreement, plan or program that the Company establishes or maintains on or after the Effective Date.

**8. Amendment and Termination**.

The Board may amend this Policy from time to time in its discretion, and shall amend this Policy as it deems necessary to reflect changes in regulations adopted by the SEC under Section 10D of the Exchange Act and to comply with any rules or standards adopted by the NYSE American or any other securities exchange on which the Company's shares are listed in the future.



**9. Other Recovery Rights**.

The Board intends that this Policy will be applied to the fullest extent of the law. The Board may in its discretion require that any employment agreement or similar agreement relating to Incentive Compensation received on or after the Effective Date shall, as a condition to the grant of any benefit thereunder, require a Covered Executive to agree to abide by the terms of this Policy. Any right of recovery under this Policy is in addition to, and not in lieu of, any (i) other remedies or rights of compensation recovery that may be available to the Company pursuant to the terms of any similar policy in any employment agreement, or similar agreement relating to Incentive Compensation, unless any such agreement expressly prohibits such right of recovery, and (ii) any other legal remedies available to the Company. The provisions of this Policy are in addition to (and not in lieu of) any rights to repayment the Company may have under Section 304 of the Sarbanes-Oxley Act of 2002 and other applicable laws.

**10. Impracticability**.

The Company shall recover any excess Incentive Compensation in accordance with this Policy, except to the extent that certain conditions are met and the Board has determined that such recovery would be impracticable, all in accordance with Rule 10D-1 of the Exchange Act and Section 811 of the NYSE American Company Guide or any other securities exchange on which the Company's shares are listed in the future.

**11. Successors**.

This Policy shall be binding upon and enforceable against all Covered Executives and their beneficiaries, heirs, executors, administrators or other legal representatives.



**Schedule A**

**INCENTIVE-BASED COMPENSATION CLAWBACK POLICY**
**RECEIPT AND ACKNOWLEDGEMENT**

I,_____, hereby acknowledge that I have received and read a copy of the Incentive Compensation Recovery Policy. As a condition of my receipt of any Incentive Compensation as defined in the Policy, I hereby agree to the terms of the Policy. I further agree that if recovery of excess Incentive Compensation is required pursuant to the Policy, the Company shall, to the fullest extent permitted by governing laws, require such recovery from me up to the amount by which the Incentive Compensation received by me, and amounts paid or payable pursuant or with respect thereto, constituted excess Incentive Compensation. If any such reimbursement, reduction, cancelation, forfeiture, repurchase, recoupment, offset against future grants or awards and/or other method of recovery does not fully satisfy the amount due, I agree to immediately pay the remaining unpaid balance to the Company.

Signature Date

**Exhibit 99.1**




**Annual Information Form**

For the year ended December 31, 2023

Dated as of March 28, 2024

**enCore Energy Corp.**
101 N. Shoreline Blvd, Suite 450
Corpus Christi, TX
78401
Phone: 361-239-5449
www.encoreuranium.com

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## PRELIMINARY NOTES

### Date of Information

Unless otherwise indicated, all information contained in this Annual Information Form (" **AIF**") of enCore Energy Corp. (the " **Company**") is current as of December 31, 2023 with subsequent events disclosed to March 27, 2024.

### Documents Incorporated by Reference

Incorporated by reference into this AIF are the following documents:

- A report entitled "Crownpoint and Hosta Butte Uranium Project McKinley County, New Mexico, USA Mineral Resources Technical Report" dated and with an effective date of February 25, 2022 and a revision date of March 16, 2022, prepared by Douglas L. Beahm, P.E., P.G., Carl Warren, P.E., P.G., and W. Paul Goranson, P.E. (the "**Crownpoint and Hosta Butte Technical Report**");
- A report entitled "NI 43-101 Technical Report, Preliminary Economic Assessment, Gas Hills Uranium Project, Fremont and Natrona Counties, Wyoming, USA" dated August 10, 2021 with an effective date of June 28, 2021 prepared by Ray Moores, P.E. of Western Water Consultants and Steve Cutler, P.G. of Roughstock Mining Services, LLC (the "**Gas Hills Technical Report**");
- A report entitled "NI 43-101 Technical Report Preliminary Economic Assessment Dewey-Burdock Uranium ISR Project South Dakota, USA" dated December 23, 2020 and effective as of December 3, 2019 prepared by Matthew Yovich, P.E. of Woodard & Curran and Steve Cutler, P.G. of Roughstock Mining Services, LLC (the "**Dewey Burdock Project Technical Report**"); and
- A report entitled "Technical Report Summary for the Alta Mesa Uranium Project, Brooks and Jim Hogg Counties, Texas, USA" dated effective January 19, 2023 prepared by Douglas Beahm, P.E., P.G. of BRS Inc. (the "**Alta Mesa Technical Report**")

(collectively, the "**Technical Reports**").

Copies of documents incorporated by reference are available under the profiles of the Company and Azarga Uranium Corp. on the SEDAR website at www.sedarplus.ca.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for the purposes of this AIF to the extent that a statement contained in this AIF or in any subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded will not constitute a part of this AIF, except as so modified or superseded. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of such a modifying or superseding statement will not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

### Technical Information

Scientific or technical information contained in this AIF or in a document incorporated or deemed to be incorporated by reference herein, other than technical information extracted from the Technical Reports, was approved by John M. Seeley, PhD, PG, CPG, a "qualified person" for the purposes of NI 43-101 and the Manager of Geology and Exploration for the Company.



### Forward-looking Information

This AIF and information incorporated by reference herein, contains "forward-looking information" and "forward-looking statements" (referred to together herein as "forward- looking information"). Forward-looking statements and information can generally be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "continue", "plans" or similar terminology. Forward-

looking statements and information are not historical facts, are made as of the date of this AIF, and include, but are not limited to, statements regarding discussions of results from operations (including, without limitation, statements about the Company's opportunities, strategies, competition, expected activities and expenditures as the Company pursues its business plan, the adequacy of the Company's available cash resources and other statements about future events or results), performance (both operational and financial) and business prospects, future business plans and opportunities and statements as to management's expectations with respect to, among other things, the activities contemplated in this AIF.

Forward-looking statements included or incorporated by reference in this AIF include, without limitation, statements related to: the Company's future financial and operational performance; the sufficiency of the Company's current working capital, anticipated cash flow or its ability to raise necessary funds; the anticipated amount and timing of work programs; our expectations with respect to future exchange rates; the estimated cost of and availability of funding necessary for sustaining capital; forecast capital and non-operating spending; the Company's plans and expectations for its property, exploration, development, production, and community relations operations; the use of available funds; expectations regarding the process for and receipt of regulatory approvals, permits and licenses under governmental and other applicable regulatory regimes, including U.S. government policies towards domestic uranium supply; expectations about future uranium market prices, production costs and global uranium supply and demand; expectations regarding holding physical uranium for long-term investment; the establishment of mineral resources on any of the Company's current or future mineral properties (other than the Company's properties that currently have an established mineral resource estimates); future royalty and tax payments and rates; expectations regarding possible impacts of litigation and regulatory actions; the completion of reclamation activities at former mine or extraction sites.

Such forward-looking statements reflect the Company's current views with respect to future events, based on information currently available to the Company and are subject to and involve certain known and unknown risks, uncertainties, assumptions and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed in or implied by such forward-looking statements. The forward-looking statements in this AIF are based on material assumptions, including the following: our budget, including expected levels of exploration, evaluation and operations activities and costs, as well as assumptions regarding market conditions and other factors upon which we have based our income and expenditure expectations; assumptions regarding the timing and use of our cash resources; our ability to, and the means by which we can, raise additional capital to advance other exploration and evaluation objectives; our operations and key suppliers are essential services, and our employees, contractors and subcontractors will be available to continue operations; our ability to obtain all necessary regulatory approvals, permits and licenses for our planned activities under governmental and other applicable regulatory regimes; our expectations regarding the demand for, and supply of, uranium, the outlook for long-term contracting, changes in regulations, public perception of nuclear power, and the construction of new and ongoing operation of existing nuclear power plants; our expectations regarding spot and long-term prices and realized prices for uranium; our expectations that our holdings of physical uranium will be helpful in securing project financing and/or in securing long- term uranium supply agreements in the future; our expectations regarding tax rates, currency exchange rates, and interest rates; our decommissioning and reclamation obligations and the status and ongoing maintenance of agreements with third parties with respect thereto; our mineral resource estimates, and the assumptions upon which they are based; our, and our contractors', ability to comply with current and future environmental, safety and other regulatory requirements and to obtain and maintain required regulatory approvals; and our operations are not significantly disrupted by political instability, nationalization, terrorism, sabotage, pandemics, social or political activism, breakdown, natural disasters, governmental or political actions, litigation or arbitration proceedings, equipment or infrastructure failure, labour shortages, transportation disruptions or accidents, or other development or exploration risks.



The risks, uncertainties, assumptions and other factors that could cause actual results to differ materially from any future results expressed in or implied by the forward-looking statements in this AIF include, but are not limited to, the following factors: exploration and development risks; changes in commodity prices; access to skilled mining personnel; results of exploration and development activities; uninsured risks; regulatory risks; defects in title; availability of materials and equipment, timeliness of government approvals and unanticipated environmental impacts on operations; risks posed by the economic and political environments in which the Company operates and intends to operate; the potential for losses arising from the expansion of operations into new markets; increased competition; assumptions regarding market trends and the expected demand and desires for the Company's products and proposed products; reliance on industry manufacturers, suppliers and others; the failure to adequately protect intellectual property; the failure to adequately manage future growth; adverse market conditions; and the failure to satisfy ongoing regulatory requirements. In addition, the risks, assumptions, and other factors set out herein and in the Company's public filings, including the most recent Management Discussion and Analysis ("**MD&A**") for the year ended December 31, 2023, could cause actual results to differ materially from any future results expressed in or implied by the forward-looking statements in this AIF. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. These risks, uncertainties, assumptions and other factors should be considered carefully, and prospective investors and readers should not place undue reliance on the forward-looking statements.

Any forward-looking statement speaks only as of the date on which such statement is made, and the Company undertakes no obligation to update any forward-looking statement or information or statements to reflect information, events, results, circumstances or otherwise after the date on which such statement is made or to reflect the occurrence of unanticipated events, except as required by applicable laws. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such fact on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements or information. All of the forward-looking statements contained or incorporated into this AIF are qualified by the foregoing cautionary statements.

**Currency**

All dollar amounts in this AIF are expressed in U.S. dollars unless otherwise indicated.

## GLOSSARY OF TERMS

For ease of reference, the following factors for converting metric measurements into imperial equivalents are as follows:

| Metric Units | Multiply By | Imperial Units |
|---|---|---|
| Hectares | 2.471 | = acres |
| Meters | 3.281 | = feet |
| Kilometers | 0.621 | = miles (5,280 feet) |
| Grams | 0.032 | = ounces (troy) |
| Tonnes | 1.102 | = tons (short) (2,000 lbs) |
| grams/tonne | 0.029 | = ounces (troy)/ton |



**Abbreviations**

In this AIF, the abbreviations set forth below have the following meanings:

| | | | |
|---|---|---|---|
| $ | U.S. dollar | $km^2$ | square kilometer |
| ° | degrees | kv | kilovolt |
| % | percent | m | meter |
| C$ | Canadian dollar | $m^2$ | square meter |
| ft | feet | lb | pound |
| g/t | metric gam per metric tonne | $U_3O_8$ | tri-uranium octo-oxide |
| kg | kilogram | ppm | parts per million |
| kg/t | kilograms per tonne | U | uranium |
| kl/t | kilo liters per tonne | ac | acres |

In this AIF, the following terms have the meanings set forth herein:

"**Acquisition Agreement**" means the membership interest purchase agreement dated November 13, 2022, and as amended on December 28, 2022 and on February 13, 2023, entered into among the Company, EFR White Canyon, and enCore Energy US for the Alta Mesa Acquisition;

"**Agents**" mean the Lead Agents, Canaccord Genuity Corp., Canaccord Genuity LLC, Haywood Securities Inc., PI Financial Corp., and Jett Capital Advisors, LLC;

"**AGM**" means the Company's annual general meeting of shareholders held on June 21, 2023;

"**AIF**" means this annual information form of the Company for the year ended December 31, 2023;

**"Alta Mesa Acquisition"** means the Company's acquisition of the Alta Mesa Uranium Project from EFR White Canyon for the Alta Mesa Consideration;

**"Alta Mesa Consideration"** means the total consideration of US$120 million for the Alta Mesa Acquisition, consisting of US$60 million in cash and the Note;

"**Alta Mesa Entities**" means enCore Alta Mesa LLC, Leoncito Plant, LLC and Leoncito Project, LLC;

**"Alta Mesa Technical Report"** means the technical report entitled "Technical Report Summary for the Alta Mesa Uranium Project, Brooks and Jim Hogg Counties, Texas, USA" dated effective January 19, 2023 prepared by Douglas Beahm, P.E., P.G. of BRS Inc.;

"**Alta Mesa Uranium Project**" means the fully licensed and constructed in-situ recovery (ISR) mining project and central processing facility currently on standby, located on almost 200,000 acres of private land in the State of Texas, as further described in *Material Mineral Properties – Alta Mesa Uranium Project;*

"**Anfield**" means Anfield Energy Inc.;

"**ATM Offering**" means the "at-the-market" offering of the Company pursuant to the Sales Agreement for proceeds of up to US$70,000,000;



"**Audit Committee**" means the Company's audit committee of the Board of Directors;

"**Azarga**" means Azarga Uranium Corp.;

"**BCBCA**" means the *Business Corporations Act* (British Columbia), as amended and supplemented from time to time;

"**Board of Directors**" means the board of directors of the Company;

"**Boss Energy**" means Boss Energy Limited;

"**Cebolleta**" means the Cebolleta Uranium Project;

"**CEO**" means the Chief Executive Officer of the Company;

"**CFO**" means the Chief Financial Officer of the Company;

"**Cibola**" means Cibola Resources, LLC;

"**Common Shares**" means the common shares without par value in the capital of the Company;

"**CRC**" means Core Research Center;

"**Crownpoint and Hosta Butte Project**" means the Company's 100% interest in McKinley properties and a 60% - 100% interest in the adjacent Crownpoint and Hosta Butte properties, all of which are located in McKinley County, New Mexico, as further described in *Material Mineral Properties – Crownpoint and Hosta Butte Project*;

"**Crownpoint and Hosta Butte Technical Report**" means the technical report entitled "Crownpoint and Hosta Butte Uranium Project McKinley County, New Mexico, USA" dated February 25, 2022, with an effective date of February 25, 2022 and a revision date of March 16, 2022, prepared by Douglas L. Beahm, P.E., P.G., Carl Warren, P.E., P.G., and W. Paul Goranson, P.E.;

"**Dewey Burdock Project**" means the Company's advanced-stage uranium exploration project located in South Dakota and is solely controlled by Powertech USA, Inc., a wholly-owned subsidiary of the Company, as further described in *Material Mineral Properties – Dewey Burdock Project;*

"**Dewey Burdock Technical Report**" means the technical report entitled "NI 43-101 Technical Report Preliminary Economic Assessment Dewey-Burdock Uranium ISR Project South Dakota, USA" dated December 23, 2020 and effective as of December 3, 2019 prepared by Matthew Yovich, P.E. of Woodard & Curran and Steve Cutler, P.G. of Roughstock Mining Services, LLC;

"**EFR White Canyon**" means EFR White Canyon Corp.;

"**Elephant Capital**" means Elephant Capital Corp.;

"**enCore**" or "**Company**" means enCore Energy Corp.;

"**enCore Energy US**" means enCore Energy US Corp., a wholly-owned subsidiary of the Company;

"**Energy Fuels**" means Energy Fuels Inc.;



"**Exchange Ratio**" means the exchange ratio of the Arrangement, being 0.375 enCore shares for each common share of Azarga;

"**Gas Hills Project**" means the Company's Gas Hills Uranium Project located approximately 45 miles east of Riverton, Wyoming in the historic Gas Hills Uranium District, as further described in *Material Mineral Properties – Gas Hills Project*;

"**Gas Hills Technical Report**" means the technical report entitled "NI 43-101 Technical Report, Preliminary Economic Assessment, Gas Hills Uranium Project, Fremont And Natrona Counties, Wyoming, USA" dated August 10, 2021 with an effective date of June 28, 2021 prepared by Ray Moores, P.E. of Western Water Consultants Inc. and Steve Cutler, P.G. of Roughstock Mining Services, LLC;

"**historical estimate**" means an estimate of the quantity, grade, or metal or mineral content of a deposit that an issuer has not verified as a current mineral resource or mineral reserve, and which was prepared before the issuer acquiring, or entering into an agreement to acquire, an interest in the property that contains the deposit;

"**JV Agreement**" means the limited liability company agreement which governs JV Alta Mesa, entered into between enCore Energy US Corp. and Boss Energy (US) LLC as of February 13, 2024, and as amended and restated on February 26, 2024;

"**JV Alta Mesa**" means JV Alta Mesa LLC, a Delaware limited liability company formed to hold the Alta Mesa Uranium Project;

"**Lead Agents**" mean Cantor Fitzgerald Canada Corporation and Cantor Fitzgerald & Co.;

"**Marquez-Juan Technical Report**" means the technical report entitled "MARQUEZ-JUAN TAFOYA URANIUM PROJECT" dated and with an effective date of June 9, 2021 prepared by Douglas L. Beahm, P.E., P.G., BRS Inc. and Terence P. McNulty, PE, PHD, McNulty and Associates;

"**Marquez-Juan Project**" means the Marquez-Juan Tafoya Uranium Project which consists of private mineral leases located in McKinley and Sandoval counties of New Mexico, on the eastern end of the Grants Uranium District in northern New Mexico;

"**Master Agreement**" means the master transaction agreement dated December 5, 2023 among the Company, enCore Energy US, and Boss Energy;

"**MEUS**" means Metamin Enterprises US Inc., a wholly-owned subsidiary of enCore Energy US;

"**mineral reserve**" means the economically mineable part of a measured and/or indicated mineral resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at pre-feasibility or feasibility level as appropriate that include application of modifying factors;

"**mineral resources**" means a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral resources are sub-divided, in order of increasing geological confidence, into inferred, indicated and measured categories;



"**mineralization**" means in exploration, a reference to a notable concentration of metals and their associated mineral compounds, or a specific mineral, within a body of rock;

"**Nasdaq**" means Nasdaq Stock Market LLC;

"**Neutron Energy**" means Neutron Energy, Inc.;

"**NI 43-101**" means National Instrument 43-101 *Standards of Disclosure for Mineral Projects*;

"**NI 52-110**" means National Instrument 52-110 *Audit Committees*;

**"Note"** means the $60 million secured convertible promissory note with EFR White Canyon;

"**NRC**" means US Nuclear Regulatory Commission;

"**Nuclear Fuels**" means Nuclear Fuels Inc. (formerly, Uravan Minerals Inc.)

"**NYSE American**" means NYSE American LLC;

"**NZ**" means The NZ Land Company;

"**NZU**" means NZ Uranium LLC;

"**Offering**" means the public offering of Units for aggregate gross proceeds of C$34,500,862.50 closed on February 8, 2023;

"**Offering Prospectus**" means the short form prospectus of the Company dated February 3, 2023 and filed in connection with the Offering;

"**OTCQB**" means OTCQB Venture Market;

"**Prospectus Supplement**" means the prospectus supplement dated June 26, 2023 to the Company's short form base shelf prospectus dated June 20, 2023;

"**Red Cloud**" means Red Cloud Securities Inc. and Red Cloud Financial Services Inc.;

"**Registration Statement**" means the registration statement on Form F-10 (including such Offering Prospectus) filed with the SEC for the Offering;

"**Rosita Project**" means the Company's uranium processing plant and associated well fields located in Duval County, Texas, as further described in *General Development of the Business;*

"**Sales Agreement**" means the Controlled Equity Offering[SM] Sales Agreement dated as of June 26, 2023 entered into among the Company and the Agents;

"**SEC**" means the U.S. Securities and Exchange Commission;

"**SEDAR**" means SEDAR+, the System for Electronic Document Analysis and Retrieval;

"**Share Consolidation**" means the share consolidation of the Common Shares on the basis of one (1) post-consolidation Common Share for every three (3) pre-consolidation Common Shares;



"**Stock Option Plan**" means the Company's stock option plan, as further amended from time to time;

"**Technical Reports**" means the Crownpoint and Hosta Butte Technical Report, the Dewey Burdock Technical Report, the Gas Hills Technical Report, and the Alta Mesa Technical Report;

"**Tigris**" means Tigris Uranium US Corp.;

"**TSX-V**" means the TSX Venture Exchange;

"**Units**" means a unit of the Company, consisting of one Unit Share and one-half of one Warrant, issued under the Offering;

"**Unit Share**" means a Common Share underlying the Units;

"**URI**" means URI, Inc.;

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended;

"**USGS**" means United States Geological Survey;

"**Vane**" means VANE Minerals (US) LLC;

"**Warrants**" means the Common Share purchase warrants underlying the Units, with each Warrant exercisable into a Warrant Share at a price of $4.05 for a period of 36 months following the closing of the Offering;

"**Warrant Share**" means the Common Shares issuable upon exercise of the Warrants; and

"**Westwater**" means Westwater Resources Inc.

## CORPORATE STRUCTURE

### Name, Address and Incorporation

enCore was incorporated on October 30, 2009 under the *Business Corporations Act* (British Columbia) (the "**BCBCA**") under the name "Dauntless Capital Corp." The company's name was changed to "Tigris Uranium Corp." on September 2, 2010, and changed to "Wolfpack Gold Corp." on May 15, 2013. On August 15, 2014, the company's name was changed to "enCore Energy Corp."

The Company is a reporting issuer in all the provinces and territories of Canada. The Company's Common Shares are listed for trading on the TSX-V and on Nasdaq under the symbol "EU".

The principal offices of the Company are located at Suite 450, 101 N. Shoreline Blvd, Corpus Christi, Texas 78401, United States of America. The Company's registered and records office is located at Suite 1200, 750 West Pender Street, Vancouver, British Columbia, V6C 2T8.

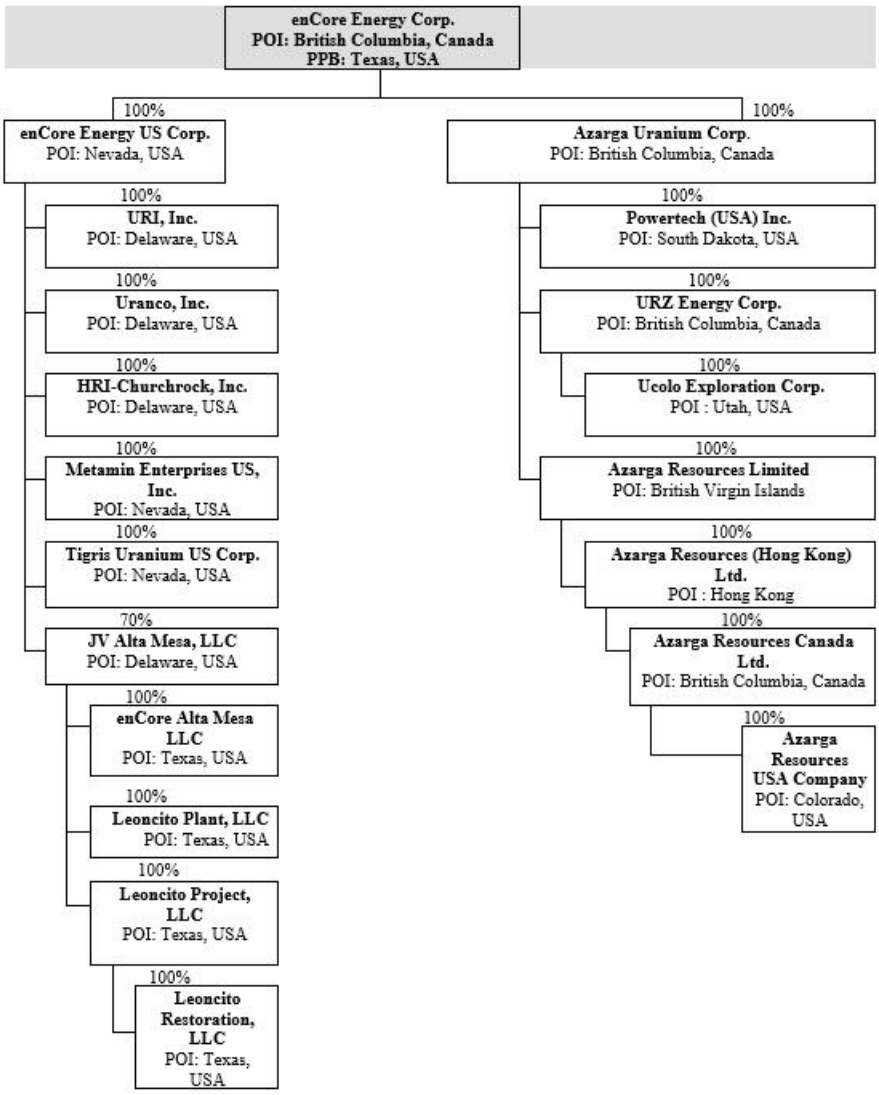


### Intercorporate Relationships

enCore has the following subsidiaries as at the date of this AIF:

| Name of Subsidiary | Jurisdiction of Incorporation | Percentage of Voting Shares/Interests beneficially owned directly or indirectly by enCore |
|---|---|---|
| Azarga Uranium Corp. | British Columbia | 100% directly |
| Powertech (USA) Inc. | South Dakota | 100% indirectly through Azarga Uranium Corp. |
| URZ Energy Corp. | British Columbia | 100% indirectly through Azarga Uranium Corp. |
| Ucolo Exploration Corp. | Utah | 100% indirectly through URZ Energy Corp. |
| Azarga Resources Limited | British Virgin Islands | 100% indirectly through Azarga Uranium Corp. |
| Azarga Resources (Hong Kong) Ltd. | Hong Kong | 100% indirectly through Azarga Resources Limited |
| Azarga Resources Canada Ltd. | British Columbia | 100% indirectly through Azarga Resources (Hong Kong) Limited |
| Azarga Resources USA Company | Colorado | 100% indirectly through Azarga Resources Canada Ltd. |
| enCore Energy US Corp. | Nevada | 100% directly |
| HRI-Churchrock, Inc. | Delaware | 100% indirectly through enCore Energy US Corp. |
| Metamin Enterprises US Inc. | Nevada | 100% indirectly through enCore Energy US Corp. |
| Tigris Uranium US Corp. | Nevada | 100% indirectly through enCore Energy US Corp. |
| Uranco, Inc. | Delaware | 100% indirectly through enCore Energy US Corp. |
| URI, Inc. | Delaware | 100% indirectly through enCore Energy US Corp. |
| JV Alta Mesa LLC | Delaware | 70% indirectly through enCore Energy US Corp. |
| enCore Alta Mesa LLC | Texas | 100% indirectly through JV Alta Mesa LLC |
| Leoncito Plant, LLC | Texas | 100% indirectly through JV Alta Mesa LLC |
| Leoncito Project, LLC | Texas | 100% indirectly through JV Alta Mesa LLC |
| Leoncito Restoration, LLC | Texas | 100% indirectly through Leoncito Project, LLC |

The following organizational chart illustrates enCore's principal subsidiaries as at the date of this AIF:




**Notes:**

* POI = Place of incorporation or legal organization
* PPB= Principal place of business



## GENERAL DEVELOPMENT OF THE BUSINESS

### Three Year History

The following provides an overview of events during the three year period prior to the date of this AIF.

2021:

Project Developments, Acquisitions and Dispositions

In June 2021, the Company announced the results of a Preliminary Economic Assessment for the Company's recently consolidated Juan Tafoya and Marquez projects located in the Grant's Uranium District in northwest New Mexico.

On August 27, 2021, the Company entered into a Share Purchase Agreement with Elephant Capital Corp. (" **Elephant Capital**") to sell all of the outstanding share capital of Cibola Resources, LLC ("**Cibola**"), held by the Company's wholly-owned subsidiary, Neutron Energy, Inc., to Elephant Capital. Cibola which itself controls the rights to a lease of a mineral property comprising approximately 6,700 acres of mineral rights and 5,700 acres of surface rights located in west-central New Mexico and commonly referred to as the "Cebolleta Uranium Project" ("**Cebolleta**").

On October 29, 2021, Evolving Gold Corp. announced that it was acquiring Elephant Capital.

On December 31, 2021, the Company completed the acquisition of all of the issued and outstanding common shares of Azarga in exchange for 95,419,852 Common Shares of the Company. Outstanding and unexercised warrants and options to purchase common shares of Azarga were deemed to be exchanged for options and warrants to purchase Common Shares of the Company on an adjusted basis. The Arrangement consolidated a pipeline of exploration and development staged in-situ recovery ("**ISR**") focused uranium projects located in the United States, including the licensed Rosita Project and Kingsville Dome past producing uranium production facilities in South Texas, the advanced stage Dewey Burdock development project in South Dakota, which has been issued its key federal permits, the PEA-staged Gas Hills Project located in Wyoming, and a portfolio of resource staged projects throughout the United States. In connection with the Arrangement, the U.S. Nuclear Regulatory Commission ("**NRC**") approved the change of control over the Dewey Burdock Source and By-Product Materials License, which enables the Company to receive, acquire, possess, and transfer natural uranium and byproduct material in any form without restriction on quantity, at the Dewey-Burdock Project in Fall River and Custer Counties, South Dakota.

Financing and Corporate Developments

In March 2021, enCore completed a private placement of 15,000,000 units at a price of C$1.00 per unit for gross proceeds of C$15,000,000. Each unit was comprised of one Common Share and one-half of one common share purchase warrant. Each whole warrant entitles the holder thereof to purchase one common share at an exercise price of $1.30 until March 9, 2024.

Uranium Contract Developments

In April 2021, the Company acquired 200,000 pounds of $U_3O_8$ for a purchase price of C$37.12 per pound ($29.65 per pound) or C$7,423,767 and another 100,000 of $U_3O_8$ for a purchase price of C$37.58 per pound ($30.80 per pound) or C$3,757,600.

In July 2021, the Company entered into a uranium supply contract with UG USA, Inc. Pursuant to the agreement, UG USA, Inc. will purchase $U_3O_8$ from the Company for up to two million pounds from 2023 through 2027. The sales price under the agreement will be tied to spot market pricing with terms that are more representative of current market conditions and practices. In August 2021, the Company and UG USA, Inc. agreed to terminate a previous sales agreement which was entered into prior to the July 2021 contract (as referenced above), acquired by the Company in the asset acquisition with Westwater Resources Inc. ("**Westwater**") in December 2020 for a cancellation fee of $2,750,000.



In September, the Company sold 200,000 pounds $U_3O_8$ to two different buyers for an average sales price of C$34.88 per pound $U_3O_8$. The Company realized revenue from these sales of C$6,975,000.

In December, the Company secured a second uranium purchase agreement with a Fortune 150 United States utility. The uranium purchase agreement, which represents the second purchase agreement executed by enCore, is a four-year agreement commencing in 2024, and it covers up to 1.3 million pounds $U_3O_8$ based on market pricing with a ceiling price significantly higher than the current uranium spot market price at the time of the announcement.

**2022:**

Project Developments, Acquisitions and Dispositions

In April, the Company announced positive results from its on-going uranium delineation and exploration drill programs at the Rosita Project. Highlights of the Rosita South uranium delineation and exploration drill programs include: (a) 32 drill holes reported for a total of ~11,000 feet including 20 delineation drill holes and 12 exploration drill holes; (b) the exploration drilling has identified 8 mineralized sands plus an additional 4 potentially mineralized sands, all within 800 feet of the surface, which provide opportunities for discovery of future uranium resources across the entire Rosita project; and (c) Delineation drill results established an extension of mineralization in the Production Area which supports the start-up of the Rosita Plant expected next year.

The Company also announced that the refurbishment of the Rosita Project is 90% complete, and the Company intends to commence commissioning work once the modernization and refurbishment project is complete. Following commissioning work the Rosita Project will be ready to start receiving loaded resin. Monitor well installation, baseline water quality analysis, and hydrological testing will be completed as part of the Production Area Authorization (PAA) process with the Texas Commission on Environmental Quality. (TCEQ). wellfield installation will begin immediately following the submittal of the PAA data package to the TCEQ. All activities are on track and on budget for a projected 2023 production start.

In May, the Company completed the sale of Cibola, including its holding of Ceboletta, to Elephant Capital pursuant to the Share Purchase Agreement with Elephant Capital dated August 27, 2021. Subsequently on May 24, 2022, the Company acquired 11,308,250 common shares of American Future Fuel Corporation (formerly Evolving Gold Corp), representing approximately 15.90% on an undiluted basis of the outstanding shares of American Future Fuel Corporation, and a cash payment of $250,000 in exchange for common shares of Elephant Capital previously held by the Company.

On November 13, 2022, the Company entered into the Acquisition Agreement to acquire the Alta Mesa Uranium Project, a uranium project from EFR White Canyon for total Alta Mesa Consideration of $120 million. The Alta Mesa Uranium Project is a fully licensed and constructed ISR project and central processing facility currently on standby, located on almost 200,000 acres of private land in the state of Texas. Total operating capacity is 1.5 million lbs $U_3O_8$ per year. The Alta Mesa Uranium Project historically produced nearly 5 million lbs $U_3O_8$ between 2005 and 2013, when full production was curtailed as a result of low uranium prices at the time. The Alta Mesa Uranium Project has not been in commercial production since 2013. enCore intends to immediately pursue the resumption of operations following completion of the Alta Mesa Acquisition.

Pursuant to the terms of the Acquisition Agreement, the Company, through its wholly owned subsidiary enCore Energy US Corp. (" **enCore Energy US**"), acquired all of the limited liability company membership interests in each of the three Texas limited liability companies which collectively own and control the Project, being enCore Alta Mesa LLC, Leoncito Plant, LLC and Leoncito Project, LLC (collectively, the " **Alta Mesa Entities**") from EFR White Canyon, a wholly owned subsidiary of Energy Fuels. The Company also assumed the reclamation obligations and obtained replacement surety bonds associated with the Project. The Alta Mesa Consideration payable to Energy Fuels consists of $60 million in cash and a $60 million secured convertible promissory note (the "**Note**") with EFR White Canyon. The obligations under the Note were secured by the assets of the Alta Mesa Entities and a pledge of the equity interests of the Alta Mesa Entities. In addition, the Company provided to EFR white Canyon a parent guarantee of the obligations under the Note. The Note had a two (2) year term with interest at a rate of 8% per annum payable on June 30th and December 31st of each year during the term. The Note was convertible at the election of the holder, to acquire Common Shares of the Company at a price equal to a 20% premium to the volume weighted average price of the Common Shares for the 10 consecutive trading days immediately prior to the closing of the Alta Mesa Acquisition. The Note was retired in February of 2024 (See "*Subsequent Events*" below).



Financing and Corporate Developments

In March, 2022, the Company completed a "bought deal" prospectus offering pursuant to which the Company sold an aggregate of 19,607,842 units of the Company at a price of C$1.53 per unit for aggregate gross proceeds of C$29,999,998.26. Each unit was comprised of one Common Share and one-half of one common share purchase warrant of the Company. Each whole warrant entitles the holder thereof to purchase one Common Share at an exercise price of C$2.00 until March 25, 2024. The Company paid the underwriters a cash commission of C$1,612,499.93 and issued an aggregate of 1,053,922 compensation options of the Company. Each compensation option is exercisable to acquire one Common Share at an exercise price of C$1.53 per share until March 25, 2024. The Company planned to use the net proceeds to maintain and advance the Company's material properties, acquire properties, plant upgrades, maintenance and refurbishment, and for general corporate and working capital purposes.

The Company announced some changes in its executive offices. On May 3, 2022, the Company appointed Mr. Peter Luthiger as Chief Operating Officer, and on July 15, 2022, the Company appointed Gregory Zerzan as Chief Administrative Officer and General Counsel. Mr. Luthiger is responsible for the commissioning and operation of the Rosita Uranium Processing Plant in South Texas.

In June, the Company appointed Susan Hoxie-Key, MSc, P.E., as a director of the Company. Ms. Hoxie-Key brings over 40 years of engineering experience in the nuclear fuel industry.

The Company consolidated the Common Shares in September, on the basis of one (1) post-consolidation Common Share for every three (3) pre-consolidation Common Shares (the "**Share Consolidation**"). The exercise price and the number of Common Shares issuable under any of the outstanding warrants, stock options or other convertible securities issued prior to the Share Consolidation was proportionately adjusted.

In December, in connection with the Alta Mesa Acquisition, the Company completed a brokered private placement (the " **Subscription Receipt Brokered Offering**") and issued an aggregate of 23,000,000 subscription receipts of the Company (" **Subscription Receipts**") at a price of C$3.00 per Subscription Receipt for aggregate gross proceeds of C$69 million, including the full exercise of the underwriters' option. Concurrently, the Company completed a non-brokered private placement of 277,000 Subscription Receipts for gross proceeds of C$831,000 (the "**Subscription Receipt Concurrent Offering**", and together with the Subscription Receipt Brokered Offering, the " **Subscription Receipt Offering**"). The Subscription Receipt Brokered Offering was completed pursuant to an underwriting agreement entered into among the Company, Canaccord Genuity Corp., Haywood Securities Inc., Cantor Fitzgerald Canada Corporation, PI Financial Corp., Clarus Securities Inc., and Red Cloud Securities Inc. (together with the Lead Underwriter, the "**Subscription Receipt Underwriters**"). The Subscription Receipts were issued pursuant to the terms of a subscription receipt agreement (the "**Subscription Receipt Agreement**") dated December 6, 2022 among the Company, Computershare Trust Company of Canada, as subscription receipt agent (the "**Subscription Receipt Escrow Agent**"), and Canaccord Genuity Corp. Upon satisfaction of the escrow release conditions included in the Subscription Receipt Agreement (the "**Escrow Release Conditions**"): (i) each of the Subscription Receipts will automatically convert into one unit of the Company (a " **Subscription Receipt Unit**"); and (ii) the net proceeds of the Subscription Receipt Offering will be released from escrow and used to fund the cash portion of the Alta Mesa Consideration payable by the Company pursuant to the Acquisition Agreement to acquire the Project from EFR White Canyon, and for working capital purposes.



Each Subscription Receipt Unit was comprised of one Common Share (each, a " **Subscription Receipt Share**") and one Common Share purchase warrant (each, a "**Subscription Receipt Warrant**"), with each Subscription Receipt Warrant entitling the holder thereof to acquire one Common Share at a price of C$3.75 for a period of 3 years following satisfaction of the Escrow Release Conditions.

Uranium Contract Developments

In February, the Company entered into an agreement to forward purchase 200,000 pounds $U_3O_8$ from a third party. The agreement allows the Company to acquire the uranium in 2023 at a fixed price, and the Company has prepaid a portion of the forward purchase price to secure the purchase agreement.

In June, the Company secured a uranium purchase sales agreement with a United States based nuclear power company. The agreement is a multi-year agreement commencing in 2025 and covers up to 600,000 pounds of $U_3O_8$ based on market pricing with a floor price that assures the Company's cost of product are met. The agreement includes an inflation adjusted ceiling price higher than the current uranium spot market

pricing providing the U.S. nuclear power plant assurance of cost certainty.

In December, 2022, the Company was awarded a contract to sell 100,000 pounds of natural uranium concentrates ($U_3O_8$) to the United States government, at a price of $70.50/pound, under the new Uranium Reserve Program. The uranium purchase will help the United States Government establish a strategic uranium reserve and represents the first uranium purchase by the United States government in 40 years. The U.S. National Nuclear Security Administration, an office within the U.S. Department of Energy, is the agency tasked with purchasing domestic $U_3O_8$ and conversion services for the Uranium Reserve Program. The Uranium Reserve is intended to be a backup source of supply for domestic nuclear power plants in the event of a significant market disruption and provide support for restarting uranium production in the United States. The Company is one of five qualified United States based operators, with existing licensed facilities, that is approved to sell domestically sourced natural uranium to the United States Government's Uranium Reserve Program.

**2023:**

Project Developments, Acquisitions and Dispositions

On February 15, 2023, the Company closed the Alta Mesa Acquisition for $60 million in cash and the Note. The Note has a two (2) year term and bears interest at a rate of 8% per annum payable on June 30th and December 31st of each year during the term. The Note is convertible at the election of the holder, to acquire common shares of enCore at a price of $2.9103 per share. Energy Fuels agreed not to transact with the common shares of enCore received on conversion of the Note, including hedging and short sales, with exceptions for sale transactions of up to $10 million in value in any 30-day period, block trades and underwritten distributions. In addition, Energy Fuels agreed to standard standstill provisions restricting additional acquisitions of enCore securities.

In connection with the closing of the Alta Mesa Acquisition, 23,277,000 Subscription Receipts were automatically converted into units comprised of one Subscription Receipt Share and one Subscription Receipt Warrant, with each warrant entitling the holder thereof to acquire one Subscription Receipt Warrant Share at a price of $3.75 for a period of 3 years until February 14, 2026. The net proceeds from the Subscription Receipt Offering of approximately $66 million, after deduction of fees and commissions, have been released from escrow to the Company, and were applied to fund the cash portion of the consideration payable by the Company pursuant to the Alta Mesa Acquisition.



In March, the Company made a formal production decision for the resumption of uranium production from the Alta Mesa processing plant in early 2024. Alta Mesa was the Company's second producing location following resumption of uranium production at the South Texas Rosita Uranium Processing Plant scheduled for 2023.

Also in March, the NRC license became final and fully effective. The challenger to the NRC granting of a source materials license to the Company's wholly-owned subsidiary, Powertech (USA) Inc., declined to seek review by the U.S. Supreme Court.

In May, the Company acquired all of the proprietary Prompt Fission Neutron (" **PFN**") technology and equipment, including related exclusive intellectual property, and global licensing rights from Energy Fuels for $3.1 million. The use and ownership of PFN technology provides enCore with a clear competitive advantage by providing close to real time assays for uranium that cannot be achieved using conventional coring and assay methods.

On June 5, 2023, the Company entered into a share purchase agreement with its wholly-owned indirect subsidiary, Neutron Energy, Inc. ("**Neutron Energy**") and Anfield Energy Inc. (" **Anfield**") whereby Anfield will acquire all of the issued and outstanding shares of Neutron Energy which holds the Marquez-Juan Tafoya Uranium Project located in New Mexico as its sole asset, in exchange for C$5,000,000 in cash and 185,000,000 common shares of Anfield. Pursuant to the Anfield Agreement, on closing of the transaction, enCore has the right to one seat on the board of directors of Anfield, which will be ongoing for so long as enCore holds at least 10% of the issued shares of Anfield. The Company will have the right to maintain its percentage equity interest in Anfield in subsequent share issuances as long as it holds at least 10% of the issued shares of Anfield. Red Cloud Securities Inc. acted as an advisor in connection with the transaction. The transaction closed on July 19, 2023, and on closing, C$4 million of the consideration payment was made, with the balance on September 25, 2023. Eugene Spiering was appointed to the board of directors of the Anfield as the initial nominee of enCore.

In July 2023, the Company acquired 9,263,800 common shares of Nuclear Fuels Inc. (" **Nuclear Fuels**") following the completion of a business combination transaction completed by Nuclear Fuels. The shares acquired by the Company represented approximately 19.9% of the then issued and outstanding common shares of Nuclear Fuels.

In October of 2023, the Company repaid $20 million of the $60 million Alta Mesa debt, to Energy Fuels Inc., reducing the debt to $40 million. Funds for repayment of the debt to Energy Fuels Inc. were made through sales from the At-the-Market (ATM) equity offering program.

In November 2023, the Company received renewed license approval from the executive director of the Texas Commission on Environmental Quality (TCEQ) for the Company's combined South Texas in situ recovery (ISR) uranium central processing plants (CPPs) at its Rosita, Kingsville Dome and Vasquez uranium projects. The renewed license allows for the addition of two remote ion exchange (RIX) units at the Rosita CPP and wellfield.

In November, the Company commenced uranium production at the South Texas Rosita in situ recovery uranium central processing plant. The restart of the previously producing Rosita CPP is the first step in enCore's South Texas production pipeline strategy utilizing the in situ recovery production process.

In December, the Company entered into a master transaction agreement (the " **Master Agreement**") among enCore Energy US, and Boss Energy Ltd. ("**Boss Energy**") which, upon completion, will result in the sale of a 30% ownership interest in the Alta Mesa Uranium Project to Boss Energy for $60 million, an investment of $10 million into enCore common shares by Boss Energy, a loan of up to 200,000 pounds $U_3O_8$ (triuranium octoxide) for enCore's commercial use over the next year, and the formation of a strategic collaboration on the use and joint development of enCore's PFN technology for uranium exploration and production.

Financing and Corporate Developments

On January 23, 2023, the Common Shares commenced trading on the NYSE American under the symbol "EU."

In February, the Company completed the Subscription Receipt Offering, in connection with the Alta Mesa Acquisition. Pursuant to the Offering, the Company issued a total of 10,615,650 units at a price of C$3.25 per Unit for aggregate gross proceeds of C$34,500,862.50, including the full exercise of the over-allotment option granted to the underwriters under the Offering. In connection with the Offering, the Company filed a short form prospectus dated February 3, 2023 with the securities commissions in each of the provinces of Canada except Quebec. A Registration Statement on Form F-10 (including such prospectus) was also filed with the SEC for the Offering.

In June, the Company entered into a Controlled Equity Offering $^{SM}$ Sales Agreement (the "**Sales Agreement**") with Cantor Fitzgerald Canada Corporation and Cantor Fitzgerald & Co. (together, the "**Lead Agents**"), and Canaccord Genuity Corp., Canaccord Genuity LLC, Haywood Securities Inc., PI Financial Corp., and Jett Capital Advisors, LLC (together with the Lead Agents, the "**Agents**"). Pursuant to the Sales Agreement, the Company will be entitled, at its discretion from time-to-time during the term of the Sales Agreement, to sell, through the Lead Agents, such number of Common Shares that would result in aggregate gross proceeds to the Company of up to $70,000,000 (the "**ATM Offering**"). The ATM Offering was made by way of a prospectus supplement dated June 26, 2023 (the " **Prospectus Supplement**") to the Company's existing Canadian short form base shelf prospectus of $140 million and a U.S. registration statement on Form F-10, as amended (File No. 333-272609), dated June 12, 2023 and June 20, 2023, respectively. Net proceeds from the ATM Offering will be used for corporate purposes as described in the Prospectus Supplement. As at December 31, 2023, the Company has issued a total of 15,690,943 common shares for gross proceeds of $49,294,106 and paid commission of $1,197,354 to the Agents under the ATM Offering.

On June 29, 2023, the Company appointed Dain McCoig has Director of Technical Services. Mr. McCoig is responsible for engineering and technical support on all projects within the Company's production pipeline.

in November 14, 2023, the Company reduced the remaining principal balance of the Note to $20 million.

Uranium Contract Developments

On February 21, 2023, the Company secured its fourth uranium sales agreement with the addition of a purchase sales agreement with a Fortune 500-listed United States utility. The uranium sales agreement is a multiyear agreement commencing in 2027. It covers firm deliveries of 650,000 pounds of $U_30_8$, with an option to acquire up to 400,000 pounds $U_30_8$ under a two-year extended term, if exercised. The sales agreement is based on market pricing with a floor price well above the company's current projected costs of production and an inflation-adjusted ceiling price significantly higher than the current uranium spot market pricing providing the U.S. with assurance of domestic supply along with cost certainty.

In May, the Company made its first delivery into one of the Company's four contracted uranium sales agreements. This delivery of 200,000 pounds $U_3O_8$ represented the first portion of the annual deliveries into the 5-year agreement (announced on August 4, 2021) which covers 2 million pounds $U_3O_8$ of uranium with significant delivery flexibility for market related pricing. The Company successfully acquired uranium under favorable pricing terms in 2022 from a third party and delivered it into this agreement using current spot market pricing indicators to establish the sales price.



On December 23, 2023, Carrie Mierkey stepped down as Chief Financial Officer of the Company, and Dr. Dennis Stover agreed to act as interim Chief Financial Officer.

*Subsequent Events*

The following provides a summary of events involving the Company subsequent to the financial year ended December 31, 2023.

On January 2, 2024, the Company transferred its stock exchange listing to the Nasdaq Capital Market from the NYSE American LLC. The Company continues to trade on Nasdaq Capital Market under the symbol "EU".

On January 17, 2024, the Company provided an update on its South Texas operations which are advancing on schedule and providing exceptional drilling results to support future planned production. Highlights include:

- The Alta Mesa in situ recovery (ISR) uranium central processing plant (CPP) upgrades and refurbishments are advancing on schedule for the planned early 2024 resumption of uranium production.
- The Alta Mesa project wellfield drilling is providing increasingly positive high-grade results from the wellfield delineation drill program.
- Uranium production from the Rosita CPP which commenced Nov. 21, 2023, continues to meet projected start-up production levels.

In February 2024, the Company appointed Robert Willette as Chief Legal Officer of the Company, as well as Shona Wilson as Chief Financial Officer of the Company.

On February 7, 2024, the full outstanding principal amount of the Note in the amount of $20 million was converted into 6,872,143 common shares of the Company.

On February 26, 2024, the Company completed the transactions under the Master Agreement with Boss Energy.

Transactions highlight include:

- enCore receiving $60 million in full payment for Boss Energy's 30% share of JV Alta Mesa;
- enCore received an additional $10 million from Boss Energy as payment for a private placement of 2,564,102 common shares of enCore at a price of $3.90 per share; and
- The formation of a joint venture company owning Alta Mesa Uranium Project with enCore holding a 70% joint venture interest and remaining the project manager, and Boss Energy holding a 30% joint venture interest.

Pursuant to the terms of the Master Agreement, Boss Energy acquired a 30% equity interest in a new limited liability company (the " **JV Alta Mesa**") that was formed to hold the Alta Mesa Uranium Project, in exchange for a payment to enCore of $60 million. enCore holds 70% equity in JV Alta Mesa. In connection with the formation of JV Alta Mesa, enCore Energy US and a subsidiary of Boss Energy, Boss Energy (US) LLC, entered into a limited liability company agreement dated February 13, 2024, and as amended and restated on February 26, 2024 (the "**JV Agreement**") which will govern JV Alta Mesa. Pursuant to the JV Agreement, enCore Energy US will act as manager of JV Alta Mesa and will be entitled to a management fee. JV Alta Mesa will distribute uranium from production at Alta Mesa on a pro rata basis according to enCore and Boss Energy's ownership interest. In the event a party's interest falls below 10%, the other party shall have a right to either acquire that interest, or elect to have the interest converted into a 1% production royalty at Alta Mesa.



Concurrently with the establishment of JV Alta Mesa, the parties entered into a uranium loan agreement providing for up to 200,000 pounds of uranium to be lent by Boss Energy to enCore. The loan will bear interest of 9% and be repayable in 12 months in cash or uranium at the election of Boss Energy.

The parties also entered into a strategic collaboration agreement for the joint collaboration and research to develop the Company's PFN technology, to be financed equally by each party.

## DESCRIPTION OF THE BUSINESS

enCore holds a portfolio of uranium assets located in New Mexico, South Dakota, Wyoming, Texas, Utah, Colorado, and Arizona in the USA, and is advancing its properties with a focus on utilizing in-situ recovery.

enCore's material properties and projects are the Rosita Project located in Texas, the Alta Mesa Uranium Project in Texas, the Crownpoint and Hosta Butte Uranium Project located in New Mexico, the Dewey Burdock Project located in South Dakota, and the Gas Hills Project located in Wyoming.

Rosita Project, Texas

The Rosita uranium processing plant and associated well fields (the " **Rosita Project**") are located in Duval County, Texas on a 200-acre tract of land owned by the Company. The facility is located within the South Texas uranium province, about 22 miles west of the town of Alice. The Rosita plant was constructed in 1990 and was originally designed and constructed to operate as an up-flow extraction facility. The Rosita property holdings consist of mineral leases from private landowners covering approximately 3,475 gross and net acres of mineral rights.

Alta Mesa Uranium Project, Texas

The Alta Mesa Uranium Project is a fully licensed and constructed ISR project and central processing facility currently on standby, located on over 203,000 acres of private land in the state of Texas. Total operating capacity is 1.5 million lbs $U_3O_8$ per year. Alta Mesa historically produced nearly 5 million lbs of $U_3O_8$ between 2005 and 2013, when full production was curtailed as a result of low uranium prices at the time.

Crownpoint and Hosta Butte Uranium Project, New Mexico

The Company owns a 100% interest in McKinley properties and a 60% - 100% interest in the adjacent Crownpoint and Hosta Butte properties, all of which are located in McKinley County, New Mexico. The Company holds a 60% interest in a portion of a certain section at Crownpoint. The Company owns a 100% interest in the rest of the Crownpoint and Hosta Butte Uranium Project area, subject to a 3% gross profit royalty on uranium produced.

Dewey Burdock Project, South Dakota

The Dewey Burdock Project is an advanced-stage uranium exploration project located in southwest South Dakota and forms part of the northwestern extension of the Edgemont Uranium Mining District. The Dewey Burdock Project includes federal claims, private mineral rights and private surface rights controlling the entire area within the licensed project permit boundary as well as surrounding areas. The Company currently controls approximately 16,962 acres of net mineral rights and 12,613 acres of surface rights. The net result of the royalty and rental payments results in a cumulative 4.85 percent surface and mineral royalty.

Gas Hills Project, Wyoming

The Company's owns a 100% interest in the Gas Hills Project located in the historic Gas Hills uranium district situated 45 miles east of Riverton, Wyoming. The Gas Hills Project consists of approximately 1,280 surface acres and 12,960 net mineral acres of unpatented lode mining claims, a State of Wyoming mineral lease, and private mineral leases, within a brownfield site which has experienced extensive development including mine and mill site production.

**Additional Properties**

enCore holds the following additional non-principal properties and projects:

(i) Nose Rock, New Mexico. The Nose Rock project is located in McKinley County New Mexico, USA on the northern edge of the Grants Uranium District, approximately 10 miles north-northeast of the Crownpoint and Hosta Butte Uranium Project. The Nose Rock property consists of 42 owned unpatented lode mining claims comprising over 800 acres (approximately 335 hectares).

(ii) Metamin Properties, Arizona, Utah and Wyoming. Through its subsidiary Metamin Enterprises US Inc. (" **MEUS**"), the Company holds various prospective uranium mining properties located in the States of Arizona, Utah and Wyoming, USA, along with drill core, geophysical data, drilling data and equipment related to the properties.

(iii) West Largo, New Mexico. The West Largo project consist of approximately 3,840 acres (i.e. six square miles) in McKinley County, New Mexico, along the north-central edge of the Grants Uranium District, approximately 25 miles north of Grants. The majority of the property is held through deeded mineral rights and also includes 75 unpatented lode claims.

(iv) Ambrosia Lake-Treeline, New Mexico. The Ambrosia Lake – Treeline Property consists of deeded mineral rights totaling 24,555 acres and a mining lease along with certain unpatented mining claims covering approximately 1,700 acres. The project is located approximately 115 miles west-northwest of Albuquerque, in McKinley and Cibola Counties, Grants Uranium District, New Mexico. The project is situated within the boundaries of the Ambrosia Lake mining district, which is the largest uranium mining area (in terms of pounds of $U_3O_8$ production) in the United States.

(v) Checkerboard Mineral Rights, New Mexico. The land position covers approximately 300,000 acres of deeded 'checkerboard' mineral rights, also known as the Frisco and Santa Fe railroad grants. They are located within a large area of about 75 miles long by 25 miles wide along trend of the Grants Uranium District. The properties are located primarily in McKinley County which lies in northwestern New Mexico. The properties are approximately 125 miles northwest of Albuquerque, and as close as 4 miles from the town of Crownpoint.



(vi) Kingsville Dome, Texas. The Kingsville Dome property is located in Kleberg County, Texas and is situated on several tracts of land leased from third parties. The property is situated approximately eight miles southeast of the city of Kingsville, Texas. The project is comprised of numerous mineral leases from private landowners, covering an area of approximately 2,434 gross and 2,227 net acres of mineral rights. The Kingsville Dome Central Processing Facility (the "**Kingsville Dome Facility**") is a licensed ISR production facility located on the property. The Company intends to initiate review and refurbishment of the Kingsville Dome Facility for future production capacity.

(vii) Vasquez Project, Texas. The Vasquez project is located in Duval County, Texas, a short distance northwest of the town of Hebbronville. The project is situated on a leased tract of land that is being held until final restoration has been completed. The Vasquez property consists of a mineral lease on 1,023 gross and net acres.

(viii) Butler Ranch Project, Texas. The Butler Ranch project is comprised of non-contiguous fee leases that cover an area of about 438 acres of mineral rights. The Butler Ranch project is located in the southwestern end of Karnes County, Texas, about 45 miles southeast of the city of San Antonio, and 12 miles northwest of the town of Kenedy. The project is situated in the southwestern end of the Karnes County uranium mining district, which was one of the largest uranium production areas in Texas.

(ix) Upper Spring Creek Project, Texas. The Company holds mineral properties located in South Texas described generally as the Upper Spring Creek Project area. The property is currently comprised of non-contiguous fee leases that cover an area of about 90.32 acres of surface and 66.49 acres of net mineral rights, and the Company is actively acquiring additional mineral properties to this project. This project area includes mineral properties that were identified in the Signal Equities LLC database that the Company acquired in December 2020. These properties are intended to be developed as satellite ion-exchange plants that will provide loaded resin to the central processing plant located at the Rosita Project.

(x) VANE Dataset and ROFR, Arizona and Utah. During the year ended December 31, 2018, the Company entered into an agreement with VANE granting the Company exclusive access to certain VANE uranium exploration data and information as well as a first right of refusal covering seven of VANE's current uranium projects in Arizona and Utah. In exchange, the Company issued 3,000,000 common shares of the Company and granted VANE certain back-in rights for any projects developed from the use of the data. The primary term of the agreement is five years and may be renewed by the Company by written notice for three successive renewal periods of three years each (a total of 14 years).

(xi) Dewey Terrace Project, Wyoming. This project consists of approximately 1,874 acres of surface rights and approximately 7,514 acres of net mineral rights. The Dewey Terrace Project is located adjacent to the Dewey Burdock Project.

(xii) Juniper Ridge Project, Wyoming. The Juniper Ridge project in Carbon County, Wyoming, consists of approximately 640 surface acres and 3,240 net mineral acres of unpatented lode mining claims and a State of Wyoming mineral lease and is located within a brownfield site which has experienced extensive exploration, development, and mine production.



(xiii) Centennial Project, Colorado. The Centennial Project in Weld County, Colorado, is comprised of approximately 1,365 acres of surface rights and 6,238 acres of net mineral rights.

(xiv) Aladdin Project, Wyoming. The Aladdin Project in Wyoming is comprised of private leases that cover approximately 5,166 acres of surface rights and 4,712 acres of net mineral rights located in Wyoming. The Aladdin Project is 80 miles northwest of the Dewey Burdock Project.

(xv) Other Properties: The Company holds the Shirley Basin Project in Wyoming the JB Project in Colorado and Utah, and the Ticaboo project in Utah.

**Material Mineral Properties**

**Rosita Plant**

***Property Description and Location***

The Rosita Project is a uranium processing plant and associated well fields located on a 200-acre tract of land owned by enCore in north-central Duval County Texas, about 14 miles southeast of the town of Freer and 60 miles west-northwest of the city of Corpus Christi.

The Rosita property holdings consist of mineral leases from private landowners covering approximately 2,759 gross and net acres of mineral rights. All of the leases for the Rosita area provide for payment of sliding scale royalties based on the price of uranium, ranging from 6.25% to 18.25% of uranium sales produced from the leased lands. Under the terms of the leases the lands can be held after the expiration of their primary term and secondary terms, if restoration and reclamation activities remain ongoing. The leases initially had primary and secondary terms ranging from 2012 to 2016, with provisions to extend the leases beyond the initial terms. enCore holds these leases by payment of annual property rental fees ranging from $10 to $30 per acre.

Project Highlights:

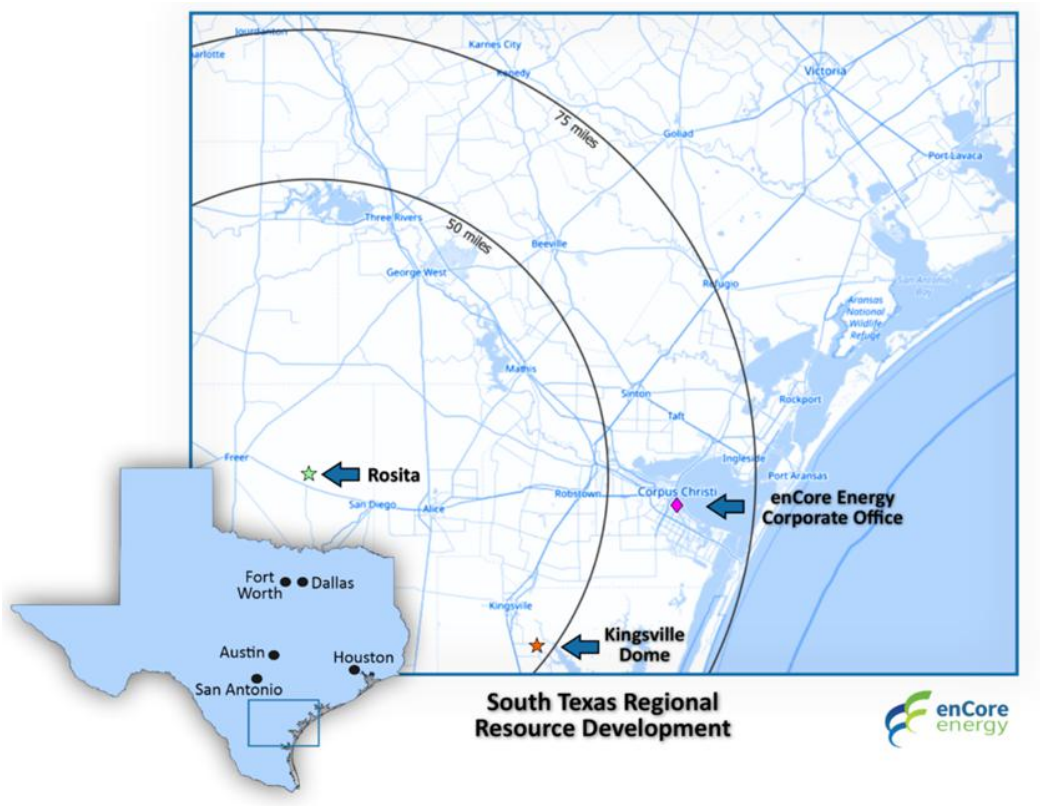
- Licensed ISR production facility with 800,000 pounds of $U_3O_8$ per year capacity
- Designed to process feed from multiple satellite operations, current facility refurbishment and upgrade work projected for completion by Q2 2022
- Previous production of 2.65 million pounds of $U_3O_8$ from ISR methods
- Centrally located within the South Texas Uranium Belt, which hosts an estimated ~60 million pounds of unmined $U_3O_8$

The Rosita Central Processing Facility ("**CPP**") is located in Duval County, Texas about 14 miles southeast of the town of Freer and 60 miles west-northwest of the city of Corpus Christi on a 200-acre tract of land owned by the Company.

Access to the Rosita project and process facility is good, including an improved company-owned private drive that connects to a maintained county road to Texas Farm to Market Road 3196 about 1 mile northeast of the intersection of State Highway 44 and FM 3196 in Duval County. Electrical power for the Rosita project is readily available with an industrial-scale power line extending to the Rosita CPP.



In addition to the 200-acre tract of land owned by the Company for the Rosita CPP, additional property holdings consist of mineral leases from private landowners covering approximately 3,377 acres of mineral rights. The nearby Rosita South property consists of mineral leases from private landowners covering approximately 1,479 acres of mineral rights.




***Property History***

Initial production of uranium utilizing the ISR process commenced in 1990 and continued until July 1999. During that time approximately 2.64 million pounds of $U_3O_8$ were produced. Resin was processed at the Rosita plant, and the recovered uranium was precipitated into a slurry, which was then transported to Kingsville Dome for final purification, drying and packaging. Production was halted in July of 1999 due to depressed uranium prices.

In the 2007-2008 period upgrades were made to the processing equipment and additions to the facility were installed, including revisions to the elution and precipitation circuits, and the addition of a full drying system. Additional facility refurbishment and upgrade work is underway projected for completion by Q2 2022.

Production from a new wellfield, in production area 3, at the Rosita project began in June 2008. However, technical difficulties that raised the cost of production coupled with a sharp decline in uranium prices led to the decision to shut-in this wellfield in October 2008, after the production of 10,200 pounds of $U_3O_8$. URI has had no production from the Rosita project since that time.

enCore's satellite well field and an ion exchange system are in place at the Rosita project, but only operated for a short period of time in 2008. A total of 10,200 pounds of uranium were produced between June and October 2008.



URI's capital expenditures at the Rosita Project were approximately $13,000 and $9,000 in 2013 and 2012, respectively.

It is anticipated that future production from the centrally located Rosita CPP would be primarily sourced from multiple satellite operations. There are an estimated 47 deposits with approximately 60 million pounds $U_3O_8$ of unmined in-situ amenable mineralization within the South Texas Uranium Belt. The USGS also estimates that there is the potential to discover an additional 220 million pounds $U_3O_8$ ("Assessment of Undiscovered Sandstone-Hosted Uranium Resources in the Texas Coastal Plain, 2015", November 2015, Susan M. Hall and Mark J. Mihalasky, USGS, Domestic Uranium Assessment).

***Geological Setting and Mineralization***

Uranium mineralization at the Rosita project occurs as roll-front-type deposits hosted in porous and permeable sandstones of the Goliad Formation (of Pliocene age), at depths ranging from 125 to 350 feet below the surface. The sandstones of the Goliad Formation occur in a deltaic to marginal marine environment of the Texas Gulf Coastal Plain which dip gently easterly into the Gulf of Mexico. Rosita's classic C-shaped roll-front deposits comprise highly sinuous mineralized zones occurring at the interface of oxidized and reduced sediments located in the easterly part of the Rosita Property shown on the map below.

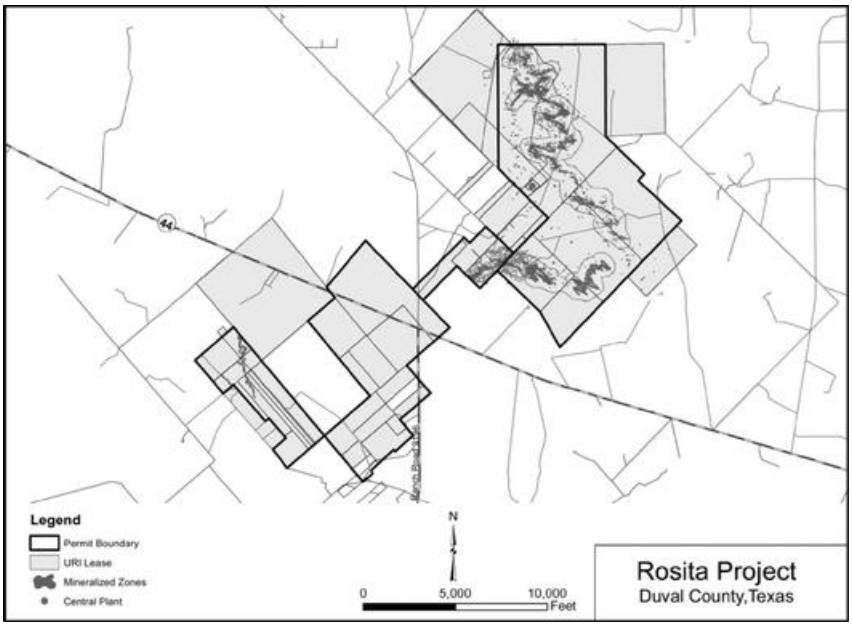
*Licenses and Permits*

In Texas, the Texas Commission on Environmental Quality (" **TCEQ**") regulates uranium mining and issues the necessary licenses and permits. A Radioactive Material License issued by TCEQ covers the Rosita, Kingsville Dome and Vasquez projects and it is in timely renewal. Each site also has class I non-hazardous injection permits for operation of waste disposal wells on site, which are regulated by the TCEQ as well. All permits for the disposal wells are active. A renewal of a Class III Underground Injection Control Permit was issued on October 20, 2014.

The Rosita Project includes four TCEQ production area authorizations (" **PAA**") that could allow for low cost and accelerated timeline to production. Production areas 1 and 2 are depleted, and groundwater restoration has been completed to regulatory standards. Production areas 3 and 4 contain uranium reserves that have yet to be produced. Production areas 1 and 2 consist of seven wellfields whose groundwater has been restored by the circulation and processing of approximately 1.3 billion gallons of reverse osmosis treated water. In 2013, enCore completed the final phase of TCEQ required stabilization in production areas 1 and 2. Wells in production areas 1 and 2 were plugged and abandoned in 2014.



A radioactive material license and an underground injection control permit has been issued for the Rosita Project. On August 30, 2012, enCore filed the requisite application for renewal of the underground injection control permit. Production could resume in areas already included in existing PAA. As new areas are proposed for production, additional authorizations under the permit will be required.




***Mineral Resources***

On March 27, 2014, URI reported an estimated In-Place Proven Reserve for the Rosita Project (Form 10K for December 31, 2013, US Security and Exchange Commission).

**Table 1 – Historical In-Place Proven Reserve* Estimate for the Rosita Project**

| Category | Tonnes | Grade $eU_3O_8$% | $U_3O_8$ (lbs) |
|---|---|---|---|
| In-Place Reserves | 370,000 | 0.082 | 614,000 |

* URI estimates an ISR factor for production, and the In-Place Reserve estimate is based on a market price of $50.00 per pound of $U_3O_8$. This estimate was produced by URI's professional engineering and geologic staff. URI reported the term "In-Place Reserves" is consistent with similar reserve classification terminology as defined under National Instrument 43-101 – *Standards of Disclosure* ("**NI 43-101**").

Under "Rules and Policies" of NI 43-101, this mineral reserve estimate must be reported as a Historical Reserve Estimate. The reported historical In-Place Proven Reserve for the Rosita Project is equivalent to an Indicated Resource under NI 43-101. A qualified person has not done sufficient work for enCore to classify the historical estimate as a current mineral reserve estimate. The Company does not treat this historical estimate as a current mineral reserve estimate, and the estimate should not be relied upon. An accompanying technical report along with parameters and methods used to calculate the historic estimate are not available. In order to verify the historic estimate as current mineral reserves a Qualified Person would need to complete a NI 43-101 report that includes verification of historic drilling, the reserve estimate and preparation of at least a Preliminary Feasibility Report.

***Recommendations***

Production at the Rosita Project could resume in areas already included in existing PAA. As new areas are proposed for production, additional authorizations under the permit will be required. At present, enCore has no plans to do additional work to advance the Rosita mineral deposit to production.

**Alta Mesa Uranium Project**

For a complete description of the Alta Mesa Uranium Project see the Alta Mesa Technical Report prepared by Douglas Beahm, P.E. P.G., BRS Inc. as independent qualified person under NI 43-101 Standards.

The Company advises that it is not basing its production decisions at Alta Mesa CPP on a feasibility study of mineral reserves demonstrating economic and technical viability. The production decision is based on known past In-Situ Recovery (ISR) and processing operations at this production facility and surrounding lands. However, the Company understands that there is increased uncertainty, and consequently a higher risk of failure, when production is undertaken in advance of a feasibility study. The Company has determined to proceed with a production decision based on past operations at the Alta Mesa CPP, including past ISR operations in the known mineral resource areas.

This section contains the executive summary from the Alta Mesa Technical Report and does not purport to be a complete summary of the Project and is subject to all of the assumptions, qualifications and procedures set out in the Alta Mesa Technical Report and is qualified in its entirety with reference to the full text of the Alta Mesa Technical Report, which is incorporated by reference herein. All statements herein are expressly made as at the effective date of the Alta Mesa Technical Report. All references herein to tables, figures, and sections are those as included in the Alta Mesa Technical Report. Readers should read this summary in conjunction with the Alta Mesa Technical Report which is available electronically under the profile of the Company at www.sedarplus.ca.

*Reproduction of the Summary Contained in the Alta Mesa Technical Report*

This Technical Report has been prepared for enCore Energy Corp. (“ **enCore**”) by BRS Inc. for the Alta Mesa Uranium Project (“ **the Project**”), located in Brooks and Jim Hogg Counties, Texas, USA and is based on and supersedes previous NI 43-101 Technical Reports by independent geologic mining consultant Douglas Beahm, PE, Principal Engineer for BRS Engineering Inc. (BRS) on the project.

Mr. Beahm is an independent consultant and Principal Engineer of BRS Inc. This Technical Report is prepared pursuant to the requirements of the Canadian Securities Administrators National Instrument 43-101 –Standards of Disclosure for Mineral Projects (“NI 43-101”) and the Canadian Institute of Mining (CIM) Best Practice Guidelines for the Estimation of Mineral Resources and Mineral Reserves (“**CIM standards**”).

enCore is incorporated in British Columbia, Canada. enCore Energy US Corp., a US-based subsidiary, is a uranium development and exploration company, with projects located in Colorado, Utah, Arizona, Wyoming, Texas and New Mexico. enCore is currently advancing its production capacity in South Texas at its Rosita Project, one of the two licensed uranium production facilities it owns in South Texas. Additionally, through its subsidiary, Azarga Uranium Corp. it owns a licensed in-situ uranium recovery project located in South Dakota. enCore is listed on the TSX Venture Exchange (symbol EU) and is subject to the disclosure requirements of NI 43-101. All costs and prices are listed in US dollars (US$).



The Alta Mesa Uranium Project, (the Project) is an in-situ recovery (ISR) mining project, and past producer consisting of two distinct properties; the Alta Mesa property, which is composed of the Alta Mesa mine area and processing facility, South Alta Mesa (SAM) and Indigo Snake. The second property is Mesteña Grande, which is composed of Mesteña Grande Goliad (MGG) Mesteña Grande North (MGN), Mesteña Grande Central (MGC), Mesteña Grande Alta Vista (MGAV), and El Sordo. The Project’s central processing facility and mine office are located at the Alta Mesa property approximately 11 miles west of the intersection of US 281 and ranch Road 755, which Is also 22 miles south of Falfurrias, Texas. Figure 4-1 shows the location of both properties making up the project in South Texas.

The Project is located within a portion of the private land holdings of the Jones Ranch, founded in 1897 and includes surface and mineral rights as well as oil and gas and other minerals including uranium. Active uses of the lands in addition to uranium exploration and production activities include agricultural use (cattle), oil and gas development, and private hunting. Previous owners include Chevron Minerals, Total Minerals, Cogema, Uranium Resources Inc., Mesteña Uranium LLC (MULLC), formed by landowners, and Energy Fuels Inc,. In 2016, Energy Fuels, Inc. acquired the Project from MULLC. In November 2022, enCore and a subsidiary of Energy Fuels Inc. executed a Membership Interest Purchase Agreement whereby enCore agreed to acquire four limited liability companies that together hold 100% of the Project. Section 6.2 (Ownership History) discusses this in more detail.

The Project consists of Uranium Mining Leases for uranium ISR mining (4,598 acres) and Mineral Options (195,501 acres) comprising some 200,099 total acres consisting of acreage associated with currently approved mining permits issued by the Texas Commission on Environmental Quality (TCEQ) and 9 prospect areas as described in Section 4.2.

The Project produced approximately 4.6 million pounds of uranium oxide between 2005 and 2013 via in-situ recovery (ISR) mining using an alkaline lixiviant and is processed at a plant located in Alta Mesa. The facility was in production from 2005 until primary production ceased February 2013. The Project operated in a groundwater clean-up mode until February 2015; therefore, any uranium mined since 2013 remains as in-circuit inventory. The first wellfield (PAA-1) has completed final groundwater restoration and was approved by the Texas Commission on Environmental Quality in March 2018. All other wellfields are being maintained by a small bleed (less than 100 gpm) for permit compliance. The bleed solutions are disposed of in the deep disposal wells.

Mineralization within the South Texas Uranium Province is interpreted to be dominantly roll-front type mineralization and primarily of epigenetic origin (Finch, 1996). Roll-fronts are formed along an interface between oxidizing groundwater solutions which encounter reducing conditions

within the host sandstone unit. This boundary between oxidizing and reducing conditions is often referred to as the Reduction/Oxidation (REDOX) interface or front.

This report provides estimates of Mineral Resources within the Project area. Only the Alta Mesa property has had previous ISR mining. No preliminary economic assessment, pre-feasibility study or feasibility study has been completed to NI 43-101 standards; and, no mineral reserves are stated in this report.

Exploration Target(s) have been identified within the project areas and the range of possible quantity and grade of mineralization as discussed in Section 24 of this report.



The current Mineral Resource estimate for the Project is summarized in Table 1-1.

**Table 1-1 Alta Mesa and Mesteña Grande Mineral Resource Summary**

| Classification | COG (G.T.) | Area | Tonnage | Grade (% UO) | Contained Metal (lbs. UO) |
|---|---|---|---|---|---|
| Measured | 0.3 | Alta Mesa | 54,000 | 0.152 | 164,000 |
| **Total Measured** | **0.3** | | **54,000** | **0.152** | **164,000** |
| Indicated | 0.3 | Alta Mesa | 1,397,000 | 0.106 | 2,959,000 |
| | 0.3 | Mesteña Grande | 119,000 | 0.120 | 287,000 |
| **Total Indicated** | **0.3** | | **1,516,000** | **0.107** | **3,246,000** |
| **Total Measured & Indicated** | **0.3** | | **1,570,000** | **0.109** | **3,410,000** |
| Inferred | 0.3 | Alta Mesa | 1,263,000 | 0.126 | 3,192,000 |
| | 0.3 | Mesteña Grande | 5,733,000 | 0.119 | 13,601,000 |
| **Total Inferred** | **0.3** | | **6,996,000** | **0.120** | **16,793,000** |

Notes:

1. NI 43-101 and CIM definitions were followed for all Mineral Resource categories.
2. Mineral Resources are estimated at a 0.3 GT (0.02% UO minimum grade)
3. Mineral Resources are estimated using a long-term Uranium price of $70 per pound
4. Total measured Mineral Resource is that portion of the in-place or in situ Mineral Resources that is estimated to be recoverable within existing wellfields. Wellfield recovery factors have not been applied to indicated and inferred Mineral Resources but were considered in establishing the minimum GT cutoff with respect to reasonable prospects for future economic extraction.
5. Bulk density is 0.0588 tons/$ft^3$ (17.0 $ft^3$/ton)
6. Mineral Resources that are not mineral reserves do not have demonstrated economic viability.
7. Numbers may not add due to rounding



**Conclusions**

The author considers the data and information available for this report to be accurate and reliable for the purposes of estimating Mineral Resources for the Project. Significant Mineral Resources remain within the Project area which may be tributary to the Alta Mesa central processing facility which is licensed and operated continuously from 2005 until production standby in February 2013.

Mineral Resources have been estimated for both the Alta Mesa and Mesteña Grande areas in accordance with NI 43-101 and CIM standards and definitions and are summarized in Table 1-1 in the measured, indicated and inferred mineral resource category.

The author considered the risks to put the Alta Mesa portion of the Project into production are low since all permit for operating are in place and is tributary to the existing Alta Mesa ISR production facility, which is licensed to operate. For each new wellfield a production area authorization (PAA) permit will need to be obtained through the permitting process with TCEQ. The Mesteña Grande portion of the Project, which will operate as a satellite facility to the Alta Mesa ISR facility, will require the permitting and construction of a satellite facility and wellfields prior to operations.

The Project does have some risks similar in nature to other mining projects and uranium mining projects specifically, including:

- Future commodity demand and pricing;

- Environmental and political acceptance of the project;
- Variance in capital and operating costs; and
- Mine and mineral processing recovery and dilution.

There is a risk that additional drilling may not locate additional Mineral Resources and that mineralization may not be found or may not be continuous along the REDOX boundary and that the actual grade times thickness (GT) along the trends will fall outside the estimated range, either higher or lower. A substantial portion of the Mineral Resource is based on wide-spaced drilling and has been classified as inferred. Inferred Mineral Resources are too speculative to have economic considerations applied to them which would enable them to be categorized as mineral reserves. Inferred Mineral Resources can be assessed in the context of a Technical Report which is allowed under NI 43-101 standards, the latter as a Preliminary Economic Assessment (PEA). The tonnages, grades, and contained pounds of uranium, as stated in this report, for exploration targets should not be construed to reflect a estimated Mineral Resource (inferred, indicated, or measured). The potential quantities and grades for exploration targets, as stated in this report, are conceptual in nature, and there has been insufficient work to date to define a NI 43-101 compliant resource. Furthermore, it is uncertain if additional exploration will result in any of the exploration targets being delineated as a Mineral Resource.



The author is not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant factors which would materially affect the Mineral Resource estimates presented in this report. To the author's knowledge there are no other significant factors that may affect access, title, or the right or ability to perform work on the property provided the conditions of all mineral leases and options, and relevant operating permits and licenses, are met. The reader is cautioned that additional drilling may or may not result in discovery of an economic Mineral Resource on the property.

**Recommendations**

A phased project approach is recommended. Phase 1 would include delineation of the PAA7 and PAA8 mineral resource areas. These areas are within the aquifer exemption area and proximate to the Alta Mesa facility. Phase 1 would include some rehabilitation and modernization of the facility and preparation of a Potential Economic Assessment (PEA). Phase 2 would include wellfield planning, installation of baseline monitor wells, hydrologic studies and related activities to advance permitting of the wellfields. Phase 2 would include a Preliminary Feasibility Study (PFS). Phase 2 would be contingent on the outcome of Phase 1 and favorable market conditions.

**Phase 1 – Delineation of the PAA7 and PAA8 Mineral Resource Areas:**

Phase 1a Delineation Drilling: PAA7 is reasonably well delineated and is permitted and has baseline monitor wells in place. Additional Forty additional exploration drill holes are recommended. PAA8 requires an estimated 330 exploration drill holes. Drilling costs for the project have been estimated on a per hole basis in two categories.

- Exploration drilling including all costs for site preparation, drilling, geophysical logging, drill hole abandonment and sealing, and site reclamation. Estimated cost per each $4,800.00.
- Cased exploration wells including all costs for site preparation, drilling, geophysical logging, casing and screening, and site reclamation. Estimated cost per each $16,000.00.

Phase 1b Facility Rehab: In preparation for restarting the processing facility, rehabilitation and modernization of the facility is recommended. This work would be necessary to fully evaluate the operational readiness of the facility and determine if any additional components would need rehabilitation or replacement.

Phase 1c PEA: Following the completion of phase 1a and 1b, it is recommended that the mineral resources within PAA7 and PAA8 will be re-evaluated, and a PEA prepared for the project.

Total costs are estimated at $2,856,000.00 as summarized in Table 26.1.

**Phase 2 – Permitting and Economic Evaluation:**

Phase 2 is contingent on the outcome of Phase 1 and favorable market conditions. Phase 2 includes,

- Completion of cased wells for hydrological assessment and determination of baseline water quality for PAA8,
- Permitting and related studies of the PAA8 wellfield,
- Completion of a PFS.



Total costs are estimated at $1,340,000.00 as summarized in Table 26.2

For further information on the Company's other mineral properties, please see the Company's SEDAR profile at www.sedarplus.ca.

**Crownpoint and Hosta Butte Project**

The following summary of the Crownpoint and Hosta Butte Uranium Project is extracted from the technical report, titled, "Crownpoint and Hosta Butte Uranium Project McKinley County, New Mexico, USA" dated February 25, 2022, with an effective date of February 25, 2022 and a revision date of March 16, 2022, prepared by Douglas L. Beahm, P.E., P.G., Carl Warren, P.E., P.G., and W. Paul Goranson, P.E. (the " **Crownpoint and Hosta Butte Uranium Technical Report**"), and modified to conform to this AIF. This summary is qualified in its entirety by reference to the full Crownpoint and Hosta Butte Uranium Technical Report which is incorporated into this AIF by reference.

***Property Description and Location***

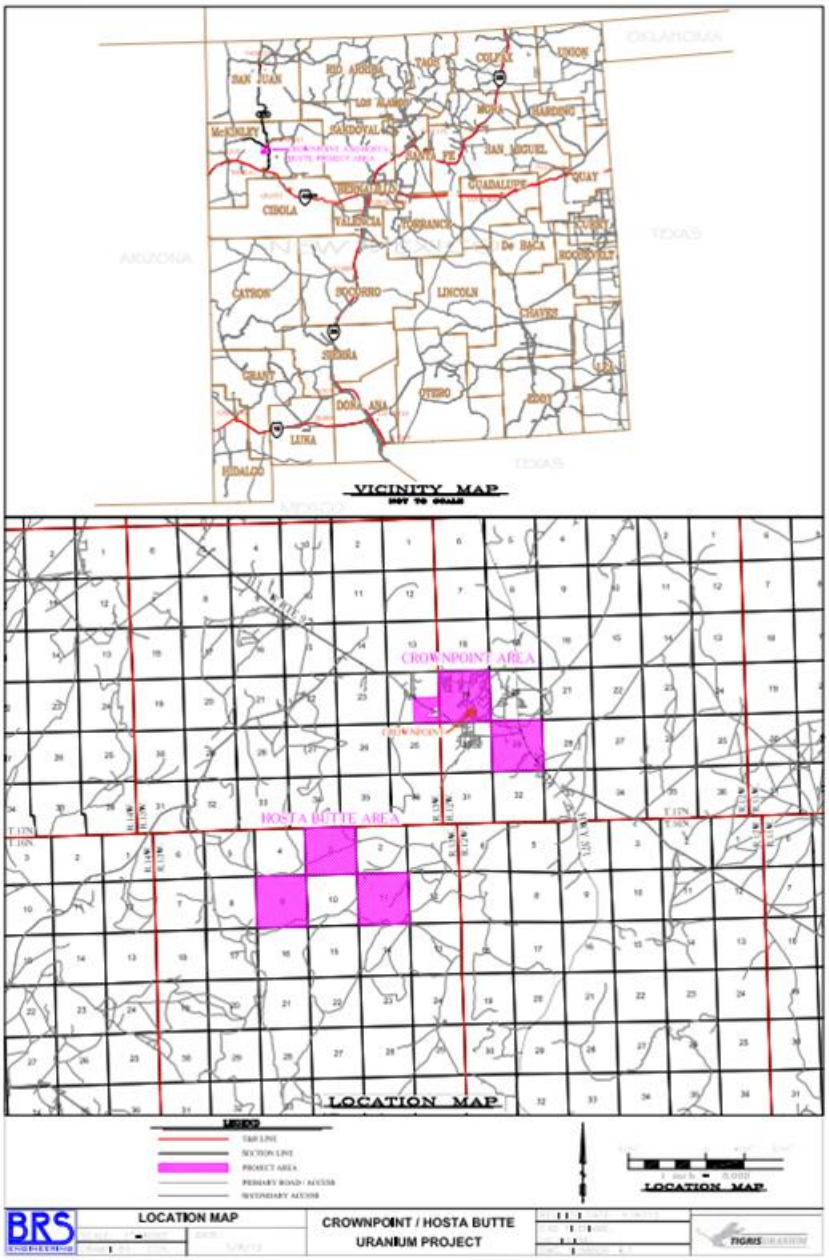
The Crownpoint and Hosta Butte Uranium Project is located in the Grants Uranium Region. The Grants Uranium Region is located in northwestern New Mexico and is part of the Colorado Plateau physiographic province.

The Crownpoint and Hosta Butte Uranium Project is located in portions of Sections 24, Township 17 North, Range 13 West; Sections 19 and 29, Township 17 North, Range 12 West; and Sections, 3, 9, and 11, Township 16 North, Range 13 West, comprising approximately 3,020 acres.

The Crownpoint and Hosta Butte Uranium Project is accessed from the south by Highway 371 and from the north by Highway 57 at Crownpoint, New Mexico. Highway 9 goes west from Crownpoint, just to the north of the project area. Paved secondary roads provide access to the NuFuels, Inc. ("**NuFuels**") facility on Section 24. From the NuFuels facility the Hosta Butte portion of the Project is accessible via a county gravel road which turns to the south approximately 2 miles west of Crownpoint. The road continues east becoming a private dirt road then turns to the north in Section 11 and continues to the project area.



The largest nearby population center is Albuquerque, New Mexico, with an approximate population of 565,000 residents. Albuquerque is located approximately 100 miles to the east on Highway 40 and provides a transportation and supply hub for the area. Grants, New Mexico is approximately 50 miles east of the Project and Gallup, New Mexico lies approximately 50 miles to the west. The Project is approximately 10 miles from the Navajo Reservation and is situated on the west and southwest of the small town of Crownpoint.






Tigris Uranium US Corp. ("**Tigris**") owns the mineral estate outright. There are no annual payments, maintenance, or other requirements to be met to maintain the mineral estate subject only to a 3% gross proceeds royalty on uranium mined from the Project.

Surface rights are held separately from the mineral rights on the Project. The surface rights have not been removed from development and are not under other restrictions. The property is outside of the Navajo Reservation and is situated on the western edge and to the southwest of the small town of Crownpoint, New Mexico.

***Chain of Title***

The NZ Land Company ("**NZ**") was formed in 1908 and took deed and management of the land grants. NZ Uranium LLC (" **NZU**") was spun off to manage the lands within the known uranium trend of New Mexico and Arizona in 2002. Tigris optioned the Project in May 2010 and exercised the option in May, 2011. Tigris acquired a 60% Interest in the Section 24 Crownpoint Property and 100% of the Hosta Butte Property, the Crownpoint Properties located in Section 19 and 29. The remaining 40% interest in the Crownpoint Section 24 property is held by NuFuels. The property is not subject to any liens or other encumbrances.

The author has reviewed the pertinent Quitclaim, Warranty, and Royalty deeds related to the transfer of title from NZU to Tigris. It is the author's opinion that the current title is secure and would allow development of the mineral estate with the Project subject to required permitting and licensing.

***Property History***

The Grants Uranium Region has been the most prolific producer of uranium in the United States (McLemore and Chenoweth, 1991). With production as early as 1948, over 347 million lbs. of $U_3O_8$ have been produced from the region. The majority of which was produced during the years 1953 through 1990.

No current preliminary economic assessment of the Crownpoint and Hosta Butte Uranium Project and/or feasibility study has been completed for the Crownpoint and Hosta Butte Uranium Project. The purpose of this report is to define the in-place mineral resources. Mineral resources are not mineral reserves and do not have demonstrated economic viability in accordance with CIM standards.

The Crownpoint area of the Project is wholly within NuFuels, Inc.'s (a wholly owned subsidiary of Laramide Resources LTD) Source Materials License SUA-1580 for the in-situ recovery (ISR) of uranium which was issued by the US Nuclear Regulatory Commission (NRC) (http://www.nrc.gov/infofinder/materials/uranium). Water rights have been approved by the New Mexico State Engineer for a portion of the Crownpoint area. Other Permits will be required to operate the at the Crownpoint area.

There have been no permits or licenses issued for the Hosta Butte property.

***Geological Setting and Mineralization***

Uranium mineralization is typical of sandstone hosted roll-front deposits found within the Western US. The Westwater Canyon member of the Morrison Formation is the principal host of uranium mineralization in the vicinity of the Project and is approximately 360 feet thick. For the purposes of estimating mineral resources, the authors subdivided the Westwater Canyon into four vertically and laterally distinct sand units/zones.



In the Crownpoint area, mineralized thickness ranges from the minimum of 2 feet to over 40 feet. Average thickness of all intercepts was 7.6 feet. Average GT of all intercepts was 0.77 ft%. Grade varies from the minimum grade cutoff of 0.02 % $eU_3O_8$ to a maximum grade by intercept of 0.38 % $eU_3O8$. Individual mineralized trends may persist for several thousand feet with trend width typically in the range from 100 up to 400 feet.

In the Hosta Butte area mineralized thickness ranges from the minimum of 2 feet to over 33 feet. Average thickness of all intercepts was 7.4 feet. Average GT of all intercepts was 0.83 ft%. Grade varies from the minimum grade cutoff of 0.02 % $eU_3O_8$ to a maximum grade by intercept of 0.52 % $eU_3O_8$. Individual mineralized trends may persist for 2,000 thousand feet or more with trend width typically in the range of 100 to 300 feet.

***Structure***

The sedimentary rocks of the San Juan Basin form a gently dipping monocline in the Grants-Gallup area known as the Chaco Slope (Brister and Hoffman, 2002). The beds generally dip to the north with localized variations due to undulations and minor deformation. The beds in the project area are gently dipping to the north. Stratigraphic correlations of drill logs, by the authors, show the dip at both the Crownpoint and Hosta Butte areas to be about 3 degrees to the north northeast. There is a mapped fault in the extreme southeast portion of Section 3, T16N, R13W which displaces mineralization in the Hosta Butte area. No significant faulting was observed based on stratigraphic correlations in the Crownpoint area of the Project.

***Mineralization***

The mineral deposits at Crownpoint and Hosta Butte are roll-front deposits in which uranium mineralization is concentrated at the boundary of oxidized and reduced sandstone units (i.e. redox front) within the host formation. Figure 8.2 shows the known and/or projected location of the redox fronts in the general project area. The Crownpoint and Hosta Butte areas occur along sub-parallel redox fronts within the Westwater Canyon and are separated by 2 to 3 miles in which the Westwater Canyon is characteristically oxidized and absent mineralization. Mineralization is locally controlled by stratigraphic variations in the individual zones affecting permeability and consequent ground water flow and geochemical conditions relating to the presence or absence of reluctant.

***Mineral Resource Summary***

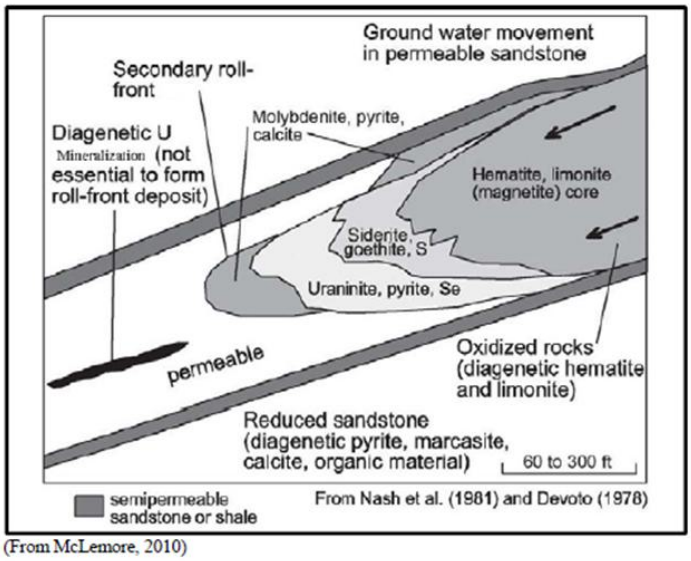
The mineral resource calculations presented herein have been completed in accordance with CIM standards and NI 43-101. Based on the drilling density, the apparent continuity of the mineralization along trends, geologic correlation and modeling of the deposit, the mineral resource estimate herein meets CIM standards as an Indicated and Inferred Mineral Resource. Tables 14.1 and 14.2 show the total Indicated and Inferred Mineral Resource, respectively, and the portion thereof controlled by enCore, i.e., 100% of Hosta Butte and Crownpoint Sections 19 and 29, and 60% of Crownpoint Section 24. The Technical Report considers varying cutoffs to illustrate the sensitivity of GT cutoff on the estimate. Although each GT cutoff scenario has reasonable prospects for eventual economic extraction the 0.25 ft% GT cutoff for the Mineral Resource is recommended by the authors, based upon typical US ISR industry practices. Estimated Indicated and Inferred Mineral Resources at a 0.02% $eU_3O_8$ grade cutoff and 0.25 ft% GT are summarized in Tables 14.1 and 14.2, respectively. A discussion of individual resource areas follows.



***Deposit Types***

Mineral deposits within the project area have been described in the literature as re-distributed uranium mineralization, secondary, and roll-type uranium mineralization. (McLemore, 2010). Mineralization is discordant, asymmetrical, and irregularly shaped and is typically elongated parallel to depositional features. Varying rates of ground water flow controlled by sedimentary facies changes in each stratigraphic zone in the Westwater Canyon produced staked mineralized zones near one another, but not necessarily vertically above or below one another (Peterson, 1980). Mineralization may be found as irregular pods or as the classic c-shaped roll-fronts as depicted in the following figure.

**Figure 8.1 – Typical Roll Front**




(From McLemore, 2010)

Referring to Figure 8.1 (McLemore and Chenoweth, 1991), oxidation and reduction zones are shown for the project area in general and the Crownpoint and Hosta Butte areas specifically. In the intervening area between the Crownpoint and Hosta Butte mineralization the host formation is oxidized. The Crownpoint and Hosta Butte mineralization occurs along separate redox fronts which are sub-parallel to one another and trending generally from southeast to northwest.

***Exploration***

No relevant exploration work has been conducted on the property in recent years. Previous exploration drilling is described in Section 10 of the Crownpoint and Hosta Butte Technical Report. In the Project area uranium mineralization is at depths more than 1,500 feet from the surface. The deposition of mineralization is stratigraphically and geochemically controlled. These depositional characteristics are not easily discoverable at depth by other exploration techniques other than drilling.

***Drilling***

Drilling within the Crownpoint area focused on portions of three sections 19 and 29, T17N, R12W and Section 24 T17N, R13W. Within the Crownpoint area 482 rotary drill holes and 37 core holes were completed. Drilling within the Hosta Butte area also included three sections, 3, 9, and 11, T16N, R13W. However, the drilling at Hosta Butte focused primarily on Section 3 with 133 rotary holes and 2 cores holes completed. In Sections 9 and 11, T16N, R13W, 14 rotary drill holes and 32 rotary drill holes were completed, respectively.



Data available for the preparation of this report included historic data developed by previous owners of the property, predominantly Conoco Minerals Corp. This data was verified by the author, as described in Section 12 of this report, and is considered reliable for the purposes of estimating mineral resources.

All drill holes were logged with downhole geophysical logging equipment for natural gamma, resistivity, and spontaneous self-potential (SP). Select intervals in the core holes were selected for chemical assay. Sample handling and analytical procedures employed for core samples are described in Section 11 of the report. Portions of the cores have been preserved and have been donated to the Core Research Center ("**CRC**") of the United States Geological Survey ("**USGS**") located at the Denver Federal Center, Denver, Colorado. Select cores were examined by the author in preparation of this report, as discussed in Section 12 of the report.

All drilling was vertical. The formation is relatively flat lying (refer to Section 7) dipping at about 3 degrees to the north northeast. Downhole drift surveys were completed on most of the drill holes and were reviewed by the authors. Generally, the drill holes tended to drift slightly to the south southwest and perpendicular to the regional dip. The maximum downhole drift observed in review of the drill data was approximately 30 feet in holes completed to approximately 2,500 feet. True depth corrections were made in the drill hole data bases for the project areas. The depth correction was on the order of 10 feet for a 2,000-foot drill hole. Given that the drilling was vertical or near vertical and with a formational dip of 3 degrees or less the thickness of mineralization as measured from the geophysical logs is below 1 percent less the true thickness and was not corrected for while estimating mineral resources.

*Crownpoint Area*

The Crownpoint data set is composed of a total of 482 drill holes of which 93 are barren and the remaining 389 drill holes contain mineralization above the minimum cutoff. Within the 389 mineralized drill holes, 873 individual intercepts were present. Drill hole spacing within the areas of mineral resource were a nominal average of 150 feet. The historic database, used as the primary data source, consists of eU3O8 radiometric data by half foot increments which was originally developed by Conoco and has been verified by the authors. The dataset was screened for the mineral resource estimation. Mineralized intercepts were diluted to a minimum thickness of 2 feet. Following dilution only those intercepts having minimum grade of 0.02 % eU3O8 and a minimum GT of 0.10 ft% were used in the estimation. A summary of mineralization reflected in the drill holes follows.

*Mineralization Thickness and Grade*

Crownpoint mineralized thickness ranges from the minimum of 2 feet to over 40 feet. Average thickness of all intercepts was 7.6 feet. Average GT of all intercepts was 0.77 ft%. Grade varies from the minimum grade cutoff of 0.02 % eU3O8 to a maximum grade by intercept of 0.38 % eU3O8. However, individual half foot grades did exceed 2% eU3O8. Individual mineralized trends may persist for several thousand feet along trend with a width typically in the range from 100 up to 400 feet.

*Hosta Butte Area*

The Hosta Butte data set is composed of a total of 135 drill holes. Of those 135 drill holes 42 were barren and 93 of the drill holes contained mineralization meeting cutoff criteria as described for the Crownpoint area. Within the 93 mineralized drill holes, 155 individual intercepts were present. Drill hole spacing within the areas of mineral resource were a nominal average of 250 feet.



*Mineralization Thickness and Grade*

Hosta Butte mineralized thickness ranges from the minimum of 2 feet to over 33 feet. Average thickness of all intercepts was 7.4 feet. Average GT of all intercepts was 0.83 ft%. Grade varies from the minimum grade cutoff of 0.02 % $eU_3O_8$ to a maximum grade by intercept of 0.52 % $eU_3O_8$. However, individual half foot grades did exceed 2 % eU $_3O_8$. Individual mineralized trends may persist for 2,000 thousand feet or more along the trend having a width typically in the range of 100 to 300 feet.

*Additional Areas of Mineralization – Hosta Butte Sections 9 and 11, T16N, R13W*

Drilling on Sections 9 and 11 demonstrate the presence of uranium mineralization, but these areas are not yet adequately defined to support a CIM compliant mineral resource estimate. However, drill data from these sections do demonstrate that the host formation, the Westwater Canyon member of the Morrison Formation, is present and gamma anomalies are present in both sections.

***Sample Preparation, Analyses and Security***

The majority of the sample data available for the evaluation of resources for the Project is the historic geophysical log data. The original geophysical logs have been preserved and were reviewed by the authors.

With respect to historic core handling procedures, written procedures for core handling and sample analysis were available along with the original core data records and assay sheets. The cores were split through the zones of interest determined by the geophysical logs and scanning of the cores with a scintillometer. All the samples were assayed using either a Beta Gamma Scaler or an X-ray fluorescence spectrometer at the mine site. Quality control of the on-site assay equipment was provided through an independent laboratory, Hazen Research, which completed fluorometric analysis of select samples including many of the higher grade samples. Original assay sheets were available for 32 of the 35 cores holes.

The cores were donated to the USGS Core Research Center (CRC) located at the Denver Federal Center in Lakewood, Colorado. The author, Beahm, visited the CRC on May 7, 2012 and reviewed the cores and selected 20 samples from core holes geographically distributed within the Project. The selected samples were sealed in plastic sample bags and labeled by hole, depth, and original sample number. A record of this information was also created. On the same day the samples taken the author were shipped by Federal Express to Intermountain Labs (IML) in Sheridan, Wyoming for assay. IML confirmed delivery with a chain of custody by noon the following day. IML is a certified laboratory. Results of the confirmatory assays are provided in Section 12.

In addition to being able to examine the cores at the CRC, the author was able to observe how the cores were preserved. Each half foot of core was sealed in plastic. The bags were labeled for each sample with hole number and depth and stored in core boxes each containing approximately 10 feet of core. The core boxes were also labeled as to hole number and depth. Lost core intervals were marked with wooden blocks which recorded the lost interval. In many of the mineralized zones the bulk of the core was consumed by metallurgical testing. For these portions of the core, approximately 100 grams of prepared sample was preserved in a re-sealable envelope. The envelopes were labeled with hole number and sample number. All sample numbers were unique.

Note that the availability of cores at the CRC can be searched on their website (https://www.usgs.gov/coreresearch-center). When doing this the core intervals which contained the mineralized zones are not listed. Special permission is needed to examine the cores in their “Hot Room” and access to this portion of the cores required knowledge of the specific zones of interest and the respective hole and core box number.

In the authors' opinion, the sample preparation, security, and analytical procedures are reliable and adequate.

The author has reviewed the historic procedures followed by the previous operator of the project, Conoco Minerals, including procedures for rotary and core drilling, geophysical logging and log interpretation, sampling, and assays. In addition, the author has reviewed and verified the work product that was developed for the project including the original geophysical and lithologic logs, sampling records, and original core assay records. It is the author's opinion that the procedures, practices, and analytical equipment utilized and/or employed on the Project were consistent with the general industry standards and practices at that time. The author further concludes that the data utilized in this report is accurate and reliable for the purposes of this report.

***Mineral Processing and Metallurgical Testing***

The author has reviewed the historical metallurgical testing and the location of the core holes in the Crownpoint portion of the project and can conclude that the core holes were located such as to reflect the geographical distribution of the mineralization and adequately represent the deposit.

The metallurgical testing of Crownpoint was performed by Hazen Research of Golden Colorado. In the author's opinion, Hazen Research is a reputable firm who was then and is still recognized as one of the premier metallurgical research and testing facilities in the US. Leaching was tested under a variety of conditions primarily with sulfuric acid as the leaching agent. Residual or non-soluble uranium in the test sample assays for 16 separate tests ranged from 0.0007 to 0.024 % $U_3O_8$ resulting in recoveries ranging from as high as 99.6 % to a low of 87.6%. The testing concluded that the mineralized material is very amenable to acid leaching and estimated that recoveries would exceed 96%. The reports did not identify any deleterious elements or constituents that could have a material effect on the economic extraction of uranium by acid leaching. Sulfuric acid consumption was relatively low at approximately 65 pounds per ton.

All data with respect to metallurgical testing is of a historic nature and/or may be implied by results from adjacent properties and cannot be directly verified by the author. However, the author is familiar with the testing procedures followed and with the independent facilities that completed the testing. As such, the author concludes that the data is reliable for the purposes of this report.

Metallurgical test results are only available for the Crownpoint portion of the Project. The author is not aware of metallurgical test results for the Hosta Butte portion of the Project.

No current preliminary economic assessment of the Project and/or feasibility study has been completed for the Project. The purpose of this report is to define the in-place mineral resources. Mineral resources are not mineral reserves and do not have demonstrated economic viability in accordance with CIM standards.

***Mineral Resources***

*Indicated Mineral Resources*

The mineral resource estimates presented herein have been completed in accordance with CIM standards and NI 43-101. The mineral resource estimation meets CIM standards as an Indicated Mineral Resource based on the drill density, the apparent continuity of the mineralization along trends, the geologic correlation, and the modeling of the deposit and reasonable prospects for eventual economic extraction, as discussed in Section 14.



A summary of total Indicated Mineral Resource is provided in Table 14.1.

**Table 14.1 - Total Indicated Mineral Resources**

| **0.02% $eU_3O_8$ Grade Cutoff and GT Cutoff* >0.25 ft%** | | **Total Indicated Resource** | **encore Controlled** |
|---|---|---|---|
| **Crownpoint** | Pounds $eU_3O_8$ | 19,565,000 | 16,223,000 |
| | Tons | 9,027,000 | 7,321,000 |
| | Avg. Grade % $eU_3O_8$ | 0.108 | 0.111 |
| **Hosta Butte** | Pounds $eU_3O_8$ | 9,479,000 | 9,479,000 |
| | Tons | 3,637,000 | 3,637,000 |
| | Avg. Grade % $eU_3O_8$ | 0.130 | 0.130 |
| **Total Indicated Mineral Resource** | Pounds $eU_3O_8$ | 29,044,000 | 25,702,000 |
| | Tons | 12,664,000 | 10,958,000 |
| | Avg. Grade % $eU_3O_8$ | 0.115 | 0.117 |

Pounds and tons as reported are rounded to the nearest 1,000

* GT cutoff: Minimum Grade (% $eU_3O_8$) x Thickness (Feet) for Grade > 0.02% $eU_3O_8$.

This tabulation shows the total Indicated Mineral Resource and the portion thereof controlled by Tigris, i.e., 100% of Hosta Butte and Crownpoint Sections 19 and 29, and 60% of Crownpoint Section 24. A discussion of individual resource areas follows in Section 14. For the summary, only

the estimate for the recommended cutoff criteria is provided.

*Inferred Mineral Resources*

In addition to the above Indicated Mineral Resource, Inferred Mineral Resources may be projected, primarily as extensions of the Indicated Mineral Resource, along the geologic trends of the mineralization. By CIM standards, Inferred Mineral Resources are the part of a Mineral Resource for which quantity and grade, or quality can be calculated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. Based on the drill density, the apparent continuity of the mineralization along trends, geologic correlation and modeling of the deposit, the following Mineral Resource calculation meets CIM standards as an Inferred Mineral Resource. The quantity of Inferred Mineral Resource is projected at a 0.02% eU3O8 grade cutoff and estimated at 0.1, 0.25, and 0.5 ft% GT cutoffs using the sensitivity analyses of the indicated portions of the resource. A summary of total Inferred Mineral Resource for the preferred scenario is provided in Table 14.2.

**Table 14.2 - Total Inferred Mineral Resources**

| **0.02% $eU_3O_8$ Grade Cutoff and GT Cutoff* >0.25 ft%** | | **Total Inferred Resource** | **encore Controlled** |
|---|---|---|---|
| **Crownpoint** | Pounds $eU_3O_8$ | 1,445,000 | 1,388,000 |
| | Tons | 708,000 | 676,000 |
| | Avg. Grade % $eU_3O_8$ | 0.102 | 0.103 |
| **Hosta Butte** | Pounds $eU_3O_8$ | 4,482,000 | 4,482,000 |
| | Tons | 1,712,000 | 1,712,000 |
| | Avg. Grade % $eU_3O_8$ | 0.131 | 0.131 |
| **Total Inferred Mineral Resource** | Pounds $eU_3O_8$ | 5,927,000 | 5,870,000 |
| | Tons | 2,420,000 | 2,388,000 |
| | Avg. Grade % $eU_3O_8$ | 0.122 | 0.121 |

Pounds and tons as reported are rounded to the nearest 1,000

* GT cutoff: Minimum Grade (% $eU_3O_8$) x Thickness (Feet) for Grade > 0.02% $eU_3O_8$.

This tabulation shows the total Inferred Mineral Resource and the portion thereof controlled by enCore, i.e., 100% of Hosta Butte and Crownpoint Sections 19 and 29, and 60% of Crownpoint Section 24. A discussion of individual resource areas follows. The Inferred Mineral Resource tabulation was completed at a grade cutoff of .02 % $eU_3O_8$ and a GT cutoff of 0.25 ft%. The authors expect that the majority of the Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with additional drilling.



***Resource Estimation Methods***

*Geological Model*

Geologic interpretation of the mineralized host sands was used, along with the intercepts that met the minimum cutoff grade and thickness, to develop a geologic framework or model within which to quantify the mineral resources at the Project. Each intercept was evaluated based on its geophysical log expression and location relative to adjacent intercepts. Whenever possible, geophysical logs were used to correlate and project intercepts between drill holes. The mineralized envelope was created by using the top and bottom of each intercept that was within the geologic host sands. The intercepts that were used to make this envelope were then used in the resource model via inverse distance squared GT contour method.

Drill spacing within the Project is not uniform. Drill spacing in the Crownpoint Area was completed roughly on 200-foot centers with the nominal average spacing between drill holes in the resource areas at approximately 150 feet. Drill spacing at Hosta Butte area varies from roughly 200-foot centers to over 400- foot centers, with the nominal average drill spacing within the mineral resource areas at approximately 250 feet. Drilling depths at Crownpoint are typically in the range of 2,000 feet. Drilling depths at Hosta Butte is deeper at approximately 2,400 feet on average.

The current geologic and resource model reflects 4 major sand zones over the stratigraphic thickness of approximately 360 feet of the Westwater Canyon. The Westwater Canyon is roughly divided by the CP shale with the B zone immediately above the shale and the C zone immediately below the shale. The A and D zones are the upper and lower most sands of the Westwater Canyon, respectively. Within the Crownpoint Area all four zones are mineralized with the B and D zones being the most prolific and the A zone being the weakest. At Hosta Butte there was not sufficient mineralization in the A zone to support a mineral resource calculation. The D zone was the most strongly mineralized followed by the C and B zones.

Once the data was separated by zone an initial radius influence of 100 feet was applied to each drill hole to establish an initial geologic limit to the projection of mineralization. Refinement of the geologic limit and projection of mineralization along trend was then based on specific correlation and interpretation of geophysical logs on a hole-by-hole basis. The 100-foot radius was determined by correlating geophysical logs across or perpendicular to the observed mineralized trend. Mineralization is clearly anisotropic and can be projected greater distances along trend. For the classification of Indicated Mineral Resource the projection of mineralization along trend was limited to 300 feet. For Inferred Mineral Resources the maximum projection along trend was double to 600 feet.

*GT Contour Method*

The Indicated Mineral Resource model was completed using the inverse distance squared GT (Grade x Thickness) Contour Modeling Method for each of individual mineralized zones of the deposit. The Contour Modeling Method, also known as the Grade x Thickness (GT) method, is a well-established approach for estimating uranium resources and has been in use since the 1950's in the US. The technique is most useful in estimating tonnage and average grade of relatively planar bodies where lateral extent of the mineralized body is much greater than its thickness, as was observed with the data at Crownpoint and Hosta Butte.

For tabular and roll front style deposits the GT method provides a clear illustration of the distribution of the thickness and average grade of uranium mineralization. The GT method is particularly applicable to the Crownpoint and Hosta Butte deposits as it can be effective in reducing the undue influence of high-grade or thick intersections as well as the effects of widely spaced, irregularly spaced, or clustered drill holes. This method also makes it possible for the geologist to fit the contour pattern to the geologic interpretation of the deposit.



For each zone within the Crownpoint and Hosta Butte areas of the project, limits of mineralization were determined by interpretation of the drill data. Within these limits the GT and T (Grade x Thickness and Thickness) were contoured. Although an automated contouring program was used to produce the model surface itself, 3-dimensional (3D) limits were established where appropriate to constrain the model. For example, drill holes with GT values several times the average were limited in their influence by manually constructing a set of breaklines in the model. The volume of the 3D model is then calculated using CAD program software. To that volume, a bulk unit weight of 15 cubic feet per ton is applied to calculate the pounds of $eU_3O_8$. Similarly, the tons are of mineralization are calculated using the same methodology for constructing a 3D model of mineral Thickness (T) within the same area. Grade is then calculated by dividing GT model $eU3O_8$ pounds by T model calculated mineralized tons.

The GT contour method is used as common practice for Mineral Reserve and Mineral Resource modelling for similar sandstone-hosted uranium projects ("Estimation of Mineral Resources and Mineral Reserves", adopted by CIM November 23, 2003, p 51.). It is the opinion of the author that the GT contour method, when properly constrained by geologic interpretation, provides an accurate estimation of contained pounds of uranium.

The electronic drill hole database consists of:

- Crownpoint Area
    - 482 drill holes in total of which 93 did not meet minimum cutoff criteria.
- Hosta Butte Area
    - 135 drill holes in total of which 42 did not meet minimum cutoff criteria.

The uranium quantities and grades are reported as equivalent $U_3O_8$ ($eU_3O_8$), as measured by downhole gamma logging. The industry standard protocol for reporting uranium in sandstone hosted deposits in the US has been validated for the Project as discussed in Section 12 of the report.

The current drill hole database consists of:

- Crownpoint Area
    - 482 drill holes in total of which 93 did not meet minimum cutoff criteria.
- Hosta Butte Area
    - 135 drill holes in total of which 42 did not meet minimum cutoff criteria.

The uranium quantities and grades are reported as equivalent $U_3O_8$ ($eU_3O_8$), as measured by downhole gamma logging. The industry standard protocol for reporting uranium in sandstone hosted deposits in the US has been validated for the Project as discussed in Section 12

***Conclusions***

Available data used in this report has been verified and in the opinion of the author is reliable for the purposes of estimating mineral resources for the Project. This data supports the mineral resource estimation and categorization for the Project including an Indicated Mineral Resource of 12.664 million tons of material containing 29.044 million pounds of uranium at an average grade of 0.115 % $eU_3O8$ at the 0.25 ft% GT Cutoff, of which, the portion of the mineral resources controlled by enCore is approximately, 25.702 million pounds of $U_3O_8$ at an average grade of 0.117% e $U_3O_8$ Indicated Mineral Resource. At a 0.1 ft% GT cutoff an Inferred Mineral Resource quantity of at 3.011 million tons of material containing 6.438 million pounds of uranium at an average grade of 0.107 % $eU_3O_8$ is estimated.



The portion of the Project with defined Indicated Mineral Resources would support a preliminary economic assessment or preliminary feasibility study (PFS).

The Crownpoint and Hosta Butte Uranium Project, including the Crownpoint and Hosta Butte areas, is considered by the author to represent a significant uranium resource and further work to progress the project towards mine development is warranted. Current and future long-term prices for uranium are expected to rise as a result of supply/demand changes being observed in the uranium markets, (UxC, LLC, 2021).

The technical risks related to the project are low as the mining and recovery methods are proven. In the opinion of the author, the Project could be developed as either ISR or conventional underground-mine operation as the economic cutoff criteria for ISR at shallow depths, under 500 feet, similar to those for conventional underground mines and the Crownpoint property contains existing underground infrastructure. It is the opinion of the authors that the ISR method will be more straightforward to permit and offers a lower cost of production than a conventional underground. Thus, ISR is the preferred scenario.

Portions of the project are within NuFuels' ISR area, licensed by the NRC, however, an aquifer exemption, as well as other permits, described in Section 4 would be required before the facility could be operated. The environmental data, analysis, and environmental impact assessment completed by NuFuels would be helpful in permitting and licensing of the Project. The NuFuels licensing effort and incumbent litigation which support the licensing sets a positive precedent for uranium mine development in the region.

The authors are not aware of any other specific risks or uncertainties that might significantly affect the mineral resource estimates. The authors are aware of the lengthy permitting and licensing timelines that have affected the NewFuels Crownpoint property, and any risks to the enCore property are acknowledged by the authors. However, the impact or mitigating efforts cannot be quantified at this time. Any estimation or reference to costs and uranium prices within the context of this report over the potential life of mine are by its nature forward-looking and subject to various risks and uncertainties. No forward-looking statement can be guaranteed, and actual future results may vary materially.

***Contemplated Activities***

To the authors' knowledge, no relevant exploration work has been conducted on the property in recent years. Previous exploration drilling is described in Section 10: Drilling, of the report. In the Project area uranium mineralization is at depths more than 1,500 feet from the surface. The deposition of mineralization is stratigraphically and geochemically controlled. These depositional characteristics are not easily discoverable at depth by other exploration techniques other than drilling.

***Recommendations***

The following recommendations relate to potential improvement and/or advancement of the Crownpoint and Hosta Butte Uranium Project and fall within two categories; recommendations to potentially enhance the resource base and recommendation to advance the Crownpoint and Hosta Butte Uranium Project towards development, which may be conducted contemporaneously.



*Recommended Program to Increase Resource Base:*

Crownpoint

Mineralization within the Crownpoint portion of the Project is well defined by drilling. With drilling spacing within the Indicated Mineral Resource around 150 feet on average. For this and other considerations discussed in this report over 90% of the mineral resources are classified as Indicated Mineral Resources. Further, in some areas additional drilling could be recommended to possibly enhance the resource base, however, current surface conditions limit access for drilling.

Hosta Butte

For the Hosta Butte portion of the Project, drilling is sparser and as a result the mineral resources are classified as approximately 70% Indicated and 30% Inferred Mineral Resources. Referring to the GT Contour Figures 14.10, 14.12, and 14.16 for Hosta Butte, targeted drilling in the areas where Inferred Mineral Resources have been projected along the mineralized trend could enhance the resources base by elevating the resource category. In addition, specifically regarding the B Zone, in the southwest portion of Section 3, T16N, R13W, drilling is sparse at around 400 feet spacing or greater, which is greater than the width of the B Zone trend. Drilling in this area has the potential of expanding the resource along some 1,500 to 2,000 feet in this area. In addition, a minimum of two core holes are recommended to be completed in Section 3. With one targeting the B Zone and the other the D zone. In addition to evaluating radiometric equilibrium conditions, the cores should be tested for general engineering properties including dry density and compressive strength, porosity, permeability, and for amenability to acid and alkaline leaching.

It is anticipated that drilling will be on the order of $11,000 to $12,000 per rotary drill hole at Hosta Butte including drilling and geophysical logging costs and site supervision. Depending on the core interval lengths, core drilling would add $2,000 to $3,000 per hole. General sample testing, assays, engineering, and metallurgical studies would cost a minimum of $75,000. Based on a drilling program consisting of 20 rotary and 2 core holes and allowing a contingency for items such as site clearances and access the costs including testing would be on the order of $325,000. A scoping study to assess the data recovered under this work would assess the project economics, mine plan and regulatory approach to advance the project, and that is estimated to cost $250,000.

Also, within the Hosta Butte area, historic drilling indicates the presence of significant uranium mineralization in both the B and D Zones within Section 11, T16N, R13W. Completion of a detailed geologic investigation of for this area is recommended to determine potential targets for exploration. Specific drilling cannot be recommended until this investigation is complete. The cost of this investigation would be on the order of $75,000. Dependent on positive recommendations from this review a drilling program of the nature described for Section 3 would follow in a phased approach with an estimated cost of $350,000. Finally, presuming that the drilling program(s) are successful in enhancing the mineral resources the Technical Report would need to be updated.

The reader is cautioned that additional drilling may or may not enhance and/or expand the mineral resources depending upon the results of the

drilling.

*Recommended Programs to Advance the Project:*

No current preliminary economic assessment of the Crownpoint and Hosta Butte Uranium Project and/or feasibility study has been completed for the Crownpoint and Hosta Butte Uranium Project. The portions of the mineral resource base classified as Indicated Mineral Resource would support a preliminary economic assessment or preliminary feasibility study (PFS). A PFS of the project would not be dependent upon the foregoing recommendations related to the resource base as, in the authors' opinion the resource base as defined by the Indicated Mineral Resource is adequate to support a PFS. For the PFS it is recommended that the Crownpoint area be evaluated in greater detail as the first area to be developed followed by Hosta Butte. It is further recommended that work towards a preliminary feasibility study be phased beginning with a scoping study to develop a conceptual mine plan and evaluate alternatives. These alternatives should include both ISR and conventional means of recovery. The scoping study should also define the data necessary to support the completion of a preliminary feasibility study and the determination of probable mineral reserves. Based on the results of the scoping study a preliminary feasibility study could then be completed. Finally, a Technical Report would be prepared which addresses the probable mineral reserves and all other required items of Form 43-101F1, Items 15 through 22.



A summary of recommended work and estimated costs follows:

**Table 1.3 – Recommendation Costs Phase 1**

| Recommended Work Item | Estimated Budget |
|---|---|
| Hosta Butte Section 3 Drilling | $ 325,000 USD |
| Hosta Butte Section 11 Geologic Investigation | $ 75,000 USD |
| Scoping Study | $ 250,000 USD |
| **Total:** | **$ 650,000 USD** |

| Recommended Work Item | Estimated Budget |
|---|---|
| Hosta Butte Section 11 Drilling | $ 350,000 USD |
| Data Collection and Technical Studies | $ 250,000 USD |
| Preliminary Feasibility Study | $ 450,000 USD |
| Technical Report | $ 100,000 USD |
| **Total:** | **$ 1,150,000 USD** |

**Dewey Burdock Project**

For a complete description of the Dewey Burdock Project see the Dewey Burdock Technical Report, prepared by Matthew Yovich, P.E. of Woodard & Curran and Steve Cutler, P.G. of Roughstock Mining Services, LLC, as independent qualified persons under NI 43-101 Standards.

The information contained in this section has been derived from the Dewey Burdock Project Technical Report, is subject to certain assumptions, qualifications and procedures described in the Dewey Burdock Project Technical Report and is qualified in its entirety by the full text of the Dewey Burdock Project Technical Report. Reference should be made to the full text of the Dewey Burdock Project Technical Report, which is incorporated by reference herein and is available for viewing under Azarga's profile on SEDAR at www.sedarplus.ca.

*Reproduction of the Summary Contained in the Dewey Burdock Technical Report*

EXECUTIVE SUMMARY

Background

Woodard & Curran (W&C) and Roughstock Mining Services (Roughstock) were retained by Azarga Uranium Corp. (Azarga) and their wholly owned subsidiary Powertech USA Inc. (Powertech), to prepare this independent Preliminary Economic Assessment (PEA) for the Dewey-Burdock ISR Project (Project) to be located in Custer and Fall River Counties in South Dakota, USA. The project location is shown on Figure 1.1. This PEA has been prepared for Azarga Uranium Corp. and Powertech USA Inc. (collectively referred to as "Azarga") in accordance with the guidelines set forth under National Instrument (NI) 43-101 and NI 43- 101F1 for the submission of technical reports on mining properties.

A NI 43-101 Technical Report Resource Estimate, Dewey-Burdock Uranium ISR Project, South Dakota, USA was previously prepared by Roughstock Mining Service with effective November 12, 2018 (ref., Roughstock 2018). In this PEA, the entire resource estimate for the project was again reviewed. The purpose of this PEA is to update the mineral resource estimate and update the capital and operating cost estimates and economic analysis with the most recent market information and to account for a revised construction and operations schedule. The new schedule is discussed in Section 16.

The Dewey-Burdock Project is an advanced-stage uranium exploration project located in South Dakota and is solely controlled by Powertech USA, Inc. The Project is located in southwest South Dakota (Figure 1.1) and forms part of the northwestern extension of the Edgemont Uranium Mining District. The project is divided into two Resource Areas, Dewey and Burdock, as shown in Figure 1.2.

The project is within an area of low population density characterized by an agriculture-based economy with little other types of commercial and industrial activity. The project is expected to bring a significant economic benefit to the local area in terms of tax revenue, new jobs, and

commercial activity supporting the project. Previously, a uranium mill was located at the town of Edgemont, and a renewal of uranium production is expected to be locally favorable form of economic development. Regionally, there are individual and other organizations that oppose the project, though typically not in the immediate Edgemont area.



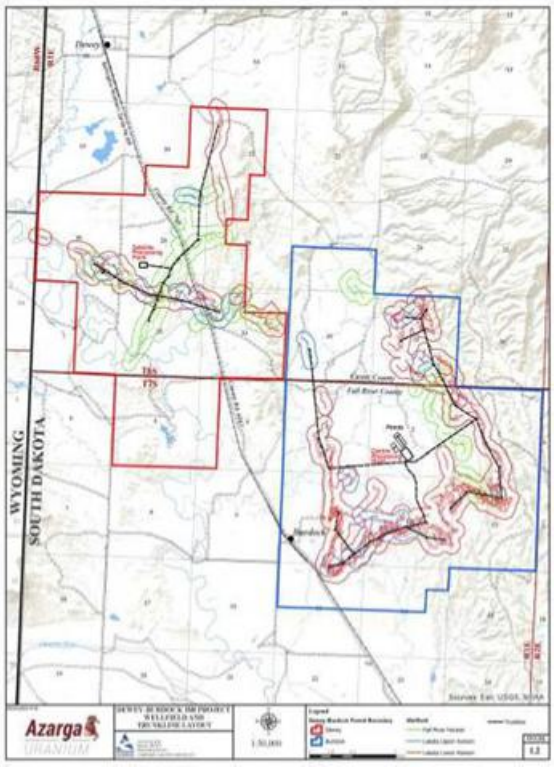
The three most significant permits/licenses are (1) the Source and Byproduct Materials License, which was issued by the U.S. Nuclear Regulatory Agency NRC April of 2014; (2) the Large Scale Mine Permit (LSMP), to be issued by the South Dakota Department of Environment (DENR); and (3) UIC Class III and V permits (ISR injection and deep disposal, respectively), which draft permits were issued from the U.S. Environmental Protection Agency Region 8 (EPA) initially in March 2017 and reissued in August 2019. Permit requirements and status are discussed in Sections 4 and 20. Public interest in the project has extended regulatory efforts and logistics for accommodating public involvement, but at the time of this report, the NRC license has been issued, the State of South Dakota LSMP has been recommended for approval by DENR, and draft UIC Class III and Class V permits have been issued by EPA.

**Figure 1.1: Project Location**






**Figure 1.2: Project Site Map**




*Resources*

***Cautionary statement: This Preliminary Economic Assessment is preliminary in nature, and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves and there is no certainty that the preliminary economic assessment will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.***

As further discussed in Section 14, the deposits within the project area contain Measured ISR resources of 5,419,779 tons at an average grade of 0.132% $U_3O_8$, Indicated ISR resources of 1,968,443 tons at a grade of 0.072% $U_3O_8$ for a total M&I ISR resource of 17.12M pounds $U_3O_8$ at a 0.2 GT cutoff, and Inferred resource of 654,546 tons at a grade of 0.055% $U_3O_8$ for a total of 712,624 pounds $U_3O_8$ at a 0.2 GT cutoff. See Table 1.1 for a summary of the mineral resource estimate.

As discussed in Section 13, laboratory dissolution results ranged from 71 to 97%, indicating the deposit is amenable to ISR mining methods. In addition, recoverability for operating uranium ISR operations has been reported as high as 85% of the estimated resources under pattern. ISR PEAs for similar projects have predicted a range of recoverability from 67 to 80% as discussed in Section 17. The average recovery head grade assumed over the life of the Project in this PEA is 60 parts per million (ppm), as discussed in Sections 13 and 17.



**Table 1.1: 2019 Mineral Resource Estimate Summary (Effective date-December 3, 2019)**

| ISR Resources | Measured | Indicated | M & I | Inferred |
|---|---|---|---|---|
| Pounds | 14,285,988 | 2,836,159 | 17,122,147 | 712,624 |
| Tons | 5,419,779 | 1,968,443 | 7,388,222 | 645,546 |
| Avg. GT | 0.733 | 0.413 | 0.655 | 0.324 |
| Avg. Grade (% $U_3O_8$) | 0.132% | 0.072% | 0.116% | 0.055% |
| Avg. Thickness (ft) | 5.56 | 5.74 | 5.65 | 5.87 |

*Note: Resource pounds and grades of $U_3O_8$ were calculated by individual grade-thickness contours. Tonnages were estimated using average thickness of resource zones multiplied by the total area of those zones.*

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For the purpose of this PEA, it is the Qualified Person, Matthew Yovich's opinion that Azarga's assumed uranium recovery of 80% of the

estimated resource is a reasonable estimate. Therefore, the overall potential yellowcake production is estimated to be 14.3 million pounds, as shown in Table 1.2 below. The recovery value of 80% is an estimate based on industry experience and Azarga personnel experience at the Smith Ranch Uranium ISR mine located in Wyoming. See Section 17 for additional discussion relative to the basis for the recovery value used in the PEA.

It is also projected that 100% of the resource will be placed under a mining pattern. This may require license/permit amendments where these resources extend beyond the current permit boundary. In addition, the resource recovery assumes an average 0.5% recovery will be realized during restoration which is included in the total estimated recovery of 80% of the mineral resource not including any plant losses.

**Table 1.2: 2019 Estimated Recovery of Mineral Resource (Effective date – December 3, 2019)**

| | Estimated Measured Resources | Estimated Indicated Resources | Estimated M & I Resources | Estimated Inferred Resources |
|---|---|---|---|---|
| Pounds | 14,285,988 | 2,836,159 | 17,122,147 | 712,624 |
| Estimated Recoverability | 80% | 80% | 80% | 80% |
| Estimated Total Recovery | 11,428,790 | 2,268,927 | 13,697,717 | 570,099 |

***This Preliminary Economic Assessment is preliminary in nature, and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. The estimated mineral recovery used in this Preliminary Economic Assessment is based on site-specific laboratory recovery data as well as Azarga personnel and industry experience at similar facilities. There can be no assurance that recovery at this level will be achieved.***

The dewey-Burdock uranium mineralization is comprised of “roll-front” type uranium mineralization hosted in several sandstone stratigraphic horizons that are hydrogeologically isolated and therefore amenable to ISR technology. Uranium deposits in the Dewey-Burdock Project are sandstone, roll-front type. This type of deposit is usually “C”-shaped in cross section, with the down gradient center of the “C” having the greatest thickness and highest tenor. These “roll fronts” are typically a few tens of feet wide and often can be thousands of feet long. Uranium minerals are deposited at the interface of oxidizing solutions and reducing solutions. As the uranium minerals precipitate, they coat sand grains and partially fill the interstices between grains. Thickness of the deposits is generally a factor of the thickness of the sandstone host unit. Mineralization may be 5 to 12 ft thick within the roll front while being 1 to 2 ft thick in the trailing tail portions. Deposit configuration determines the geometry of the well field and is a major economic factor in ISR mining.



The Dewey-Burdock mineralization is located at depths of 184 to 927 ft below surface at Dewey and surface to 782 ft below surface at Burdock, as several stacked horizons, which are sinuous and narrow but extend over several miles along trend of mineralization. The deposits are planned for ISR mining by development of individual well fields for each mineralized horizon. A well field will be developed as a series of injection and recovery wells, with a pattern to fit the mineralized horizon, typically a five spot well pattern on 50 to 150 ft drillhole spacing.

Historic exploration drilling for the project area was extensive and is discussed in Section 6. In 2007 and 2008, Azarga conducted confirmatory exploration drilling of 91 holes including 20 monitoring wells. In addition, Azarga installed water wells for water quality testing and for hydro-stratigraphic unit testing. This work confirmed and replicated the historic drill data and provided some in-fill definition of uranium roll fronts. In addition, the hydrogeologic investigations defined the pre-mining water quality and determined the capacity for the uranium-bearing hydro-stratigraphic units to allow for circulation of ISR recovery fluid, and confinement of the fluids to the hydro-stratigraphic unit.

*Project*

The Burdock Resource Area consists of 19 well fields where mineral extraction will occur. The central processing plant (CPP) facility for the Project will be located at the Burdock Resource Area along with five ponds as shown in Figure 1.2. A satellite facility will be constructed in the Dewey Resource Area. The Dewey Resource Area consists of 32 well fields where mineral extraction will occur. A discussion of the materials required for the well field and for the plants is provided in Sections 16 and 17, respectively.

As discussed in Section 18, the Project area is well supported by nearby towns and services. Major power lines are located near the Project and can be accessed and upgraded for electrical service for the mining operation. A major rail line (Burlington Northern-Santa Fe) cuts diagonally across the project area. A major railroad siding is located at Edgemont and can be used for shipment of materials and equipment for development of the producing facilities.

The Project is proposed to be developed with a gradual phased approach. The Burdock CPP Facility will be constructed to initially accept a flow rate of up to 1,000 gallons per minute (gpm) lixiviant. Capacity will be gradually expanded to accept a flow rate of 4,000 gpm of lixiviant. Resin will be transferred from IX vessels to resin trailers to be transported and processed at an off-site processing facility for the first few years. Once the flow rate capacity reaches 4,000 gpm, the Burdock CPP Facility will be expanded to include processing capabilities for up to 1.0-mlbs-pa of $U_3O_8$. Once the Burdock Resource Area has been economically depleted, the IX vessels will be removed from the CPP Facility and transported to Dewey, where a satellite facility will be constructed to mine the Dewey Resource Area. The proposed phases are as follows:

Phase I – Construction of two header houses and the Burdock CPP Facility with one IX train (estimated 1,000 gpm average flow rate, 1,100 gpm maximum flow capacity) and capability to transfer resin to a transport vehicle for off-site toll processing.

Phase II – Construction of an additional two header houses and expansion of the Burdock CPP Facility to two IX trains (estimated 2,000 gpm average flow rate, 2,200 gpm maximum flow capacity).

Phase III – Construction and operation of sufficient header houses to support expansion of the Burdock CPP Facility to four IX trains (estimated 4,000 gpm average flow rate, 4,400 gpm maximum flow capacity)

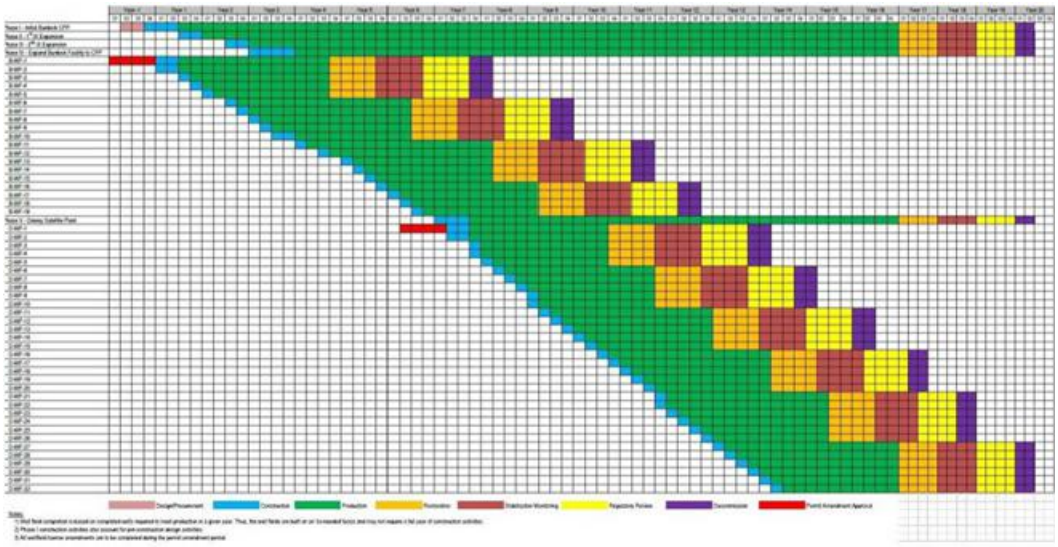
Phase IV – Construction and operation of sufficient header houses to support expansion of Burdock CPP Facility to maintain four IX trains (estimated 4,000 gpm average flow rate, 4,400 gpm maximum flow capacity) and on-site uranium processing capabilities up to approximately one million pounds per year.

Phase V – Construction of the Dewey Satellite Facility and transfer of IX vessels from the Burdock CPP Facility to the Dewey Facility.



Figure 1.3 provides the operating and production schedule for the Project as currently defined. Production will generally occur at each well field consecutively and the Project production will occur over a period of approximately 16 years. Groundwater restoration and decommissioning (including site reclamation) will also be implemented concurrently with production and will continue approximately four years beyond the production period. The overall mine life is approximately 21 years from initiation of construction activities to completion of groundwater restoration and decommissioning.

**Figure 1.3: Life of Mine Schedule**



*Economic Analysis*

***Cautionary statement: This* Preliminary Economic Assessment *is preliminary in nature, and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary economic assessment will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.***

The economic analyses presented herein provide the results of the analyses for pre-U.S. federal income tax and estimated post U.S. federal income tax. The only difference between the two scenarios is the value of the estimated U.S. federal income tax. All other sales, property, use, severance and conservations taxes as well as royalties are included in both scenarios. Both economic analyses presented herein assume no escalation, no debt, no debt interest and no capital repayment. There is no State of South Dakota corporate income tax.

As described in Section 21 and summarized in Table 1.3, the estimated initial capital costs for the first two years of the Project life (Years -1 and 1) are approximately $31.7 million with sustaining capital costs of approximately $157.7 million spread over the next 17 years (Years 2 through 18) of operation.

Direct cash operating costs are approximately $10.46 per pound of $U_3O_8$ produced excluding royalties and severance and conservation taxes. U.S. federal income tax is estimated to be $3.39 per pound. The total capital and operating costs average approximately $28.88 per pound (pre-U.S. federal income tax) and $32.27 per pound (post-U.S. federal income tax) $U_3O_8$ produced. Both the capital and operating costs are current as of the end of 2019. The predicted level of accuracy of the cost estimate is +/- 25%.



An average uranium price of $55 per pound of $U_3O_8$ based on an average of recent market forecasts by various professional entities was determined to be an acceptable price for the PEA, see Table 19.1. Azarga has no contracts in place for sale of product from the project. Contracts for yellowcake transportation, handling and sales will be developed prior to commencement of commercial production.

The estimated payback is in Quarter 4 of Year 2 with the commencement of design/procurement activities in Quarter 2 of Year -1 and construction beginning Quarter 4 of Year -1. The Project is estimated to generate net earnings over the life of the project of $372.7 million (pre-U.S. federal income tax) and $324.4 million (post U.S. federal income tax). It is estimated that the project has an internal rate of return (IRR) of 55% and a NPV of $171.3 million (pre-U.S. federal income tax) and an IRR of 50% and a NPV of $147.5 million (post-U.S. federal income tax) applying an 8% discount rate, see Table 1.3 below.

**Table 1.3: Summary of Economics**

| Summary of Economics[1] | | | | | |
|---|---|---|---|---|---|
| | Pre-U.S. Federal income tax at $55/lb | | Post-U.S. Federal income tax at $55/lb | | Units |
| Initial CAPEX | $ | 31,672 | $ | 31,672 | (US$000s) |
| Sustaining CAPEX | $ | 157,682 | $ | 157,682 | (US$000s) |
| Direct Cash OPEX | $ | 10.46 | $ | 10.46 | $/lb $U_3O_8$ |
| U.S. Federal Income Tax | $ | 0.00 | $ | 3.39 | $/lb $U_3O_8$ |
| Total Cost per Pound $U_3O_8$ | $ | 28.88 | $ | 32.27 | $/lb $U_3O_8$ |
| Estimated $U_3O_8$ Production | | 14,268 | | 14,268 | Mlb $U_3O_8$ |
| Net Earnings | $ | 372,738 | $ | 324,352 | (US$000s) |
| IRR8% | | 55% | | 50% | - |
| NPV8% | $ | 171,251 | $ | 147,485 | (US$000s) |

Sensitivity to price is provided in Section 22.4

**[1] Cautionary statement: This Preliminary Economic Assessment is preliminary in nature, and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves and there is no certainty that the preliminary economic assessment will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.**

It should be noted that the favorable economic indicators presented above are due to a combination of the following:

1. Investment costs were incurred prior to this PEA for Project exploration and permitting,
2. The Project will be implemented in phases starting as an IX facility rather than a full processing plant along with initial development of high grade, consolidated well fields (defers significant capital costs),
3. Contractors will be utilized for all plant and well field construction to reduce labor costs associated with phased project development, and
4. Favorable head grade and recovery rate are anticipated.



A summary of the Project economics for pre- and post- U.S. federal income tax is presented below.

**Table 1.4: Cash Flow Summary**

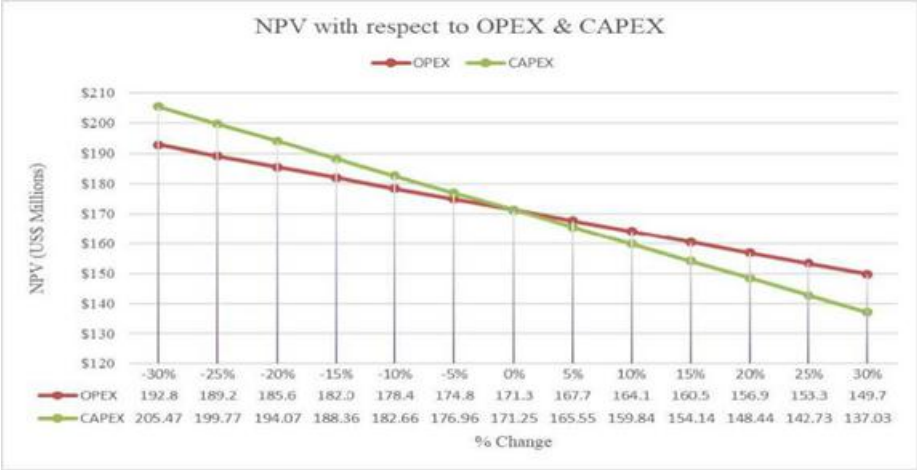
| Cash Flow Line Items | Units | Total or Average | $ per Pound |
|---|---|---|---|
| Uranium Production as $U_3O_8$ | Lbs 000s | **14,268** | - |
| Uranium Price per $U_3O_8$ | US$/lb | **$ 55.00** | - |
| **Uranium Gross Revenue** | **US$000s** | **$ 784,740** | **-** |
| Less: Surface & Mineral Royalties | US$000s | **$ 38,060** | $ 2.67 |
| **Taxable Revenue** | **US$000s** | **$ 746,680** | **-** |
| Less: Severance & Conservation Tax | US$000s | **$ 35,393** | $ 2.48 |
| Less: Property Tax | US$000s | **$ 7,201** | $ 0.50 |
| **Net Gross Sales** | **US$000s** | **$ 704,086** | **-** |
| Less: Plant & Well Field Operating Costs | US$000s | **$ 108,084** | $ 7.58 |
| Less: Product Transaction Costs | US$000s | **$ 11,889** | $ 0.83 |
| Less: Administrative Support Costs | US$000s | **$ 5,362** | $ 0.38 |
| Less: D&D and Restoration Costs | US$000s | **$ 16,659** | $ 1.17 |
| **Net Operating Cash Flow** | **US$000s** | **$ 562,093** | **-** |
| Less: Pre-Construction Capital Costs | US$000s | **$ 1,025** | $ 0.07 |
| Less: Plant Development Costs | US$000s | **$ 52,140** | $ 3.65 |
| Less: Well Feld Development Costs | US$000s | **$ 136,190** | $ 9.55 |
| **Net Before-Tax Cash Flow** | **US$000s** | **$ 372,738** | **-** |
| Less: Federal Tax | US$000s | **$ 48,386** | $ 3.39 |
| **After Tax Cash Flow** | **US$000s** | **$ 324,352** | **-** |

The sensitivity to changes in capital and operating costs and the price of uranium, have been calculated from the pre-U.S. federal income tax cash flow statements and are presented below in Figures 1.4, 1.5 and 1.6. The sensitivity to changes in head grade and uranium recovery are also discussed below. **Post-U.S. federal income tax sensitivities are discussed in Section 22.4.**

The Project pre-U.S. federal income tax NPV is also slightly sensitive to changes in either capital or operating costs as shown on Figure 1.4. A 5% variation in operating cost results in a $3.59 million variation in NPV and an impact to the IRR of approximately 1.06%. A 5% variation in capital cost results in a $5.70 million variation to the NPV and an impact to the IRR of approximately 3.45%.

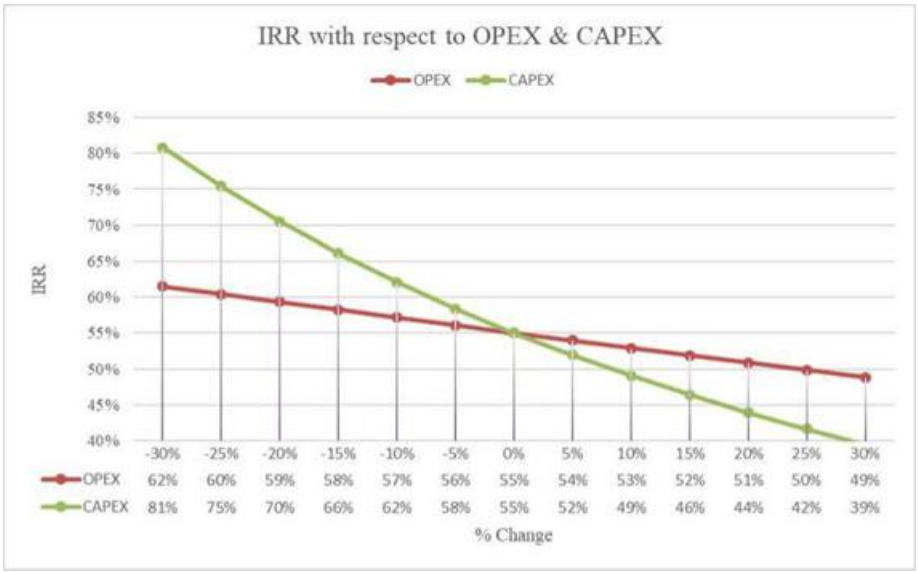


**Figure 1.4: Life of Mine Schedule**




Note: Based on sales price of $55.00 per pound and 8% discount rate.

**Figure 1.5: IRR v. OPEX & CAPEX (Pre-U.S. Federal Income Tax)**

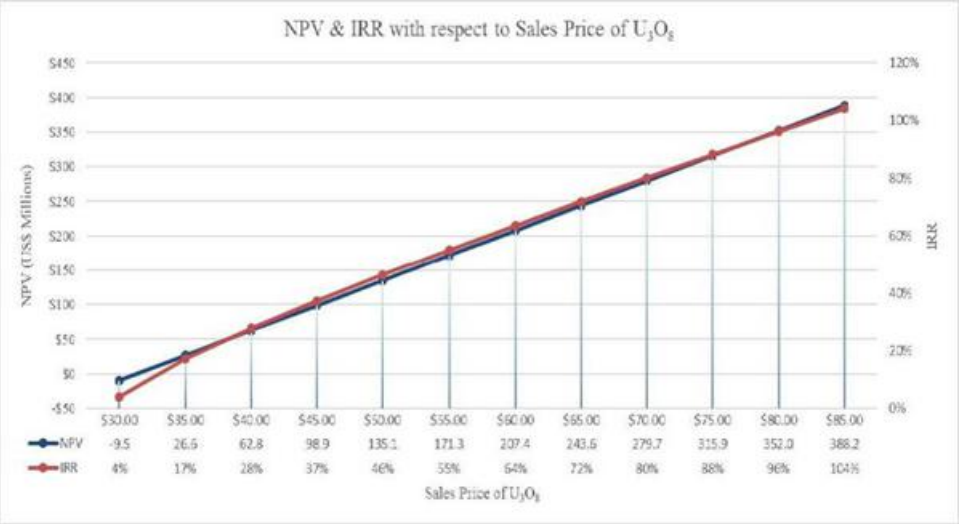



Note: Based on sales price of $55.00 per pound and 8% discount rate.



The Project economics are most sensitive to changes in the price of uranium, recovery and head grade. A one-dollar change in the price of uranium can have an impact to the NPV of approximately $7.23 million and an impact to the IRR of approximately 1.82%. See Figure 1.6.

**Figure 1.6: NPV & IRR v. Uranium Sales Price (Pre-U.S. Federal Income Tax)**




**It should be noted that the economic results presented herein are very sensitive to head grade and recovery. Significant variations in the assumptions for head grade and recovery can have significant impacts to the economic results presented. However, there are too many variables associated with estimating the potential impact of head grade and recovery to the economics presented herein to develop a meaningful sensitivity analysis. The operational variables that influence head grade and recovery will be managed during operations to the extent practicable to minimize potential impacts.**

The above analyses are based on an 8% discount rate and a constant price of $55.00 per pound of $U_3O_8$.

*Risks*

The Project is located in a region where ISR projects have been and are operated successfully. The ISR mining method has been proven effective in geologic formations near the Project in Wyoming and Nebraska as described herein. Six Wyoming ISR facilities are currently in operational (Smith Ranch, North Butte, Willow Creek, Lost Creek, Ross and Nichols Ranch) and one operational facility in Nebraska (Crow Butte). Some of these projects, though operational, are currently on a care and maintenance program.

As with any pre-development mining property, there are risks and opportunity attached to the project that need further assessment as the project moves forward. The authors deem those risks, on the whole, as identifiable and manageable. Some of the risks are summarized below and are discussed in detail in Section 25.

Risk associated with uranium recovery and processing,

Risk associated with spills associated with transportation of loaded resin and packaged yellowcake uranium,

Risk associated with contracting an off-site toll milling facility,

Risk associated with delays in permitting,

Risk associated with social and/or political issues, and

Risk associated with the uranium market and sales contracts.



*Recommendations*

The Authors find that the development of the Project is potentially viable based on the assumptions contained herein. There is no certainty that the mineral recovery or the economics presented in this PEA will be realized. In order to realize the full potential benefits described in this PEA, the following activities are required, at a minimum.

Complete all activities required to obtain all necessary licenses and permits required to operate an in-situ uranium mine in the State of South Dakota. Approximate cost $400,000.

Obtain agreement with remote processing facility to process loaded resin prior to completion of the Project CPP. Minimal cost.

Complete additional metallurgical testing to further verify and confirm the head grade and overall resource recovery used in this analysis prior to advancing the Project. Approximate cost $250,000.

Additional Permit / License amendments and approvals necessary to realize all resources included in this PEA. Approximate potential cost up to $500,000.

Cost benefit analysis to determine best available process to handle vanadium should levels be significant. Approximate cost $75,000.

Finalize facility and well field engineering designs, including construction drawings and specifications. Approximate cost $950,000.

Identify procurement process for long lead items and perform cost benefit analysis for any alternative equipment or materials. Cost included in design phase above."

**Gas Hills Project**

For a complete description of the Gas Hills Project see the Gas Hills Technical Report prepared by Ray Moores, P.E. of Western Water Consultants Inc. and Steve Cutler, P.G. of Roughstock Mining Services, LLC as independent qualified persons under NI 43-101 Standards.

The information contained in this section has been derived from the Gas Hills Technical Report, is subject to certain assumptions, qualifications and procedures described in the Gas Hills Technical Report and is qualified in its entirety by the full text of the Gas Hills Technical Report. Reference should be made to the full text of the Gas Hills Technical Report, which is incorporated by reference herein and is available for viewing under Azarga's profile on SEDAR at www.sedarplus.ca.



*Reproduction of the Summary Contained in the Gas Hills Technical Report*

**EXECUTIVE SUMMARY**

**Background**

This report titled "NI 43-101 TECHNICAL REPORT, PRELIMINARY ECONOMIC ASSESSMENT, GAS HILLS URANIUM PROJECT, FREMONT AND NATRONA COUNTIES, WYOMING, USA" (the "Report") was prepared in accordance with National Instrument 43-101, Standards of Disclosure for Mineral Projects ("NI 43-101 Standards"). The Mineral Resources are in accordance with Canadian Institute of Mining, Metallurgy, and Petroleum Definition Standards Mineral Resources and Mineral Reserves, May 10, 2014 ("CIM Definition Standards"). The effective date of this report is June 28, 2021.

The Gas Hills uranium project (the "Project") is owned by Ucolo Exploration Corp. ("Ucolo"), a Utah corporation, and a wholly owned subsidiary of URZ Energy Corp. ("URZ"). URZ is a wholly owned subsidiary of Azarga Uranium Corp. ("Azarga"). Surface land ownership at the Project is managed by the U.S. Bureau of Land Management (BLM) and the minority of the land is privately owned.

A NI 43-101 Technical Report Resource Report, Gas Hills Uranium Project, Fremont and Natrona Counties, Wyoming, USA was previously prepared by Roughstock Mining Services (Roughstock) with an effective date of March 29, 2021 (Roughstock 2021). Roughstock and WWC Engineering (WWC) were retained by Azarga to prepare this independent Preliminary Economic Assessment (PEA) for the in-situ recovery (ISR) amenable resources of the Project. The purpose of this PEA is to provide a mineral resource estimate and capital (CAPEX) and operating (OPEX) cost estimates and economic analysis with the most recent market information. This report is authored by Steve Cutler, P.G. of Roughstock and Ray Moores, P.E. of WWC (The Authors) as independent qualified persons under NI 43-101 Standards.

Between 1953 and 1988 many companies explored, developed, and produced uranium in the Gas Hills, including on lands now controlled by Azarga. Three uranium mills operated in the district and two others nearby were also fed by ore mined from Gas Hills. Cumulative production from the Gas Hills is in excess of 100 million pounds of uranium, mainly from open-pit mining, but also from underground mining and ISR. (Beahm, 2017)

Available data utilized in this Report includes pre-2007 exploration and production on Azarga's Gas Hills Uranium Project, and drilling completed by a previous owner, Strathmore Minerals Corporation, from 2007 to June 2013. In August 2013, Strathmore Minerals Corporation was acquired by Energy Fuels, who subsequently sold the Project to URZ in October 2016. Azarga acquired the Project when it merged with URZ in July 2018.

Data sources for the estimation of uranium mineral resources for the Project include radiometric equivalent data (eU $_3O_8$) for 4,569 drill holes, and $eU_3O_8$ and Prompt Fission Neutron ("PFN") logging data for 272 drill holes. The intent of recent drilling between 2007 and 2013 included verification of earlier data for drill holes and exploration.

Metallurgical studies were completed on recovered materials including bulk samples from reverse circulation drilling and cored sections. Bottle roll and column leach tests indicate uranium recoveries of ~90 percent and sulfuric acid consumption of ~55 pounds per ton treated, which is consistent with past mining results.



**Mineral Resources**

The mineral resource estimation method utilized in this Report is the Grade Thickness ("GT") contour method. This method is considered appropriate for this type of deposit.

Mineral resources were estimated using a cutoff grade of 0.02% eU $_3O_8$. Estimated mineral resources are summarized in Table 1.1 using both 0.1 GT and 0.2 GT cutoffs. The 0.1 GT base case cutoffs were selected by meeting economic criteria for both ISR and open pit/heap leach

methods differentiated on the relative location to the water table. Resources labeled “ISR” meet the criteria of being sufficiently below the water table to be amenable for extraction by ISR methods and as well as also meeting other hydrogeological criteria. “Non-ISR” resources include those generally above the natural water table, which would typically be mined using open pit methods.

Additionally, 0.2 GT cutoffs were included for ISR resources for additional comparison purposes only as this is a typical uranium industry standard ISR cutoff. However, average grade of ISR resources in this estimate at a 0.1 GT cutoff compare favorably to other ISR projects in region, met economic criteria for ISR extraction, and thus is considered the base case for this Report.

Section 14.0 provides additional details regarding the determination of cutoff grade, GT cutoff, and the assessment of reasonable prospects for eventual economic extraction of the mineral resource.

**Project**

The Project consists of four resource areas that contain ISR amenable resources named by Azarga as the West Unit, Central Unit, South Black Mountain, and Jeep. There is an additional non-ISR amenable resource area at the Project named the Rock Hill Unit was as well as other shallow with resources located above the water table that were not considered in the economic assessment portion of this PEA. For the purposes of this PEA, uranium recovery was estimated at 6,507,000 lbs at a production rate of 1.0 million pounds $U_3O_8$ per year with a long-term uranium price of $55.00/lb using a low pH lixiviant.

**Table 1.1. Mineral Resource Summary**

March 29, 2021 (GT cutoff 0.10)

| | Pounds | Tons | Avg. Grade | Avg. Thickness | Avg. GT |
|---|---|---|---|---|---|
| Measured | 2,051,065 | 993,928 | 0.103% | 5.35 | 0.552 |
| Indicated | 8,714,126 | 6,031,224 | 0.072% | 6.13 | 0.443 |
| Inferred | 490,072 | 514,393 | 0.048% | 6.16 | 0.293 |
| Total M&I | 10,765,191 | 7,025,152 | 0.077% | 6.05 | 0.463 |

March 29, 2021, ISR Only (GT cutoff 0.10)

| | Pounds | Tons | Avg. Grade | Avg. Thickness | Avg. GT |
|---|---|---|---|---|---|
| Measured | 2,051,065 | 993,928 | 0.103% | 5.35 | 0.552 |
| Indicated | 5,654,545 | 2,835,339 | 0.100% | 4.92 | 0.491 |
| Inferred | 427,817 | 409,330 | 0.052% | 5.94 | 0.310 |
| Total M&I | 7,705,610 | 3,829,267 | 0.101% | 4.99 | 0.502 |

March 29, 2021, Non-ISR Only (GT cutoff 0.10)

| | Pounds | Tons | Avg. Grade | Avg. Thickness | Avg. GT |
|---|---|---|---|---|---|
| Indicated | 3,059,581 | 3,195,885 | 0.048% | 8.60 | 0.412 |
| Inferred | 62,256 | 105,063 | 0.030% | 7.01 | 0.208 |
| Total M&I | 3,059,581 | 3,195,885 | 0.048% | 8.60 | 0.412 |

March 29, 2021, ISR Only (GT cutoff 0.20)

| | Pounds | Tons | Avg. Grade | Avg. Thickness | Avg. GT |
|---|---|---|---|---|---|
| Measured | 1,887,847 | 847,570 | 0.111% | 5.94 | 0.661 |
| Indicated | 4,872,128 | 2,143,763 | 0.114% | 5.74 | 0.653 |
| Inferred | 290,007 | 260,544 | 0.056% | 8.44 | 0.470 |
| Total M&I | 6,759,975 | 2,991,333 | 0.113% | 5.77 | 0.653 |

*Note: Mineral resources that are not mineral reserves do not have demonstrated economic viability.*



Labor for the Project will likely come from the nearby population centers of Jeffery City, Casper, and Riverton, WY. The Project is accessible via gravel roads and year-round access should not be a problem. The Project is situated near electric transmission lines and access to power is not anticipated to be a problem. As discussed in Section 18, appropriate resources, manpower, and access are available to provide services to the Project.

The proposed wellfields consist of a combination of 5-spot and 7-spot well patterns with an average pattern area of approximately 17,000 ft $^2$. Header houses will be installed in the wellfields and each header house will operate approximately 75 wells. A satellite ion exchange (IX) plant will be located at the West Unit and be connected to the other resource area by high density polyethylene (HDPE) pipelines to transport the lixiviant to the satellite plant for processing. The IX resin will be transported to Azarga’s Dewey-Burdock Uranium Project in South Dakota for processing. A discussion of wellfields and header houses is located in Section 16 and the discussion of the satellite plant is located in Section 17.

Production will generally occur at each resource area consecutively and the production period will occur over a period of approximately seven years. Groundwater restoration, decommissioning, and reclamation will be implemented at each resource area immediately following the production period. The overall life of mine is approximately 11 years from initiation of construction activities to the completion of surface reclamation. The mine schedule is discussed in Section 16.

**Economic Analysis**

This PEA indicates a pre-tax NPV of $120.9 million at an 8 percent discount rate with an IRR of 116 percent compared to an after-tax NPV of

$102.6 million at an 8 percent discount rate with an IRR of 101 percent.

The mine plan and economic analysis are based on the following assumptions:

NI 43-101 compliant estimate of Mineral Resources and a recovery factor of 80 percent,

A $U_3O_8$ sales price of $55.00/lb,

A mine life of 11 years,

A pre-income tax cost including royalties, state and local taxes, operating costs, and capital costs of $28.20/lb, and

Initial capital costs of $26.0 million.

Costs for the Project are based on economic analyses for similar ISR uranium projects in the Wyoming region as well as WWC's in house experience with mining and construction costs. All costs are in U.S. dollars (USD). To date, no detailed design work has been completed for the wellfields or the satellite plant. The Authors believe that general industry costs from similar projects adequately provide a ± 30 percent cost accuracy which is in accordance with industry standards for a PEA. As additional data are collected for the Project and the wellfield and plant designs are advanced, estimates can be refined.

This analysis is based on measured, indicated, and inferred mineral resources which do not have demonstrated economic viability. Given the speculative nature of mineral resources, there is no guarantee that any or all of the mineral resources included in this PEA will be recovered. This PEA is preliminary in nature and there is no certainty that the Project will be realized.



**Conclusions and Recommendations**

The Authors conclude that the ISR amenable mineral resources as determined by this report show sufficient economic and technical viability to move to the next stage of development. The Authors recommend that Azarga consider initiating permitting of the Project, especially as much of the work was previously completed for a mine application prepared for the Project in 2013 by Strathmore Minerals Corporation. The Authors' recommendations for additional work programs are described in Section 26.0.

**Summary of Risks**

The Project is located in a brownfield district where the geology is well-known and past mining and milling have successfully been completed.

The Project does have some risks similar in nature to other mineral projects and uranium projects in particular. Some risks are summarized below and are discussed in detail in Section 25:

Variance in the grade and continuity of mineralization from what was interpreted by drilling and estimation techniques,

Environmental, social and political acceptance of the Project could cause delays in conducting work or increase the costs from what is assumed,

Risk associated with delays or additional requirements for regulatory authorizations,

Risk associated with the uranium market and sales contract,

Risk associated with uranium recovery and processing,

Changes in the mining and mineral processing recovery, and

Due to limited testing and operation of ISR throughout the Project, ISR operations may not be able to be successfully implemented due to hydrogeological, environmental, or other technical issues.

With regard to the socio-economic and political environment of the Gas Hills Uranium Project area, Wyoming mines have produced over 200 million pounds of uranium from both conventional and ISR mine and mill operations. Production began in the early 1950's and continues to the present. The state has ranked as the number one US producer of uranium since 1994. Wyoming is considered generally favorable to mine development and provides a well-established environmental regulatory framework for ISR which has been conducted in the state since the 1960's.

To the Authors' knowledge there are no other significant risks that could materially affect the PEA or interfere with the recommended work programs."



**RISK FACTORS**

The securities of the Company should be considered a highly speculative investment and investors should carefully consider all of the information disclosed in this AIF and the Company's profile on the SEDAR website at www.sedarplus.ca prior to making an investment in our securities. In addition to the other information presented in this AIF, the following risk factors should be given special consideration when evaluating an investment in any of our securities.

Prior to making an investment decision, investors should consider the investment risks set out below and those described elsewhere in this document, which are in addition to the usual risks associated with an investment in a business at an early stage of development.

The directors of the Company consider the risks set out below to be the most significant to potential investors in the Company but are not all of the risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Directors are currently unaware, or which they consider not to be material in relation to the Company's business, actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline, and investors may lose all or part of their investment.

**Risks Related to enCore's Business and Operations**

*Nature of Mineral Exploration and Mining*

enCore's business is subject to a number of risks and hazards, including environmental hazards; industrial accidents; labour disputes; catastrophic accidents; fires; blockades or other acts of social activism; changes in the regulatory environment; impact of non-compliance with laws and regulations or the implementation of new laws and regulations; natural phenomena, such as inclement weather conditions, underground floods, earthquakes, pit wall failures, ground movements, tailings pipeline and dam failures and cave-ins; and encountering unusual or unexpected geological conditions and technological failure of mining methods. There is no assurance that the foregoing risks and hazards will not occur or will not result in damage to, or destruction of, the properties and assets of enCore, personal injury or death, environmental damage, delays in or interruption of or cessation of production from the properties or impairment of enCore's exploration or development activities, which could result in unforeseen costs, monetary losses and potential legal liability and adverse governmental action, all of which could have an adverse impact on enCore's future cash flows, earnings, results of operations and financial condition.



*Economic extraction of minerals from uranium deposits may not be commercially viable*

Whether a uranium deposit will be commercially viable depends on a number of factors, including the particular attributes of a deposit, such as its size and grade; costs and efficiency of the recovery methods than can be employed; proximity to infrastructure; financing costs; and governmental regulations, including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of commodities and environmental protection. The effect of these factors, either alone or in combination, cannot be accurately predicted and their impact may result in enCore not being able to economically extract minerals from any identified mineral resource.

*Uncertainty of Resource Estimates*

The figures presented for mineral resources in this AIF are only estimates. The estimating of mineral resources is a subjective process and the accuracy of mineral resource estimates is a function of the quantity and quality of available data, the accuracy of statistical computations, and the assumptions used and judgments made in interpreting available engineering and geological information. There is significant uncertainty in any mineral resource estimate and the actual deposits encountered and the economic viability of a deposit may differ materially from enCore's estimates.

Estimated mineral resources may have to be re-estimated based on changes in uranium prices, further exploration or development activity or actual production experience. This could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence mineral resource estimates. Mineral resources are not mineral reserves and there is no assurance that any resource estimate will ultimately be reclassified as proven or probable reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

*No assurances can be given that future mineral production estimates will be achieved*

Estimates of future production for enCore's mining operations as a whole are derived from enCore's mining plans. These estimates are subject to change. enCore cannot give any assurance that it will achieve its production estimates. enCore's failure to achieve its production estimates could have a material and adverse effect on any or all of enCore's future cash flows, results of operation, financial condition and prospects. The plans are developed based on, among other things, mining experience, reserve estimates, assumptions regarding ground conditions and physical characteristics or ores (such as hardness and presence or absence of certain metallurgical characteristics) and estimated rates and costs of production. Actual production may vary from estimates for a variety of reasons, including risks and hazards of the types discussed above, and as set out below, including:

- actual ore mined varying from estimates in grade, tonnage, and metallurgical and other characteristics;
- mining dilution;
- pit wall failures or cave-ins;
- ventilation and adverse temperature levels underground;

- accidents;
- equipment failures;
- natural phenomena such as inclement weather conditions, floods, blizzards, droughts, rock slides and earthquakes;
- encountering unusual or unexpected geological conditions;
- changes in power costs and potential power shortages;
- shortages of principal supplies needed for operation, including explosives fuels, chemical reagents, water, equipment parts and lubricants;
- strikes and other actions by labour at unionized locations; and
- regulatory restrictions imposed by government agencies.



Such occurrences could, in addition to stopping or delaying mineral production, result in damage to mineral properties, injury or death to persons, damage to enCore's property or the property of others, monetary losses and legal liabilities. These factors may also cause a mineral deposit that has been mined profitably in the past to become unprofitable. Estimates of production from properties not yet in production or from operations that are to be expanded are based on similar factors (including, in some instances, feasibility studies prepared by enCore's personnel and outside consultants) but it is possible that actual operating costs and economic returns will differ significantly from those currently estimated. It is not unusual in new mining operations to experience unexpected problems during the start-up phase. Delays often can occur in the commencement of production.

*No assurance can be given that estimates of commodity prices used in preliminary economic assessment will actually be realized*

The estimates of uranium prices used in Technical Reports are based on conditions prevailing at the time of the writing of such reports. Conditions can change significantly over relatively short periods of time and, as such, there can be no assurance that the estimates of the price of uranium used in the above-named report will actually be realized. Changes in the uranium price could have a significant impact on the viability of enCore's mineral projects.

*Exploration*

Exploration for uranium involves many risks and uncertainties and success in exploration is dependent on a number of factors including the quality of management, quality and availability of geological expertise and the availability of exploration capital. Major expenses may be required to establish reserves by drilling, constructing mining or processing facilities at a site, developing metallurgical processes and extracting uranium from ore. enCore cannot give any assurance that its future exploration efforts will result in any economically viable mining operations or yield reserves.

*Projects may not advance or achieve production if key permits are not obtained or retained*

The advancement of mineral properties through exploration to commercial operation normally requires securing and maintaining key permits and/or licenses (collectively, the "**permits**") from regulatory or governmental authorities. While enCore puts its best efforts into securing the permits necessary to advance its properties (where warranted) according to the policies and guidelines applicable to each permit, approval of permits rests solely with the governing agency and is outside of enCore's control. There can be no guarantee that enCore will succeed in obtaining the permits necessary to advance its projects, and a failure to obtain necessary permits or retain permits that have been granted may result in an inability to realize any benefit from its exploration or development activities on its properties.

The requirements for obtaining radioactive materials licenses (" **RML**") for the Company's mineral properties in the United States allows for public participation. Third parties may object to the issuance of RMLs and/or permits required by the Company, which may significantly delay the Company's ability to obtain an RML and/or permit. Generally, public objections can be overcome through the procedures set forth in the applicable permitting legislation; however, significant financial resources and managerial resources are required through this process. In addition, the various regulatory agencies must allow and fully consider the public objections/comments according to such procedures set out in the applicable legislation and there can be no assurance that the Company will be successful in obtaining an RML and/or permit, which could have a material adverse effect on the viability of a project.



Finalization of the state permitting process for the Dewey Burdock Project is subject to hearings with public participation. If the state permits are not issued in a timely manner, or at all, it could have a material adverse impact on the Company's financial performance, cash flows and results of operations. In addition, the Company will have to assess whether an impairment allowance is necessary, which, if required, could be material.

Please also refer to the "Government Regulation" risk factor for specific risks identified pertaining to the Dewey Burdock Project and the Centennial Project.

*Native American involvement in the permitting process*

None of the Company's mineral properties are located within the boundaries of Native American lands or other property interests that are controlled or owned by Native Americans under the jurisdiction of the United States Federal Government. However, under Federal legislation, "historic cultural properties of religious significance that can be identified are to be avoided or activities are to be mitigated such that the essential nature of the properties is not lost to a culture. Throughout the western United States, Indian tribes have had historical relationship with properties that are now owned by private parties, the Federal Government or State Government. In any Federal permitting action on these properties, the agency involved is required to make an effort to communicate with Native American Tribes to determine any areas of "Traditional Cultural Significance". This process involves "Government to Government" discussions with the potentially affected Native American Tribes; therefore, delays in permitting may occur through this process. In the event that "Traditional Cultural Properties" are identified within a project area, the Company and the agency must determine the best method of development to ensure that disturbances are minimized or mitigated.

*Permits received are subject to expiry*

Permits granted by the jurisdictions in which enCore operates are typically issued with an expiry date requiring enCore to undertake certain activities within a given time frame in order for the permit to remain valid. While enCore makes every attempt to satisfy the terms and conditions of the permits it is granted, there can be no assurance that unforeseen circumstances may prevent it from doing so, and permits received may expire.

*Defects in Title*

enCore has investigated its rights to explore and extract minerals from all of its material properties and, to the best of its knowledge, those rights are in good standing. No assurance can be given, however, that enCore will be able to secure the grant or the renewal of existing mineral rights and tenures on terms satisfactory to it, or that governments in the jurisdictions in which enCore operates will not revoke or significantly alter such rights or tenures or that such rights or tenures will not be challenged or impugned by third parties, including local governments, aboriginal peoples or other claimants. Although enCore is not currently aware of any existing title uncertainties with respect to any of its material properties, there is no assurance that such uncertainties will not result in future losses or additional expenditures, which could have an adverse impact on enCore's future cash flows, earnings, results of operations and financial condition.

*Competition for Properties and Employees*

The Company competes with other mining companies and individuals for capital, mining interests on exploration properties and undeveloped lands, acquisitions of mineral resources and reserves and other mining assets. The Company also competes with other mining companies to attract and retain key executives and employees. There can be no assurance that the Company will continue to be able to compete successfully with its competitors in acquiring such properties and assets or in attracting and retaining skilled and experienced employees. The mining industry has been impacted by increased worldwide demand for critical resources such as input commodities, drilling equipment, tires and skilled labor, and these shortages have caused unanticipated cost increases and delays in delivery times, thereby impacting operating costs, capital expenditures and production schedules.



The Company may be at a competitive disadvantage due to the fact that many of the Company's competitors have greater financial resources to source mineral properties and attract and retain key executives and employees. Accordingly, there can be no assurance that the Company will be able to compete successfully.

*Acquisitions*

enCore evaluates from time to time opportunities to acquire uranium mining assets and businesses. These acquisitions may be significant in size, may change the scale of enCore's business and may expose it to new geographic, political, operating, financial and geological risks. enCore's success in its acquisition activities depends on its ability to identify suitable acquisition candidates, acquire them on acceptable terms and integrate their operations successfully with those of enCore. Any acquisitions would be accompanied by risks, such as the difficulty of assimilating the operations and personnel of any acquired companies; the potential disruption of enCore's ongoing business; the inability of management to maximize the financial and strategic position of enCore through the successful incorporation of acquired assets and businesses; additional expenses associated with amortization of acquired intangible assets; the maintenance of uniform standards, controls, procedures and policies; the impairment of relationships with employees, customers and contractors as a result of any integration of new management personnel; dilution of enCore's present shareholders or of its interest in its subsidiaries as a result of the issuance of shares to pay for acquisitions; and the potential unknown liabilities associated with acquired assets and businesses. There can be no assurance that enCore would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions and enCore's pursuit of any future acquisition may accordingly have a material adverse effect on its business, results of operations, financial condition, cash flows and liquidity.

There may be no right for our shareholders to evaluate the merits or risks of any future acquisition undertaken by enCore except as required by applicable laws and regulations.

*Uranium Industry Competition*

The international uranium industry is highly competitive. enCore intends to market uranium to utilities in direct competition with supplies available from a relatively small number of mining companies, from excess inventories, including inventories made available from the decommissioning of nuclear weapons, from reprocessed uranium and plutonium derived from used reactor fuel and from the use of excess enrichment capacity to re-enrich depleted uranium tails. The supply of uranium from the Russian Federation is, to some extent, impeded by a number of international trade

agreements and policies. These agreements and any future agreements, governmental policies or trade restrictions are beyond the control of enCore and may affect the supply of uranium available to the market.

*Competition from Other Energy Sources; Public Acceptance of Nuclear Energy*

Nuclear energy competes with other sources of energy, including oil, natural gas, coal and hydroelectricity. These other energy sources are to some extent interchangeable with nuclear energy, particularly over the longer term. Sustained lower prices of oil, natural gas, coal and hydro-electricity may result in lower demand for uranium concentrates. Furthermore, growth of the uranium and nuclear power industry will depend upon continued and increased acceptance of nuclear technology as a means of generating electricity. Because of unique political, technological and environmental factors that affect the nuclear industry, the industry is subject to public opinion risks which could have an adverse impact on the demand for nuclear power and increase the regulation of the nuclear power industry. An accident at a nuclear reactor anywhere in the world could impact the continuing acceptance of nuclear energy and the future prospects for nuclear power generation, which may have a material adverse effect on enCore.



*Volatility and Sensitivity to Uranium Prices*

enCore's future revenues will be directly related to the prices of uranium as its revenues will be derived from uranium mining. The Company's financial condition, results of operations, earnings and operating cash flows will be significantly affected by the market price of uranium, which is cyclical and subject to substantial short and long-term price fluctuations. Among other factors, uranium prices also affect the value of the Company's resources, as well as the market price of the Common Shares.

Uranium prices are and will continue to be affected by numerous factors beyond enCore's control. Such factors include, among others, the demand for nuclear power; political and economic conditions in uranium producing and consuming countries such as Canada, the U.S., Russia and other former Soviet republics; reprocessing of used reactor fuel and the re-enrichment of depleted uranium tails; sales of excess civilian and military inventories (including from the dismantling of nuclear weapons) by governments and industry participants; and production levels and costs of production in countries such as Russia and former Soviet republics, Africa and Australia; international wars or conflicts (including Russia's military invasion of Ukraine); geopolitical developments (including trading and tariff arrangements, sanctions and cybersecurity attacks), terrorism, natural disasters and public health epidemics or pandemics (including the outbreak of COVID-19 globally). The extent and duration of such events and resulting market disruptions cannot be predicted, but could be substantial and could magnify the impact of other risks to the Company. These and other similar events could adversely affect the United States and foreign financial markets and lead to increased market volatility.

If, after the commencement of commercial production, the uranium price falls below the costs of production at enCore's mines for a sustained period, it may not be economically feasible to continue production at such sites. This would materially and adversely affect production, profitability and enCore's results of operation and financial position. A decline in the uranium price may also require enCore to write down its mineral resources, which would have a material adverse effect on its earnings and profitability.

*Hedging activities may not be successful*

enCore does not hedge any of its future uranium production but may engage in hedging activities in the future. Hedging activities would be intended to protect enCore from the fluctuations of the price of uranium and to minimize the effect of declines in the uranium price on results of operations for a period of time. Although hedging activities may protect enCore against lower uranium prices, they may also limit the price that can be realized on uranium that is subject to forward sales and call options where the market price of uranium exceeds the uranium price in a forward sale or call option contract.

*Environment, Health and Safety*

enCore's activities are subject to extensive federal, provincial, state and local laws and regulations governing environmental protection and employee health and safety. In addition, the uranium industry is subject not only to the worker health and safety and environmental risks associated with all mining businesses but also to additional risks uniquely associated with uranium mining and milling. enCore is required to obtain governmental permits and provide associated financial assurance to carry on certain activities. enCore is also subject to various reclamation and other bonding requirements under federal, state, provincial or local air, water quality and mine reclamation rules and permits. Although enCore makes provision for reclamation costs, there is no assurance that these provisions will be adequate to discharge its obligations for these costs. Environmental and employee health and safety laws and regulations have tended to become more stringent over time. Any changes in such laws or in the environmental conditions at enCore's properties could have a material adverse effect on enCore's financial condition, cash flow or results of operations.



Failure to comply with applicable environmental and health and safety laws can result in injunctions, damages, suspension or revocation of permits and the imposition of penalties. There can be no assurance that enCore has been or will be at all times in complete compliance with such laws, regulations and permits, or that the costs of complying with current and future environmental and health and safety laws and permits will not adversely affect enCore's business, results of operations, financial condition or prospects.

*Litigation and Other Legal Proceedings*

The Company is subject to litigation and other legal proceedings arising in the normal course of business and may be involved in disputes with other parties in the future, which may result in litigation. The causes of potential future litigation and legal proceedings cannot be known and may arise from, among other things, business activities, environmental laws, permitting and licensing activities, volatility in stock prices or failure to comply with disclosure obligations. The results of litigation and proceedings cannot be predicted with certainty and may include potential injunctions pending the outcome of such litigation and proceedings. If the Company is unable to resolve these disputes favorably, it may have a material adverse impact on the Company's financial performance, cash flow and results of operations. Securities class-action litigation often has been brought against companies in periods of volatility in the market price of their securities and following major corporate transactions or mergers and acquisitions. The Company may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

*Government Regulation*

The current and future mining operations and exploration and development activities of enCore, particularly uranium mining, are subject to laws and regulations governing worker health and safety, employment standards, mine development, mine safety, exports, imports, taxes and royalties, waste disposal, toxic substances, land claims of indigenous peoples, protection and remediation of the environment, mine decommissioning and reclamation, transportation safety and emergency response and other matters. Each jurisdiction in which enCore has properties regulates mining activities. It is possible that future changes in applicable laws and regulations or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits, licenses and approvals applicable to enCore or its projects, which could have a material and adverse impact on enCore's current mining operations or planned development projects.

Worldwide demand for uranium is directly tied to the demand for electricity produced by the nuclear power industry, which is also subject to extensive government regulation and policies, and any change in these regulations or policies may have a negative impact on enCore's business or financial condition.

Mineral exploration and the development of mines and related facilities is contingent upon governmental approvals, licenses and permits which are complex and time consuming to obtain and which, depending on the location of the project, involve multiple governmental agencies. The receipt, duration, amendment or renewal of such approvals, licenses and permits are subject to many variables outside enCore's control, including potential legal challenges from various stakeholders such as environmental groups, non- governmental organizations, aboriginal groups or other claimants. The costs and delays associated with obtaining necessary approvals, licenses and permits and complying with these approvals, licenses and permits and applicable laws and regulations could stop or materially delay or restrict enCore from proceeding with the development of an exploration project or the operation or further development of a mine. Any failure to comply with applicable laws and regulations or approvals, licenses or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations, or material fines, penalties or other liabilities.



Where required, obtaining necessary permits to conduct exploration or mining operations can be a complex and time consuming process and enCore cannot assure whether any necessary permits will be obtainable on acceptable terms, in a timely manner or at all.

*Dependence on Key Personnel*

enCore is dependent on the services of key management personnel. The loss of any of these key personnel, if not replaced, could have a material adverse effect on enCore's business and operations. enCore does not currently have key-person insurance on these individuals.

*There may be conflicts of interest*

enCore's directors and officers may serve as directors or officers of other resource companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which enCore may participate, the directors of enCore may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of enCore's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms in accordance with the BCBCA. From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In accordance with the laws of British Columbia, the directors of enCore are required to act honestly, in good faith and in the best interests of enCore. In determining whether or not enCore will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which enCore may be exposed and its financial position at that time.

*Insurance may not be available to cover the gamut of risks associated with mineral exploration, development and mining*

The mining industry is subject to significant risks that could result in damage to or destruction of property and facilities, personal injury or death, environmental damage and pollution, delays in production, expropriation of assets and loss of title to mining claims. No assurance can be given that insurance to cover the risks to which enCore's activities are subject will be available at all or at commercially reasonable premiums. enCore currently maintains insurance within ranges of coverage that it believes to be consistent with industry practice for companies of a similar stage of development. enCore carries liability insurance with respect to its mineral exploration operations which includes a form of environmental liability insurance. Since insurance against environmental risks (including liability for pollution) or other hazards resulting from exploration and development activities is prohibitively expensive, enCore's insurance coverage is limited. The payment of any such liabilities would reduce the funds available to enCore. If enCore is unable to fully fund the cost of remedying an environmental problem, it might be required to suspend operations or enter into costly interim compliance measures pending completion of a permanent remedy.

*Reliance on Contractors and Experts*

In various aspects of its operations, enCore relies on the services, expertise and recommendations of its service providers and their employees and contractors, whom often are engaged at significant expense to the Company. For example, the decision as to whether a property contains a commercial mineral deposit and should be brought into production will depend in large part upon the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified third party engineers and/or geologists. In addition, while enCore emphasizes the importance of conducting operations in a safe and sustainable manner, it cannot exert absolute control over the actions of these third parties when providing services to enCore or otherwise operating on enCore's properties. Any material error, omission, act of negligence or act resulting in environmental pollution, accidents or spills, industrial and transportation accidents, work stoppages or other actions could adversely affect the Company's operations and financial condition.

*Global Financial Conditions*

There is a risk that cash flow from operations will be insufficient to meet current and future obligations, fund development and construction projects, and that additional outside sources of capital will be required. The volatility of global capital markets, including the general economic slowdown in the mining sector, has generally made the raising of capital by equity or debt financing more difficult. The Company may be dependent upon capital markets to raise additional financing in the future. As such, the Company is subject to liquidity risks in meeting its operating expenditure requirements and future development cost requirements in instances where adequate cash positions are unable to be maintained or appropriate financing is unavailable.

The Company seeks to manage its liquidity risk through a rigorous planning, budgeting and forecasting process to help determine the funding requirements to support its current operations, development and expansion plans. However, the factors described above may impact the ability to raise equity or obtain loans and other credit facilities in the future and on terms favorable to the Company and its management. If these levels of volatility persist or if there is a further economic slowdown, the Company's operations, the Company's ability to raise capital and the trading price of the Company's securities could be adversely impacted.

As the Company's operations expand and reliance on global supply chains increases, the impact of pandemics, significant geopolitical risk and conflict globally may have a sizeable and unpredictable impact on the Company's business, financial condition and operations. The COVID-19 pandemic and the ongoing conflict in Ukraine, including the global response to the Ukraine conflict as it relates to sanctions, trade embargos and military support, have resulted in significant uncertainty as well as economic and supply chain disruptions. Should another significant variant of COVID-19 develop or the Ukraine conflict go on for an extended period of time or expand beyond Ukraine, or should other geopolitical disputes and conflicts emerge in other regions, this could result in material adverse effects to the Company.

*General Inflationary Pressures*

Inflationary pressure may also affect Company's labour, commodity, and other input costs, which could affect the Company's financial condition. Throughout 2021 and 2022, global inflationary pressures increased caused by the ongoing COVID-19 global pandemic and related lockdowns. Global energy costs have also increased following the invasion of Ukraine by Russia in February 2022. The resulting impact of this is that the Company faces higher costs for key inputs required for its operations. This may be directly through higher transportation costs, as well as indirectly through higher costs of products that rely on energy.



*Foreign Exchange Rates*

The Company maintains its accounting records and reports its financial position and results in US dollars. In addition to its listing on Nasdaq, the Company's common shares are listed for trading on the TSX-V and trades in Canadian dollars. Fluctuations in the Canadian currency exchange rate relative to the U.S. currency could significantly impact the Company, including its financial results, operations or the trading value of its securities. The price of uranium is quoted in U.S. dollars, and a decrease in value of the U.S. dollar would result in a relative decrease in the valuation of uranium and the associated market value from a Canadian currency perspective. Exchange rate fluctuations, and any potential negative consequences thereof, are beyond the Company's control.

*Risks Associated with the Selection of Novel Mining Methods*

The Company focuses on the ISR mining method for production at its properties. While studies completed to date indicate that ground conditions and the mineral resources estimated to be contained on the Company's Rosita, Dewey-Burdock, Gas Hills, and Crownpoint-Hosta Butte ISR uranium projects, and the Project are amenable to extraction by way of ISR, actual conditions could be materially different from those estimated based on the Company's technical studies completed to-date. While industry best practices have been utilized in the development of its estimates, actual results from the application of the ISR mining method may differ significantly. The Company will need to complete substantial additional work to further advance and/or confirm its current estimates for the use of the ISR mining method on its properties. As a result, it is possible that current estimates may not be achieved on any of the Company's mining properties.

*No Public Market for Uranium*

There is no public market for the sale of uranium. The uranium futures market on the New York Mercantile Exchange does not provide for physical delivery of uranium, only cash on settlement, and that trading forum does not offer a formal market but rather facilitates the introduction

of buyers to sellers.

The Company may not be able to, once produced, sell uranium at a desired price level for a number of weeks or months. The pool of potential purchasers or sellers is limited, and each transaction may require the negotiation of specific provisions. Accordingly, a sale cycle may take several weeks or months to complete. If the Company determines to sell any physical uranium that it has produced, it may likewise experience difficulties in finding purchasers that are able to accept a material quantity of physical uranium. The inability to sell on a timely basis in sufficient quantities could have a material adverse effect on the securities of the Company.

The Company also intends to hold physical uranium for long-term investment. During this term, the value of the Company's uranium holdings will fluctuate and accordingly the Company will be subject to losses should it ultimately determine to sell the uranium at prices lower than the acquisition cost. In addition, the Company may incur income statement losses, should uranium prices decrease or foreign exchange rates fluctuate unfavourably in future financial periods. The Company may be required to sell a portion or all of the physical uranium accumulated to fund its operations should other forms of financing not be available to fund the Company's capital requirements.

The ability to sell and profit from the sale of any eventual acquired uranium or mineral production from a property will be subject to the prevailing conditions in the applicable marketplace at the time of sale. The demand for uranium and other minerals is subject to global economic activity and changing attitudes of consumers and other end-users' demand.



*Global Demand and International Trade Restrictions*

The international nuclear fuel industry, including the supply of uranium concentrates, is relatively small compared to other minerals, and is generally highly competitive and heavily regulated.

Worldwide demand for uranium is directly tied to the demand for electricity produced by the nuclear power industry, which is also subject to extensive government regulation and policies. In addition, the international marketing of uranium is subject to governmental policies and certain trade restrictions. For example, the supply and marketing of uranium from Russia is limited by international trade agreements.

In general, trade agreements, governmental policies and/or trade restrictions are beyond the control of the Company and may affect the supply of uranium available for use in markets like the United States and Europe, which are currently the largest markets for uranium in the world. Similarly, trade restrictions or foreign policy have the potential to impact the ability to supply uranium to developing markets, such as China and India. If substantial changes are made to regulations affecting the global marketing and supply of uranium, the Company's business, financial condition and results of operations may be materially adversely affected.

*Possible Amendments to the General Mining Law*

Members of the U.S. Congress have repeatedly introduced bills which would supplant or alter the provisions of the United States Mining Law of 1872, as amended (the "**General Mining Law**"). Such bills have proposed, among other things, to (i) either eliminate or greatly limit the right to a mineral patent; (ii) significantly alter the laws and regulations relating to uranium mineral development and recovery from unpatented and patented mining claims; (iii) impose a federal royalty on production from unpatented mining claims; (iv) impose time limits on the effectiveness of plans of operation that may not coincide with mine or facility life; (v) impose more stringent environmental compliance and reclamation requirements on activities on unpatented mining claims; (vi) establish a mechanism that would allow states, localities and Native American tribes to petition for the withdrawal of identified tracts of federal land from the operation of the U.S. general mining laws; and (vii) allow for administrative determinations that mining or similar activities would not be allowed in situations where undue degradation of the federal lands in question could not be prevented. If enacted, such legislation could change the cost of holding unpatented mining claims and could significantly impact our ability to develop locatable mineral resources on our patented and unpatented mining claims. Although it is impossible to predict at this point what any legislated royalties might be, enactment could adversely affect the potential for construction and development and the economics of existing operating mines and facilities. Passage of such legislation could adversely affect our financial performance.

The U.S. Environmental Protection Agency (the "**EPA**") has in recent years announced an intention to propose new rules that, if promulgated, could result in increases in mine surety arrangements to cover currently non-existing and unidentified potential future environmental costs, which could severely impact or render infeasible many existing or prospective mining operations. The EPA dropped this proposal after considering comments received during the public participation process. Nevertheless, there is a risk that similar regulations could be proposed in the future, which could have significant impacts on the Company and the mining industry as a whole.

*The SEC's disclosure requirements for Mineral Reserves and Mineral Resources, as codified in Subpart 1300 of Regulation S-K 1300, create ambiguity for issuers required to comply with both the requirements of S-K 1300 and NI 43-101, and may result in increased compliance costs for the Company.*

S-K 1300, as promulgated by the SEC and effective starting in 2021, requires that the Company disclose specific information related to its material mining operations, including its Mineral Resources and Mineral Reserves. While S-K 1300 is substantively the same as NI 43-101, it is relatively new compared to NI 43-101 and, thus, remains subject to unknown interpretations that could require the Company to incur substantial costs associated with compliance. Where substantive disclosure in one regulatory scheme is more restrictive/stringent than in the other, the Company opted to take the more restrictive/stringent approach in its technical reports. NI 43-101 has a prescribed format, whereas S-K 1300 does not; as such, the Company's technical reports follow the formatting requirements of NI 43-101. Any further revisions to, or interpretations of, S-K 1300 or NI 43-101 could result in the Company incurring unforeseen costs associated with compliance, both in the U.S. and in Canada.

*Information Systems and Cyber Security*

The Company's operations depend upon the availability, capacity, reliability and security of its information technology (" **IT**") infrastructure, and its ability to expand and update this infrastructure as required, to conduct daily operations. enCore relies on various IT systems in all areas of its operations, including financial reporting, contract management, exploration and development data analysis, human resource management, regulatory compliance and communications with employees and third parties.

These IT systems could be subject to network disruptions caused by a variety of sources, including computer viruses, security breaches and cyber-attacks, as well as network and/or hardware disruptions resulting from incidents such as unexpected interruptions or failures, natural disasters, fire, power loss, vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures.

The ability of the IT function to support the Company's business in the event of any such occurrence and the ability to recover key systems from unexpected interruptions cannot be fully tested. There is a risk that, if such an event actually occurs, the Company's continuity plans may not be adequate to immediately address all repercussions of the disaster. In the event of a disaster affecting a data centre or key office location, key systems may be unavailable for a number of days, leading to inability to perform some business processes in a timely manner. As a result, the failure of enCore's IT systems or a component thereof could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.

Although to date the Company has not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that the Company will not incur such losses in the future. Unauthorized access to enCore's IT systems by employees or third parties could lead to corruption or exposure of confidential, fiduciary or proprietary information, interruption to communications or operations or disruption to the Company's business activities or its competitive position. Further, disruption of critical IT services, or breaches of information security, could have a negative effect on the Company's operational performance and its reputation. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority.

The Company applies technical and process controls in line with industry-accepted standards to protect information, assets and systems; however, these controls may not adequately prevent cyber-security breaches. There is no assurance that the Company will not suffer losses associated with cyber-security breaches in the future, and may be required to expend significant additional resources to investigate, mitigate and remediate any potential vulnerabilities. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

*Anti-Bribery and Anti-Corruption Laws*

The Company is subject to anti-bribery and anti-corruption laws, including the *Corruption of Foreign Public Officials Act* (Canada) and the United States *Foreign Corrupt Practices Act* of 1977, as amended. Failure to comply with these laws could subject the Company to, among other things, reputational damage, civil or criminal penalties, other remedial measures and legal expenses which could adversely affect the Company's business, results from operations, and financial condition. It may not be possible for the Company to ensure compliance with anti-bribery and anti-corruption laws in every jurisdiction in which its employees, agents, sub-contractors or joint venture partners are located or may be located in the future.



*Disclosure and Internal Controls*

Disclosure controls and procedures are designed to ensure that information required to be disclosed by a company in reports filed with securities regulatory agencies is recorded, processed, summarized and reported on a timely basis and is accumulated and communicated to the company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of reporting, including financial reporting and financial statement preparation.

We use internal controls over financial reporting to provide reasonable assurance that we authorize transactions, safeguard assets against improper or unauthorized use, and record and report transactions properly. This gives us reasonable assurance that our financial reporting is reliable and prepared in accordance with IFRS. It is impossible for any system to provide absolute assurance or guarantee reliability, regardless of how well it is designed or operated. We continue to evaluate our internal controls to identify areas for improvement and provide as much assurance as reasonably possible.

If we do not satisfy the requirements for internal controls on an ongoing, timely basis, it could negatively affect investor confidence in our financial reporting, which could have an impact on our business and the trading price of our Common Shares. If a deficiency is identified and we do not introduce new or better controls, or have difficulty implementing them, it could harm our financial results or our ability to meet reporting obligations.

Any failure of our internal controls could have an adverse effect on our stated results of operations and harm our reputation. As a result, we may experience higher than anticipated operating expenses, as well as higher independent auditor fees during and after the implementation of these changes. If we are unable to implement any of the required changes to our internal control over financial reporting effectively or efficiently or are required to do so earlier than anticipated, it could adversely affect our operations, financial reporting and results of operations. If we fail to maintain an effective system of disclosure controls and internal control over financial reporting, our ability to produce timely and accurate financial

statements or comply with applicable regulations could be adversely impacted.

*Negative Operating Cash Flows*

As an exploration company, the Company has no source of operating cash flow and its operations to date have been funded primarily from equity financings. Accordingly, the Company had negative operating cash flow for the financial year ended December 31, 2023 and the interim period ended September 30, 2023. As a result of the expenses to be incurred by the Company in connection with its business objectives for the development of the Company's material projects, the Company anticipates that negative operating cash flows will continue for the foreseeable future. Accordingly, the Company will require substantial additional capital in order to fund its future exploration and development activities for its material projects. Other than any proceeds received from the ATM Offering, the Company does not have any arrangements in place for this funding and there is no assurance that such funding will be achieved when required. Any failure to obtain additional financing or failure to achieve profitability and positive operating cash flows will have a material adverse effect on its financial condition and results of operations.



*Benefits Not Realized From Transactions*

The Company has completed a number of transactions over the last several years. Despite the Company's belief that these transactions, and others which may be completed in the future, will be in the Company's best interest and benefit the Company and its shareholders, the Company may not realize the anticipated benefits of such transactions or realize the full value of the consideration paid or received to complete the transactions. This could result in significant accounting impairments or write-downs of the carrying values of mineral properties or other assets and could adversely impact the Company and the prices of its securities.

*U.S. Foreign Private Issuer Status*

The Company is a foreign private issuer under applicable U.S. federal securities laws and, therefore, is not required to comply with all of the periodic disclosure and current reporting requirements of the U.S. Exchange Act and related rules and regulations. As a result, the Company does not file the same reports that a U.S. domestic issuer would file with the SEC, although it will be required to file with or furnish to the SEC the continuous disclosure documents that the Company is required to file in Canada under Canadian securities laws. In addition, the Company's officers, directors and principal shareholders are exempt from the reporting and "short swing" profit recovery provisions of Section 16 of the U.S. Exchange Act. Therefore, the Company's securityholders may not know on as timely a basis when its officers, directors and principal shareholders purchase or sell securities of the Company as the reporting periods under the corresponding Canadian insider reporting requirements are longer. In addition, as a foreign private issuer, the Company is exempt from the proxy rules under the U.S. Exchange Act.

In order to maintain its current status as a foreign private issuer, 50% or more of the Company's Common Shares must be directly or indirectly owned of record by non-residents of the United States unless the Company also satisfies one of the additional requirements necessary to preserve this status. The Company may in the future lose its foreign private issuer status if a majority of the Common Shares are owned of record in the United States and the Company fails to meet the additional requirements necessary to avoid loss of foreign private issuer status. The regulatory and compliance costs to the Company under U.S. federal securities laws as a U.S. domestic issuer may be significantly more than the costs the Company incurs as a Canadian foreign private issuer eligible to use the multijurisdictional disclosure system. If the Company is not a foreign private issuer, it would not be eligible to use the multijurisdictional disclosure system or other foreign issuer forms and would be required to file periodic and current reports and registration statements on U.S. domestic issuer forms with the SEC, which are more detailed and extensive than the forms available to a foreign private issuer.

*United States investors may not be able to obtain enforcement of civil liabilities against the Company*

The enforcement by investors of civil liabilities under the United States federal or state securities laws may be affected adversely by the fact that the Company is governed by the BCBCA. It may not be possible for investors to effect service of process within the United States on certain of its directors and officers or enforce judgments obtained in the United States courts against the Company or certain of the Company's directors and officers based upon the civil liability provisions of United States federal securities laws or the securities laws of any state of the United States. There is some doubt as to whether a judgment of a United States court based solely upon the civil liability provisions of United States federal or state securities laws would be enforceable in Canada against the Company or its directors and officers. There is also doubt as to whether an original action could be brought in Canada against the Company or its directors and officers to enforce liabilities based solely upon United States federal or state securities laws.



*If the Company is characterized as a passive foreign investment company, U.S. Holders may be subject to adverse U.S. federal income tax consequences*

Prospective U.S. investors should be aware that they could be subject to certain adverse U.S. federal income tax consequences in the event that the Company is classified as a "passive foreign investment company" (a "**PFIC**") for U.S. federal income tax purposes. The determination of whether a corporation is a PFIC for a taxable year depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations, and the determination will depend on the composition of the corporation's income, expenses and assets from time to time and the nature of the activities performed by the corporation's officers and employees. Based on an analysis of the Company's activities and income and assets, the Company believes that it was a PFIC for its taxable year ended December 31, 2022, and may continue to be classified as a PFIC for the taxable year ended December 31, 2023, the current taxable year and the foreseeable future. A prospective

investor should consult its own tax advisor regarding the likelihood and consequences of the Company being treated as a PFIC for U.S. federal income tax purposes, including the advisability of making certain elections that may mitigate certain possible adverse U.S. federal income tax consequences but that may result in an inclusion of gross income without receipt of such income.

*Changes in Climate Conditions and Regulatory Regime Could Adversely Affect our Business and Operations*

There is significant evidence of the effects of climate change on our planet and an intensifying focus on addressing these issues. We recognize that climate change is a global challenge that may have both favorable and adverse affects on our business in a range of possible ways. Mining and uranium processing operations are energy intensive and result in a carbon footprint either directly or through the purchase of fossil-fuel based electricity. As such, we are impacted by current and emerging policy and regulation relating to greenhouse gas emission levels, energy efficiency, and reporting of climate-change related risks. While some of the costs associated with reducing emissions may be offset by increased energy efficiency, technological innovation, or the increased demand for our uranium and conversion services, the current regulatory trend may result in additional transition costs at some of our operations. A number of government or governmental bodies have introduced or are contemplating regulatory changes in response to the potential impacts of climate change. Where legislation already exists, regulations relating to emissions levels and energy efficiency are becoming more stringent. Changes in legislation and regulation will likely increase our compliance costs.

In addition, the physical risks of climate change may also have an adverse effect at our operations. These may include extreme weather events such as floods, droughts, forest and bush fires, and extreme storms. These physical impacts could require us to suspend or reduce production or close operations and could prevent us from pursuing expansion opportunities. These effects may adversely impact the cost, production, and financial performance of our operations.

We can provide no assurance that efforts to mitigate the risks of climate change will be effective and that physical risks of climate change will not have a material and adverse effect on our earnings, cash flows, financial condition, results of operations, or prospects.

*We May Not Realize Any or All of the Anticipated Benefits From the Alta Mesa Uranium Project*

As part of our business strategy, we expect to see certain near-term benefits, including licensed uranium production facility with licensed and permitted mineral resources that will add to our overall production capacity in South Texas, as well as longer-term opportunities for growth from a large contiguous mineral property that has significant identified mineral resources and the potential for additional mineral resources that could be discovered on that property. Any benefits and growth that we realize from such efforts may differ materially from our estimates. In particular, our estimates of the potential benefits and growth from the Alta Mesa Acquisition are based in part on a valuation of the Project that may differ from the performance of the Project on a going-forward basis. Achieving the benefits of the Alta Mesa Acquisition will depend, in part, on our ability to integrate operations of the Project successfully and efficiently with our business. The challenges involved in this integration, which may be complex and time-consuming, include the following:

- the diversion of management attention from other important business objective;
- the ability to locate, hire and retain experienced staff to construct wellfields and safely conduct operation;
- the ability to locate, hire and retain experienced contractors to allow efficient delineation drilling and well installation at a necessary rate to meet production needs; and
- the Company's ongoing relations with Boss Energy with respect to the JV Alta Mesa.



In addition, any benefits that we realize may be offset, in whole or in part, by reductions in revenues, or through increases in other expenses, including costs to achieve our estimated synergies and growth. Our plans for the Alta Mesa Uranium Project are subject to numerous risks and uncertainties that may change at any time. We cannot assure you that our initiatives will be completed as anticipated or that the benefits we expect will be achieved on a timely basis or at all. It may take longer than expected to achieve the anticipated benefits and growth and there is no guarantee that the Alta Mesa Uranium Project will reach near-term production. If the Alta Mesa Uranium Project does not achieve the anticipated benefits and growth or reach near-term production, this may adversely affect the future financial results of the Company.

*There May Be Potential Undisclosed Liabilities Associated With the Alta Mesa Acquisition*

In connection with the Alta Mesa Acquisition, there may be liabilities that the Company failed to discover or was unable to accurately quantify in its due diligence, which it conducted prior to the execution of the Acquisition Agreement, and the Company may not be indemnified for some or all of these liabilities, which may negatively affect securityholders. The discovery of any material liabilities, or the inability to obtain full recourse for such liabilities, could have a material adverse effect on the Company's business, financial condition or future prospects.

*There are risks associated with the Company's joint venture operations and projects*

Although the Company holds a majority interest in JV Alta Mesa, enCore faces risks that major decisions affecting the Alta Mesa Uranium Project may require the consent or agreement with Boss Energy pursuant to the JV Agreement.

From time to time, the Company may enter into other joint venture or shared ownership arrangements with third parties to develop and/or operate its projects.

The success and timing of these operations and projects depend on a number of factors that may be outside our control, including the financial resources of our partners and the objectives and interests of our partners. While joint venture partners may generally reach consensus regarding

the direction and operation of the operation or project, there are no assurances that this will always be the case or that future demands and expectations will continue to align. Failure of joint venture partners to agree on matters requiring consensus may lead to development or operational delays, failure to obtain necessary permits or approvals in an efficient manner or at all, remedies under dispute resolution mechanisms, or the inability to progress with production at the relevant operation or development of the relevant project in accordance with expectations or at all, which could materially affect the operation or development of such projects or operations and our business and financial condition.



**Risks Related to Financial Matters**

*enCore has a history of net losses and the availability of additional financing is uncertain*

enCore has received no revenue to date from the exploration activities on its properties. enCore will require significant cash and/or alternative financing arrangements in order to develop its assets and meet its ongoing general and administrative costs and exploration commitments and to maintain its mineral property interests, which may require working capital and/or project financing in the future. There can be no assurance that such financing will be available on reasonable terms, if at all, and if available, may be dilutive to existing shareholders. Any failure to obtain additional financing or failure to achieve profitability and positive operating cash flows will have a material adverse effect on its financial condition and results of operations.

*There are risks associated with the exploration of, development of, and production from mineral properties*

The business of exploration for minerals involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. There is no assurance that the exploration programs on enCore's current or future mineral properties will result in the discovery of new resources or lead to the development of a commercially viable orebody.

Development of any of enCore's properties are subject to numerous risks, including, but not limited to, delays in obtaining equipment, material and services essential to developing the projects in a timely manner; changes in environmental or other government regulations; currency exchange rates; labor shortages; and fluctuation in metal prices. Furthermore, the economic feasibility of developing a mineral project is based on many factors such as estimation of mineral reserves, tonnage and grade, anticipated metallurgical recoveries, environmental considerations and permitting, future metal prices and anticipated capital and operating costs of these projects, and it is possible that actual capital and operating costs and economic returns will differ significantly from those estimated for a project prior to production.

enCore's mineral properties have no operating history upon which estimates of future projection and cash operating costs can be based. Estimates of mineral resources, proven and probable mineral reserves and cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques. The results of feasibility studies that derive estimates of capital and operating costs based upon the quantity, grade and configuration of mineral reserves as well as the expected recovery rates of metals from the mineralized material, are subject to change. As a result, it is possible that actual capital and operating costs and economic returns will differ significantly from those currently estimated for a project prior to development or operation. The remoteness and restrictions on access of certain of the properties in which enCore has an interest could have an adverse effect on profitability in that infrastructure costs would be higher. There are also physical risks to the exploration personnel working in the rugged terrain, often in poor climate conditions, which can be abated through safety training, adherence to high safety standards and the use of modern communication technologies.

With all mineral operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in laboratory conditions. Development of a mineral property does not assure a profit on the investment or recovery of costs. In addition, extraction hazards or environmental damage could greatly increase the cost of operations, and various operating conditions may adversely affect the production from mineral properties. These conditions include delays in obtaining governmental approvals or consents, insufficient transportation capacity or other geological, geotechnical and mechanical conditions. While diligent supervision and effective maintenance operations can contribute to maximizing production rates over time, production delays from normal operating conditions cannot be eliminated and can be expected to adversely affect revenue and cash flow levels to varying degrees.



*Capital Intensive Industry; Uncertainty of Funding*

The development and ongoing operation of mines requires a substantial amount of capital prior to the commencement of, and in connection with, the production of uranium. Such capital requirements relate to the costs of, among other things, acquiring mining rights and properties, obtaining government permits, exploration and delineation drilling to determine the underground configuration of a deposit, designing and constructing the mine and processing facilities, purchasing and maintaining mining equipment and complying with financial assurance requirements established by various regulatory agencies for the future restoration and reclamation activities for each project. enCore will accordingly have further capital requirements as it proceeds to expand its present mining activities and operations or to take advantage of opportunities for acquisitions. There can be no assurance that enCore will be able to obtain necessary financing in a timely manner on acceptable terms, if at all.

*Currency and exchange rate fluctuations could impact enCore's financial condition*

Currency fluctuations may affect the costs that enCore incurs at its operations which may adversely affect enCore's cash flows, results of operation and financial condition. enCore raises its funds through equity issuances which are priced in Canadian dollars, and the majority of

enCore's resource property costs are denominated in United States dollars. enCore may suffer losses due to adverse foreign currency fluctuations.

**Risks Related to enCore's Common Shares**

*Shareholders' interest in enCore may be diluted in the future*

enCore may require additional funds to fund its exploration and development programs and potential acquisitions. If enCore raises additional funding by issuing additional equity securities, such financing may substantially dilute the interests of its shareholders.

enCore may issue additional common shares in the future pursuant to proposed acquisitions described herein and on the exercise of its outstanding stock options and warrants.

Sales of substantial amounts of enCore's common shares, or the availability of such common shares for sale, could adversely affect the prevailing market prices for enCore's securities. A decline in the market prices of enCore's securities could impair its ability to raise additional capital through the sale of new common shares should enCore desire to do so.

*The market price for common shares cannot be assured*

Securities markets have experienced a high level of price and volume volatility, and the market price of securities of many companies has experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies.

In the past, following periods of volatility in the market price of a company's securities, shareholders have often instituted class action securities litigation against those companies. Such litigation, if instituted, could result in substantial costs and diversion of management attention and resources, which could significantly harm enCore's profitability and reputation.

*enCore does not intend to pay dividends in the foreseeable future*

enCore has never paid cash dividends on its common shares. enCore currently intends to retain its future earnings, if any, to fund the development and growth of its business, and does not anticipate paying any cash dividends on its common shares for the foreseeable future. As a result, shareholders will have to rely on capital appreciation, if any, to earn a return on investment in any common shares in the foreseeable future. Furthermore, enCore may in the future become subject to contractual restrictions on, or prohibitions against, the payment of dividends.



*Listing on Nasdaq*

Our Common Shares were listed on Nasdaq on January 2, 2024. Continued listing of a security on Nasdaq is conditioned upon compliance with various listing standards. Failure to comply with Nasdaq's continued listing standards could result in Nasdaq delisting our Common Shares resulting in our Common Shares trading in the less liquid over-the-counter market.

If Nasdaq delists our Common Shares, investors may face material adverse consequences including, but not limited to, a lack of trading market for our securities, reduced liquidity, decreased analyst coverage of our securities, and an inability for us to obtain additional financing to fund our operations.

Moreover even to the extent our Common Shares remain listed on Nasdaq, there can be no assurance an active and liquid trading market for our Common Shares will develop or be maintained.

## DIVIDENDS AND DISTRIBUTIONS

The Company has not declared or paid any dividends on its Common Shares since its inception. At the present time, the Company intends to retain any earnings for corporate purposes. The payment of dividends in the future will depend on the earnings and financial condition of the Company and on such other facts as the board of directors of the Company may consider appropriate. However, since the Company is currently in a development stage, it is unlikely that earnings, if any, will be available for the payment of dividends in the foreseeable future.

## CAPITAL STRUCTURE

The authorized capital of the Company consists of an unlimited number of Common Shares without par value and an unlimited number of Preferred Shares without par value (referred to herein as the "**enCore Preferred Shares**"). As at December 31, 2023, there were 165,133,798 Common Shares issued and outstanding. As at the date of this AIF, there are 181,342,947 Common Shares issued and outstanding. Nil enCore Preferred Shares are issued and outstanding as at the date of this AIF.

The Common Shares are subject to the following rights, privileges, restrictions and conditions:

a) the holders of the Common Shares are entitled to receive notice of, and attend at, and to vote in person or by proxy at general meetings of enCore shareholders and will be entitled to one vote for each such enCore Share held;

b) subject to the rights of the enCore Preferred Shares as determined by the directors and in accordance with enCore's Articles, the directors may, in their discretion, at any time and from time to time declare and cause enCore to pay dividend on the Common Shares; and

c) subject to the rights, privileges, restrictions and conditions attaching to the enCore Preferred Shares, in the event of liquidation or dissolution of enCore or other distribution of assets of enCore among its shareholders for the purpose of winding up its affairs, whether voluntary or involuntary, the holders of the Common Shares will be entitled to share equally, share for share, in the distribution of the remaining property and assets of enCore.

The rights and restrictions attached to the Common Shares may be altered by resolutions of the enCore Board, subject to the *Business Corporations Act* (British Columbia).



The enCore Preferred Shares are subject to the following rights, privileges, restrictions and conditions:

a) the enCore Preferred Shares may from time to time be issued in one or more series and subject to the following provisions, the directors may fix from time to time before such issue the number of shares which is to comprise each series and the designation, rights, privileges, restrictions and conditions attaching to each series of enCore Preferred Shares including, without limiting the generality of the foregoing, the rate or amount of dividends or the method of calculating dividends, the dates of payment thereof, the redemption purchase and/or conversion prices and terms and conditions of redemption, purchase and/or conversion, and any sinking fund or other provisions, and the directors may, by resolution, authorize and cause enCore to alter its Notice of Articles to reflect any creation of one or more series or other change in the authorized shares structure of enCore;

b) the enCore Preferred Shares of each series will, with respect to the payment of dividends and the distribution of assets or return of capital in the event of liquidation, dissolution or winding up of enCore, whether voluntary or involuntary, or any other return of capital or distribution of the assets of enCore among its shareholders for the purposes of winding-up its affairs, rank on the parity with the enCore Preferred Shares of every other series and be entitled to preference over the Common Shares and over any other shares of enCore ranking junior to the enCore Preferred Shares. The enCore Preferred Shares of any series may also be given such other preferences, not inconsistent with enCore's Articles, over the Common Shares and any other shares of enCore ranking junior to such enCore Preferred Shares as may be fixed in accordance with enCore's Articles;

c) if any cumulative dividends or amounts payable on the return of capital in respect of a series of enCore Preferred Shares are not paid in full, all series of enCore Preferred Shares will participate rateably in respect of accumulative dividends and return of capital; and

d) unless the directors otherwise determine in the Articles or Notice of Articles designating a series, the holder of each share of a series of enCore Preferred Shares will not, except as otherwise specifically provided in the BCBCA, be entitled to receive notice of or vote at any meeting of the enCore shareholders.

The rights and restrictions attached to the enCore Preferred Shares may be altered by resolutions of the enCore Board, subject to the *Business Corporations Act* (British Columbia).



As at December 31, 2023, the Company had 8,412,882 stock options to purchase Common Shares outstanding as follows:

| Number Issued | Exercise Price (C$) | Expiry Date |
|---|---|---|
| 31,667[1] | $0.370 | 8-Jan-24[4] |
| 62,500[2] | $1.840 | 06-Feb-24[4] |
| 81,250[2] | $1.398 | 06-Feb-24[4] |
| 101,562[2] | $2.400 | 06-Feb-24[4] |
| 1,667 | $4.320 | 27-Mar-24[4] |
| 1,251 | $4.200 | 27-Mar-24[4] |
| 625 | $2.790 | 27-Mar-24[4] |
| 59,375[1][2] | $1.840 | 23-May-24 |
| 95,833[1] | $4.710 | 31-Mar-24 |
| 1,026,665[1] | $0.450 | 3-Jun-24 |
| 66,666[1] | $5.760 | 19-Oct-24 |
| 32,499[1][2] | $1.398 | 19-May-25 |
| 955,000[1] | $0.615 | 20-May-25 |
| 50,000[1] | $1.050 | 1-Sep-25 |
| 475,000[1] | $1.349 | 10-Sep-25 |
| 5,000[1] | $1.200 | 5-Oct-25 |
| 13,333[1] | $1.440 | 7-Dec-25 |
| 53,333[1] | $2.820 | 28-Jan-26 |
| 11,667[1] | $3.240 | 26-Feb-26 |

| | | |
|---|---|---|
| 106,639[1][2] | $2.400 | 13-May-26 |
| 141,668[1] | $4.320 | 26-May-26 |
| 33,333[1] | $5.400 | 1-Dec-26 |
| 31,667[1] | $5.190 | 3-Dec-26 |
| 16,667[1] | $5.010 | 10-Jan-27 |
| 2,122,500[1] | $4.200 | 14-Feb-27 |
| 83,333[1] | $4.320 | 2-May-27 |
| 166,667[1] | $3.750 | 1-Jun-27 |
| 133,334 | $3.650 | 1-Nov-27 |
| 50,000 | $3.300 | 19-Dec-27 |
| 15,000 | $3.100 | 05-Jan-28 |
| 10,000 | $3.790 | 16-Jan-28 |
| 44,681[3] | $3.100 | 14-Feb-28 |
| 15,000 | $2.930 | 05-Apr-28 |
| 52,000 | $2.520 | 19-Apr-28 |
| 52,000 | $2.950 | 01-May-28 |
| 2,018,500 | $2.790 | 17-May-28 |
| 60,000 | $3.100 | 26-Jun-28 |
| 50,000 | $3.100 | 16-Aug-28 |
| 40,000 | $3.200 | 21-Aug-28 |
| 20,000 | $4.240 | 04-Oct-28 |
| 15,000 | $4.230 | 10-Oct-28 |
| 10,000 | $4.320 | 24-Oct-28 |

**Notes:**

(1) Adjusted on a post-Share Consolidation basis

(2) Pursuant to the arrangement transaction with Azarga, outstanding options to purchase common shares of Azarga Uranium were deemed to be exchanged for options to purchase common shares of enCore and were adjusted in accordance with their terms based on the Exchange Ratio.

(3) Replacement Options were issued in connection with the Alta Mesa Acquisition.

(4) As at the date of this AIF, these Options have now expired.



As at the date of this AIF, enCore has 8,069,085 stock options issued and outstanding.

As at December 31, 2023, the Company had 31,461,804 share purchase warrants to purchase Common Shares of the Company outstanding as follows:

| Number Issued | Exercise Price (C$) | Expiry Date |
|---|---|---|
| 1,000 | $3.00 | 9-Mar-24[1] |
| 2,069,145 | $3.90 | 9-Mar-24[2] |
| 3,267,974 | $6.00 | 25-Mar-24[2] |
| 105,392 | $4.59 | 25-Mar-24[3] |
| 77,693 | $3.25 | 14-May-25[4] |
| 75 | $3.91 | 14-May-25[5] |
| 4,809,225 | $4.05 | 08-Feb-26 |
| 21,131,300 | $3.75 | 14-Feb-26 |

**Notes:**

(1) Broker warrants exercisable into one share and one-half warrant until March 9, 2024. Each whole underlying warrant is exercisable at C$3.90 until March 9, 2024. As at the date of this AIF, these warrants have now expired.

(2) As at the date of this AIF, these warrants have now expired.

(3) Broker warrants exercisable into one share at C$4.59 until March 25, 2024. As at the date of this AIF, these warrants have now expired.

(4) Broker warrants exercisable into one share at C$3.25 until May 14, 2025.

(5) Broker warrants exercisable into one share at C$3.91 until May 14, 2025.

As at the date of this AIF, enCore has 23,136,684 warrants issued and outstanding.

## MARKET FOR SECURITIES

**Trading Price and Volume**

The Common Shares trade on the TSX-V under the symbol “EU” and on Nasdaq under the symbol “EU”. The following table shows the high and low closing prices and total trading volume of the Common Shares on the TSX-V on a monthly basis for the financial year ended December 31, 2023:

| | TSX-V (prices in Canadian dollars) | | |
|---|---|---|---|
| **Month** | **High** | **Low** | **Volume** |
| January 2023 | 3.82 | 3.04 | 5,512,610 |
| February 2023 | 3.58 | 3.05 | 4,013,950 |
| March 2023 | 3.22 | 2.44 | 5,214,051 |
| April 2023 | 3.06 | 2.42 | 2,650,942 |
| May 2023 | 3.26 | 2.64 | 2,408,287 |
| June 2023 | 3.77 | 2.90 | 4,220,372 |
| July 2023 | 3.37 | 2.85 | 4,185,574 |
| August 2023 | 3.55 | 2.94 | 4,100,341 |
| September 2023 | 4.74 | 3.47 | 10,115,297 |
| October 2023 | 4.64 | 4.07 | 5,229,201 |
| November 2023 | 5.40 | 4.13 | 4,133,017 |
| December 2023 | 5.82 | 4.99 | 4,444,676 |



The outstanding Common Shares were traded on the NYSE American under the symbol “EU” during the most recently completed financial year. The following table sets forth the closing price ranges and trading volume of the Common Shares as reported by NYSE American on a monthly basis for the financial year ended December 31, 2023:

| | NYSE American (prices in US$) | | |
|---|---|---|---|
| **Month** | **High** | **Low** | **Volume** |
| January 1, 2023 to January 20, 2023[1] | 2.84 | 2.26 | 2,510,179 |
| January 23, 2023 to January 31, 2023 | 2.99 | 2.37 | 3,210,549 |
| February 2023 | 2.70 | 2.27 | 3,752,931 |
| March 2023 | 2.37 | 1.78 | 7,794,120 |
| April 2023 | 2.26 | 1.76 | 5,769,091 |
| May 2023 | 2.545 | 1.93 | 8,738,184 |
| June 2023 | 2.835 | 2.12 | 36,153,528 |
| July 2023 | 2.56 | 2.16 | 9,849,372 |
| August 2023 | 2.635 | 2.17 | 10,586,929 |
| September 2023 | 3.525 | 2.56 | 42,530,874 |
| October 2023 | 3.37 | 2.95 | 26,504,608 |
| November 2023 | 3.975 | 3.00 | 28,117,406 |
| December 2023 | 4.30 | 3.74 | 27,010,331 |

(1) Indicates the closing price ranges and trading volume of the Common Shares as reported by OTCQB for the financial year ended December 31, 2023

**Prior Sales**

The following table summarizes the issuances of securities convertible into Common Shares in the 12-month period prior to the year ended December 31, 2023.

| **Date of issue or grant** | **Type of Securities** | **Number of Securities (on a pre-Share Consolidation basis)** | **Issue or Exercise Price of Security (on a pre- Share Consolidation basis)** | **Description of Transaction** |
|---|---|---|---|---|
| January 5, 2023 | Options | 15,000 | C$3.10 | Option Grant |
| January 16, 2023 | Options | 10,000 | C$3.79 | Option Grant |
| February 8, 2023 | Warrants[1] | 5,307,825 | C$4.05 | Prospectus Offering |
| February 14, 2023 | Warrants[2] | 23,277,000 | C$3.75 | Subscription Receipt Conversion |
| February 14, 2023 | Warrants | 283,500 | C$3.25 | Subscription Receipt Conversion |

| | | | | |
|---|---|---|---|---|
| February 14, 2023 | Warrants | 1,066,500 | C$3.91 | Subscription Receipt Conversion |
| February 14, 2023 | Convertible Note[3] | $60,000,000 | N/A | Consideration for Alta Mesa Acquisition |
| February 14, 2023 | Replacement Options[4] | 44,681 | C$3.10 | Consideration for Alta Mesa Acquisition |
| April 5, 2023 | Options | 15,000 | C$2.93 | Option Grant |
| April 19, 2023 | Options | 52,000 | C$2.52 | Option Grant |
| May 1, 2023 | Options | 52,000 | C$2.95 | Option Grant |
| May 17, 2023 | Options | 2,276,500 | C$2.79 | Option Grant |
| June 26, 2023 | Options | 60,000 | C$3.100 | Option Grant |



| Date of issue or grant | Type of Securities | Number of Securities on a pre-Share Consolidation basis) | Issue or Exercise Price of Security (on a pre- Share Consolidation basis) | Description of Transaction |
|---|---|---|---|---|
| August 16, 2023 | Options | 50,000 | C$3.100 | Option Grant |
| August 21, 2023 | Options | 40,000 | C$3.200 | Option Grant |
| September 26, 2023 | Warrants | 47,375 | C$3.900 | Power Warrants Issued |
| October 4, 2023 | Options | 20,000 | C$4.240 | Option Grant |
| October 5, 2023 | Warrants | 31,583 | C$3.900 | Power Warrants Issued |
| October 10, 2023 | Options | 15,000 | C$4.230 | Option Grant |
| October 24, 2023 | Options | 10,000 | C$4.320 | Option Grant |

**Notes:**

(1) The Warrants were issued in connection with the Offering. Each Warrant is exercisable into one Warrant Share at C$4.05 per Warrant Share for a period of 36 months following closing of the Offering.

(2) In connection with the closing of the Alta Mesa Acquisition and upon satisfaction of the Escrow Release Conditions, 23,277,000 Subscription Receipts issued on December 6, 2022 were automatically converted into units comprising one common share and one warrant, with each warrant entitling the holder to acquire one common share at C$3.75 until February 14, 2026.

(3) In connection with the closing of the Alta Mesa Acquisition, the Company issued a $60 million Note. As at the date of this AIF, all obligations under the Note have been satisfied in full. $40 million of the Note was repaid by the Company in 2023 and the balance of $20 million was converted into 6,872,143 common shares of the Company on February 7, 2024.

(4) In connection with the Alta Mesa Acquisition, the Company issued 44,681 replacement options in replacement of options held by option holders of Energy Fuels.

## ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

There were no securities of any class of securities issued by the Company held in escrow or otherwise subject to contractual restriction on transfer as at December 31, 2023, other than as set out below.

As of the date of the AIF, no securities of any class of securities of enCore are held in escrow or are anticipated to be held in escrow.



## DIRECTORS AND OFFICERS

**Name, Occupation and Security Holding**

The following table sets forth the name, municipality of residence and principal occupation during the last five years for those persons who are currently directors and officers of enCore:

| Name, province or state and country of residence and position, if any, held in the Company | Principal occupation during the past five years | Served as director of the Company since | Number of common shares of the Company beneficially owned, directly or indirectly, or controlled or directed as at the date of this AIF[1] |
|---|---|---|---|
| **William M. Sheriff** [6][7][9]<br>*Director and Executive Chairman*<br>Texas, USA | Chairman of enCore since 2009 and Executive Chairman of enCore since January 2019. Executive Chairman of Golden Predator Mining Corp from April 2014 to September 2021. Director of Exploits Discovery Corp. since October 2020. Chairman of Sabre Gold Mines Corp. since September 2021. | October 30, 2009 | 2,025,722 |
| **W. Paul Goranson** [6][7][9]<br>*Director and CEO*<br>Texas, USA | Professional Engineer; CEO of enCore since October 2020; Chief Operating Officer for Energy Fuels Resources (USA) Inc. from June 2015 to August 2020. | September 14, 2020 | 343,445 |
| **Dennis E. Stover**[6][8][9][10]<br>*Director*<br>Oklahoma, USA | Chief Technical Officer of enCore since October 2020; CEO of the Company from August 2014 to October 2020. | February 9, 2012 | 292,167 |
| **William B. Harris** [3][4][5][7][10][12]<br>*Director*<br>Florida, USA | Partner of Solo Management Group, LLC, an investment management and financial consulting company since 1998. Director of Scandium International Mining Corp. since 2007. | October 30, 2009 | 204,444 |
| **Mark S. Pelizza** [4][5][8][12]<br>*Lead Independent Director*<br>Texas, USA | Principal of M.S. Pelizza & Associates since September 2014. Professional Geoscientist and Certified Professional Geologist. | December 18, 2014 | 348,333[2] |



| Name, province or state and country of residence and position, if any, held in the Company | Principal occupation during the past five years | Served as director of the Company since | Number of common shares of the Company beneficially owned, directly or indirectly, or controlled or directed as at the date of this AIF[1] |
|---|---|---|---|
| **Richard M. Cherry** [3][4][8][10][12]<br>*Director*<br>Oklahoma, USA | Independent consultant since April of 2006. Professional Engineer. | December 31, 2014 | 55,667 |
| **Susan Hoxie-Key**[3][5][10][12]<br>*Director*<br>Alabama, USA | Consulting Engineer, Nuclear Fuel Department, Southern Nuclear Operating Company, Inc. | June 22, 2022 | 3,000 |
| **Peter Luthiger**<br>*Chief Operating Officer*<br>Texas, USA | Director of Texas Operations for Energy Fuels, Inc. | - | 20,655[11] |
| **Shona Wilson**[9]<br>*Chief Financial Officer*<br>Texas, USA | Chief Financial Officer at kWantix since February 2021, former senior director at Platts/S&P Global, former Finance Director of Citigroup North America | - | Nil |

| | | | |
|---|---|---|---|
| **Robert Willette**<br>*Chief Legal Officer, Corporate Secretary and Chief Compliance Officer*<br>Texas, USA | Chief legal officer, chief compliance officer and corporate secretary of ProFrac Holding Company | - | 125,000 |

**Notes:**

(1) The information as to principal occupation, business or employment and common shares beneficially owned or controlled has been provided by the nominees themselves or obtained through SEDI.

(2) 166,667 of these Common Shares are held indirectly by Mark Pelizza through The Pelizza Family Limited Partnership.

(3) A member of the Audit Committee.

(4) A member of the Compensation Committee.

(5) A member of the Governance and Nominating Committee

(6) A member of the Option Grant Committee

(7) A member of the Investment Committee.

(8) A member of the Health, Safety, Environment and Sustainability Committee.

(9) A member of the Disclosure Committee

(10) A member of the ATM Committee

(11) 655 of these Common Shares are controlled and directed by Peter Luthiger through Shawn Schaefer, and 20,000 of these Common Shares and controlled and directed by Peter Luthiger through Maria Luthiger.

(12) Determined by the Company to be an “independent director” under Nasdaq Rule 5605(a)(2).



**Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

To the knowledge of the Company, no director or executive officer of the Company, or a personal holding company of such person is, as at the date of this AIF, or has been, within 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any company that:

(a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or

(b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes herein, “order” means

(a) a cease trade order;

(b) an order similar to a cease trade order; or

(c) an order that denied the relevant company access to any exemption under securities legislation,

that was in effect for a period of more than 30 consecutive days.

To the knowledge of the Company, no director or executive officer of the Company, or a shareholder holding a sufficient number of securities to affect materially the control of the Company, or a personal holding company of such person:

(a) is, as at the date of the AIF, or has been within the 10 years before the date of the AIF, a director or executive officer of any company (including your company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;

(b) has, within the 10 years before the date of the AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder;

(c) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(d) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.



**Conflicts of Interest**

The Company's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors or officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. From time to time, several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. The directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

The directors and officers of the Company are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosures by the directors and officers of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers. All such conflicts will be disclosed by such directors or officers in accordance with the BCBCA and will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

To the best of the Company's knowledge, and other than as disclosed above and elsewhere in this AIF, there are no known existing or potential conflicts of interest among the Company, its subsidiaries, directors and officers or other members of management of the Company or its subsidiaries as a result of their outside business interests.

**Audit Committee Information**

Pursuant to the Section 224(1) of the British Columbia *Business Corporations Act* and National Instrument 52-110 of the Canadian Securities Administrators ("**NI 52-110**"), the Company is required to have an audit committee (the " **Audit Committee**") comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company. NI 52-110 requires the Company as a venture issuer, to disclose annually its information circular certain information concerning the composition of its audit committee and its relationship with its independent auditor, as set forth below.



**Audit Committee Charter**

The Audit Committee's charter is attached as Schedule "A" to this AIF.

**Composition of the Audit Committee and Independence**

The Company's current Audit Committee consists of William B. Harris (Chair), Richard M. Cherry and Susan Hoxie-Key.

National Instrument 52-110— *Audit Committees* ("**NI 52-110**") provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company's Board, reasonably interfere with the exercise of the member's independent judgment. All of the Company's current Audit Committee members are "independent" within the meaning of NI 52-110. NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. All of the members of the Audit Committee are "financially literate" as that term is defined. The following sets out the Audit Committee members' education and experience that is relevant to the performance of his responsibilities as an audit committee member.

**Relevant Education and Experience**

All members of the Audit Committee have:

- an understanding of the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and provisions;

- experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising individuals engaged in such activities; and

- an understanding of internal controls and procedures for financial reporting.

The relevant education and/or experience of each member of the Audit Committee is described below:

*William B. Harris*–- Mr. Harris is a partner of Solo Management Group, LLC, an investment and management consulting firm. He is currently a director of Scandium International Mining Corp. He was previously a board and Audit Committee member of Gold One International Limited, Potash One Inc., and Energy Metals Corporation, Chairman and Executive Committee member of the American Fiber Manufacturers Association, and former President and CEO of Hoechst Fibers Worldwide, the global acetate and polyester business of Hoechst AG. At Hoechst Fibers Worldwide, Mr. Harris managed the business' $5 billion operation, comprised of 21,000 employees and production locations in 14 different countries. Within Hoechst AG and its subsidiaries, Mr. Harris held various positions, including Chairman of the Board of Grupo Celanese S.A., a publicly traded company in Mexico with sales in excess of $1 billion, and VP Finance, CFO, Executive VP and Director of Celanese Canada Inc. a publicly-traded company in Canada. He was also VP, Treasurer and Chairman of the Audit Committee of Hoechst Celanese Corporation. Mr. Harris is a graduate of Harvard College (BA in English) and Columbia University Graduate School of Business (MBA in Finance).



*Richard M. Cherry* – Mr. Cherry is a veteran executive of the nuclear industry, having worked for several leading companies in the areas of uranium mining, production, conversion, marketing and power generation operations for 40 years. He is currently a consultant to the uranium mining industry. Mr. Cherry previously served as President and CEO of Cotter Corporation and Nuclear Fuels Corporation, both affiliates of General Atomics Corporation. Mr. Cherry was responsible for all aspects of Cotter's mining and milling operations in Colorado, including uranium and vanadium ores with over 200 employees. His participation in Nuclear Fuels Corporation made him responsible for the worldwide uranium marketing efforts for all General Atomics' affiliates. Mr. Cherry also served as Vice President of ConverDyn and Nuclear Fuels Corporation. ConverDyn is a joint venture between Honeywell International and General Atomics focused on marketing uranium conversion services to large electrical utilities worldwide. Mr. Cherry has international experience having served UG, U.S.A Inc. of Atlanta, Georgia as Vice President. UG U.S.A Inc. is the US subsidiary of the German uranium trading company based in Frankfurt, which trades all forms of nuclear fuel. Mr. Cherry also served as the Regional Director-Far East for Sequoyah Fuels Corporation marketing the Company's uranium conversion services to clients in Japan, South Korea and Taiwan. Mr. Cherry also previously served as CEO & President of Zenith Minerals, a private uranium mining company, CEO & Director of Uranium International, and served on the board of Sequoyah Fuels Corporation. Mr. Cherry held various management and technical positions at Kansas Gas and Electric for the Wolf Creek Nuclear Generating Station as it progressed from construction through start-up and power generation, he was responsible for all commercial and technical areas required to secure and design nuclear fuel. Mr. Cherry holds an M.S. in Mechanical Engineering from Wichita State University and a B.S. in Engineering Physics from the University of Oklahoma. He is a Licensed Professional Engineer (State of Kansas) and a Member of the American Nuclear Society and has made presentations at industry conferences including the Nuclear Energy Institute.

*Susan Hoxie-Key* – Ms. Hoxie-Key is a proven nuclear industry leader, with more than 40 years of engineering experience covering nuclear core design, nuclear fuel-related licensing, nuclear fuel procurement, oversight of nuclear fuel-related engineering products, and direct support of reactor operations. She worked for Southern Nuclear Operating Company (SNC) for 31 years, where she directed and conducted complex multi-disciplinary projects involving in-reactor fuel performance, fuel procurement, fuel-related licensing, and core design. She also served as the SNC lead for nuclear industry efforts to increase the uranium enrichment limit above 5 weight percent and to increase the current licensed fuel burnup limit. Ms. Hoxie-Key was a 2008 winner of the American Nuclear Society (ANS) Oestmann Achievement Award for technical achievement in the fields of nuclear science, engineering, research or education. She has also held numerous nuclear industry leadership roles across the years, including Chairman of the World Nuclear Fuel Market (WNFM) Board of Governors between June 2016 and June 2018, and member of the Nuclear Energy Institute (NEI) Accident Tolerant Fuel Safety Benefits and Licensing Task Forces. Ms. Hoxie-Key earned her bachelor's degree in nuclear engineering from Mississippi State University and her master's degree in nuclear engineering from Georgia Institute of Technology. She is a registered Professional Engineer in Alabama and Georgia.

**Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

**Reliance on Certain Exemptions**

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

(a) the exemption in section 2.4 (De Minimis Non-Audit Services) of NI 52-110;

(b) the exemption in section 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer);

(c) the exemption in section 6.1.1(5) (Events Outside Control of Member);

(d) the exemption in section 6.1.1(6) (Death, Incapacity or Resignation), or

(e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

The Company has also not relied on the exemption in subsection 3.3(2) (Controlled Companies), section 3.6 (Temporary Exemption for Limited

and Exceptional Circumstances), or section 3.8 (Acquisition of Financial Literacy).



**Pre-Approval Policies and Procedures**

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

**Audit Fees**

The following table sets forth the fees paid by the Company and its subsidiaries to Davidson & Company LLP, Chartered Professional Accountants, for services rendered in the last two financial years:

| Financial Year Ending | Audit Fees[1] | Audit Related Fees[2] | Tax Fees[3] | All Other Fees[4] |
|---|---|---|---|---|
| December 31, 2023 | $ 562,466.25 | $ 178,316.16 | $ Nil | $ Nil |
| December 31, 2022 | $ 134,586 | $ Nil | $ Nil | $ 41,622 |

**Notes:**

(1) "Audit fees" include aggregate fees billed by the Company's external auditor in each of the last two financial years for audit fees.

(2) "Audit related fees" include the aggregate fees billed in each of the last two financial years noted above for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit fees" above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax fees" include the aggregate fees billed in each of the last two financial years for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning. The services provided include tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All other fees" include the aggregate fees billed in each of the last two financial years for products and services provided by the Company's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above.



## LEGAL PROCEEDINGS

The Company is not aware of any legal proceedings to which the Company is or was a party, or to which the Company's property is or was subject of, either during the financial year ended December 31, 2023, and as of the date hereof, nor is the Company aware that any such proceedings are contemplated.

## REGULATORY ACTIONS

There have been no penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority during the year ended December 31, 2023.

There have been no other penalties or sanctions imposed by a court or regulatory body against the Company during the year ended December 31, 2023 that would likely be considered important to a reasonable investor in making an investment decision.

There have been no settlement agreements that the Company has entered into before a court relating to securities legislation or with a securities regulatory authority during the year ended December 31, 2023.

## INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No informed person (a director, officer or holder of more than 10% of the Company's issued and outstanding Common Shares) or any associate or affiliate of any informed person had any interest, direct or indirect, in any transaction that has materially affected or is reasonably expected to materially affect the Company or any of its subsidiaries, within the three most recently completed financial years or during the current financial year.

## TRANSFER AGENT AND REGISTRAR

The transfer agent and Registrar for the Common Shares is Computershare Trust Company of Canada, located at 510 Burrard Street, 3rd Floor, Vancouver, British Columbia V6C 3B9. enCore has not appointed a Registrar and transfer agent for the enCore Preferred Shares, and there are

no such shares issued and outstanding.

## MATERIAL CONTRACTS

The following is a description of each material contract entered into by the Company since the beginning of the last financial year ended December 31, 2023, or before the last financial year, if such material contract is still in effect:

- Warrant indenture dated as of March 25, 2022 between the Company and Computershare Trust Company of Canada;
- Underwriting agreement dated January 25, 2023 among the Company, Canaccord Genuity Corp., Cantor Fitzgerald Canada Corporation, and Haywood Securities Inc.;
- Warrant indenture dated as of February 8, 2023 between the Company and Computershare Trust Company of Canada;
- Controlled Equity Offering$^{SM}$ Sales Agreement dated as of June 26, 2023 entered into among the Company, Cantor Fitzgerald Canada Corporation, Cantor Fitzgerald & Co., Canaccord Genuity Corp., Canaccord Genuity LLC, Haywood Securities Inc., PI Financial Corp., and Jett Capital Advisors, LLC; and
- Master Transaction Agreement dated as of December 5, 2023 entered into among the Company, enCore Energy US Corp., and Boss Energy Limited.

Copies of the above noted agreements have been filed under the Company's profile on www.sedarplus.ca.

A copy of any material contract or report may be inspected during normal business hours at the Company's records office.



## INTERESTS OF EXPERTS

### Names of Experts

The following experts have prepared or certified a report, valuation, statement or opinion described or included in a filing, or referred to in a filing, made under National Instrument 51-102 *Continuous Disclosure Obligations* by the Company during, or relating to, the year ended December 31, 2023, whose profession or business gives authority to the report, valuation, statement or opinion made by such expert.

The following are the qualified persons involved in preparing the NI 43-101 Technical Reports or who certified a statement, report or valuation from which certain scientific and technical information relating to the enCore's material mineral projects contained in this AIF has been derived, and in some instances extracted from:

- Douglas L. Beahm, P.E., P.G., Carl Warren, P.E., P.G., and W. Paul Goranson, P.E. prepared the Crownpoint and Hosta Butte Technical Report;
- Matthew Yovich, P.E. of Woodard & Curran and Steve Cutler, P.G. of Roughstock Mining Services, LLC prepared the Dewey Burdock Technical Report;
- Ray Moores, P.E. of Western Water Consultants Inc. and Steve Cutler, P.G. of Roughstock Mining Services, LLC prepared the Gas Hills Technical Report; and
- Douglas Beahm, P.E. P.G., BRS Inc. prepared the Altea Mesa Technical Report.

The named experts held, directly or indirectly, less than one percent of the issued and outstanding common shares of enCore or Azarga, as applicable, at the time of the preparation of the Technical Reports. The authors have reviewed and approved the technical and scientific information include in this AIF, which has been summarized from the Technical Reports.

Davidson & Company LLP Chartered Professional Accountants, located at Suite 1200 – 609 Granville Street, Vancouver, BC V7Y 1G6 Canada, audited the financial statements of the Company for its financial year ended December 31, 2020. Davidson & Company LLP is independent within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

### Interests of Experts

To the knowledge of the Company based on information provided by the experts, none of the experts named above, at the time of preparing the applicable report, valuation, statement or opinion, held or has received or will receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of one of the Company's associates or affiliates in connection with the preparation or certification of any report, valuation, statement or opinion prepared by such person.

## ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedarplus.ca.

Additional financial information is provided in the Company's audited financial statements and MD&A for the year ended December 31, 2023.

These documents may be obtained upon request from the Company's head office, or may be viewed on the Company's website

(www.encoreuranium.com) or on the SEDAR website (www.sedarplus.ca).

The Company is a foreign reporting issuer under applicable U.S. federal securities laws, and is entitled to follow corporate governance practices of its home country in lieu of certain Nasdaq requirements. For more information refer to the Statement of Corporate Governance Differences posted on the Company's website.



**Schedule A**

**Charter of the Audit Committee of enCore Energy Corp.**

**[See attached]**



**ENCORE ENERGY CORP.**

**CHARTER OF THE AUDIT COMMITTEE**

**(As approved by the Board on August 17, 2022 and amended on January 11, 2023)**

The responsibilities and composition requirements of audit committees are as set out in the Canadian Securities Administrators' National Instrument 52-110Audit Committees ("**NI 52-110**"), the listing rules of the TSX Venture Exchange and the NYSE American LLC, as applicable (the "**Listing Rules**") and the rules and regulations promulgated by the Canadian Securities Administrators and the United States Securities and Exchange Commission ("**SEC**").

**Audit Committee Mandate**

The Audit Committee (the "**Committee**") is a committee established and appointed by and among the Board of Directors (the " **Board**") of enCore Energy Corp. (the "**Company**") to assist the Board in fulfilling its financial oversight responsibilities of the Company. In so doing, the Committee provides an avenue of communication among the independent external auditor, management, and the Board. The Committee's purpose is to review, consider and ensure the integrity of financial reporting and the audit process, and that sound risk management and internal control systems are developed and maintained. In pursuing these objectives, the Audit Committee oversees relations with the independent external auditor and the accounting and financial reporting processes of the Company and audits of financial statements of the Company.

**Responsibilities**

The Committee's primary duties and responsibilities are as follows:

1. The appointment, compensation, retention and oversight of the independent external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including approval, prior to the auditor's audit, of the auditor's work plan and scope of the auditor's review and all related fees. The external auditor shall report directly to the Committee. In carrying out this duty, the Committee shall be directly responsible for:

    (a) nominating the external auditor for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company;

    (b) reviewing (by discussion and enquiry) the external auditors' proposed audit scope and approach;

    (c) reviewing the performance of the external auditor and determining the appointment or discharge of the external auditors;

    (d) determining the compensation to be paid to the external auditors; and

    (e) reviewing and confirming the independence of the external auditors by reviewing the non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) provided and the external auditors' assertion of their independence in accordance with professional standards.

2. Overseeing the work of the independent external auditor engaged to prepare or issue an audit report or perform other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting.

3. Consulting with the Company's Chief Financial Officer for the hiring of any Member of the Audit Engagement Team to a Financial Reporting Oversight Role in the Company (as such terms are defined in the Company's Policy for Hiring Members (or Former Members) of Independent Public Auditors).

4. Pre-approving all non-audit services to be provided to the Company or its subsidiaries by the Company's external auditor.

5. Delegating, at the Committee option, to one or more independent members of the Committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the Committee at its next scheduled meeting.

6. Reviewing the Company's annual financial statements, management's discussion and analysis (" **MD&A**"), auditor's report (if any) prepared in relation to those financial statements, and annual earnings press releases, and any other set of financial statements which will be released to shareholders, other security holders or regulatory agencies and/or which will form part, either directly or by reference, of any registration statement, including a prospectus or prospectus supplement, offering circular, information circular, proxy statement, annual information form ("**AIF**"), or annual report filed with the SEC, British Columbia Securities Commission (the " **BCSC**") or any other securities regulatory authority, before recommending them to the Board for approval and before such documents are published and publicly disclosed by the Company. In carrying out this duty, the Committee shall:

   General

   (a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions;

   (b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate;

   Annual Financial Statements

   (c) prior to public disclosure, review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;

   (d) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and

   (e) review MD&A respecting the annual reporting period prior to its public disclosure.

7. Reviewing and approving the Company's interim financial statements, MD&A and interim earnings press releases or quarterly reports filed with the SEC, BCSC or any other securities regulatory authority and report to the Board, before such documents are published and publicly disclosed by the Company.

8. In accordance with the Company's Corporate Disclosure Policy, reviewing all financial material documents and certain disclosures in advance of their public release by the Company.



9. Satisfying itself that adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Company. In carrying out this duty, the Committee shall:

   (a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Company; and

   (b) ensure that the external auditors discuss with the Committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

10. The Committee must satisfy itself that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in 5 above, and must periodically assess the adequacy of those procedures.

11. Establishing procedures (the "**Whistleblower Policy**") for:

    (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

    (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

12. Reviewing and evaluating the Company's Whistleblower Policy on a periodic basis to determine whether it is effective in providing a confidential and anonymous procedure to report violations or Complaints regarding accounting, internal accounting controls or auditing matters. The Chair of the Committee will review and consider any complaints or concerns submitted in accordance with the Whistleblower Policy and the Company's Code of Business Conduct and Ethics.

13. Reviewing and approving the Company's hiring policies regarding partners, employees and former partners and employees of the present and any former external auditors of the Company.

14. Ensuring the receipt from the external auditor of a formal written statement delineating all relationships between the auditor and the Company, consistent with Independence Standards Board Standard 1 or the standards set by the Public Company Accounting Oversight Board (the "**PCAOB Standards**"), as applicable, actively engaging in a dialogue with the auditor with respect to any disclosed relationships or services that may affect the objectivity and independence of the auditor and for taking, or recommending that the full Board take, appropriate action to oversee the independence of the external auditor.

15. Prior to the completion of the annual audit, and at any other time deemed advisable by the Committee, reviewing and discussing with management and the external auditor the quality of the Company's accounting policies and financial statement presentation, including (without limitation) the following:

    (a) all critical accounting policies and practices to be used, including without limitation the reasons why certain estimates or policies are or are not considered critical and how current and anticipated future events may affect those determinations, as well as an assessment of any proposed modifications by the external auditor that were not made;

    (b) all alternative accounting treatments for policies and practices that have been discussed by management and the external auditor; and

    (c) other material written communications between the external auditor and management, including (without limitation) any management letter, schedule of unadjusted differences, the management representation letter, report on internal controls, as reported to the Committee by the Chief Financial Officer on an annual basis, or more frequently if required (to include, at a minimum, an evaluation and status of remediation of any significant deficiencies or material weaknesses, if any), as well as the engagement letter and the independence letter.



16. Reviewing annually the accounting principles and practices followed by the Company and any changes in the same as they occur, and reviewing new accounting principles of the Chartered Professional Accountants Canada and the International Financial Reporting Standards or under the United States generally accepted accounting principles ("**GAAP**"), or PCAOB Standards, as applicable, that have a significant impact on the Company's financial reporting as reported to the Committee by management.

17. Reviewing the status of material contingent liabilities, potentially significant tax issues, and any errors or omissions in the current or prior years' financial statements that appear material, as reported to the Committee by management.

18. Overseeing management's design, testing, implementation and maintenance of the Company's internal controls and management information systems and reviewing the adequacy and effectiveness thereof.

19. Ensuring that significant findings and recommendations made by management and external auditor are received by the Committee and discussed on a timely basis.

20. Overseeing and enforcing the Code of Ethics for the Chief Executive Officer, senior financial officers and other officers of the Company, subject to supervision by the Board.

21. Querying management and the external auditor as to any activities that may appear to be illegal or unethical, and review with management and the external auditor any frauds reported to the Committee, as appropriate.

22. Reviewing the results of the annual fraud risk assessment conducted by executive management, with participation from legal, finance, information systems and operations, for the purpose of ensuring that significant fraud risks, if any, are sufficiently identified, properly prioritized, effectively mitigated by internal controls and consistently monitored.

23. Confirming on an annual basis whether the objectives of the fraud risk assessment have been achieved.

24. Reporting and making recommendations to the Board, as the Committee considers appropriate.

25. Approving the Company's Disclosure Controls and Procedures and review report from the Disclosure Committee regarding the Company's Corporate Disclosure Policy and Disclosure Controls and Procedures.

26. Performing other oversight functions as requested by the Board.

**Authority of the Committee**

The Committee shall have the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay the compensation for any advisors engaged by it. The Company must also provide for appropriate funding, as determined by the Audit Committee, in its capacity as a committee of the board of directors, for payment of ordinary administrative expenses of the Audit Committee

that are necessary or appropriate in carrying out its duties.

The Committee shall also have the authority to communicate directly with the independent external auditor.



**Composition**

The Committee members shall meet the requirements of the BCSC, the TSX Venture Exchange (the " **TSXV**"), the SEC and the NYSE American LLC, as required. The Audit Committee shall consist of at least three (3) Directors. All members of the Audit Committee shall be "independent" in accordance with NI 52-110, the Listing Rules and Rule 10A-3 of the United States Securities Exchange Act of 1934, as amended (the "**Exchange Act**") and shall meet all other requirements of the Listing Rules. All members must be able to read and understand fundamental financial statements (including a company's balance sheet, income statement, and cash flow statement), the Chair of the Audit Committee shall be "financially literate" as defined by applicable legislation. If, upon appointment, a member of the committee is not financially literate as required, the person will be provided a three-month period in which to achieve the required level of literacy. An individual will be considered financially literate if he or she has the ability to understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can be expected to be raised by the Company's financial statements. At least one member of the Committee must qualify as an "Audit Committee Financial Expert," as defined from time to time by the SEC, which member shall also thereby qualify as "financially sophisticated," in that he or she has past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, including but not limited to being or having been a chief executive officer, chief financial officer, other senior officer with financial oversight responsibilities. A quorum shall consist of not less than two (2) members of the Audit Committee.

The Board shall designate the Chair of the Committee annually. Any member of the Committee may be removed or replaced at any time by the Board. Any member of the Committee ceasing to be a director or ceasing to qualify as a member under any applicable law, rule or regulation shall cease to be a member of the Committee. Subject to the foregoing, each Member of the Committee shall hold office as such until the next annual appointment of members to the Committee after his or her election. Any vacancy occurring in the Committee shall be filled at the next meeting of the Board.

**Remuneration**

No member of the Committee may earn fees from the Company or any of its subsidiaries other than directors' fees or committee member fees (which fees may include cash, options or other in-kind consideration ordinarily available to directors). For greater certainty, no member of the Committee shall accept any consulting, advisory or other compensatory fee from the Company.

**Meetings & Operating Procedures**

- The Committee shall meet on at least a quarterly basis annually (i.e., a minimum of four (4) times per year) for regular meetings, or more frequently as circumstances dictate for special meetings. The times of and places where meetings of the Committee shall be held and the calling of and procedures at such meetings shall be determined from time to time by the Committee. Special meetings shall be convened whenever requested by the external auditor, the Chair, or any two (2) members of the Audit Committee.

- Regular meetings shall be called by the Chair of the Committee so as to allow the Committee to review the annual and interim consolidated financial statements and related disclosures of the Company prior to approval of the statements by the Board, as required, and prior to the release of the annual financial statements, the MD&A or the interim reports to shareholders, as applicable.

- Notice of the time and place of every meeting shall be given in writing or by e-mail or facsimile communication to each member of the Committee (and to the external auditor of the Company, when applicable, so that the auditor shall be entitled to attend) at least 48 hours prior to the time fixed for such meeting; provided, however, that a member may waive notice of a meeting, and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

- The Committee may invite such officers, directors and employees of the Company, as it may see fit from time to time, to attend meetings of the Committee and assist in the discussion and consideration of any matters under consideration by the Committee.

- A quorum shall be a majority of the members.



- In the absence of the Chair of the Committee, the members shall appoint an acting Chair.

- The Committee shall, at the start of the meeting or portion thereof, appoint a secretary, who need not be a director or officer of the Company, for the purposes of recording the minutes of the meeting or portion of the meeting.

- The Committee shall maintain minutes or other records of its meetings and activities. A copy of the minutes of each meeting of the Committee shall be made available, upon request, to each member of the Committee and to each Director of the Company.

- The Chair of the Committee shall prepare and/or approve an agenda in advance of each meeting.

- The Committee, in consultation with management and the external auditors, as applicable, shall develop and participate in a process for review of important financial topics that have the potential to impact the Company's financial policies and disclosures.

- The Committee shall communicate its expectations to management and the external auditor with respect to the nature, timing and extent of its information needs. The Committee expects that written materials will be received from management and the external auditor, as applicable, in advance of meeting dates.

- The Committee chair may meet privately with the external auditor on a quarterly or as-needed basis (including any meeting at which financial statements are approved in the absence of management) to discuss any matters that the Committee or its chair believe should be discussed.

- The Committee shall meet at least annually with the Company's Chief Financial Officer and external auditor in separate executive sessions.

- In addition, the Committee, or at least its Chair, should communicate with management and the external auditor, as applicable, quarterly to review the Company's financial statements and significant findings based upon the external auditor's limited review procedures.

- The Committee shall annually review, discuss and assess its own performance. In addition, the Committee shall periodically review its role and responsibilities and make any adjustments, as needed, for the effective governance of the Committee and performance of its role and responsibilities.

- The Committee expects that the external auditor, in discharging its responsibilities to the shareholders, shall be accountable to the Board through the Committee. The external auditor shall promptly report all material issues or potentially material issues to the Committee.

**Review Procedures**

The Committee shall review and reassess the adequacy of this Charter at least annually, submit any proposed changes to the Board for approval, and ensure that it is in compliance with all applicable TSXV, BCSC, SEC and the Listing Rules, as they may change over time.

**Exhibit 99.2**

**Management's Discussion & Analysis**
**For the year ended**
**December 31, 2023**

enCore Energy Corp.
Management's Discussion and Analysis
For the years ended December 31, 2023 and 2022

Set out below is management's assessment and analysis of the results of operations and financial condition of enCore Energy Corp. and its subsidiaries ("enCore", or the "Company") for the year ended December 31, 2023. The following information is prepared as of March 28, 2024, and should be read in conjunction with the consolidated financial statements for the years ended December 31, 2023 and 2022, and the accompanying notes thereto, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All Dollar figures included in this management's discussion and analysis ("MD&A") are quoted in United States Dollars unless otherwise indicated. Additional information related to the Company is available on SEDAR+ at www.sedarplus.ca.

**Our Company**

enCore Energy Corp. was incorporated on October 30, 2009 under the Laws of British Columbia and is a reporting issuer in all of the Provinces of Canada other than Quebec. The Company also files reports with the U.S. Securities and Exchange Commission ("SEC"). The Company's Shares are listed on the NASDAQ and the TSX Venture Exchange under the trading symbol EU.

Total issued and outstanding shares at issuance of this report were 181,342,947 common shares.

**Our Vision: America's Clean Energy Company™**

The Company is focused on producing domestic uranium in the United States. The Company only utilizes the proven In-Situ Recovery technology (ISR) to provide necessary fuel for the generation of clean, reliable, and carbon-free nuclear energy. The Company commenced production at the Rosita Central Processing Plant in South Texas, becoming one of only 3 uranium producing operations in the United States and the first in Texas in ten years. In early 2024, the Company expects to commence production at the Alta Mesa Central Processing Plant also located in South Texas. enCore's goal is to build production capacity to 3 million lbs U3O8 per year in 3 years and 5 million lbs U3O8 per year in 5 years.

**Our Objectives**

The Company's primary objective is to provide growth and value to shareholders. In the fourth quarter of 2023, we commenced production at our Rosita plant, a key strategic execution objective. In 2024, the Company has five main objectives, detailed below. Execution of these objectives will position enCore to quickly respond to ever-changing global factors, achieve strategic expansions, and build on its adaptability while strengthing the company's financial health.

**Commence Production at the Alta Mesa Project**

Utilizing production-ready central ISR Central Processing Plants (CPP) in South Texas, the Company has implemented a strategy that will continue to build value and phased growth. Our strategy allows enCore to contribute to an ever-growing need for nuclear energy in the United States and the world. With production at Alta Mesa expected to commence in the second quarter of this year, the Company will become one of only a handful of companies in the world with more than one operational uranium production plant. We are focused on a long-term strategy of being a supplier of choice for a nuclear industry that is experiencing growth for the first time in over 45 years.

**Streamline Operations and Rationalize Asset Base**

Successful execution is critical, especially in an industry where talent and timing are essential to our success. Adapting swiftly to favorable market conditions is a priority for enCore. Following the cash injection from our recent transaction with Boss Energy, we intend to advance the timeline on our production pipeline and expand drilling operations. Concurrently, we will continue to rationalize our asset base through the execution of our non-core asset divestment strategy to strenghten our financial position and increase financial resources in a non-dilutive way We have demonstrated the ability to derive substantial value for the Company's shareholders from our non-core assets by using different approaches to divestment. enCore currently holds several non-core conventional projects available for acquisition.





**Mergers and Acquisitions**

Since December 2020, management has demonstrated, through four significant transactions, its ability to drive growth and provide value for our shareholders through select, accretive merger and acquisition (M&A) activity that complements its own organic growth.

**Contract and Sales Strategy Formalization**

The Company will continue to leverage its strong baseload contracting strategy and industry reputation as a reliable multi-facility domestic supplier to ensure that our operating assets are able to create revenue regardless of market conditions. As the Company increases production from its South Texas facilities, management expects to grow its contract portfolio. We will continue to focus on adding new multi-year, market-based contracts to maximize profits while protecting against price declines. This strategy should provide robust returns on production while ensuring a base level of income to support continued operations during market declines.

**Fiscally Responsible Management and Strong Governance for the Benefit of Shareholders**

The Company will complete its inaugural greenhouse gas emissions and sustainability report to meet the needs of institutional clients and utility customers. We will continue to strengthen and grow our management and operations teams by offering industry-leading employment opportunities and a competitive benefits package. We have established continuous improvement systems in our organization to assure proper governance of the company, its operations, and its employees. Finally, the Company works to ensure its costs are as low as practicable while maintaining its ability to leverage its assets to provide value to shareholders. The Company assesses supply chain risks to ensure its ability to obtain critical components necessary to sustain its strategy.

**Our Business: America's Clean Energy Company™**

enCore owns 3 of the 11 licensed and constructed Central ISR Uranium Processing Plants (CPPs) in the United States. [1] All of its existing facilities are located in the business-friendly, energy-centric State of Texas. Our plants are designed and permitted to process uranium from a mix of satellite plants and primary sources within South Texas. In addition, the Company has several key mineral resource projects in other jurisdictions within the United States. Our NI43-101 compliant resources are listed below:

| | |
|---|---|
| Total measured and indicated Mineral Resources | 74.42 million lbs $U_3O_8$ |
| Total inferred Mineral Resources | 26.47 million lbs $U_3O_8$ |

Although the United States is the world's largest consumer of uranium and largest producer of nuclear energy, it remains dependent on imported uranium. Due to the current geopolitical environment, the Company expects increasing demand for domestically-produced uranium as US utilities prefer domestic over Russian suppliers. enCore's strategy is to leverage its uranium production to drive value for its shareholders and be a United States preferred supplier. With established and future sales contracts with nuclear utilities, enCore's product will fuel clean, reliable and carbon-free electricity generation.

Uranium, used for nuclear energy, is an important green energy fuel source. Unlike most fossil fuels, the cost of nuclear fuel (uranium) constitutes only a small portion of total power generating costs.

1 Domestic Uranium Production Report First-Quarter 2023, Energy Information Administration, May 2023





enCore's strategy began in South Texas, where the Company commenced uranium production in November of 2023. South Texas is a key part of our strategy for the following reasons:

- Texas is a well-established US uranium district with most deposits suitable for ISR from sandstone-hosted mineralization and a total historic production of ~80 million lbs of $U_3O_8$[2].

- Texas is a long-established, pro-development jurisdiction for uranium production and an energy friendly state.
- Texas has deposits of approximately 141 million lbs $U_3O_8$ equivalent of in-situ mineralization remaining according to the US Geological Survey ("USGS").
- The USGS estimates there is further potential to discover an approximate additional 220 million lbs of $U_3O_8$ in the South Texas Coastal Plain where our licensed production facilities are located.
- The Company owns three licensed South Texas CPPs that are capable of production using feed from multiple regional satellite IX systems located on outlying uranium deposits within an economic shipping radius.

Uranium market conditions are improving due to shifting market supply-demand fundamentals and the US nuclear industry's shift toward deglobalization. There are many factors contributing to the change in global fundamentals including continued deferment of re-starts of existing standby and new primary sources of supply along with a continued increase in the number of operating nuclear reactors and reactors under construction. According to the World Nuclear Association, globally there are 438 reactors operating, 61 reactors under construction, and 108 reactors planned for construction.[3] Nuclear energy, fueled by uranium, is a clean and reliable energy source, a clearly superior choice for the world. Growing urgency to reduce carbon emissions world-wide has pushed nuclear energy generation to the forefront, with the United States being the world's largest consumer of uranium. Currently, the US is completely reliant on imported uranium. As geopolitical changes are forcing the shift to deglobalize supply chains, domestic nuclear power utilities are looking to the US as a source of uranium in order to secure a domestic supply chain and diversify away from dependence on Russia, Kazakhstan, Uzbekistan, and China. With the goal of restoring a resilient domestic nuclear supply for the first time in decades, the US government, in a bipartisan manner, has appropriated $2.7 billion to domestically source low enriched uranium (LEU) and high assay low enriched uranium (HALEU) to incentivize expanding existing and new production.[4] This funding is contingent on the implementation of restrictions on Russian exports of uranium to the US.

2 Assessment of Undiscovered Sandstone Hosted Uranium Resources in The Texas Coastal Plain, U.S. Geological Survey, 2015
3 World Nuclear Power Reactors & Uranium Requirements, World Nuclear Association website, February 2024
4 "US Reactor Fuel Makers Get $2.7 Billion in Funding Bill", Ari Natter, Bloomberg, March 3, 2024



enCore has a significant economic opportunity in the changing and growing uranium market and nuclear energy industry. Its strong technical team forms the basis for its strength with extensive expertise in ISR operations, reclamation, permitting and exploration. The Company has a broad set of uranium assets that provide a growing production pipeline that includes production and near-term production in Texas followed by pipeline projects in South Dakota and Wyoming with longer term production planned from our extensive resources in New Mexico. The team enjoys access to a large collection of proprietary databases of United States assets. This gives the Company access to exclusive benefits from historic exploration, development and production data generated over almost 100 years by several major companies including Union Carbide, W.R. Grace, UV Industries, Getty Oil, Uranium Resources Inc. and others.

With a diverse portfolio of uranium projects, enCore is prioritizing projects that will utilize ISR technology to produce uranium. ISR, when compared to conventional open pit or underground mining, requires less capital and operating expenditures with a shorter lead time to extraction and a reduced impact on the environment, including minimizing groundwater use. The historic worker safety record in the ISR segment of the mning industry is significantly better that that of conventional underground and open pit uranium mining and milling.

To support the Company's development plans, enCore's uranium sales strategy provides a base level of projected income from sales contracts while preserving significant ability to realize opportunities when strong short-term market fundamentals are present. This strategy assures that the Company will have committed sales to support the capital necessary for construction of new projects while maintaining flexibility to be opportunistic as market conditions continue to change in favorable ways. In 2021, the Company announced two supply agreements. In 2022, the Company announced a third supply agreement with a US based nuclear utility. Subsequently, the Company announced a 4th sales agreement with another Fortune 500 US utility in February 2023. In February 2024, the Company signed its fifth supply agreement with a US nuclear utility. enCore's sales contracts all retain exposure to spot pricing but also include minimum floor and maximum ceiling prices, some of which are adjusted upwards annually for inflation. Minimum floor prices are set at levels that provide the Company a comfortable margin over its expected costs of operations in Texas while still allowing the Company to participate in anticipated escalations of the price of uranium. Combined, the Company has 4.25 million lbs U3O8 in committed uranium sales contracts from 2023 to 2032. Three of our current contracts provide optionality to add an additional 1.65 million lbs U3O8 to 2032. The Company will continue to assess opportunities to secure future sales agreements that will support its continued project and production growth strategies.

enCore's initial production strategy over the next 3 years is centered around two of its fully licensed Texas CPPs; Rosita and Alta Mesa. The CPPs, located at the Rosita and Kingsville Dome projects are designed for, and fully capable of, processing feed resin from relocatable satellite ion-exchange (IX) plants employed at various deposits within a 100-mile radius of each plant.

The Rosita Central Processing Plant is the starting point for enCore's Texas production strategy. Rosita is located approximately 60 miles from Corpus Christi, Texas and has an 800,000-pound U3O8 per year production capacity. Newly modernized and refurbished in 2022, the Rosita Plant will act as the central processing site for the Rosita Extension, Rosita South, and Upper Spring Creek Uranium Projects.

In February 2023, the Company acquired 100% of the Alta Mesa Project from Energy Fuels, Inc. for $120 million. enCore's fully licensed Alta Mesa ISR Uranium CPP is located approximately 100 miles southeast of Corpus Christi, TX, and has a production capacity of 1.5 million lbs U3O8 per year through its ion exchange system located at the plant. The facility has IX elution, precipitation, drying, and packaging capacity for 2.0 million lbs U3O8 per year. This capacity is designed to accept direct production feed to the IX columns in the plant and concurrently accept loaded resin from satellite locations. The Alta Mesa Project includes existing and near-term production areas, including the fully permitted and

authorized production areas 6 & 7. The project also has 9 additional mineral resource areas described in the “Our Assets” section of this document. In totality, the project encompasses mineral leases on 200,000 acres of private land. In February 2024, the Company sold a 30% interest in Alta Mesa project to Boss Energy Limited for $60 million.



The Kingsville Dome Central ISR Uranium Processing Plant (Kingsville Dome CPP) is currently maintained and available to increase production capacity as additional satellite plants and production wellfields are brought into production. This facility, similar in size and design to the Rosita facility, has a capacity of 800,000 lbs U3O8 per year.

The injection of capital to Company from its sale of a 30% interest in the Alta Mesa Project will allow the Company to accelerate future production levels in South Texas, Wyoming and South Dakota.

Notably, the advanced stage Dewey-Burdock Uranium Project (Dewey-Burdock) in South Dakota has demonstrated ISR resources, including a 2019 PEA citing robust economics. The Company is in the process of reviewing and updating the PEA to reflect current economics and planning. The project has its source material license from the US Nuclear Regulatory Commission (NRC) and its underground injection permits and aquifer exemption from the US Environmental Protection Agency (EPA). In 2023, the Company announced that the NRC approval was considered final when appeals of the license approval were exhausted following a successful outcome from the Circuit Court of Appeals for the District of Columbia. The underground injection permits were appealed to the EPA’s Environmental Appeals Board and the aquifer exemption was appealed to the 8th Circuit Court of Appeals. Based on the successful outcome for the company of the appeal of the NRC license, we believe we will also be successful in the appeals of the EPA’s underground injection permits and the aquifer exemption.

The Company has commenced the initial permitting work to advance the Gas Hills Uranium Project (Gas Hills) as an ISR uranium recovery operation located in central Wyoming, approximately 60 miles west of Casper, WY. Gas Hills has a current resource and robust economics as described in a 2021 PEA. It is ideally located in the historic Gas Hills Uranium Mining District, a brownfield area of extensive previous mining. The Company has Dewey-Burdock and Gas Hills as its mid-term production assets within the planned production pipeline.

The Company’s New Mexico assets represent a major, long-term asset in our planned production pipeline. enCore holds a dominant position in the historic Grants Uranium District in New Mexico through its control of mineral rights over approximately 500 square miles containing significant uranium resources in several different deposits. The Company is committed to the significant work necessary to overcome legacy issues related to historic uranium mining and milling in New Mexico and its effect on indigenous and local communities. The Company is executing an engagement strategy with local communities to educate one another and work together to realize economic and social benefits of collectively exploiting these significant resources in an environmentally superior way, unlocking the value of the assets to all parties’ benefit. In addition to these more advanced projects, the Company has significant mineral holdings in Wyoming, Arizona, Utah, and Colorado.

enCore has a clear pathway to production across the western United States and is focusing its expansion efforts within jurisdictions with well-established regulatory environments for the development of ISR uranium projects. Both Texas and Wyoming are NRC Agreement states, whereby the Nuclear Regulatory Commission has ceded its regulatory authority to the individual state regulators. This streamlined and mature regulatory process is a demonstrable benefit to the uranium industry within these jurisdictions. The Company is leveraging the near-term production assets in South Texas to support the South Dakota-based Dewey-Burdock and Wyoming-based Gas Hills projects for mid-term production opportunities with advanced projects and established resources. enCore’s significant New Mexico uranium resource endowment provides long-term opportunities and the ability to establish mutually beneficial relationships with indigenous and local communities. The Company also supports communities with local hiring and capital spending in the localities where it works.

**In-Situ Recovery Technology**

In-Situ Recovery (ISR) is a minimally invasive, environmentally friendly, and economically competitive way of extracting minerals from the ground. It has proven to be a successful method of extracting uranium, and due to its cost efficiency, is economically viable to extract lower grade uranium deposits that might not justify the cost of conventional open pit or underground mining. In addition to significantly lower capital and operating costs, ISR operates without the open pits, waste dumps, or tailings associated with conventional mining and milling, resulting in mining that is more environmentally responsible in a faster, more cost-efficient permitting, development and remediation process. ISR extracts uranium from the ground with minimal surface impact. When reclamation is completed, the surface is returned to its original state and use.



ISR is heavily regulated in the United States. While some countries still use harsh chemicals like sulfuric acid to remove uranium from the ore body, enCore only uses a lixiviant comprised of just oxygen and sodium bicarbonate (common baking soda) in the native groundwater to extract uranium at a near neutral pH with significantly less environmental impacts.

ISR uranium extraction usually takes place in sandstone deposits within a portion of the aquifer that the government has already exempted from protection as an underground source of drinking water due to its contained minerals such as uranium, radium, and others. An ISR wellfield is developed using a series of production patterns comprised of a series of injection and recovery wells. Injection wells introduce the lixiviant described above to the uranium-bearing sandstone. The uranium is solubilized by the oxygen in the lixiviant, and the uranium-bearing lixiviant is carried through the sandstone to the recovery well. Recovery wells, equipped with submersible pumps, recover the uranium-bearing lixiviant out

of the sandstone and lift it to the surface. The uranium-bearing lixiviant is then pumped into a surface collection system to be transferred to the ion exchange (IX) system. Surrounding the production patterns is a network of monitor wells used to observe the groundwater chemistry and hydrology to assure there are no impacts to any adjacent underground sources of drinking water. The combination of the production patterns and the monitor well network constitute what is called a wellfield.

After the uranium-bearing lixiviant reaches the IX system, it flows through a bed of IX resin where the uranium is removed from the lixiviant and loaded onto IX resin beads. This process is very similar to how a water softener works. The barren lixiviant is returned to the wellfield, where it is refortified with oxygen and sodium bicarbonate and reinjected into the uranium-bearing sandstone. A small portion, approximately 1% of the total volume, of the barren lixiviant is held back from reinjection. This is called a "process bleed," and it is intended to create a hydraulic sink in the wellfield to contain lixiviant within production patterns.

When the IX resin loads to capacity with uranium it is regenerated, using a salt solution rich in sodium bicarbonate, in the exact same manner as done for a water softener. This process is called "elution." Elution produces a uranium-rich eluant that is transferred from the ion exchange system to the precipitation system. Using a series of additions of hydrogen peroxide, acid, and sodium hydroxide, the uranium is precipitated from the eluant and a uranium, "yellowcake," slurry is created. It is then filtered and washed in a filter press, and then transferred to the drying system. Drying systems at the Company's processing facilities use a low-temperature, zero emission, rotary vacuum drying system; the same equipment used for producing pharmaceuticals. Once dried, the yellowcake is packaged into 55-gallon drums that are grouped in shipping lots. Each shipping lot is then transported to a North American conversion facility where it is weighed, sampled, and inventoried. This is the point at which the Company sells its product to its customers.

When the uranium orebody within an ISR wellfield is depleted, the Company is required under its permits to clean up the groundwater. The process of extracting uranium from the ore bodies using our lixiviant does change the groundwater chemistry within the production patterns. After production is complete, the groundwater quality is restored to a quality consistent with the chemistry prior to the start of injection using reverse osmosis technology to clean it. This process does increase the amount of water that is consumed during wellfield operations, but in an average ISR wellfield, almost all of the groundwater is preserved and retained at the end of the full production and restoration cycle. Once the government approves the groundwater restoration work, the injection, recovery and monitor wells are plugged and abandoned and the surface infrastructure is removed. The site is then surveyed for residual contamination that may need to be removed and the wellfield is returned to its prior use. At this point, the land and groundwater are once again suitable for all the same uses as prior to mining efforts.

The use of ISR technology in the US has a documented strong environmental record. Several wellfields have been restored and released, with the former wellfields now being indistinguishable from the adjacent unimpacted land. The US government, in several public documents, has concluded that there have been no impacts to underground sources of drinking water by ISR uranium extraction or restoration.



**ESG Principles**

The long-term success of enCore requires the integration of sustainability into all aspects of its business. Leading environmental, social and governance performance is strongly correlated to strong financial performance and the creation of long-term value for enCore's shareholders and other stakeholders. This includes, striving to meet the highest standards, contributing toward sustainable development, and serving as responsible natural resource stewards for the purpose of making positive and lasting impacts on the communities we operate in. enCore is responsible to its shareholders, governments, and community stakeholders as the Company advances projects forward and considers appropriate best practices and innovative methods to meet and exceed these responsibilities within its financial means.

**Environment**

enCore is a uranium producer. Uranium is the only fuel used for clean generation of electricity from nuclear power. Currently, in the US, nuclear power generates almost 20% of our electricity while representing more than half of the clean energy generated. Nuclear power generates this electricity with a relatively small land footprint. As a comparison, a 40-acre nuclear power generating station can produce 1,000 Megawatts electric (Mwe) at nearly 100% capacity. An equivalent wind electrical generating facility would require almost 400,000 acres of land to produce that same amount of electricity. Uranium, as a source of energy, provides similar benefits. According to the Department of Energy, one fuel pellet (the size of a pencil eraser) consisting of 4.95% $U^{235}$ nuclear fuel, has the same energy content as 17,000 cubic feet of natural gas, 3 barrels of oil, or one ton of coal.

The environmental advantages offered by In-Situ Recovery (ISR) to produce uranium from construction through production and reclamation ultimately allow for a minimal residual footprint throughout the mining cycle. ISR eliminates the need to move massive quantities of rock and soil or for a permanent impoundment containing tailings that must be monitored in perpetuity. The Company operates solely in the United States, where the most rigorous environmental and safety regulations are in effect compared to the rest of the world.

enCore is committed to environmental performance:

- We will manage production operations using best practices and innovative technologies to protect underground sources of drinking water.
- We will manage and monitor our production facilities using best practices and innovative technology to minimize and eliminate potential emissions and releases that could have the potential to impact our employees, the environment, or the public.
- We will manage our activities for exploration, development, production, and reclamation to minimize our environmental footprint and limit land disturbances.

- We will treat groundwater impacted by our uranium production activities and restore it to the water quality or class of use established within permits.

enCore supports nuclear energy by reliably supplying uranium for the safe generation of energy, which:

- Is the largest source of carbon-free electricity in the United States.
- Is a zero-emission clean energy source. According to the Nuclear Energy Institute (NEI), using nuclear power instead of carbon-based alternatives, the US avoided more than 476 million metric tons of carbon dioxide emissions in 2019.
- Produces minimal waste. All of the used nuclear fuel produced by the US nuclear energy industry over the last 60 years would fit on a football field to a height of less than 10 yards.
- Is reliable. Nuclear power plants are the most efficient source of electricity, operating 24/7 at a more than 93 percent average capacity factor. That's more than two times the capacity factor of any other carbon-free source.



**Social**

At enCore, we begin by creating a strong united workforce with a commitment to safety as a way of life. Safety is our first value, a leading measure of excellence, and a significant part of how we measure management performance. Our governing Safety Principles apply to our employees, contractors, visitors, and vendors at our sites, and at any location where an employee is engaged in work activities. We approach safety with both vigilance and humility, understanding that incident-free workplaces can be achieved only by accountability and continuous improvement at all levels of our organization.

We seek a workforce comprised of diverse backgrounds, thoughts, and experiences. Our Company strives to attract and retain the best people, develop their potential, and align their skills to important initiatives and activities. We believe in fostering an inclusive work environment built on mutual trust, respect, and engagement. We invest in our employees through health and wellness programs, competitive benefits, and development opportunities. Empowered employees can empower others.

Our people are at the core of enCore's ability to deliver business results and benefit our communities. At enCore, we provide an essential product that enables economic prosperity and a better quality of life for individuals and communities worldwide. We also providing employment opportunities, royalties, and charitable contributions in the communities where our employees live and work. Our activities from production through restoration all generate direct economic benefits for communities we operate in.

**Governance**

enCore has corporate, health, safety, and environmental policies in place to ensure a safe workplace that is respectful of its employees. Our health and safety policies are reviewed with regulators to ensure compliance and protect our employees, communities, and shareholders. Our environmental policies address important issues including groundwater protection, waste minimization, and zero discharges. The Company will also assure that it maintains financial responsibility for groundwater restoration, decommissioning, reclamation and release for unrestricted use as our activities grow and advance.

Executive compensation is managed by an independent compensation committee with pay structures designed to reflect industry standards. Management represents a significant percentage of ownership and is motivated to make strategic business decisions designed to create benefit for all shareholders.

Corporate governance policies range from a Code of Conduct and social media guidelines to the prevention of insider trading and sharing of confidential information. The Company has policies in place to ensure it does not expose the Company to bribery, extortion and money laundering. enCore strives to conduct itself in a respectful, professional, and accountable manner.

**Corporate Highlights for 2023**

In January 2023, the Company:

- Began trading its common shares on the NYSE American Exchange under the symbol "EU" and delisted its shares from the OTCQX. In January 2024, the Company transferred its stock exchange listing to the Nasdaq Capital Market.

In February 2023, the Company

- Closed a public offering of units of the Company, issuing a total of 10,615,650 Units at a price of C$3.25 for aggregate gross proceeds of C$34,500,862.50. Each Unit in the offering was comprised of one common and one-half of one common share purchase warrant. Each Warrant entitles the holder to purchase one common share of the Company at a price of C$4.05 for a period of 36 months following the closing of the Offering.
- Completed its acquisition of the Alta Mesa Project from Energy Fuels Inc. The transaction gave the Company its third licensed uranium in-situ recovery (ISR) processing plant.

- Secured its fourth uranium sales agreement with a Fortune 500-listed domestic utility. The agreement is a multi-year agreement commencing in 2027 that includes firm deliveries of 650,000 lbs of $U_3O_8$ with an option to deliver up to 400,000 lbs under a two-year extended term if exercised. Pricing in the agreement is based on the prevailing market price with a floor well above current projected costs of production and an inflation-adjusted ceiling price.





On March 2023, the Company:

- Made a formal production decision for the resumption of uranium production from the Alta Mesa CPP in early 2024. Alta Mesa will be enCore's second producing location following resumption of uranium production at the South Texas Rosita CPP in November 2023

- Announced that the petitioners to the Nuclear Regulatory Commission's granting of a Source Materials License to enCore Energy Corp's Dewey Burdock ISR Uranium Project declined to seek review by the U.S. Supreme Court. This made the NRC license final and fully effective

In April 2023, the Company:

- Divested of Belt Line Resources, Inc. and Hydro Restoration Corporation which held the Company's Moonshine, Bootheel, and Kaycee projects in exchange for shares equivalent to 19.9% of Nuclear Fuels, Inc.

- Sold 200,000 lbs of uranium for gross proceeds of $9,660,000

In May 2023, the Company:

- Purchased all of the proprietary Prompt Fission Neutron ("PFN") technology and equipment, including related exclusive intellectual property, and global licensing rights from Energy Fuels Resources (USA) Inc for $3,100,000.

In June 2023 the Company:

- Joined the Russell 3000® Index. Membership in the Russell 3000® Index remains in place for one year and means automatic inclusion in in the large-cap Russell 1000® Index or small-cap Russell 2000 ® value style indexes.

- Filed prospectus supplements to its short form base shelf prospectus, which allows the Company to sell its common shares for aggregate gross proceeds of up to $70.0 million. Sales of the Common Shares are made in at-the-market distributions, as defined in National Instrument 44-102 on any trading market in Canada or the United States. The Offering is made through a prospectus supplement to the Company's existing Canadian short form base shelf prospectus of $140 million and US. registration statement.

In July 2023, the Company:

- Received 9,263,800 shares of Nuclear Fuels, Inc. (CSE: NF) pursuant to a top up right associated with its April 2023 divestment of Non-Core assets.

- Completed its sale of the Marquez-Juan Tafoya Uranium Project to Anfield Energy Inc. in exchange for C$5,000,000 cash and 185,000,000 common shares of Anfield with a value of C$9,250,000 of Anfield.

In September 2023, the Company:

- Repaid $20 million on the principal balance of its convertible note issued in connection with the Company's acquisition of the Alta Mesa project.





In November 2023, the Company:

- Received approval from Texas Commission on Environmental Quality for the renewal of its Radioactive Materials License for the South Texas In-Situ Recovery Uranium Central Processing Plants at its Rosita, Kingsville Dome, and the formerly operated Vasquez uranium projects.

- Began production at the South Texas Rosita ISR Uranium Central Processing Plant.

- Repaid an additional $20 million on the principal balance of its convertible note, reducing the remaining principal balance to $20 million.

- Announced the resignation of Greg Zerzan, Chief Administrative Officer ("CAO"), General Counsel, and Corporate Secretary effective November 16, 2023.

In December 2023, the Company:

- Entered into a Master Transaction Agreement with Boss Energy Limited to:
    - Sell a 30% ownership interest in its Alta Mesa project for $60 million
    - Form a strategic collaboration on the use and joint development of the Company's proprietary Prompt Fission Neutron technology for uranium exploration and production.
    - Offer a private placement for a $10 million investment in enCore common shares

      Borrow up to 200,000 lbs $U_3O_8$ over the next year
- Announced the resignation of Carrie Mierkey, Chief Financial Officer ("CFO") effective December 23, 2023.
- Appointed Dr. Dennis Stover as Interim CFO while the Company company recruited to fill the position.

Throughout 2023, the Company issued a total of 15,690,943 common shares under its At-The-Market (ATM) equity offering program. The common shares were issued at an average share price of $3.14 per share for gross proceeds of $49,444,616. A commission of $1,196,912 was paid to the Agent.

**Highlights Subsequent to December 31, 2023**

Subsequent to the year ended December 31, the Company:

- Transferred its stock exchange listing to the Nasdaq Capital Market from the NYSE American LLC.
- Sold 15,000,000 common shares of Anfield Energy, Inc. for gross proceeds of $1,097,900.
- Purchased 1,716,260 units of Nuclear Fuels, Inc. at a price of C$0.60 per unit. Each unit is comprised of 1 common share and one half of a warrant. This investment maintains enCore's ownership level at 19.9%.



- Appointed Robert Willette as its Chief Legal Officer.
- Appointed Shona Wilson as its Chief Financial Officer.
- Issued 6,872,143 common shares and paid $197,701 accrued interest pursuant to the conversion of the outstanding balance on its convertible note by its holder, fully eliminating that outstanding convertible note debt.
- Received a refund of $85,500 for the release of a cash bond held by the Bureau of Land Management in Arizona.
- Received $60 million from Boss Energy for a 30% interest in the Company's Alta Mesa project.
- Received $10 million from Boss Energy for a private placement of 2,564,102 enCore common shares at $3.90 per share.
- Entered into a strategic collaboration agreement with Boss Energy to research and develop the Company's PFN technology, to be financed equally by each party.
- Shipped the Companys first lot of uranium from the Rosita CPP
- Entered into a fifth uranium sales agreement for 600,000 lbs $U_3O_8$ over the period of 2026 through 2032.
- Issued 5,451,669 shares pursuant to the exercise of warrants for gross proceeds of $16,507,663 (C$22,280,554).
- Issued 127,716 shares pursuant to the exercise of brokers warrants for gross proceeds of $411,979 (C$556,052).
- Issued 697,754 shares pursuant to the exercise of stock options for gross proceeds of $900,077 (C$1,214,843).
- Granted 425,000 stock options with an average exercise price of C$6.11.
- Issued 393,365 common shares in accordance with the Company's ATM program for gross proceeds of $1,595,143.
- Issued 102,400 common shares in accordance with the Company's ATM program for gross proceeds of $412,782 (C$557,133).

- Purchased 125,000 lbs for $9,822,500.
- Sold 320,000 lbs for $30,491,000.
- Received a loan of 200,000 lbs.



**Industry Trends and Outlook for the Quarter**

According to the World Nuclear Association, globally, there are currently 438 operable reactors and 61 reactors under construction. [5] Many nations that have deployed nuclear power are appreciating its clean energy and energy security benefits, reaffirming their commitment, and developing plans to support existing reactor units while reviewing and developing policies to encourage more nuclear capacity. Several non-nuclear countries have also emerged as candidates for new nuclear capacity. In the European Union (EU), specific nuclear energy projects have been identified for inclusion under its sustainable financing taxonomy and are therefore eligible for access to low-cost financing. In some countries where phase-out policies were previously in place, there have been policy reversals and potential reactor life extensions with public opinion polls showing growing support. In the U.S., several utilities have announced life extensions and power uprates of existing, operating reactors because of government policy changes that are directly supporting nuclear power. With several reactor construction projects recently approved and many more planned around the world, demand for uranium fuel continues to increase.

In 2023 we saw a continuation of the significant events that began in 2022. Ongoing geopolitical events, the global focus on the climate crisis, and energy security concerns all continued to provide tailwinds to the nuclear energy industry while further highlighting supply and demand challenges. Driven by a tightened uranium market and growing security of supply concerns, uranium prices reached levels not seen since 2011. Unrest in Kazakhstan at the outset of 2022 raised concerns about the more than 40% of global uranium supply that originates from Kazakh production. More significantly, the Russian invasion of Ukraine in late February 2022 was a transformational event for the industry. The war continued to broadly impact the market throughout 2023 with parts of Ukraine, including the Zaporizhzhia Nuclear Power Plant, remaining under Russian control.

The Company believes that as a result of these recent events a geopolitical realignment for uranium markets, as well as the overall energy market is occurring. Nuclear energy is seen as a key source of clean, secure, and affordable energy. Currently, Russia supplies approximately 5% of uranium concentrates[6] globally, 38% of conversion capacity [7], and 46% of enrichment capacity [8]. The realignment that is occurring has highlighted security of supply risk with a growing primary supply gap and shrinking secondary supplies. At the same time we have seen a significant increase in the focus on the origin of supply. To address these risks, utilities continue to evaluate their nuclear fuel supply chains. Through the second quarter of 2023, fuel buyers continued contracting to secure their long-term requirements for conversion and enrichment services. Higher prices across the fuel cycle and annual contracting activity that is getting closer to the rate required to replace what is consumed annually indicate that utilities are returning their focus to secure the uranium necessary to feed those services. The Company expects continued competition among utilities to secure long-term contracts for uranium products and services with proven producers who demonstrate strong environmental, social and governance (ESG) performance and from assets in geopolitically attractive jurisdictions on terms that will ensure the availability of reliable supply to satisfy demand.

Over the last decade, the uranium industry has seen underinvestment in new production capacity, and because of persistent low uranium prices, many producers, including the lowest cost producers, made decisions to leave uranium in the ground or idled capacity to preserve long-term value of their resources. Unplanned supply disruptions related to the COVID-19 pandemic also disrupted uranium mining and processing activities. Despite the increase in prices across most segments of the fuel cycle there has been no material increase in global production due to increased costs, inflationary pressures and uncertainty regarding the continuing and changing geopolitical conditions. The World Nuclear Association's 2023 Nuclear Fuel Report highlights that nuclear powers contributes of 10 percent of the global electricity demand, accounts for 25 percent of low carbon electricity production, and is expected to play a growing role in future energy supply in a low-carbon economy. Notably, geopolitical instability has led to increased interest in nuclear power for energy security. Three scenarios for nuclear generating capacity are presented in the report, and referred to as Lower, Reference, and Higher Scenarios. In the Reference Scenario (informed by government & utility targets), total nuclear capacity is expected to increase to 444 GWe by 2030 and 686 GWe by 2040, including 35 GWe of generic small modular reactor (SMR) capacity. In the Lower Scenario, nuclear capacity is projected to reach 409 GWe by 2030 and 487 GWe by 2040. In the Upper Scenario, the figures show a higher increase with 490 GWe nuclear capacity by 2030 and 931 GWe by 2040. The report notes that primary production from uranium mines, conversion, and enrichment plants continue to supply the majority of the demand from nuclear reactors. Secondary supply is projected to have a gradually diminishing role in the market, decreasing from the current level of 11-14 percent of global reactor uranium requirements to 4-11 percent by 2040, depending on the scenario.[9]

Othere factors that continue to drive supply chain uncertainty include: uranium is a highly trade-dependent commodity, sanctions on Russia, government restrictions, and restrictions on and cancellations of cargo insurance coverage. These factors all create transportation and supply chain risks for fuel supplies coming out of Russia and Central Asia. Nearly 80% of primary production is in the hands of state-owned enterprises. Over 70% of primary production comes from countries that consume little-to-no uranium and nearly 90% of consumption occurs in countries that have little-to-no primary production. Transportation of uranium products from Central Asia and Russia has created additional market uncertainty as alternate supply routes to the St. Petersburg transportation route are developed in regions affected by other geopolitical issues; as an example, the conflict between Azerbaijan and Armenia continues. [10]

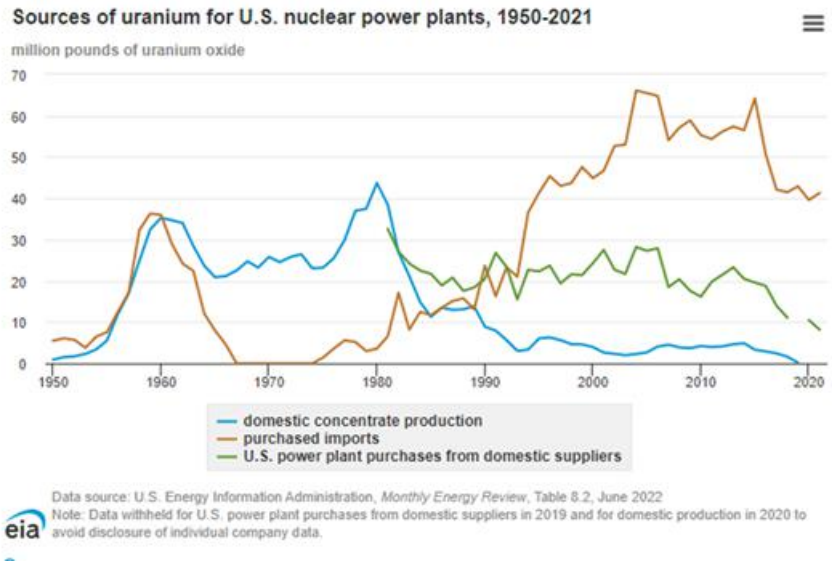
5 World Nuclear Power Reactors & Uranium Requirements, World Nuclear Association website, February 2024.
6 World Uranium Mining Production, World Nuclear Association website, May 2023
7 Conversion and Deconversion, World Nuclear Association website, January 2022
8 Uranium Enrichment, World Nuclear Association website, October 2022

9 The Nuclear Fuel Report - Global Scenarios for Demand and Supply Availability 2023-2040, World Nuclear Association, https://www.world-nuclear.org/our-association/publications/global-trends-reports/nuclear-fuel-report.aspx

10 "The Nucleus of Uranium Transport: Kazatomprom's Trust in the Trans-Caspian International Transport Route", Akhtar, S. BNN Network, September 2023



For the first time in decades, positive recognition of the contributions of nuclear power to reducing climate change are receiving global support. At the United Nations Climate Change Conference (COP 28), in late 2023, 198 signatory countries officially called for accelerating the deployments of low-emission technologies, including nuclear energy, to help achieve "deep and rapid decarbonization." "Nuclear energy's inclusion in the Global Stocktake[i] is nothing short of a historic milestone and a reflection of how much perspectives have changed," said International Atomic Energy Agency Director General Rafael Marioan Grossi.




**United States Government Policy**

- US Representatives Bob Latta (R-OH) and Jim Clyburn (D-SC) re-introduced the Nuclear Fuel Security Act to establish and expand critical US nuclear fuel programs. This legislation would authorize the Secretary of Energy to: 1) establish the Nuclear Fuel Security Program to increase the quantity of high-assay, low-enriched uranium (HALEU) and, if determined to be necessary after completion of a market evaluation, low-enriched uranium (LEU) produced by US nuclear energy companies; 2) expand the American Assured Fuel Supply Program to ensure the availability of domestically produced, converted, and enriched uranium in the event of a supply disruption; and 3) establish the HALEU for Advanced Nuclear Reactor Demonstration Projects Program.

- US President Joe Biden asked Congress to allocate $6 billion to enhance energy security, including increasing uranium enrichment capacity. In particular, the amount includes $2.2 billion planned to be allocated through the US Department of Energy for "long-term improvement of internal capacities for the enrichment of low-enriched uranium and high-grade low-enriched uranium."

- The US Department of Energy (DOE) issued a request for proposals (RFP) for deconversion services to help establish a reliable domestic supply of fuels for advanced reactors using HALEU, which is needed to develop and deploy advanced reactors in the USA. The Department plans to award one or more contracts to deconvert HALEU as UF6 gas to various chemical forms, such as metal or oxide, used to fabricate fuels required by many advanced reactor developers.

- The $886 billion National Defense Authorization Act ("NDAA") includes a provision for the Nuclear Fuel Security Act, which directs the DOE to prioritize activities to increase domestic production of LEU for existing reactors and accelerate efforts to ensure the availability of HALEU for advanced reactors.

- The NDAA also includes language backed by Senate Energy and Natural Resources Chair Senator Joe Manchin (D-WV) and ranking member Senator John Barrasso (R-WY) to promote the domestic availability of HALEU to fuel advanced reactors and directs the DOE to create a "Nuclear Fuel Security Program."

i The Nuclear Fuel Report - Global Scenarios for Demand and Supply Availability 2023-2040, World Nuclear Association, https://www.world-nuclear.org/our-association/publications/global-trends-reports/nuclear-fuel-report.aspx

- The Prohibiting Russian Uranium Imports Act (H.R. 1042), sponsored by Rep. Cathy McMorris Rodgers (R-WA), was introduced in the House and passed by a voice vote with bipartisan support. The law would make it illegal to import LEU 90 days after the bill becomes law, subject to waivers.

- A bipartisan group of senators, including Sens. John Barrasso (R-WY), Joe Manchin (D-WV), and James Risch (R-ID) attempted to unanimously pass a bill banning uranium imports from Russia, but the effort was blocked by Sen. Ted Cruz (R-TX), who blamed the leadership of the House Energy and Commerce Committee for taking out bipartisan provisions in the lower chamber's version of the NDAA. Sen. Cruz made clear that he did not disagree with the uranium bill and would work with the group of senators to get it passed into law.

- US Rep. Bill Johnson (R-OH) reintroduced legislation that he says will strengthen the nation's nuclear energy competitiveness. The bill would require a comparison with Canada, the UK, France, Japan, South Korea, China, and Russia and recommendations on how to improve the competitiveness of American nuclear commerce.

- The US and the Philippines have signed a civil nuclear cooperation agreement commonly known as a "123 Agreement," at the Asia-Pacific Economic Cooperation (APEC) Summit

**Global Market Developments**

- Saudi Arabia has announced its commitment to building a nuclear energy program, as well as a pledge to allow greater oversight for nuclear energy inspectors.

- Construction of Unit 1 at the Lianjiang Nuclear Power Plant in China's southern Guangdong province has started with the pouring of the first safety-related concrete for the nuclear island. Unit 1 is the first of two CAP1000 reactors planned as the initial phase of the plant which will eventually house six reactors.

- The International Atomic Energy Agency (IAEA) has released its annual outlook for nuclear power in the coming decades, revising up its global growth projections for a third straight year. In both its high and low case scenarios, the IAEA now envisions 25 percent more nuclear energy capacity installed by 2050 than it did as recently as 2020, which underscores how a growing number of countries are looking to nuclear to address the challenges of energy security, climate change, and economic development.

- The Euratom Supply Agency forecasts a 2 percent increase in gross annual average natural uranium requirements over the next 10 years to approximately 32.3 million lbs $U_3O_8$. This considers possible changes in national policies or regulatory requirements that result in the construction of new units (projects already granted a construction license); lifetime extensions; early retirement of reactors; and phasing-out or decommissioning.

- French nuclear group Orano has approved investment in a project to extend the production capacity of the Georges Besse II Uranium Enrichment Plant on the Tricastin site in southern France. With a forecast investment of €1.7 billion ($1.8 billion), the plan announced will enable Orano to increase its production capacity by more than 30 percent, or 2.5 million SWU. The project will consist of building an additional four modules identical to the 14 existing modules with the same technology and with a reduced environmental footprint. Production is expected to start in 2028 and ramp up to nominal capacity by 2030.

- The acquisition of Westinghouse Electric Co. by a strategic partnership including Canadian uranium producer Cameco Corp. and Brookfield Asset Management, alongside its publicly listed affiliate Brookfield Renewable Partners and institutional partners, closed on November 7, 2023. As a result, Cameco and Brookfield now own 49 percent and 51 percent shares respectively, in one of the world's largest nuclear services businesses with a stable and predictable core business generating durable cash flows.

- The government of Sweden said it would provide partial financial support for a plan to build the equivalent of two new conventional nuclear reactors by 2035 to meet increasing demand for clean power from the industry and transportations sectors.

- The UAE's Federal Authority for Nuclear Regulation (FANR) has today issued an operating license for Unit 4 at the Barakah Nuclear Energy Plant to Nawah Energy Co., which operates the plant located in the Al Dhafra region of Abu Dhabi.



- Japan's Nuclear Regulation Authority issued its approval on November 1, 2023 to Kyushu Electric Power Co. to operate Units 1 and 2 (846 MWe PWRs) at its Sendai Nuclear Power Plant, located in Kagoshima Prefecture on the island of Kyushu, for 60 years from the respective starts of the two reactors' commercial operation.

- The French government is expected to decide over the next three years whether it will initiate a plan to construct eight large-scale nuclear reactors in addition to the six nuclear power plants it already plans to build. President Emmanuel Macron has already said that France could build as many as 14 new reactors by 2050, as part of the country's plan to reach carbon neutrality by the middle of the century.

- European Parliament voted to include nuclear energy, in the European Union's Net-Zero Industry Act.

- Ontario Power Generation (OPG) and its subsidiary, Laurentis Energy Partners (LEP), will collaborate with SaskPower to advance Saskatchewan's Small Modular Reactor (SMR) development project.

- French nuclear plant operator Électricité de France plans to build at least one large-scale nuclear per year during the 2030s, CEO Luc Remont said at the World Nuclear Exhibition in Paris.

- Turkish authorities have granted permission for the commissioning of the first unit (1,1114 MWe VVER) at the country's first nuclear power plant, the plant operator announced on December 12, 2023.

- The Netherlands and South Korea have signed an agreement to cooperate on nuclear power, including a feasibility study by Korea Hydro for the construction of a new nuclear plant in the Netherlands, the two governments announced.

- Poland's Ministry of Climate and Environment has issued decisions-in-principle for the construction of 24 small modular reactors (SMR) at six sites, which supports the country's plan to reduce the use of fossil fuels.

- Eleven European Union (EU) nations have called on the bloc to take full account of "all fossil-free energy sources" when considering future energy and climate policies, according to a joint statement on December 19 by the French-led Nuclear Alliance. Countries participating in that Alliance meeting include: Bulgaria, Croatia, Czechia, Finland, Hungary, Poland, Romania, Slovakia, Slovenia, Sweden, and France.

- Unit 4 at India's Kakrapar Nuclear Power Plant—the country's second 700 MWe PHWR unit—has reached first criticality, according to state-run Nuclear Power Corp. of India Ltd. (NPCIL)

- Emirates Nuclear Energy Corp. (ENEC) announced that fuel loading has been completed for Unit 4 (1,310 MWe PWR) at the Barakah Nuclear Energy Plant.

**US Market Events**

- Centrus Energy started enrichment operations at its HALEU facility in Piketon, Ohio, and made its first delivery to the US Department of Energy, completing phase one of its contract with the Department by demonstrating its HALEU production process. Centrus will now move on to phase two of the contract, which requires a full year of HALEU production at the rate of 900 kilograms per year at that plant

- Illinois Governor J.B. Pritzker signed legislation lifting a three-decade moratorium on development of nuclear reactors in the state.

- Holtec International has started the program to build its first two SMR-300 reactor units at the Palisades site in Michigan.

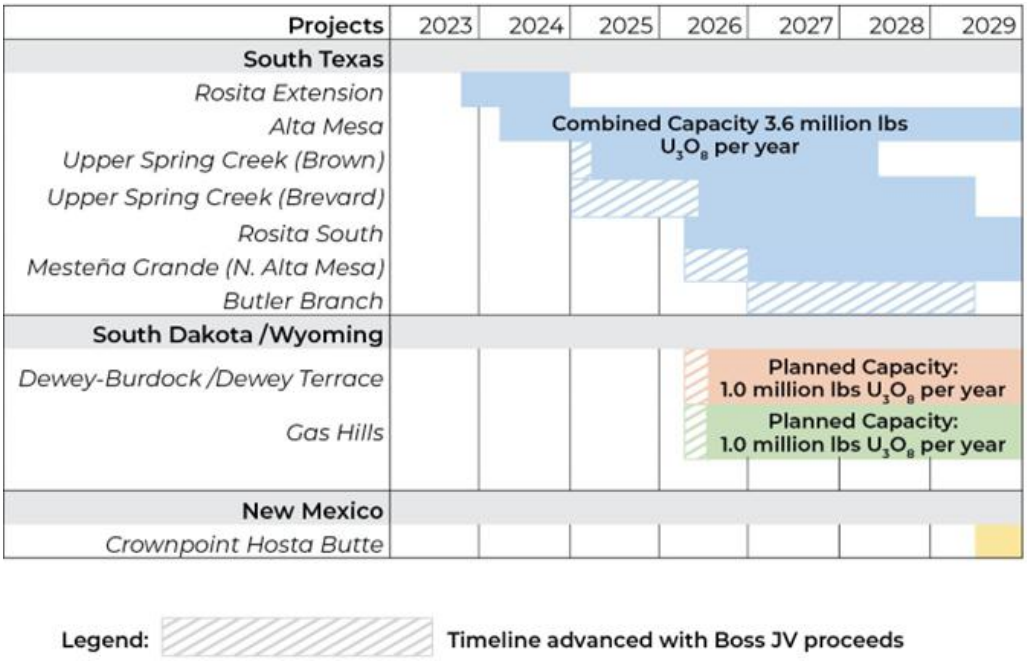
- US-based nuclear fuel developer Lightbridge Corp. and nuclear fuel supplier Centrus Energy Corp. agreed to conduct a front-end engineering and design (FEED) study to add a dedicated Lightbridge Pilot Fuel Fabrication Facility (LPFFF) at the American Centrifuge Plant in Piketon, Ohio.

- The US Nuclear Regulatory Commission (NRC) has determined that Pacific Gas and Electric Co.'s (PG&E) License Renewal Application (LRA) for extended operations of the Diablo Canyon Power Plant in the state of California is sufficient for its review. PG&E is seeking to extend the plant's operating licenses by an additional 20 years. Diablo Canyon is currently licensed to operate through November 2, 2024, for Unit 1 and through August 26, 2025, for Unit 2



**Our Assets**

**A Production Strategy Built on Existing, Licensed, and Near-term ISR Uranium Projects**




The Company advises that it is not basing its production decisions at Rosita on a feasibility study of mineral reserves demonstrating economic and technical viability. The production decision is based on known past In-Situ Recovery (ISR) and processing operations at that production facility and surrounding lands. However, the Company understands that there is increased uncertainty, and consequently a higher risk of failure, when production is undertaken in advance of a feasibility study.



**NI 43-101 Mineral Resources**

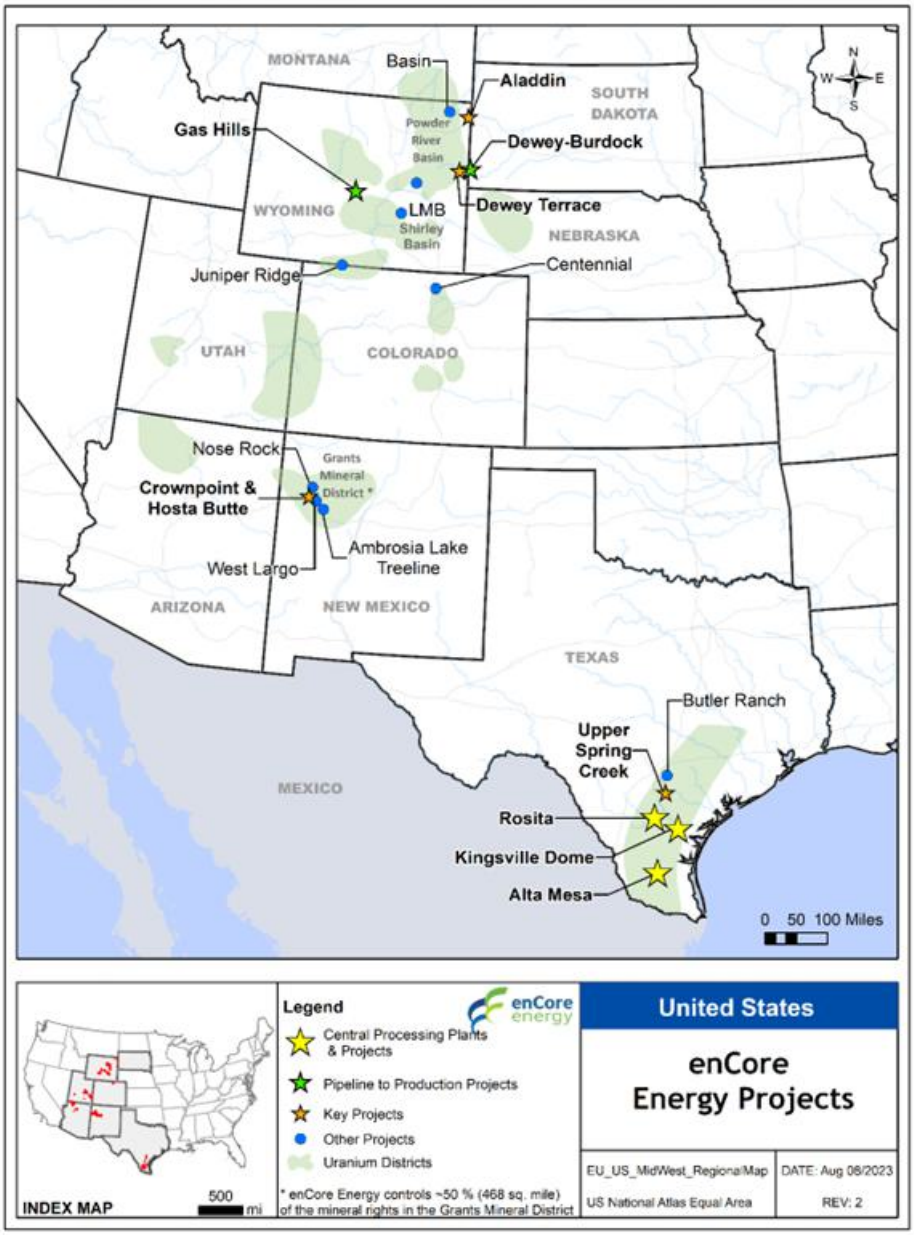
**Pathway to production assets**

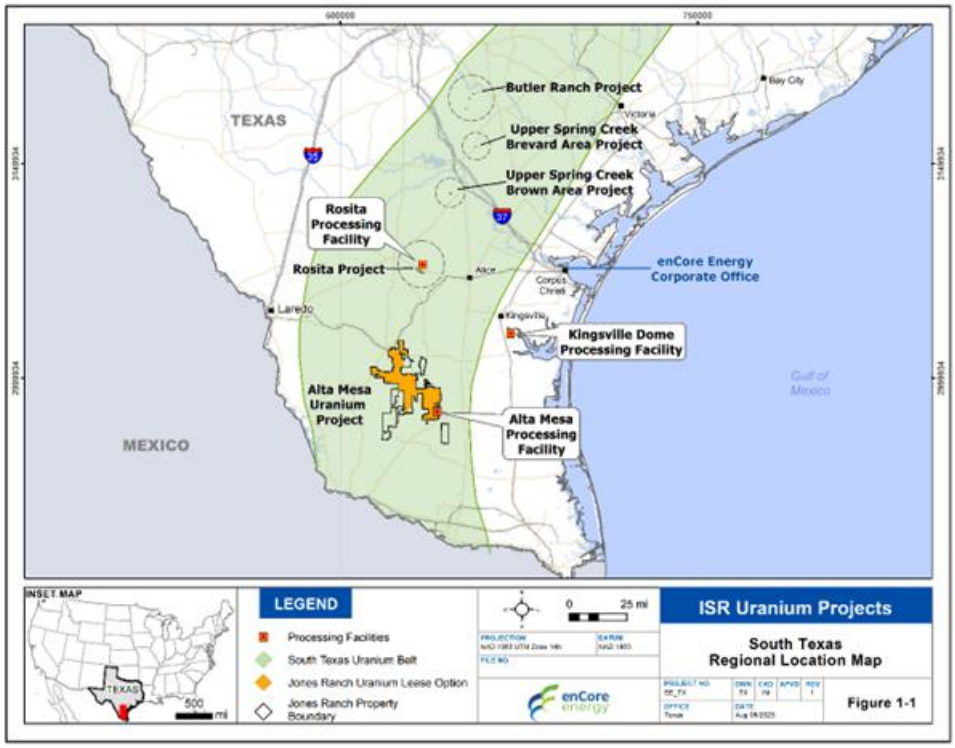
| **Alta Mesa Project, South Texas** | **Million Tons** | **Grade $eU_3O_8$%** | **Attributable $U_3O_8$ (M lbs.*)** |
|---|---|---|---|
| Measured & Indicated mineral resource (ISR) | 1.57 | 0.109 | 3.41 |
| Inferred mineral resource (ISR) | 7.00 | 0.120 | 16.79 |
| **Dewey-Burdock Project, South Dakota** | | | |
| Measured & Indicated mineral resource (ISR) | 7.39 | 0.116 | 17.12 |
| Inferred mineral resource (ISR) | 0.65 | 0.055 | 0.71 |
| **Gas Hills Project, Wyoming** | | | |
| Measured & Indicated mineral resource (ISR) | 3.83 | 0.101 | 7.71 |
| Inferred mineral resource (ISR) | 0.41 | 0.052 | 0.43 |
| Indicated mineral resource (non-ISR) | 3.2 | 0.048 | 3.06 |
| Inferred mineral resource (non-ISR) | 0.11 | 0.030 | 0.06 |
| **Crownpoint & Hosta Butte Project, New Mexico** | | | |
| Indicated mineral resource (ISR) | 10.96 | 0.117 | 25.7 |
| Inferred mineral resource (ISR) | 2.39 | 0.121 | 5.87 |
| **Other assets** | | | |
| **Juniper Ridge Project, Wyoming** | | | |
| Indicated mineral resource (non-ISR) | 5.14 | 0.058 | 6.01 |
| Inferred mineral resource (non-ISR) | 0.11 | 0.085 | 0.18 |
| **Aladdin Project, Wyoming** | | | |
| Indicated mineral resource (ISR) | 0.47 | 0.111 | 1.04 |
| Inferred mineral resource (ISR) | 0.04 | 0.119 | 0.10 |

| Centennial Project, Colorado | | | |
|---|---|---|---|
| Indicated mineral resource (ISR) | 6.87 | 0.090 | 10.37 |
| Inferred mineral resource (ISR) | 1.36 | 0.090 | 2.33 |

| Historic Mineral Resources – Significant Projects | Million Tons | Grade $eU_3O_8$% | Attributable $U_3O_8$ (M lbs.*) |
|---|---|---|---|
| Nose Rock (non-ISR) | 7.5 | 0.15 | 22.2 |
| West Largo (non-ISR) | 2.80 | 0.30 | 16.9 |
| Treeline (non-ISR) | 1.50 | 0.05 | 1.5 |
| Ambrosia Lake (non-ISR) | | | 6.8 |
| **Total Historic Mineral Resources** | | | **47.4** |








**South Texas in-Situ Recovery Uranium Processing Plants and Projects**

**Rosita Central In-Situ Recovery Uranium Processing Plant & Project ("Rosita"), South Texas**

Highlights:

- Went into production in November 2023
- Located approximately 60 miles west of Corpus Christi, Texas and covers over 2,700 acres of mineral rights and plant facilities.
- A fully licensed ISR production facility with a production capacity of 800,000 lbs of $U_3O_8$ per year.
- The Rosita CPP receives uranium loaded resins from various remote South Texas projects and satellite wellfields.
- Historic production – 1990 to 1999 with 2.65 million lbs $U_3O_8$ lbs produced from nearby production areas.
- The Rosita CPP was fully refurbished and upgraded in 2022.
- Infrastructure in place to increase capacity substantially when needed.



The Rosita property holdings consist of mineral leases from private landowners.. All of the leases for the Rosita area provide for payment of sliding scale royalties based on the price of uranium, ranging from 6.25% to 18.25% of relevant uranium sales. The terms of the leases, allow for the lands to be held after the expiration of their primary and secondary terms if restoration and reclamation activities remain ongoing. The Company holds these leases by payment of annual property rental fees.

Uranium mineralization at the Rosita Project occurs as roll-fronts hosted in porous and permeable sandstones of the Goliad Formation, at depths ranging from 125 to 350 feet below the surface. Additional potential for roll-front mineralization exists between 500 and 700 feet in the Oakville Formation and is the subject of current exploration efforts.

The Rosita Project is comprised of four Texas Commission on Environmental Quality (TCEQ) authorized production area authorizations (PAA).

Production areas 3 and 5 contain limited uranium resources. Wells in production areas 1 and 2 have been plugged and abandoned, surface reclamation is expected to be complete in 2024, pending acceptance by the TCEQ.

In September 2023, the Company received approval of production area 5, authorizing injection in the Rosita Project Extension wellfield in September. In November 2023, the Company received approval from TCEQ for the renewal of its radioactive material license for the Rosita Project. The underground injection control permit, issued on October 14, 2014, remains in good standing. As new areas are proposed for production outside of the currently approved PAAs, additional authorizations from TCEQ will be required. The waste disposal well permit has been renewed.

**Satellite Operations for the Rosita Project**

***Rosita Project Extension, Duval County, Texas*** – In 2023 the Company completed construction of the wellfield and a satellite plant in this production area. Production from this area began in November 2023.

***Rosita South, Duval County, Texas*** – Adjacent to the Rosita CPP, the Rosita South Project area provides one of the most optimal sources of satellite feed for the Rosita CPP. A recent exploration drilling program included thirty-two drill holes for a total of approximately 11,000 feet including 20 delineation drill holes and 12 deep exploration drill holes. Exploration drilling has identified 8 mineralized sands plus an additional 4 potentially mineralized sands. All of which are within 800 feet of the surface, and provide opportunities for discovery of future uranium resources across the entire Rosita Project. Delineation drill results established an extension of mineralization in the future production area. Further work on this project area has been deferred as drilling commenced on the Rosita Extension and the Company's Alta Mesa Uranium Project. Further evaluation of historic and current data is in progress to prioritize prospective resource areas within the project area.

***Butler Ranch Project, Karnes County, Texas*** **–** The Project is situated in the southwestern end of the Karnes County uranium mining district, which was one of the largest uranium production areas in Texas It is comprised of non-contiguous fee leases that cover an area of about 438 acres of mineral rights. .

***Upper Spring Creek Project, Live Oak and Bee Counties, Texas*** – The Company acquired several mineral properties located in South Texas, within the area generally described as the Upper Spring Creek Project (USC) area. The Project is currently comprised of two distinct areas: USC Brown Area (Live Oak County) and USC Brevard Area (Live Oak and Bee Counties). The USC Brown Area Project is currently comprised of both Company-owned properties and both non-contiguous and contiguous fee leases that cover an area of approximately 510 acres of surface and mineral rights. We continue to actively pursue additional mineral properties for this project. The USC Brevard Area is currently comprised of a single lease of approximately 274 acres of surface and mineral rights. As with USC Brown Area, the Company is actively pursuing additional mineral properties for this Project. These properties are intended to be developed as satellite ion-exchange plants that will provide loaded resin to the Rosita CPP.



**Alta Mesa In-Situ Recovery Uranium Processing Plant and Associated Projects ("Alta Mesa"), South Texas**

Highlights:

- Fully licensed past-producing plant & existing resource located 80 miles from Rosita and 75 miles from Kingsville Dome.
- Located in both Brooks and Jim Hogg Counties, Texas
- Total operating capacity of 1.5 million lbs of uranium/year; planned production starting in 2024.
- 200,000+ acres of private land in South Texas uranium belt with exploration opportunities.
- Current development activities include wellfield delineation and production pattern installation.
- Refurbishment of the idled Alta Mesa ISR Uranium Processing Plant is nearing completion.
- The Alta Mesa mine area contains existing resources and includes multiple PAAs yet to be developed.
- Mesteña Grande prospective target areas include uranium mineral bearing sandstones of the Goliad, Lagarto, and Oakville Formations contained within approximately 52 linear miles of stacked geochemical reduction-oxidation contacts and mineralized uranium roll-fronts; only 5 miles have been closely drilled out to date.

**Alta Mesa and Mesteña Grande – Mineral Resource Estimate (2023) [16]**

| | Resource Category | Tons ('000) | Grade (%$U_3O_8$) | Contained $U_3O_8$ |
|---|---|---|---|---|
| Within existing wellfields | Measured | 54 | 0.152 | 164 |
| Alta Mesa | Indicated | 1,397 | 0.106 | 2,959 |
| Mesteña Grande | Indicated | 119 | 0.120 | 287 |

| | | | | |
|---|---|---|---|---|
| **Total M&I Mineral Resources** | | **1,570** | **0.109** | **3,410** |
| Alta Mesa | Inferred | 1,263 | 0.126 | 3,192 |
| Mesteña Grande | Inferred | 5,733 | 0.119 | 13,601 |
| **Total Inferred Mineral Resource** | | **6,996** | **0.120** | **16,793** |

The CPP is located on a 45-acre surface tract within the existing mining lease area. The CPP was expanded in 2008 to allow it to operate at 7,500 gallons per minute and recover uranium on ion exchange resin at a rate of 1.5 million lbs $U_3O_8$ per year. The yellowcake drying and packaging system was increased to 2 million lbs $U_3O_8$ per year. The CPP is connected directly to the production areas through pipelines due to the proximity of the nearby uranium ore bodies. For more distant uranium ore bodies, the CPP can be modified to accept loaded resins transported from satellite IX systems in a manner similar to operations at the Rosita Project.

The Alta Mesa and Mesteña Grande Projects consist of uranium mining and exploration leases for uranium ISR mining (4,598 acres) and Mineral Options (195,501 acres) comprising 200,099 total acres with approved mining permits issued by the Texas Commission on Environmental Quality ("TCEQ") and exploration permits approved by the Railroad Commission of Texas covering the mine area and nine large prospect areas. The Alta Mesa Project is located within a portion of the private land holdings of the Jones Ranch, and includes surface and mineral rights as well as oil and gas and other minerals including uranium. Active uses of the lands in addition to uranium exploration and production activities include agricultural use (cattle), oil and gas development, and private hunting. Previous owners include Chevron Resources Company, Total Minerals, Cogema Mining, Inc., Uranium Resources, Inc., Mesteña Uranium, LLC (MULLC), formed by landowners, and Energy Fuels, Inc. In 2016, Energy Fuels, Inc. acquired the Project from MULLC.



The Alta Mesa Project produced approximately 4.6 million lbs of uranium oxide between 2005 and 2013 via In-Situ Recovery using an alkaline lixiviant processed at the Alta Mesa CPP. The facility was in production from 2005 until primary production ceased February 2013. The Project operated in a groundwater clean-up mode until February 2015; therefore, any uranium mined since 2013 remains as in-circuit inventory. The first wellfield (PAA-1) has completed final groundwater restoration and was approved by the Texas Commission on Environmental Quality in March 2018. All other wellfields are being maintained by a small bleed (less than 100 gpm) for permit compliance. The bleed solutions are disposed of in deep disposal wells.

Mineralization within the South Texas Uranium Province is interpreted to be dominantly roll-front type mineralization and primarily of epigenetic origin (Finch, 1996). Roll-fronts are formed along an interface between oxidizing groundwater solutions which encounter reducing conditions within the host sandstone unit. This boundary between oxidizing and reducing conditions is often referred to as the reduction-oxidation contact (REDOX) interface or front. The principal host sandstones associated with Alta Mesa and Mesteña Grande projects occur within the Goliad and Oakville formations, all known to be uranium bearing host sandstone formations in south Texas. Additional mineralization is noted in the underlying Catahoula Formation, however due to the fine-grained nature and depth of occurrence, the Catahoula Formation is not currently considered as a viable target in this region.

A radioactive material license issued by the TCEQ for the Alta Mesa project and the underground injection control permit are both in timely renewal and remain in good standing. Production can resume in areas already included in existing production area authorizations, and Production Area Authorization 7 (PAA-7) is fully authorized and currently undergoing installation of new production patterns. The Alta Mesa Project has two waste disposal wells that have had their permits recently renewed.

**Kingsville Dome Central Processing Plant & Project, South Texas**

The Kingsville Dome Project is located in Kleberg County, Texas and is comprised of multiple tracts of land leased from third parties. The Kingsville Dome CPP is situated on approximately 15 acres of Company-owned land, surrounded by leased acreage located approximately eight miles southeast of the city of Kingsville, Texas. The Project was constructed in 1987 as an up-flow uranium ion exchange circuit, with complete drying and packaging facilities within the recovery plant. The project produced uranium between 1988 and 1990, from 1996 to 1999, and from 2007 through 2009. Two independent resin processing circuits and elution systems comprise the plant's processing equipment, along with a single drying circuit.

As currently configured, the Kingsville Dome CPP has a production capacity of 800,000 lbs of $U_3O_8$ per year. The Kingsville Dome CPP has been in a standby status since 2009. The CPP has two 500 gallon per minute reverse osmosis systems for groundwater restoration. The first unit was idled in 2010 and the second unit was idled in January of 2014 when groundwater restoration was completed. The CPP can serve as a processing facility that can accept resin from multiple satellite facilities. In addition to the CPP, there are four satellite ion exchange systems in the project area. Each of the satellite systems is capable of processing approximately 900 gallons per minute of uranium-bearing ISR fluids from well fields. These satellite plants can be relocated to alternate extraction sites as needed.

The project is comprised of numerous mineral leases from private landowners, covering an area of approximately 2,227 net acres of mineral rights. The leases are held through the payment of annual rents and include production royalties ranging from 6.25% to 9.375% based upon uranium sales. The leases initially had expiration dates ranging from 2000 to 2007; however, the Company continues to hold most of these leases through ongoing restoration activities. With a few minor exceptions, the leases contain clauses that permit us to extend the leases not held by production by payment of annual royalties.

The Company received approval of its radioactive material license covering the Kingsville Dome project from TCEQ in November 2023. In June 2016, the Company requested to withdraw its UIC permit and resubmit it at a later date. The request to withdraw was granted by the TCEQ in April 2017. As new areas are proposed for production, additional authorizations under the area permit will be required.

***Satellite Operations for the Kingsville Dome Project***

Vasquez Project, Texas. The Vasquez Project is located in southern Duval County, Texas, a short distance northwest of the town of Hebbronville. The project operated from 2004 through 2008 as a satellite plant operation to the Kingsville Dome CPP until the mineral resource was depleted and reclamation commenced. The Project is situated on a leased tract of land that is being held until final restoration has been completed. The Vasquez property consists of a mineral lease of 1,023 gross and net acres. While the primary term of the mineral lease expired in February 2008, the Company continues to hold the lease by carrying out restoration activities.



**Production Pipeline Projects**

**Dewey-Burdock Project, South Dakota**

The Dewey-Burdock Project is one of the Company's initial development priorities following the focus on production in South Texas. The Company's 100% owned Dewey-Burdock Project is an ISR uranium project located in the Edgemont uranium district in South Dakota. Through property purchase agreements, mining leases and/or mining claims, the Project is comprised of approximately 12,613 surface acres and 16,962 net mineral acres. In December 2020, the Company filed an amended and restated NI 43-101 compliant independent Technical Report and Preliminary Economic Assessment (PEA) for the Project prepared by Woodard & Curran and Rough Stock Mining Services (the "Dewey-Burdock PEA") with an effective date of December 3, 2019.[15]

**2019 Mineral Resource Estimate Summary**

| ISR Resources | Measured | Indicated | M & I | Inferred |
|---|---|---|---|---|
| Lbs | 14,285,988 | 2,836,159 | 17,122,147 | 712,624 |
| Tons | 5,419,779 | 1,968,443 | 7,388,222 | 645,546 |
| Avg. GT | 0.733 | 0.413 | 0.655 | 0.324 |
| Avg. Grade (% $U_3O_8$) | 0.132% | 0.072% | 0.116% | 0.055% |
| Avg. Thickness (ft) | 5.56 | 5.74 | 5.65 | 5.87 |

*Note: Resource lbs and grades of $U_3O_8$ were calculated by individual grade-thickness contours. Tonnages were estimated using average thickness of resource zones multiplied by the total area of those zones.*

An average uranium price of $55 per pound of $U_3O_8$ based on an average of recent market forecasts by various professional entities was determined to be an acceptable price for the PEA. Contracts for yellowcake transportation, handling and sales will be developed prior to commencement of commercial production. The estimated payback is in Quarter 4 of Year 2 with the commencement of design/procurement activities in Quarter 2 of Year 1 and construction beginning Quarter 4 of Year 1. The Project is estimated to generate net earnings over the life of the Project of $372.7 million (pre-U.S. federal income tax). It is estimated that the project has an internal rate of return (IRR) of 55% and an NPV of $171.3 million (pre-U.S. federal income tax) applying an 8% discount rate.

The estimated initial capital costs for the first two years of the Project life (Years -1 and 1) are approximately $31.7 million with sustaining capital costs of approximately $157.7 million spread over the next 17 years (Years 2 through 18) of operation. Direct cash operating costs are approximately $10.46 per pound of $U_3O_8$ produced excluding royalties and severance and conservation taxes. The total capital and operating costs average approximately $28.88 per pound (pre-U.S. federal income tax) $U_3O_8$ produced. Both the capital and operating costs are current as of the end of 2019. The predicted level of accuracy of the cost estimate is +/- 25%.

The PEA provides the results of the analyses for pre-U.S. federal income tax. All other sales, property, use, severance and conservations taxes as well as royalties are included. The PEA assumes no escalation, no debt, no debt interest and no capital repayment. There is no State of South Dakota corporate income tax.

The Company received its Source and Byproduct Materials License SUA-1600 on April 8, 2014, from the Nuclear Regulatory Commission (NRC), covering 10,580 acres for which the Company controls the mineral and surface rights. In December 2020, a petition for review of contentions previously resolved in favor of the Company was filed with the United States Court of Appeals for the District of Columbia Circuit (the "DC Circuit Court"). On August 9, 2022, the DC Circuit Court issued an opinion that deemed the actions taken by NRC in its licensing of the Dewey- Burdock Project were lawful and denied the petitioners' request for further review. On March 20, 2023, following the denial of an "en banc" review by the DC Circuit Court the petitioners decided to not advance the appeal to a review by the Supreme Court of the United States. Therefore the NRC license is now final and effective.

In November 2020, the EPA issued the Company Class III and Class V UIC permits and the associated aquifer exemption for it's Dewey-Burdock Project. Subsequently, an appeal of the permit for the Class III and Class V UIC was filed to the Environmental Appeals Board (the "EAB"). The aquifer exemption was appealed to the United States Court of Appeals for the Eighth Circuit (the "Eighth Circuit"). The EAB and the Eighth Circuit proceedings were stayed until such time as the DC Circuit Court challenge to the NRC license became final. The Company believes it will be successful in these proceedings as it was in the appeal of it's Source and Byproduct Materials License.

Applications for the Company's Groundwater Discharge Plan ("GDP"), Water Rights ("WR") and Large Scale Mine Plan ("LSM") permits to the Department of Agriculture and Natural Resources (DANR) in South Dakota were submitted in 2012. All permit applications have been deemed complete and have been recommended for conditional approval by DANR staff, but any advancement is pending the outcome of the appeal process on permits from from the Environmental Protection Agency (EPA).

**Gas Hills Project, Wyoming**

The Gas Hills Project is one of the Company's development priorities following the focus on production in South Texas. The Company's Gas Hills Project is located in the historic Gas Hills uranium district situated 45 miles east of Riverton, Wyoming. The Project consists of approximately 12,960 net mineral acres of unpatented lode mining claims, a State of Wyoming mineral lease, and private mineral leases, within a brownfield site which has experienced extensive development including mine and mill site production. In August 2021, the Company filed a maiden NI 43-101 compliant independent Technical Report and PEA for the Gas Hills Project prepared by WWC Engineering and Rough Stock Mining Services (the "Gas Hills PEA") with an effective date of June 28, 2021. Importantly, an ISR resource estimate was established and supported by numerous hydrology studies confirming that the resources located below the water table are ideally suited for ISR mining techniques.

| Resource Category | Million Tons | Grade $eU_3O_8$% | Attributable $U_3O_8$ (M lbs.*) |
|---|---|---|---|
| Measured & Indicated mineral resource (ISR) | 3.83 | 0.101 | 7.71 |
| Inferred mineral resource (ISR) | 0.41 | 0.052 | 0.43 |
| Measured & Indicated mineral resource (non-ISR) | 3.20 | 0.048 | 3.06 |
| Inferred mineral resource (non-ISR) | 0.12 | 0.030 | 0.06 |

*NI 43-101 Technical Report, Preliminary Economic Assessment, Gas Hills Uranium Project, Fremont and Natrona Counties, Wyoming, USA, completed by WWC Engineering and Rough Stock Mining Services (effective 28 June 2021) ("Gas Hills Technical Report and PEA")17.*

The PEA indicates a pre-tax NPV of $120.9 million at an 8 percent discount rate with an IRR of 116 percent compared to an after-tax NPV of $102.6 million at an 8 percent discount rate with an IRR of 101 percent. The mine plan and economic analysis are based on the following assumptions:

- NI 43-101 compliant estimate of Mineral Resources and a recovery factor of 80 percent
- A $U_3O_8$ sales price of $55.00/lb, $U_3O_8$
- A mine life of 11 years
- A pre-income tax cost including royalties, state and local taxes, operating costs, and capital costs of $28.20/lb, and
- Initial capital costs of $26.0 million

Costs for the Project are based on economic analyses for similar ISR uranium projects in the Wyoming region as well as WWC's in house experience with mining and construction costs. All costs are in U.S. Dollars (USD). To date, no detailed design work has been completed for the wellfields or the satellite plant. The Project consists of four resource areas that contain ISR amenable resources: the West Unit, Central Unit, South Black Mountain, and Jeep. There is an additional non-ISR amenable resource area at the Project named the Rock Hill Unit as well as other shallow deposits with resources located above the water table that were not considered in the economic assessment portion of this PEA. For the purposes of this PEA, uranium recovery was estimated at 6,507,000 lbs $U_3O_8$ at a production rate of 1.0 million lbs $U_3O_8$ per year with a long-term uranium price of USD $55.00/pound $U_3O_8$. The uranium mineralization is contained in roll-front deposits hosted by arkosic sandstone beds of the Eocene Wind River Formation. Based on areas of wide-spaced limited historical drilling and areas of past mine production, the Company believes that there is sufficient geological evidence to interpret that mineralization may extend from current mineral resource areas along identified trends. The Company is now focused on commencing the permitting process and growing the ISR-amenable resources at the Gas Hills Project.

**Crownpoint and Hosta Butte Uranium Project, New Mexico**

The Crownpoint and Hosta Butte Project is located in the Grants Uranium Region and offers a long-term development opportunity for the Company. The Grants Uranium Region is located in northwestern New Mexico and is part of the Colorado Plateau physiographic province. The area has been the most prolific producer of uranium in the US with production as early as 1948 and over 347 million lbs of $U_3O_8$ having been produced from the region. The majority was produced between the years 1953 through 1990.



**Total Indicated Mineral Resources**

| 0.02% $eU_3O_8$ Grade Cutoff and GT Cutoff* 0.25 % | | Total Indicated Resource | enCore Controlled |
|---|---|---|---|
| **Crownpoint** | Lbs $eU_3O_8$ | 19,565,000 | 16,223,000 |
| | Tons | 9,027,000 | 7,321,000 |
| | Avg. Grade % $eU_3O_8$ | 0.108 | 0.111 |
| **Hosta Butte** | Lbs $eU_3O_8$ | 9,479,000 | 9,479,000 |

| | | | |
|---|---|---|---|
| | Tons | 3,637,000 | 3,637,000 |
| | Avg. Grade % $eU_3O_8$ | 0.130 | 0.130 |
| **Total Indicated Mineral Resource** | Lbs $eU_3O_8$ | 29,044,000 | 25,702,000 |
| | Tons | 12,664,000 | 10,958,000 |
| | Avg. Grade % $eU_3O_8$ | 0.115 | 0.117 |

*Lbs and tons as reported are rounded to the nearest 1,000.*

* *GT cutoff: Minimum Grade (% $eU_3O_8$) x Thickness (Feet) for Grade > 0.02 % $eU_3O_8$.*

**Total Inferred Mineral Resources**

| **0.02% $eU_3O_8$ Grade Cutoff and GT Cutoff* >0.25 %** | | **Total Inferred Resource** | **enCore Controlled** |
|---|---|---|---|
| **Crownpoint** | Lbs $eU_3O_8$ | 1,445,000 | 1,388,000 |
| | Tons | 708,000 | 676,000 |
| | Avg. Grade % $eU_3O_8$ | 0.102 | 0.103 |
| **Hosta Butte** | Lbs $eU_3O_8$ | 4,482,000 | 4,482,000 |
| | Tons | 1,712,000 | 1,712,000 |
| | Avg. Grade % $eU_3O_8$ | 0.131 | 0.131 |
| **Total Inferred Mineral Resource** | Lbs $eU_3O_8$ | 5,927,000 | 5,870,000 |
| | Tons | 2,420,000 | 2,388,000 |
| | Avg. Grade % $eU_3O_8$ | 0.122 | 0.121 |

*Lbs and tons as reported are rounded to the nearest 1,000*

* *GT cutoff: Minimum Grade (% $eU_3O_8$) x Thickness (Feet) for Grade > 0.02 % $eU_3O_8$.*

*On February 25, 2022, and revised on March 16, 2022, the Company issued the NI-43-101 Technical Report, Crownpoint and Hosta Bute Uranium Project, McKinley County, New Mexico, USA completed by BRS Inc. and enCore Energy Corp[1]. The report was authored by Douglas L. Beahm, P.E., P.G., Principal, BRS, Inc. and coauthored by Carl Warren, P.E., P.G., Project Engineer, BRS Inc. and W. Paul Goranson, P.E., CEO, enCore Energy Corp.*

The Project is comprised of approximately 3,020 acres mineral estate outright and is located outside of the Navajo Reservation on the western edge and to the southwest of the small town of Crownpoint, New Mexico,. There are no annual payments, maintenance, or other requirements to be met to maintain the mineral estate subject only to a 3% gross proceeds royalty on uranium mined from the Project. Surface rights are held separately from the mineral rights on the Project. The surface rights have not been removed from development and are not under other restrictions. A portion of the Project is included within the existing NRC source material license area that is held by a subsidiary of Laramide Resources, Ltd.

Uranium mineralization is typical of sandstone hosted roll-front deposits found within the Western US. The Westwater Canyon member of the Morrison Formation is the principal host of uranium mineralization in the vicinity of the Project and is approximately 360 feet thick. For the purposes of estimating mineral resources, the authors subdivided the Westwater Canyon into four vertically and laterally distinct sand units/zones.



In the Crownpoint area, mineralized thickness ranges from the minimum of 2 feet to over 40 feet. The average thickness of all intercepts was 7.6 feet. Average grade – thickness (GT) of all intercepts was 0.77 %. Grade varies from the minimum grade cutoff of 0.02 % $eU_3O_8$ to a maximum grade by intercept of 0.38 % $eU_3O_8$. Individual mineralized trends may persist for several thousand feet with trend width typically in the range from 100 up to 400 feet.

In the Hosta Butte area mineralized thickness ranges from the minimum of 2 feet to over 33 feet. The average thickness of all intercepts was 7.4 feet. Average GT of all intercepts was 0.83 %. Grade varies from the minimum grade cutoff of 0.02 % $eU_3O_8$ to a maximum grade by intercept of 0.52 % $eU_3O_8$. Individual mineralized trends may persist for 2,000 feet or more with trend width typically in the range of 100 to 300 feet.

Previous drilling within the Crownpoint area focused on portions of Sections 19 and 29 of T17N, R12W; and Section 24 of T17N, R13W. Within the Crownpoint area, 482 rotary drill holes and 37 core holes were completed. Previous drilling within the Hosta Butte area was conducted within Sections, 3, 9, and 11 of T16N, R13W. Previous drilling at Hosta Butte focused primarily on Section 3 with 133 rotary holes and 2 cores holes completed. In Sections 9 and 11 of T16N, R13W, 14 rotary drill holes and 32 rotary drill holes were completed, respectively.

**Other Assets**

**Historic Mineral Resources – Significant Projects in New Mexico**

**Nose Rock, New Mexico.**

The Nose Rock Project is located in McKinley County New Mexico, USA on the northern edge of the Grants Uranium District, approximately 10 miles north-northeast of the Crownpoint and Hosta Butte Project. The Nose Rock property consists of 42 owned unpatented lode mining claims comprising over 800 acres.

**West Largo, New Mexico**

The West Largo Project consist of approximately 3,840 acres in McKinley County, New Mexico, along the north-central edge of the Grants Uranium District. The majority of the property is held through deeded mineral rights and also includes 75 unpatented lode claims. The property is located on six contiguous sections of land: 17, 19, 20, 21, 28 and 29, all within T15N, R10W. The West Largo Project is about 6 miles northwest of the westernmost deposits in the Ambrosia Lake District and about 5 miles east-northeast of the West Ranch area deposits. The West Largo Project was acquired by the Company with the Westwater Assets Acquisition on December 31, 2020. There are no current Mineral Reserves or Mineral Resources on the West Largo property.

**Ambrosia Lake-Treeline, New Mexico**

The Ambrosia Lake - Treeline Property consists of the Treeline Property owned by the Company and the Ambrosia Lake property that was acquired through the Westwater Assets Acquisition on December 31, 2020. The combined property consists of deeded mineral rights totaling 24,555 acres and a mining lease along with certain unpatented mining claims covering approximately 1,700 acres. The Project is located approximately 115 miles west-northwest of Albuquerque, in McKinley and Cibola Counties, Grants Uranium District, New Mexico. The Project is situated within the boundaries of the Ambrosia Lake mining district, which is the largest uranium mining area (in terms of lbs of $U_3O_8$ production) in the United States. There are no current Mineral Reserves or Mineral Resources on the Ambrosia Lake - Treeline property.

**Checkerboard Mineral Rights, New Mexico**

The land position covers approximately 300,000 acres of deeded 'checkerboard' mineral rights, also known as the Frisco and Santa Fe railroad grants. They are located within a large area of about 75 miles long by 25 miles wide along trend of the Grants Uranium District. The properties are located primarily in McKinley County in northwestern New Mexico. The properties are approximately 125 miles northwest of Albuquerque. There are no current uranium resources or reserves on the McKinley Properties.



**References**

1. NI-43-101 Technical Report, Crownpoint and Hosta Bute Uranium Project, McKinley County, New Mexico, USA completed by BRS Inc. and enCore Energy Corp. (effective February 25, 2022).

2. S. Hall, M. Mihalasky, K. Turek, J. Hammarstrom & M. Hannon "Genetic and grade and tonnage models for sandstone-hosted roll-type uranium deposits, Texas Coastal Plain, USA", published in Ore Geology Reviews 80 (2017).

3. M. Mihalsky and S. Hall, "Assessment of Undiscovered Sandstone-Hosted Uranium Resources in the Texas Coastal Plain, 2015" U.S. Department of the Interior, U.S. Geological Survey, ISSN 2327-6916 (print), Fact Sheet 2015-3069, November 2015.

4. McLemore, Virginia T., Prin. Senior Economic Geologist, "Uranium Resources in New Mexico", New Mexico Bureau of Geology & Mineral Resources" which incorporates a table entitled: Estimated uranium resources in New Mexico, 2017 (updated from McLemore, et al., 2011, 2013.

5. M. Hassan Alief, Technical Report on Section 1, T18N, R12W, Nose Rock Uranium Property, McKinley County, New Mexico, reported an effective February 9, 2009, for Strathmore Minerals Corp.

6. Behre Dolbear & Company (USA) Inc., 2011, Technical Report on the Nose Rock Project of Uranium Resources Inc., prepared by Robert D. Maxwell, CPG.

7. Behre Dolbear & Company (USA) Inc., 2011, Technical Report on the West Largo Project of Uranium Resources Inc., prepared by Robert D. Maxwell, CPG.

8. Conoco Inc., Internal Memorandum, Treeline Uranium Property, McKinley County, New Mexico, 1978.

9. Behre Dolbear & Company (USA) Inc., 2010, Technical Report on the Ambrosia Lake Project of Uranium Resources Inc., prepared by Robert D. Maxwell, CPG and Bernard J. Guarnera, RPG, CPG. The report references Historic Mineral Resources with sources including:

    a. Sec 27-14N-10W estimated by Capitan, Melvin, Feb 25, 2008, Uranium Resources Inc., "Ore Reserve Calculation Sheet 3, T14N R10W Section 27", in Maxwell, Robert, CPG and Bernard Guarnera, March 1, 2010, Technical Report on Ambrosia Lake Project, Section 27, et al., Behre Dolbear Report 07-019.

10. Wilton, Dean T., CPG, PG, MAIG, Chief Geologist Westwater Resources, 2018, Technical Report on the Ambrosia Lake Uranium Project, McKinley County, USA. This report outlines several Historic Mineral Resources including:

    b. Sec 25-14N-10W estimated by Yancy & Associates, May 1997, Mine Plan - Sections 23 and 25 Ambrosia Lake, New Mexico, for Rio Algom Mining Corporation, Quivira Mining Company

    c. Sec 17-13N-9W estimated by Nelson, Jon, Uranium Resources Inc., January 18, 2008.

    d. Sec 13-13N-9W estimated by Nelson, Jon, Uranium Resources Inc., June 29, 2007.

11. Juniper Ridge Uranium Project, Carbon County, Wyoming, USA. Amended and Restated NI 43-101 Mineral Resource and Preliminary Economic Assessment, completed by Douglass L. Beahm, P.E., P.G., Principal Engineer, BRS Inc. and Terrance P. (Terry) McNulty. P.E, D.Sc., T.P McNulty and Associates (effective June 9, 2017).

12. NI 43-101 Preliminary Assessment, Powertech Uranium Corp., Centennial Uranium Project, Weld County, Colorado completed by SRK Consulting (effective June 2, 2010) ("Centennial Technical Report and PEA").

13. NI 43-101 Technical Report, Preliminary Economic Assessment. Dewey-Burdock Uranium ISR Project, South Dakota, USA, completed by Woodard & Curran and Rough Stock Mining Services (effective December 3, 2019) ("Dewey Burdock Technical Report and PEA").

14. Technical Report on the Aladdin Uranium Project, Crook County, Wyoming, completed by Jerry D. Bush, certified Professional Geologist (effective June 21, 2012).

15. NI 43-101 Technical Report, Preliminary Economic Assessment, Gas Hills Uranium Project, Fremont and Natrona Counties, Wyoming, USA, completed by WWC Engineering and Rough Stock Mining Services (effective June 28, 2021) ("Gas Hills Technical Report and PEA").

16. NI-43-101 Technical Report Summary for the Alta Mesa Uranium Project, Brooks and Jim Hogg Counties, Texas, USA completed by BRS Engineering. (Effective January 19, 2023).



**Use of Proceeds from Previous Financings**

On February 14, 2023, the Company completed its acquisition of the Alta Mesa Project. Pursuant to the terms of the offering, 23,277,000 subscription receipts issued on December 6, 2022 at a price of C$3.00 per Subscription Receipt, were automatically converted into units for gross proceeds of C$69,831,000 ($51,738,164). Each unit is comprised of one common share of enCore and one share purchase warrant. Each warrant entitles the holder to purchase one additional share at a price of C$3.75 for a period of three years. The Company paid commissions of C$4,074,600 ($3,018,893), other cash issuance costs of C$231,291 ($171,365) and issued 1,350,000 finders' warrants with a fair value of C$1,909,916 ($1,415,067). 1,066,500 of the finder's warrants are exercisable into one common share of the Company at a price of C$3.91 for 27 months from closing; 283,500 of the finder's warrants are exercisable into one common share of the Company at a price of C$3.25 for 27 months from closing. As expected, the full net proceeds of $48,527,161 (C$65,497,109) of this financing were used to fund a portion of the cash consideration paid in the Company's acquisition of the Alta Mesa Project.

On February 8, 2023, the Company issued 10,615,650 units for a public offering at a price of C$3.25 per unit, for gross proceeds of $25,561,689 (C$34,500,863). Each unit consisted of one common share and one-half share purchase warrant. Each whole warrant entitles the holder to purchase one additional share at a price of C$4.05 for a period of three years. The Company paid commissions of $1,504,047 (C$2,030,012) and other cash issuance costs of $391,939 (C$529,000). Net proceeds received from this deal were $23,665,703 (C$31,941,851).

The following table outlines the proposed use of proceeds from the offering on the closing date and as at December 31, 2023:.

| | **Proposed use of net proceeds $** | **Actual use of net proceeds $** |
|---|---|---|
| The Project - Alta Mesa | 12,226,421 | 10,429,442 |
| Crownpoint Hosta Butte Uranium Project | 75,572 | - |
| Marquez-Juan Tafoya Uranium Project | 269,690 | 4,550 |
| Dewey Burdock Project | 926,132 | 212,153 |
| Gas Hills Project | 259,317 | 22,804 |
| Upper Spring Creek | 444,543 | 519,561 |
| Rosita Plant & Satellite Projects | 1,592,947 | 2,536,381 |
| Acquisition of Wireline Testing Equipment | 3,097,725 | 3,100,000 |
| Kingsville Dome (including Kingsville Dome Facility) | 629,770 | 75,560 |
| Contingency | 1,366,548 | - |
| Working Capital | 2,777,038 | 6,765,252 |
| | **23,665,703** | **23,665,703** |

The above table is not presented according to accounting standards.

**Variations from proposed use and impacts**

- The Company completed its acquisition of 200,000 lbs of Uranium for an additional cash payment of $6,750,000, which was sold on April 14, 2023, for gross proceeds of $9,660,000.

- In July of 2023, the Company divested of its subsidiary entity Neutron Energy, Inc which owns the Marquez-Juan Tafoya Uranium Project.

Use of all proceeds supports the Company's continued focus on development of its near-term production assets in South Texas as well as its exploration activities.





**Selected Annual Information**

The following is a summary of selected information of the Company for the years ended December 31, 2023, 2022 and 2021:

| Continuing Operations | 2023 $ | 2022 $ | 2021 $ |
|---|---|---|---|
| Total revenues | - | - | - |
| Deferred exploration and evaluation expenditures | 10,700,027 | 9,860,682 | 2,357,254 |
| Staff Costs | 10,675,267 | 4,130,741 | 1,582,326 |
| Professional Fees | 6,770,793 | 2,203,163 | 581,408 |
| Operating expenditures | 35,842,888 | 18,741,547 | 9,214,094 |
| Other income | 14,099,468 | 2,226,158 | 650,621 |
| Net Loss | (21,743,420) | (16,515,389) | (8,563,473) |
| Basic and diluted loss per share | (0.15) | (0.16) | (0.13) |

| Financial Position | 2023 $ | 2022 $ | 2021 $ |
|---|---|---|---|
| Intangible assets | 513,721 | 528,282 | 491,996 |
| Property, plant and equipment | 14,969,860 | 2,334,421 | 1,603,679 |
| Marketable securities | 19,932,839 | 784,832 | - |
| Mineral properties | 267,209,138 | 145,219,086 | 136,079,578 |
| Mining properties | 5,301,820 | - | - |
| Right-of-use assets | 443,645 | 185,614 | 244,564 |
| Deferred acquisition costs | - | 6,009,303 | - |
| Deferred financing costs | - | 3,162,936 | - |
| Restricted Cash | 7,679,859 | 54,568,668 | 4,517,139 |
| Share Capital | 328,247,304 | 190,610,250 | 162,582,365 |

**Significant items causing variations in:**

Annual Results

- Staff Costs for the twelve months ended December 31, 2023 were $10,675,267, compared to $4,130,741 for the twelve months ended December 31, 2022. In 2023 the Company saw significant growth in the addition of almost 50 new employees to support the Company's plans for exploration, development, and production at Rosita, wellfield development and plant refurbishment at Alta Mesa, and an increased need for management.

- Professional fees for the twelve months ended December 31, 2023 were $6,770,793, compared to $2,203,163 for the twelve months ended December 31, 2022. This significant increase year over year is primarily driven by increased legal and accounting expenses associated with a significant increase in activity levels in 2023. In 2023, the Company acquired its first US exchange listing, completed two financings, began an at-the-market (ATM) program, closed on a significant acquisition, repaid $40M in debt, saw significant increases in operations activities, and went into production.

- Operating expenditures for the twelve months ended December 31, 2023 were $35,842,888, compared to $18,741,547 for the twelve months ended December 31, 2022. This significant increase year over year reflects increased staffing and activity levels as a result of the significant growth the Company experienced in 2023.

- In 2023, the Company acquired the Alta Mesa project and saw significant levels of exploration and development activities occur which are reflected in the significant increase in the Company's mineral property assets. At December 31, 2023 the company held $267,209,138 in mineral properties, whereas at December 31, 2022 the Company's mineral property holdings were $145,219,086.

**Quarterly Information**

The following selected financial data is prepared in accordance with IFRS for the last eight quarters ending with the most recently completed quarter:

| | December 31, 2023 $ | September 30, 2023 $ | June 30, 2023 $ | March 31, 2023$ |
|---|---|---|---|---|
| Operating expenses, excluding stock option expense | (13,077,861) | (5,489,193) | (5,869,884) | (6,867,203) |
| Stock option expense | (1,003,448) | (1,525,160) | (1,143,656) | (866,483) |
| Interest income | 45,363 | 19,725 | 7,984 | 320,275 |
| Interest expense | (525,018) | (1,207,011) | (1,200,000) | (600,000) |
| Foreign exchange gain (loss) | (2,945,741) | 1,621,940 | (882,750) | (3,941) |
| Gain on divestment of mineral interests | - | 8,010,687 | 2,056,638 | 24,240 |
| Gain on change in reclamation estimate | 221,185 | - | - | - |
| Gain (loss) on marketable securities | 609,859 | 7,234,293 | (1,344,596) | (581,721) |
| Gain (loss) on sale of uranium Investment | (22,000) | 638,500 | 858,500 | 1,100,500 |
| Net Income (loss) | (16,697,661) | 9,303,781 | (7,517,764) | (7,474,333) |
| Basic and diluted earnings (loss) per share [1] | (0.10) | 0.06 | (0.06) | (0.06) |

| | December 31, 2022 $ | September 30, 2022 $ | June 30, 2022 $ | March 31, 2022$ |
|---|---|---|---|---|
| Operating expenses, excluding stock option expense | (4,734,898) | (3,078,477) | (2,402,241) | (2,781,276) |
| Stock option expense | (1,050,522) | (1,601,058) | (1,864,891) | (1,228,184) |
| Interest income | 232,961 | 103,921 | 63,566 | 5,684 |
| Interest expense | 2,677 | (3,662) | (719) | (852) |
| Loss on write-off of sales tax recoverable | (91,289) | - | - | - |
| Foreign exchange gain (loss) | (76,139) | 30,147 | 317 | (12,781) |
| Gain (loss) on divestment of mineral interests | 22,481 | 176 | 1,552,912 | 48,480 |
| Gain (loss) on change in reclamation estimate | (157,227) | - | - | - |
| Gain (loss) on marketable securities | 167,172 | (88,153) | 978,386 | - |
| Gain on sale of uranium Investment | (308) | 308 | - | 35,000 |
| Gain (loss) from investment in associate | 9,677 | (449,942) | (65,863) | (80,772) |
| Miscellaneous Income | (1,802) | 1,802 | - | - |
| Net Income (loss) | (5,677,217) | (5,084,938) | (1,738,533) | (4,014,701) |
| Basic and diluted loss per share [1] | (0.05) | (0.05) | (0.02) | (0.04) |

1 Basic and diluted loss per share has been adjusted to reflect the share consolidation that occurred on September 14, 2022.

**Significant items causing variations in Quarterly Results:**

- Operating expense for the three months ended December 31, 2023, were $13,077,861 as compared to $4,734,898 for the three months ended December 31, 2022. This large increase reflects the significant growth and increased activity levels the Company experienced in 2023. 2023 was a transformational year for the Company that saw the addition of almost 50 employees, a large acquisition, the Company's first US exchange listing and its first uranium production.

- Gains recognized on the fair value of marketable securities for the three months ended December 31, 2023, were $609,859 as compared to a loss of ($157,227) for the three months ended December 31, 2022. This difference reflects a significant increase in the quantity of marketable securities held by the Company as a result of its two separate non-core asset divestment transactions in 2023 to Nuclear Fuels, Inc and Anfield Energy, Inc.

- Interest expense for the three months ended December 31, 2023, was $525,018 compared to a gain of $2,677 for the three months ended December 31, 2022. This increase is attributable to interest accrued for the current period on the Company's issuance of a $60,000,000 convertible promissory note in February 2023.

- Foreign exchange losses for the three months ended December 31, 2023, were $2,945,741 compared to the loss of $91,289 for the three months ended December 31, 2022. This change reflects the increase in assets and liabilities as well as the impact of foreign exchange fluctuations on the Company's Canadian Dollar denominated financial assets and liabilities.





**Liquidity and Capital Resources**

As at December 31,2023, the Company had cash and cash equivalents of $7,493,424 (December 31, 2022 - $2,512,012) and working capital of $19,045,294 (December 31, 2022 - $7,017,115). Operations to date have been funded primarily from the issue of share capital. Management estimates that it has adequate working capital to fund planned activities for the next year. The Company's long-term continued operations are

dependent on its ability to monetize assets, raise funding from loans or equity financings, deliver uranium into sales at a price above cost, or through other arrangements. There is no assurance that future financing activities will be successful.

On February 8, 2023, the Company issued 10,615,650 units for a public offering at a price of C$3.25 per unit, for gross proceeds of $25,561,689 (C$34,500,863). Each unit consisted of one common share and one-half share purchase warrant. Each whole warrant entitles the holder to purchase one additional share at a price of C$4.05 for a period of three years. The Company paid commissions of $1,504,047 (C$2,030,012) and other cash issuance costs of $391,939 (C$529,000). Net proceeds received from this deal were $23,665,703 (C$31,941,851).

On February 14, 2023, 23,277,000 subscription receipts issued December 6, 2022, at a price of C$3.00 per Subscription Receipt were converted into units for gross proceeds of C$69,831,000 ($51,738,164). Each unit is comprised of one common share of enCore and one share purchase warrant. Each warrant entitles the holder to purchase one additional share at a price of C$3.75 for a period of three years. The Company paid commissions of C$4,074,600 ($3,018,893), other cash issuance costs of C$231,291 ($171,365) and issued 1,350,000 finders' warrants with a fair value of C$1,909,916 ($1,415,067). 1,066,500 of the finder's warrants are exercisable into one common share of the Company at a price of C$3.91 for 27 months from closing; 283,500 of the finder's warrants are exercisable into one common share of the Company at a price of C$3.25 for 27 months from closing.

From January 1 through December 31, 2023, the Company issued:

- 6,073,478 shares for warrants exercised for gross proceeds of $14,969,182.
- 575,676 shares for stock options exercised for gross proceeds of $557,470.
- 15,690,943 shares for its At-The-Market (ATM) program for gross proceeds of $49,444,616.

**Contractual Obligations**

| | Payments Due by Period | | | | |
|---|---|---|---|---|---|
| **Type of Obligation** | **Total** | **< 1 year** | **1-3 years** | **4-5 years** | **After 5 years** |
| Finance Lease Obligations | $ 530,601 | $ 206,196 | $ 269,178 | $ 55,227 | $ - |
| Purchase Obligations[1] | 9,822,500 | 9,822,500 | - | - | - |
| Other Obligations[2] | 1,507,829 | 1,472,829 | 35,000 | - | - |
| **Total Contractual Obligations** | **$ 11,860,930** | **$ 11,501,525** | **$ 304,178** | **$ 55,227** | **$ -** |

1 "Purchase Obligation" means an agreement to purchase goods or services that is enforceable and legally binding.

2 "Other Obligations" means other financial liabilities reflected on the company's statement of financial position.

**Transactions with Related Parties**

**Key management personnel and compensation**

Related parties include key management of the Company and any entities controlled by these individuals as well as other entities providing key management services to the Company. Key management personnel consist of directors and senior management including the Executive Chairman, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, and Chief Administrative Officer.



The amounts paid to key management or entities providing similar services are as follows:

| | | **December 31, 2023** | December 31, 2022 |
|---|---|---|---|
| | | **$** | $ |
| Consulting | (1) | 154,529 | 103,514 |
| Data acquisition | | - | 55,150 |
| Directors' fees | (2) | 185,583 | 192,604 |
| Office and administration | | - | - |
| Staff costs | | 5,956,285 | 1,607,211 |
| Stock option expense | | 3,586,512 | 4,729,503 |
| **Total key management compensation** | | **9,882,909** | 6,687,982 |

(1) During the year ended December 31, 2023, the Company incurred communications & community engagement consulting fees of $147,529 (2022 - $103,514) according to a contract with Tintina Holdings, Ltd., a Company owned and operated by the spouse of the Company's Executive Chairman. The Company also incurred finance and accounting consulting fees of $7,000 (2022 – nil) according to a contract with Hovan Ventures LLC, a Company owned and operated by the former CFO for the Company.

The Tintina Holdings, Ltd contract was reassigned to a Company named 5 Spot Corporation, a new Company owned by the spouse of the Company's Executive Chairman.

(2) Directors' Fees are included in staff costs on the consolidated statements of loss and comprehensive loss.

During the year ended December 31, 2023, the Company granted 2,075,000 (2022 – 2,566,667) options to key management, with a fair value of $3,174,594 (2022 - $6,496,785).

As of December 31, 2023, and December 31, 2022, the following amounts were owing to related parties:

| | | **December 31, 2023** | December 31, 2022 |
|---|---|---|---|
| | | **$** | $ |
| 5 Spot Corp | Consulting services | 12,000 | 12,744 |
| Hovan Ventures LLC | Consulting services | 7,000 | - |
| Officers and Board members | Accrued compensation | 2,501,594 | 428,630 |
| | | **2,520,594** | 441,374 |

**Financial Instruments and financial risk management**

Please refer to the December 31, 2023, consolidated financial statements on www.sedarplus.ca or on the SEC's Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system at www.sec.gov/edgar.

In January 2024, the Company subscribed to a unit offering with Nuclear Fuels Inc. whereby the Company acquired 1,716,260 units at a price of C$0.60 per unit for gross consideration of C$1,029,756. Each unit is comprised of one common share and one-half of one share purchase warrant, with each whole warrant being exercisable into an additional common share at a price of C$0.80 for a period of 3 years, expiring January 24, 2027.

**Off Balance Sheet Arrangements**

At December 31, 2023, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

**Accounting Policies and Critical Accounting Estimates**

*Critical accounting estimates and judgements*
The preparation of financial statements in conformity with IFRS requires management to use judgment in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgments are continuously evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. Although management uses historical experience and its best knowledge of the expected amounts, events or actions to form the basis for estimates, actual results may differ from these estimates.



**Critical accounting estimates:**

*The assessment of the recoverable amount of mineral properties as a result of impairment indicators*

When indicators of impairment are identified, recoverable amount calculations are based either on discounted estimated future cash flows or on comparable recent transactions. The assumptions used are based on management's best estimates of what an independent market participant would consider appropriate. Changes in these assumptions may alter the results of impairment testing, the amount of the impairment charges recorded in the statement of loss and comprehensive loss and the resulting carrying values of assets.

*Asset retirement obligations*

Significant estimates were utilized in determining future costs to complete groundwater restoration, plugging and abandonment of wellfields and surface reclamation at the Company's uranium ISR sites. Estimating future costs can be difficult and unpredictable as they are based principally on current legal and regulatory requirements and ISR site closure plans that may change materially. The laws and regulations governing ISR site closure and remediation in a particular jurisdiction are subject to review at any time and may be amended to impose additional requirements and conditions which may cause our provisions for environmental liabilities to be underestimated and could materially affect our financial position or results of operations. Estimates of future asset retirement obligation costs are also subject to operational risks such as acceptability of treatment techniques or other operational changes.

**Critical accounting judgments:**

*The assessment of indicators of impairment for mineral properties*

The Company follows the guidance of IFRS 6 to determine when a mineral property asset is impaired. This determination requires significant judgment. In making this judgment, the Company evaluates, among other factors, the results of exploration and evaluation activities to date and the Company's future plans to explore and evaluate a mineral property.

*Valuation of acquired mineral properties*

The valuation of mineral properties acquired by the Company requires significant judgement. Acquired mineral properties are valued at their fair market value which can require significant estimates in future cash flows, production, and timing.

*Business combinations and divestments*

The determination of whether a set of assets acquired and liabilities assumed constitute a business may require the Company to make certain judgments, taking into account all facts and circumstances. A business is presumed to be an integrated set of activities and assets capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or economic benefits.

Divestments are accounted for on an individual basis according to the IFRS and IAS standards applicable to the specific transaction.

**Disclosure Controls and Procedures**

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the Company's management, including its CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

Management, including the CEO and CFO, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures. As of December 31, 2023, the CEO and CFO have each concluded that the Company's disclosure controls and procedures, as required by the applicable rules of the Canadian Securities Administrators (or Canadian securities regulatory authorities) are effective to achieve the purpose for which they have been designed.

It should be noted that while the Company's CEO and CFO believe that the Company's disclosure controls and processes will provide a reasonable level of assurance and that they are effective, they do not expect that the disclosure controls and processes will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute assurance that the objectives of the control system are met.



**Management's Responsibility for Financial Statements**

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the financial statements.

**Other MD&A Requirements**

Additional disclosure of the Company's technical reports, material change reports, news releases and other information can be obtained on SEDAR+ at www.sedarplus.ca or on the SEC's EDGAR system at www.sec.gov/edgar.

**Contingencies**

There are no contingent liabilities that have not been disclosed herein.

**Proposed Transactions**

There are no proposed transactions that have not been disclosed herein.

**Risk Factors and Uncertainties**

Prior to making an investment decision, investors should consider the investment risks set out below and those described elsewhere in this document, which are in addition to the usual risks associated with an investment in a business at an early stage of development. The directors of the Company consider the risks set out below to be the most significant to potential investors in the Company but are not all of the risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Directors are currently unaware, or which they consider not to be material in relation to the Company's business, actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline, and investors may lose all or part of their investment.

*Availability of financing*

There is no assurance that additional funding will be available to the Company for the substantial capital required to bring a mineral project to the production decision or to place a property into commercial production. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

*Title matters*

While the Company has performed its diligence with respect to title of its properties, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements of transfer or other adverse land claims, and title may be affected by undetected defects.

*Management*

The Company is dependent on a small number of key personnel, the loss of any of whom could have an adverse effect on the Company.

*Economics of developing mineral properties*

Mineral exploration and development includes a high degree of risk and few properties which are explored are ultimately developed into producing mines. With respect to the Company's properties, should any mineral resource exist on each of the Company's properties, substantial expenditures will be required to confirm that mineral reserves sufficient to commercially mine exist on its current properties, and to obtain required environmental approvals and permits to commence commercial operations. Should any resource be defined on such properties, there can be no assurance that the mineral resources on such properties can be commercially mined or that the metallurgical processing will produce economically viable, merchantable products. The decision as to whether a property contains a commercial mineral deposit and should be brought into production will depend upon the results of exploration programs and/or feasibility studies, the recommendations of duly qualified engineers and/or geologists, all of which involve significant expense. This decision involves consideration and evaluation of several significant factors including, but not limited to: (i) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction or acquisition of production facilities; (ii) availability and costs of financing; (iii) ongoing costs of production; (iv) market prices for the minerals to be produced; (v) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (vi) political climate and/ or governmental regulation and control.



The ability of the Company to sell and profit from the sale of uranium from any of the Company's properties will be subject to the prevailing conditions in the global marketplace at the time of sale. The global marketplace is subject to global economic activity and changing attitudes of consumers and other end-users' demand for uranium. Many of these factors are beyond the control of the Company and therefore represent a market risk which could impact the long-term viability of the Company and its operations.

*Foreign Exchange Risk*

A portion of the Company's financial assets and liabilities are denominated in Canadian Dollars. The Company monitors this exposure but has no hedge positions. The Company is exposed to foreign currency risk on fluctuations to cash, marketable securities, accounts payable and accrued liabilities, and due to related parties, that are denominated in Canadian Dollars. At December 31, 2023, a 10% change in the value of the Canadian Dollar as compared to the US Dollar would affect net loss and shareholders' equity by approximately $2,049,192.

*Credit Risk*

Credit risk arises from cash held with banks and financial institutions and receivables. The maximum exposure to credit risk is equal to the carrying value of these financial assets. The Company primarily holds its cash in a major US bank with a significant balance in a major Canadian bank.

*Interest Rate Risk*

Interest rate risk mainly arises from the Company's cash, which receives interest based on market interest rates. Fluctuations in interest cash flows due to changes in market interest rates are not significant.

*Liquidity Risk*

Liquidity risk is the risk that the Company will not be able to meet its current obligations as they become due. The Company is primarily engaged in the acquisition, exploration, and development of uranium resource properties in the United States which is subject to significant inherent risk. Declines in the market prices of uranium and delays in the production, changes in the regulatory environment and adverse changes in other inherent risks can significantly and negatively impact the Company's operations and cash flows and its ability to maintain sufficient liquidity to meet its financial obligations. Adverse changes to the factors mentioned above have impacted the recoverability of the Company's mineral properties property, mining properties, and plant and equipment, which may result in impairment losses being recorded. The Company's current operating budget and future estimated cash flows indicate that the Company will generate positive cash flow in excess of the Company's cash commitments within the twelve-month period following the date these consolidated financial statements were authorized for issuance.The Company may be required to raise additional funds from external sources to meet these requirements. There is no assurance that the Company will be able to raise such additional funds on acceptable terms, if at all. If the Company raises additional funds by issuing securities, existing shareholders may be diluted. If the Company is unable to obtain financing from external sources or issuing securities the Company may have difficulty meeting its payment obligations.

*Stage of Development*

Most of the Company's properties are in the exploration stage and the Company has a short operating history. Exploration and development of mineral resources involves a high degree of risk and few properties which are explored are ultimately developed into producing properties. The amounts attributed to the Company's interest in its properties as reflected in its financial statements represent acquisition and exploration expenses and should not be taken to represent realizable value. There is no assurance that the Company's exploration and development activities will result in any discoveries of commercial bodies of uranium. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors, such as unusual or unexpected geological formations, and other conditions.



*Profitability of Operations*

The Company is not currently operating profitably, and it should be anticipated that it will operate at a loss at least until such time as sufficient production is achieved from the Company's properties. The Company has never earned a profit. Investors also cannot expect to receive any dividends on their investment in the foreseeable future.

*Uranium and Other Mineral Industries Competition is Significant*

The international uranium and other mineral industries are highly competitive. The Company competes against competitors that may be larger and better capitalized, have state support, have access to more efficient technology, and have access to reserves of uranium and other minerals that are cheaper to extract and process. As such, no assurance can be given that the Company will be able to compete successfully with its industry competitors.

*Fluctuations in Metal Prices*

Although the Company does not hold any known mineral reserves of any kind, its future revenues, if any, are expected to be in large part derived from the future mining and sale of uranium and other metals or interests related thereto. The prices of these commodities have fluctuated widely, particularly in recent years, and are affected by numerous factors beyond the Company's control, including international economic and political conditions, expectations of inflation, international currency exchange rates, interest rates, global or regional consumption patterns, speculative activities, levels of supply and demand, increased production due to new mine developments and improved mining and production methods, availability and costs of metal substitutes, metal stock levels maintained by producers and others and inventory carrying costs. The effect of these factors on the prices of uranium and other metals, and therefore the economic viability of the Company's operations, cannot be accurately predicted. Depending on the price obtained for any minerals produced, the Company may determine that it is impractical to commence or continue commercial production.

*The Company's Operations are Subject to Operational Risks and Hazards Inherent in the Mining Industry*

The Company's business is subject to a number of inherent risks and hazards, including environmental pollution; accidents; industrial and transportation accidents, which may involve hazardous materials; labor disputes; power disruptions; catastrophic accidents; failure of plant and equipment to function correctly; the inability to obtain suitable or adequate equipment; fires; blockades or other acts of social activism; changes in the regulatory environment; impact of non-compliance with laws and regulations; natural phenomena, such as inclement weather conditions, underground floods, earthquakes, pit wall failures, ground movements, tailings, pipeline and dam failures and cave-ins; and encountering unusual or unexpected geological conditions and technical failure of mining methods. There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Company's uranium and other mineral properties, personal injury or death, environmental damage, delays in the Company's exploration or development activities, costs, monetary losses and potential legal liability and adverse governmental action, all of which could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and financial condition.

*Mineral Reserve and Resource Estimates are Only Estimates and May Not Reflect the Actual Deposits*

Reserve and resource figures included for uranium and other minerals are estimates only and no assurances can be given that the estimated levels of uranium and other minerals will be produced or that the Company will receive the uranium and other metal prices assumed in determining its reserves. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling and exploration results and industry practices. Estimates made at any given time may significantly change when new information becomes available or when parameters that were used for such estimates change. While the Company believes that the reserve and resource estimates included are well established and reflect management's best estimates, by their nature reserve and resource estimates are imprecise and depend, to a certain extent, upon statistical inferences which may ultimately prove unreliable. Furthermore, market price fluctuations in uranium and other metals, as well as increased capital or production costs or reduced recovery rates, may render ore reserves containing lower grades of mineralization uneconomic and may ultimately result in a restatement of reserves. The extent to which resources may ultimately be reclassified as proven or probable reserves is dependent upon the demonstration of their profitable recovery. The evaluation of reserves or resources is always influenced by economic and technological factors, which may change over time.

*Exploration, Development and Operating Risk*

The exploration for and development of uranium and other mineral properties involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices, which are highly cyclical, drilling and other related costs which appear to be rising; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

*Environmental Risks and Hazards*

All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the general transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties which are unknown to the Company at present, and which have been caused by previous or existing owners or operators of the properties. Reclamation costs are uncertain and planned expenditures estimated by management may differ from the actual expenditures required.

*Government Regulation*

The Company's mineral exploration and planned development activities are subject to various laws governing prospecting, mining, development, production, taxes, labor standards and occupational health, mine safety, toxic substances, land use, water use, land claims and other matters. Although the Company believes its exploration and development activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Many of the mineral rights and interests of the Company are subject to government approvals, licenses and permits. Such approvals, licenses and permits are, as a practical matter, subject to the discretion of applicable governments or governmental officials. No assurance can be given that the Company will be successful in maintaining any or all of the various approvals, licenses and permits in full force and effect without modification or revocation. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from continuing or proceeding with planned exploration or development of mineral properties. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the Amendments to current laws and regulation governing operations or more stringent implementation thereof could have a substantial impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.



*The Company has No History of Mineral Production or Mining Operations*

The Company has uranium and other mineral producing properties; however, there is no assurance as to the quantities of uranium and other minerals will be discovered at the properties or other future properties nor is there any assurance that the Company's exploration program thereon will yield future positive results. When uranium and other minerals are discovered, there can be no assurance that any property of the Company will ever be brought to a stage where uranium and other mineral resources can profitably be produced therefrom. Factors which may limit the ability of the Company to produce uranium and other mineral resources from its properties include, but are not limited to, the spot prices of metals, availability of additional capital and financing and the nature of any mineral deposits. The Company does not have a history of mining operations and there is no assurance that it will produce revenue, operate profitably or provide a return on investment in the future.

*Future Sales of Common Shares by Existing Shareholders*

Sales of a large number of Common Shares in the public markets, or the potential for such sales, could decrease the trading price of the Common Shares and could impair the Company's ability to raise capital through future sales of Common Shares. Substantially all of the Common Shares can be resold without material restriction in the US and Canada.

*The Company could be deemed a passive foreign investment Company which could have negative consequences for US investors.*

Depending upon the composition of the Company's gross income or its assets, the Company could be classified as a passive foreign investment Company ("PFIC") under the United States tax code. If the Company is declared a PFIC, then owners of the common shares who are US

taxpayers generally will be required to treat any "excess distribution" received on their common shares, or any gain realized upon a disposition of common shares, as ordinary income and to pay an interest charge on a portion of such distribution or gain, unless the taxpayer makes a qualified electing fund ("QEF") election or a mark-to-market election with respect to the common shares. A US taxpayer who makes a QEF election generally must report on a current basis its share of the Company's net capital gain and ordinary earnings for any year in which the Company is classified as a PFIC, whether or not the Company distributes any amounts to its shareholders. US investors should consult with their tax advisors for advice as to the U.S. tax consequences of an investment in the common shares.

*The ongoing Russian invasion of Ukraine and the implications on the global economy, energy supplies, and the uranium and nuclear fuel market are uncertain but may prove to negatively impact operations.*

The short and long-term implications of Russia's invasion of Ukraine are difficult to predict. In addition to the possible adverse effects on the global economy, the war may result in impacts felt more directly by the nuclear fuel industries and uranium producers specifically. While the imposition of sanctions and counter sanctions may have an adverse effect on energy and economic markets generally, the vast reliance by the U.S. and other nations on uranium exported from Russia and Russian-controlled or influenced sources, including Kazakhstan and Uzbekistan, could result in an even greater impact related to global supply and pricing. While in the short-term such a reordering of global supply could result in higher uranium prices, the long-term impact on the global demand for uranium is uncertain and may be negative. To the extent the war in Ukraine may adversely affect the business as discussed above, it may also have the effect of heightening many of the other risks described in this section, such as those relating to cyber-security, supply chain, inflationary and other volatility in prices of goods and materials, and the condition of the markets including as related to enCore's ability to access additional capital, any of which could negatively affect its business. Because of the highly uncertain and dynamic nature of these events, it is not currently possible to estimate the impact of the Russian – Ukraine war on enCore's business.



**Cautionary Notes Regarding Forward-Looking Statements**

This MD&A contains statements that, to the extent that they are not historical fact, may constitute "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian and United States securities legislation, respectively. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "project", "estimates", "forecasts", "intends", "anticipates", "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements may include, but are not limited to, statements with respect to:

- the Company's future financial and operational performance;
- the sufficiency of the Company's current working capital, anticipated cash flow or its ability to raise necessary funds;
- the anticipated amount and timing of work programs;
- our expectations with respect to future exchange rates;
- the estimated cost of and availability of funding necessary for sustaining capital;
- forecast capital and non-operating spending;
- the Company's plans and expectations for its property, exploration, development, and production;
- the use of available funds;
- expectations regarding the process for and receipt of regulatory approvals, permits and licenses under governmental and other applicable regulatory regimes, including U.S. government policies towards domestic uranium supply;
- expectations about future uranium market prices, production costs and global uranium supply and demand;
- expectations regarding holding physical uranium for long-term investment;
- the establishment of mineral resources on any of the Company's current or future mineral properties (other than the Company's properties that currently have established mineral resource estimates);
- future royalty and tax payments and rates;
- expectations regarding possible impacts of litigation and regulatory actions; and
- the completion of reclamation activities at former mine or extraction sites.

Such forward-looking statements reflect the Company's current views with respect to future events, based on information currently available to the Company and are subject to and involve certain known and unknown risks, uncertainties, assumptions and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed in or implied by such forward-looking statements. The forward-looking statements in this MD&A are based on material assumptions, including the following:

- our budget, including expected levels of exploration, evaluation, development, production and operational activities and costs, as well as assumptions regarding market conditions and other factors upon which we have based our income and expenditure expectations;
- assumptions regarding the timing and use of our cash resources;
- our ability to, and the means by which the Company can, raise additional capital to advance other exploration objectives;
- our operations and key suppliers, employees, contractors and subcontractors will be available to continue operations;
- our ability to obtain all necessary regulatory approvals, permits and licenses for our planned activities under governmental and other applicable regulatory regimes;
- our expectations for the demand and supply of uranium, the outlook for long-term contracting, changes in regulations, public perception of nuclear power, and the construction of new and ongoing operation of existing nuclear power plants;
- our expectations regarding spot and long-term prices and realized prices for uranium;
- our expectations that our holdings of physical uranium will be helpful in securing project financing and/or in securing long- term uranium supply agreements in the future;
- our expectations regarding tax rates, currency exchange rates, and interest rates;
- our decommissioning and reclamation obligations and the status and ongoing maintenance of agreements with third parties with respect thereto;
- our mineral resource estimates, and the assumptions upon which they are based;
- our, and our contractors', ability to comply with current and future environmental, safety and other regulatory requirements and to obtain and maintain required regulatory approvals; and
- our operations are not significantly disrupted by political instability, nationalization, terrorism, sabotage, pandemics, social or political activism, breakdown, natural disasters, governmental actions, litigation or arbitration proceedings, equipment or infrastructure failure, labor shortages, transportation disruptions, or other development or exploration risks.

The risks, uncertainties, assumptions and other factors that could cause actual results to differ materially from any future results expressed in or implied by the forward-looking statements in this MD&A include, but are not limited to, the following factors:

- exploration and development risks;
- changes in commodity prices;
- access to skilled mining personnel;



- results of exploration and development activities;
- uninsured risks;
- regulatory risks;
- defects in title;
- availability of supplies, timeliness of government approvals and unanticipated environmental impacts on operations;
- risks posed by the economic and political environments in which the Company operates and intends to operate;
- the potential for losses arising from the expansion of operations into new markets;
- increased competition;

- assumptions regarding market trends and expected demand and desires for the Company's products and proposed products;
- reliance on industry manufacturers, suppliers and others;
- the failure to adequately protect intellectual property;
- the failure to adequately manage future growth;
- adverse market conditions; and
- the failure to satisfy ongoing regulatory requirements.

In addition, the risks, assumptions, and other factors set out herein (including under Risk Factors and Uncertainties) and in the Company's public filings, including its most recent Annual Information Form, could cause actual results to differ materially from any future results expressed in or implied by the forward-looking statements in this MD&A. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. These risks, uncertainties, assumptions and other factors should be considered carefully, and prospective investors and readers should not place undue reliance on the forward-looking statements.

Any forward-looking statement speaks only as of the date on which such statement is made, and the Company undertakes no obligation to update any forward-looking statement or information or statements to reflect information, events, results, circumstances or otherwise after the date on which such statement is made or to reflect the occurrence of unanticipated events, except as required by applicable laws. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such fact on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements or information.

All of the forward-looking statements contained in this MD&A are qualified by the foregoing cautionary statements.

CAUTIONARY NOTE TO U.S. INVESTORS CONCERNING ESTIMATES OF MEASURED, INDICATED AND INFERRED MINERAL RESOURCES: The Company reports mineral resources on its projects according to Canadian standards, which differ from the requirements of U.S. securities laws. As a result, the Company reports the mineral resources of the projects it has an interest in according to Canadian standards. Canadian reporting requirements for disclosure of mineral properties are governed by 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, (the "CIM Standards"). NI 43-101 is a rule 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 requirements of NI 43-101 and the CIM Standards differ from the requirements of the SEC that are applicable to domestic United States reporting companies under subpart 1300 of Regulation S-K ("S-K 1300") under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). As an issuer that prepares and files its reports with the SEC pursuant to the multi-jurisdictional disclosure system of the Exchange Act, the Company is not subject to the requirements of S-K 1300. Any mineral resources reported by the Company in accordance with NI 43-101 and CIM Standards may not qualify as such under or differ from those prepared in accordance with S-K 1300. Accordingly, information included in this MD&A concerning descriptions of mineralization and estimates of mineral resources under Canadian standards may not be comparable to similar information made public by United States companies subject to the reporting and disclosure requirements of S-K 1300.



The technical content disclosed in this MD&A was reviewed and approved by John Seeley, the manager of geology and exploration of the Company and a Qualified Person as defined under National Instrument 43-101.

**OUTSTANDING SHARE DATA AS AT THE DATE OF THIS MD&A**

a) Issued share capital: 181,342,947 common shares

b) Outstanding stock options:

| Expiry Date | Outstanding Options | Average Exercise Price C$ |
|---|---|---|
| June 2024 | 836,665 | 0.45 |
| October 2024 | 66,666 | 5.76 |
| May 2025 | 940,499 | 0.64 |
| September 2025 | 525,000 | 1.32 |
| October 2025 | 5,000 | 1.20 |
| January 2026 | 53,333 | 2.82 |
| February 2026 | 11,667 | 3.24 |
| May 2026 | 233,073 | 3.57 |
| December 2026 | 65,000 | 5.30 |
| January 2027 | 16,667 | 5.01 |
| February 2027 | 2,122,500 | 4.20 |

| | | |
|---|---|---|
| May 2027 | 83,333 | 4.32 |
| June 2027 | 166,667 | 3.75 |
| November 2027 | 133,334 | 3.65 |
| December 2027 | 50,000 | 3.30 |
| January 2028 | 25,000 | 3.38 |
| February 2028 | 44,681 | 3.10 |
| April 2028 | 67,000 | 2.61 |
| May 2028 | 2,070,500 | 2.79 |
| June 2028 | 60,000 | 3.10 |
| August 2028 | 22,500 | 3.14 |
| October 2028 | 45,000 | 4.25 |
| January 2029 | 125,000 | 6.25 |
| February 2029 | 260,000 | 6.16 |
| March 2029 | 40,000 | 5.37 |
| | **8,069,085** | |

c) Outstanding share purchase warrants:

| **Expiry Date** | **Outstanding Warrants** | **Exercise Price C$** |
|---|---|---|
| May 2025 | 56,444 | 3.251 |
| February 2026 | 23,080,240 | 3.803 |
| | **23,136,684** | |

d) Convertible Promissory note:

A portion of the consideration paid to Energy Fuels, Inc in the Company's acquisition of the Alta Mesa Project was a $60,000,000 secured vendor take-back convertible promissory note. The Promissory Note has a two-year term and bears interest at 8% per annum.

During the year ended December 31, 2023, the Company paid $40,000,000 of the principal balance off, reducing the outstanding principal balance at that date to $20,000,000. In February 2024, the balance was converted by issuance of 6,872,143 common shares to the debt holder eliminating the debt.

**Exhibit 99.3**




**Consolidated Financial Statements**
**For the year ended**
**December 31, 2023**
**(Stated in United States Dollars)**

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DAVIDSON & COMPANY LLP — Chartered Professional Accountants

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Shareholders and Directors of
enCore Energy Corp.

***Opinion on the Consolidated Financial Statements***

We have audited the accompanying consolidated statements of financial position of enCore Energy Corp. (the "Company"), as of December 31, 2023, and 2022, and the related consolidated statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the years ended December 31, 2023 and 2022, and the related notes and schedules (collectively referred to as the "financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years ended December 31, 2023 and 2022 in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board.

***Basis for Opinion***

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatements of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and

significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

We have served as the Company's auditor since 2016.

**/s/ DAVIDSON & COMPANY LLP**

Vancouver, Canada
(PCAOB ID:731)

Chartered Professional Accountants

March 28, 2024

A member of Nexia International

1200 - 609 Granville Street, P.O. Box 10372, Pacific Centre, Vancouver, B.C., Canada V7Y 1G6
Telephone (604) 687-0947 Davidson-co.com



**enCore Energy Corp.**
**Consolidated Statements of Financial Position**
**As at December 31, 2023 and December 31, 2022**
**(Stated in USD unless otherwise noted)**

| | Note | December 31, 2023 $ | December 31, 2022 $ |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Cash | | 7,493,424 | 2,512,012 |
| Receivables and prepaid expenses | | 931,170 | 1,244,561 |
| Marketable securities - current | 4 | 16,886,052 | 3,162,361 |
| Deposit - uranium inventory | 3 | - | 3,000,000 |
| Raw materials | | 9,077 | - |
| Assets held for sale | 9 | - | 728,882 |
| | | **25,319,723** | 10,647,816 |
| **Non-current assets** | | | |
| Intangible assets | 5 | 513,721 | 528,282 |
| Property, plant, and equipment | 6 | 14,969,860 | 2,334,421 |
| Marketable securities - non-current | 4 | 3,046,787 | 784,832 |
| Mineral properties | 9 | 267,209,138 | 145,219,086 |
| Mining properties | 10 | 5,301,820 | - |
| Reclamation deposits | 9 | 88,500 | 88,500 |
| Right-of-use asset | 7 | 443,645 | 185,614 |
| Deferred acquisition costs | 8 | - | 6,009,303 |
| Deferred financing costs | 8 | - | 3,162,936 |
| Restricted cash | 2 | 7,679,859 | 54,568,668 |
| **Total assets** | | **324,573,053** | 223,529,458 |
| | | | |
| **Liabilities and shareholders' equity** | | | |
| **Current liabilities** | | | |
| Accounts payable and accrued liabilities | | 3,576,194 | 3,105,065 |
| Due to related parties | 13 | 2,520,594 | 441,374 |
| Lease liability - current | 7 | 177,641 | 84,262 |
| | | **6,274,429** | 3,630,701 |
| **Non-current liabilities** | | | |
| Asset retirement obligations | 11 | 10,827,806 | 4,752,352 |
| Convertible promissory note | 12 | 19,239,167 | - |
| Lease liability - non-current | 7 | 295,147 | 96,166 |
| **Total liabilities** | | **36,636,549** | 8,479,219 |
| | | | |
| **Shareholders' equity** | | | |
| Share capital | 12 | 328,246,303 | 190,610,250 |
| Share subscriptions received | 12 | - | 51,558,624 |
| Equity portion of convertible promissory note | 12 | 3,813,266 | - |
| Contributed surplus | 12 | 19,185,942 | 16,218,518 |
| Accumulated other comprehensive income | | 7,944,347 | 5,530,224 |

| | | | |
|---|---|---|---|
| Accumulated deficit | | (71,253,354) | (48,867,377) |
| **Total shareholders' equity** | | **287,936,504** | 215,050,239 |
| **Total liabilities and shareholders' equity** | | **324,573,053** | 223,529,458 |
| | | | |
| **Nature of operations and going concern** | 1 | | |
| **Events after the reporting period** | 19 | | |

**Approved on behalf of the Board of Directors on March 25, 2024:**

*"William M. Sheriff"* **Director** *"William B. Harris"* **Director**

**The accompanying notes are an integral part of these consolidated financial statements.**



**enCore Energy Corp.**

**Consolidated Statements of Loss and Comprehensive Loss**

**For the years ended December 31, 2023, and December 31, 2022**

**(Stated in USD unless otherwise noted)**

| | | Year ended | |
|---|---|---|---|
| | Note | **December 31, 2023** **$** | December 31, 2022 $ |
| **Expenses** | | | |
| Accretion | 7,11,12 | 4,184,390 | 445,190 |
| Amortization and depreciation | 5,6,7 | 1,679,471 | 380,336 |
| General administrative costs | 13 | 4,916,760 | 4,914,547 |
| Impairment of mineral properties | 9 | 1,537,822 | - |
| Professional fees | 13 | 6,770,793 | 2,203,163 |
| Promotion and shareholder communication | | 184,579 | 287,887 |
| Travel | | 410,242 | 312,236 |
| Transfer agent and filing fees | | 944,817 | 322,792 |
| Staff costs | 13 | 10,675,267 | 4,130,741 |
| Stock option expense | 12,13 | 4,538,747 | 5,744,655 |
| **Loss from operations** | | **(35,842,888)** | (18,741,547) |
| | | | |
| Foreign exchange (loss) | | (2,210,492) | (58,456) |
| Gain (loss) on change in asset retirement obligation estimate | 11 | 221,185 | (157,227) |
| Gain on divestment of mineral properties | 9 | 10,091,565 | 1,624,049 |
| Gain on sale of uranium investment | 3 | 2,575,500 | 35,000 |
| Interest expense | 12 | (3,532,029) | (2,556) |
| Interest income | | 393,347 | 406,132 |
| Loss on investment in associates | | - | (586,900) |
| Loss on write-off of sales tax recoverable | | - | (91,289) |
| Unrealized gain on marketable securities | 4 | 5,917,835 | 1,057,405 |
| **Net loss for the year** | | **(22,385,977)** | (16,515,389) |
| Currency translation adjustment of subsidiaries | | 2,414,123 | (665,809) |
| **Comprehensive loss for the year** | | **(19,971,854)** | (17,181,198) |
| | | | |
| **Loss per share** | | | |
| **Weighted average number of common shares outstanding** | | | |
| **- basic #** | | 144,043,709 | 105,529,292 |
| **- diluted #** | | 144,043,709 | 105,529,292 |
| | | | |
| **Basic and diluted loss per share $** | | (0.16) | (0.16) |
| **Diluted loss per share $** | | (0.16) | (0.16) |

**The accompanying notes are an integral part of these consolidated financial statements.**

**Consolidated Statements of Cash Flows**

**For the years ended December 31, 2023, and December 31, 2022**

**(Stated in USD unless otherwise noted)**

| | Note | December 31, 2023 $ | December 31, 2022 $ |
|---|---|---|---|
| **Operating activities** | | | |
| Net loss for the year | | (22,385,977) | (16,515,389) |
| Accretion | 7,11,12 | 4,184,390 | 445,190 |
| Amortization and depreciation | 5,6,7 | 1,679,471 | 380,338 |
| Impairment charge | 9 | 1,537,822 | - |
| Foreign exchange (gain) loss | | 1,740,960 | 20,904 |
| Stock option expense | 12,13 | 4,538,747 | 5,744,656 |
| Interest income | | (393,347) | (406,132) |
| Loss on write-off of sales tax recoverable | | - | 91,289 |
| Gain on divestment of mineral properties | 4,9 | (10,091,565) | (1,624,049) |
| Gain on change in asset retirement obligation estimate | | (221,185) | 157,226 |
| Gain on sale of uranium investment | 3 | (2,575,500) | (35,000) |
| Settlement of asset retirement obligation | 11 | (291,448) | (11,324) |
| Unrealized (gain) loss on marketable securities | 4 | (5,917,835) | (1,057,405) |
| Loss on investment in associates | | - | 586,900 |
| | | | |
| Changes in non-cash working capital items: | | | |
| Receivables | | (10,145) | 36,365 |
| Prepaids and deposits | | 365,910 | (752,293) |
| Raw materials | | (9,077) | - |
| Deposit - uranium investment | 3 | - | (3,000,000) |
| Restricted cash | | 46,888,809 | (50,049,202) |
| Accounts payable and accrued liabilities | | 1,204,310 | (3,656,511) |
| Due to related parties | 13 | 2,079,221 | 434,902 |
| | | **22,323,561** | **(69,209,535)** |
| **Investing activities** | | | |
| Acquisition of intangible assets | | - | (55,150) |
| Acquisition of property, plant, and equipment | 6 | (7,914,956) | (979,501) |
| Acquisition of Alta Mesa | 8 | (54,544,357) | - |
| Mineral property expenditures | 9 | (10,700,027) | (9,860,682) |
| Proceeds from divestment of mineral properties | 9 | 3,836,240 | 48,480 |
| Deferred acquisition costs | | - | (6,009,303) |
| Interest income received | | 393,347 | 406,132 |
| Investment in uranium | 3 | (16,572,500) | - |
| Proceeds received from sale of uranium investment | 3 | 22,148,000 | 4,425,000 |
| | | **(63,354,253)** | **(12,205,024)** |
| **Financing activities** | | | |
| Private placement proceeds | 12 | 25,561,689 | 23,057,411 |
| Share issue costs | 12 | (4,631,296) | (1,473,875) |
| Share subscriptions received | | - | 51,558,624 |
| Proceeds from the At -the-Market (ATM) sales | 12 | 49,444,256 | - |
| Proceeds from exercise of warrants | 12 | 14,969,074 | 2,452,227 |
| Proceeds from exercise of stock options | 12 | 557,465 | 1,177,093 |
| Repayments on convertible note | 12 | (40,000,000) | - |
| Deferred financing costs | | - | (1,717,268) |
| Lease payments | 7 | (177,432) | (104,815) |
| | | **45,723,756** | **74,949,397** |
| | | | |
| **Effect of foreign exchange on cash** | | **288,348** | **(211,309)** |
| **Change in cash** | | **4,981,412** | **(6,676,471)** |
| **Cash, beginning of year** | | 2,512,012 | 9,188,483 |
| **Cash, end of year** | | **7,493,424** | **2,512,012** |
| **Supplemental cash flow information** | 17 | | |

**The accompanying notes are an integral part of these consolidated financial statements.**

**Consolidated Statements of Changes in Shareholders' Equity**

**For the years ended December 31, 2023 and December 31, 2022**

**(Expressed in USD unless otherwise noted)**

| | Number of shares # | Share capital $ | Share subscriptions received $ | Convertible Promissory note (equity portion) $ | Contributed surplus $ | Accumulated other comprehensive income (loss) $ | Accumulated Deficit $ | Total shareholders' equity $ |
|---|---|---|---|---|---|---|---|---|
| January 1, 2022 | 98,902,678 | 162,582,365 | - | - | 12,662,103 | 6,196,033 | (32,351,988) | 149,088,513 |
| Private placement | 6,535,947 | 23,057,411 | - | - | - | - | - | 23,057,411 |
| Share issuance costs | - | (2,146,218) | - | - | 672,343 | - | - | (1,473,875) |
| Shares issued for exercise of warrants | 2,291,642 | 2,599,999 | - | - | (147,772) | - | - | 2,452,227 |
| Shares issued for exercise of stock options | 1,016,436 | 3,905,580 | - | - | (2,728,487) | - | - | 1,177,093 |
| Stock option expense | - | - | - | - | 5,744,656 | - | - | 5,744,656 |
| Shares issued for services | 193,348 | 611,113 | - | - | - | - | - | 611,113 |
| Share subscriptions received | - | - | 51,558,624 | - | - | - | - | 51,558,624 |
| Adjustment to investment in associate | - | - | - | - | 15,675 | - | - | 15,675 |
| Cumulative translation adjustment | - | - | - | - | - | (665,809) | - | (665,809) |
| Loss for the year | - | - | - | - | - | - | (16,515,389) | (16,515,389) |
| December 31, 2022 | 108,940,051 | 190,610,250 | 51,558,624 | - | 16,218,518 | 5,530,224 | (48,867,377) | 215,050,239 |
| | | | | | | | | |
| January 1, 2023 | 108,940,051 | 190,610,250 | 51,558,624 | - | 16,218,518 | 5,530,224 | (48,867,377) | 215,050,239 |
| Public offering | 10,615,650 | 25,561,689 | - | - | - | - | - | 25,561,689 |
| Conversion of subscriptions to shares | 23,277,000 | 51,737,788 | (51,737,788) | - | - | - | - | - |
| Share issuance costs | - | (7,702,013) | - | - | 1,415,057 | - | - | (6,286,956) |
| Shares issued for exercise of warrants | 6,034,478 | 16,995,629 | - | - | (2,026,555) | - | - | 14,969,074 |
| Shares issued for exercise of stock options | 575,676 | 1,598,704 | - | - | (1,041,239) | - | - | 557,465 |
| Shares issued for ATM | 15,690,943 | 49,444,256 | - | - | - | - | - | 49,444,256 |
| Stock option expense | - | - | - | - | 4,538,747 | - | - | 4,538,747 |
| Equity portion of convertible promissory note | - | - | - | 3,813,266 | - | - | - | 3,813,266 |
| Fair value of replacement options for Alta Mesa acquisition (Note 9) | - | - | - | - | 81,414 | - | - | 81,414 |
| Cumulative translation adjustment | - | - | 179,164 | - | - | 2,414,123 | - | 2,593,287 |
| Loss for the year | - | - | - | - | - | - | (22,385,977) | (22,385,977) |
| **December 31, 2023** | **165,133,798** | **328,246,303** | - | **3,813,266** | **19,185,942** | **7,944,347** | **(71,253,354)** | **287,936,504** |

**The accompanying notes are an integral part of these consolidated financial statements.**



**enCore Energy Corp.**

**Notes to the Consolidated Financial Statements**

**For the years ended December 31, 2023 and December 31, 2022**

**(Expressed in USD unless otherwise noted)**

## 1. Nature of operations and going concern

enCore Energy Corp. was incorporated on October 30, 2009 under the Laws of British Columbia, Canada. enCore Energy Corp., together with its subsidiaries (collectively referred to as the "Company" or "enCore"), is principally engaged in the acquisition, exploration, and development of uranium resource properties in the United States. In Q1 2024, the Company's Rosita project transitioned to production. The Company's common shares trade on the TSX Venture Exchange and directly on a U.S. Exchange under the symbol "EU." The Company's corporate headquarters is located at 101 N Shoreline, Suite 560, Corpus Christi, TX 78401.

On September 14, 2022, the Company consolidated its issued and outstanding shares on a ratio of three old common shares for every one new post-consolidated common share (the "Share Consolidation"). All current and comparative references to the number of common shares, weighted average number of common shares, loss per share, stock options and warrants have been restated to give effect to this Share Consolidation.

These consolidated financial statements have been prepared on the going concern basis which assumes that the Company will continue in operation for the foreseeable future and, accordingly, will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due, under the historical cost convention except for certain financial instruments that are measured at fair value, as detailed in the Company's accounting policies.

**Geopolitical uncertainty**

Geopolitical uncertainty driven by the Russian invasion of Ukraine has led many governments and utility providers to re-examine supply chains and procurement strategies reliant on nuclear fuel supplies coming out of, or through, Russia. Sanctions, restrictions, and an inability to obtain insurance on cargo have contributed to transportation and other supply chain disruptions between producers and suppliers. As a result of this and coupled with multiple years of declining uranium production globally, uranium market fundamentals are shifting from an inventory driven market to one more driven by production.

**2. Material accounting policy information**

**Basis of preparation**

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the accounting policies. Those areas involving a higher degree of judgment and complexity or areas where assumptions and estimates are significant to the consolidated financial statements are discussed below.

These financial statements were approved for issuance by the Board of Directors on March 25, 2024.





**2. Material accounting policy information** (continued)

**Comparatives**

Certain figures in the comparative period consolidated statements of financial position, consolidated statements of loss and comprehensive loss, consolidated statements of change in equity and consolidated statements of cash flows have been reclassified to meet the current presentation.

**Basis of measurement**

These financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value. All dollar amounts presented are in United States Dollars ("U.S. Dollars") unless otherwise specified. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

**Functional and presentation currency**

These financial statements are presented in U.S. Dollars, unless otherwise specified. During the year ended December 31, 2022, the Company changed its presentation currency from Canadian Dollars to U.S. Dollars. The change in presentation currency is to improve investors' ability to compare the Company's financial results with other publicly traded businesses in the exploration industry.

The functional currency of enCore Energy Corp. is the Canadian Dollar. The functional currency of the Company's subsidiaries is the U.S. Dollar based on the currency of the primary economic environment in which these subsidiaries operate.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive loss in the consolidated statement of loss and comprehensive loss to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive loss. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

On consolidation, the parent Company's financial statements are translated into the presentation currency, being the U.S. Dollar. Assets and liabilities are translated at the period-end exchange rate. Income and expenses are translated at the average exchange rate for the period in which they arise. Exchange differences are recognized in accumulated comprehensive loss as a separate component within equity.

**Consolidation**

These financial statements incorporate the financial statements of the Company and its controlled subsidiaries. Control is defined as the exposure, or rights, to variable returns from involvement with an investee and the ability to affect those returns through power over the investee. Power over an investee exists when an investor has existing rights that give it the ability to direct the activities that significantly affect the investee's returns. This control is generally evidenced through owning more than 50% of the voting rights or currently exercisable potential voting rights of a Company's share capital. All significant intercompany transactions and balances have been eliminated.





**2. Material accounting policy information** (continued)

These consolidated financial statements include the financial statements of the Company and its significant subsidiaries listed in the following table:

| Name of Subsidary | Place of Incorporation | Ownership Interest | Principal Activity | Functional Currency |
|---|---|---|---|---|
| Tigris Uranium US Corp. | Nevada, USA | 100% | Mineral Exploration | USD |
| Metamin Enterprises US Inc. | Nevada, USA | 100% | Mineral Exploration | USD |
| URI, Inc. | Delaware, USA | 100% | Mineral Exploration | USD |
| Neutron Energy, Inc. [3] | Nevada, USA | N/A | Mineral Exploration | USD |
| Uranco, Inc. | Delaware, USA | 100% | Mineral Exploration | USD |
| Uranium Resources, Inc. [2] | Delaware, USA | N/A | Mineral Exploration | USD |
| HRI-Churchrock, Inc. | Delaware, USA | 100% | Mineral Exploration | USD |
| Hydro Restoration Corp. [1] | Delaware, USA | N/A | Mineral Exploration | USD |
| Belt Line Resources, Inc. [1] | Texas, USA | N/A | Mineral Exploration | USD |
| enCore Energy US Corp. | Nevada, USA | 100% | Holding Company | USD |
| Azarga Uranium Corp. | British Columbia, CA | 100% | Mineral Exploration | USD |
| Powertech (USA) Inc. | South Dakota, USA | 100% | Mineral Exploration | USD |
| URZ Energy Corp. | British Columbia, CA | 100% | Mineral Exploration | USD |
| Ucolo Exploration Corp. | Utah, USA | 100% | Mineral Exploration | USD |
| enCore Alta Mesa LLC | Texas, USA | 100% | Mineral Exploration | USD |
| Leoncito Plant, LLC | Texas, USA | 100% | Mineral Exploration | USD |
| Leoncito Restoration, LLC | Texas, USA | 100% | Mineral Exploration | USD |
| Leoncito Project, LLC | Texas, USA | 100% | Mineral Exploration | USD |
| Azarga Resources Limited | British Virgin Islands | 100% | Mineral Exploration | USD |
| Azarga Resources (Hong Kong) Ltd. | Hong Kong | 100% | Mineral Exploration | USD |
| Azarga Resources USA Company | Colorado, USA | 100% | Mineral Exploration | USD |
| Azarga Resources Canada Ltd. | British Columbia, CA | 100% | Mineral Exploration | USD |

1 Hydro Restoration Corp. and Belt Line Resources, Inc. were divested in April 2023 (Note 4,9).
2 Uranium Resources, Inc. was dissolved during the year.
3 Neutron Energy, Inc. was divested in July 2023 (Note 4,9).

**Cash**

Cash is comprised of cash held at banks and demand deposits.

**Restricted cash**

As of December 31, 2023, the Company deposited $ 7,679,859 for collateralization of its performance obligations with an unrelated third party also known as performance bonds. These funds are not available for the payment of general corporate obligations. The performance bonds are required for future restoration and reclamation obligations related to the Company's operations. (Note 11).

**2. Material accounting policy information** (continued)

**Asset retirement obligations**

Various federal and state mining laws and regulations require the Company to reclaim the surface areas and restore underground water quality for its in situ recovery (ISR) projects to the pre-existing or background average quality after the completion of mining. Asset retirement obligations, consisting primarily of estimated restoration and reclamation costs at the Company's ISR projects, are recognized in the period incurred and recorded as liabilities at fair value. Such obligations, which are initially estimated based on discounted cash flow estimates, are accreted to full value over time through charges to accretion expense. In addition, the asset retirement cost is capitalized as part of the asset's carrying value and amortized over the life of the related asset. Asset retirement obligations are periodically adjusted to reflect changes in the estimated present value resulting from revisions to the estimated timing or amount of restoration and reclamation costs. As the Company completes its restoration and reclamation work at its properties, the liability is reduced by the carrying value of the related asset retirement liability based on completion of each restoration and reclamation activity. Any gain or loss upon settlement is charged the consolidated statement of loss in the period. The Company reviews and evaluates its asset retirement obligations annually or more frequently if deemed necessary.

**Assets held for sale**

The Company classifies long-lived assets or disposal groups to be sold as held for sale in the period in which all of the following criteria are met: management commits to a plan to sell the asset or disposal group; the asset or disposal group is available for immediate sale; an active program to locate a buyer is initiated; the sale of the asset or disposal group is highly probable, within 12 months.

**Mineral properties**

The Company has certain mineral property assets that are in the exploration stage, and records exploration and evaluation assets, which consist of the costs of acquiring licenses for the right to explore and costs associated with exploration and evaluation activity, at cost. All direct and indirect costs related to the acquisition, exploration and development of exploration and evaluation assets are capitalized by property.

The exploration and evaluation assets are capitalized until the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable. Exploration and evaluation assets are then assessed for impairment and reclassified to mining property on the consolidated statement of financial position. If an exploration and evaluation property interest is abandoned, both the acquisition costs and the exploration and evaluation cost will be written off to net income or loss in the period of abandonment.

On an ongoing basis, exploration and evaluation assets are reviewed on a property-by-property basis to consider if there are any indicators of impairment, including the following:

(i) Whether the period during which the Company has the right to explore in the specific area has expired during the year or will expire in the near future;

(ii) Whether substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;

(iii) Whether the Company has decided to discontinue activities in an area as the exploration and evaluation activities in the area have not led to the discovery of commercially viable quantities of mineral resources; and

(iv) Whether sufficient data exists to indicate, although a development in a specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

If any indication of impairment exists, an estimate of the exploration and evaluation asset's recoverable amount is determined. The recoverable amount is determined as the higher of the fair value less costs of disposal for the exploration and evaluation property interest and its value in use. The fair value less costs of disposal and the value in use is determined for an individual exploration and evaluation property interest, unless the exploration and evaluation property interest does not generate cash inflows that are largely independent of other exploration and evaluation property interests. If this is the case, the exploration and evaluation property interests are grouped together into cash generating units ("CGUs") for impairment purposes. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in net income or loss for the period. Where an impairment subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or CGU) in prior periods. A reversal of an impairment loss is recognized in the period in which that determination was made in net income or loss.

**2. Material accounting policy information** (continued)

**Investments in uranium**

Investments in uranium are initially recorded at cost, on the date that control of the uranium passes to the Company. Cost is calculated as the purchase price and any directly attributable expenditure. Subsequent to initial recognition, investments in uranium are measured at fair value at each reporting period end. Fair value is determined based on the most recent month-end spot prices for uranium published by UxC LLC ("UxC"). Related fair value gains and losses subsequent to initial recognition are recorded in the consolidated statement of loss and comprehensive loss as a component of "Other Income (Expense)" in the period in which they arise.

In 2022, the Company entered into fixed price agreements for future purchases of uranium. These agreements required the Company to make a deposit at the time of contract execution toward its future purchase. These deposits are recorded on the Company's statement of financial position in accordance with IFRS 9. The deposit was fully applied in 2023 and now has a balance of nil.

**Investments in associates**

Investments in associates are accounted for using the equity method. The equity method involves the recording of the initial investment at cost and the subsequent adjusting of the carrying value of the investment for the Company's proportionate share of the earnings or loss. The cost of the investment includes transaction costs.

Adjustments are made to align the accounting policies of the associate with those of the Company before applying the equity method. When the Company's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of that interest is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Company resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

**Property, plant and equipment**

Useful lives are based on the Company's estimate at the date of acquisition and are as follows for each class of assets:

| Category | Range |
|---|---|
| Uranium Plants | Straight-line over 15-25 years |
| Other Property Plant and Equipment | Straight-line over 3-5 years |
| Software | Straight-line over 2-3 years |
| Furniture | Straight-line over 3-5 years |
| Buildings | Straight-line over 10-40 years |

**Uranium plants**

Uranium plant expenditures for new facilities or equipment and expenditures that extend the useful lives of existing facilities or equipment are capitalized and recorded at cost. Depreciation of uranium plants is computed based upon the estimated useful lives of the assets. Repair and maintenance costs are expensed as incurred. Gain or loss on disposal of such assets is recorded as other income or expense as such assets are disposed.





**2. Material accounting policy information** (continued)

**Other property, plant and equipment and furniture**

Other property, plant and equipment consists of office equipment, and transportation equipment. Depreciation on other property, plant and equipment and furniture is computed based upon the estimated useful lives of the assets. Repairs and maintenance costs are expensed as incurred. Gain or loss on disposal of such assets is recorded as other income or expense as such assets are disposed.

**Buildings**

Depreciation on buildings is computed based upon the estimated useful lives of the asset. Repairs and maintenance costs are expensed as incurred. Gain or loss on disposal of such assets is recorded as other income or expense as such assets are disposed.

**Software**

Software acquired in the normal course of business through a perpetual license is capitalized and depreciated over the estimated useful life of the asset. Support and maintenance costs are expensed as incurred. Gain or loss on disposal of such assets is recorded as other income or expense as such assets are disposed.

**Intangible assets**

Intangible assets are recognized and measured at cost. Intangible assets with indefinite useful lives are assessed for impairment annually and whenever there is an indication that the intangible asset may be impaired. Intangible assets that have finite useful lives are amortized over their estimated remaining useful lives. Amortization methods and useful lives are reviewed at each reporting period and are adjusted if appropriate.

Useful lives are based on the Company's estimate at the date of acquisition and are as follows for each class of assets:

| Category | Range |
|---|---|
| Data Access Agreement | Straight-line over 14 years |
| Data Purchases | Indefinite life intangible asset |

**Impairment of non-financial assets**

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs of disposal and the value in use. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects a current market assessment of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs. When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.





**2. Material accounting policy information** (continued)

**Leases**

In accordance with IFRS 16, the Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset represents the Company's right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Right-of-use assets and lease liabilities are recognized at the commencement date of the lease based on the present value of lease payments over the lease term.

**Current and deferred income tax**

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Temporary differences are not provided for the initial recognition of assets or liabilities that do not affect either accounting or taxable loss or those differences relating to investments in subsidiaries to the extent that they are not probable to reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the date of the statement of financial position.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it is not recorded.

**Recovery of deferred tax assets**

Judgment is required in determining whether deferred tax assets are recognized in the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the date

of the statement of financial position could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods. The Company has not recorded any deferred tax assets.

**Loss per share**

The Company presents basic and diluted loss per share ("EPS") data for its common shares. Basic EPS is calculated by dividing the loss of the Company by the weighted average number of common shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding, adjusted for own shares held and for the effects of all potential dilutive common shares related to outstanding stock options and warrants issued by the Company for the years presented, except if their inclusion proves to be anti-dilutive.





**2. Material accounting policy information** (continued)

**Share-based payments**

The fair value of all stock options granted to directors, officers, and employees is recorded as a charge to operations and a credit to contributed surplus. The fair value of these stock options is measured at the grant date using the Black-Scholes option pricing model. The fair value of stock options which vest immediately is recorded at the grant date. For stock options which vest in the future, the fair value of stock options, as adjusted for the expected level of vesting of the stock options and the number of stock options which ultimately vest, is recognized over the vesting period. Stock options granted to non-employees are measured at the fair value of goods or services rendered or at the fair value of the instruments issued if it is determined that the fair value of the goods or services received cannot be reliably measured. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Warrants issued to brokers are measured at their fair value on the vesting date and are recognized as a deduction from equity and credited to contributed surplus. The fair value of stock options and warrants issued to brokers are estimated using the Black-Scholes option pricing model. Any consideration received on the exercise of stock options and/or warrants, together with the related portion of contributed surplus, is credited to share capital.

**Warrants issued in equity financing transactions**

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore its exploration and evaluation assets. These equity financing transactions may involve the issuance of common shares or units. Each unit comprises of a certain number of common shares and a certain number of share purchase warrants.

Depending on the terms and conditions of each equity financing agreement, the Warrants are exercisable into additional common shares at a price prior to expiry as stipulated by the agreement. Warrants that are part of units are valued based on the residual value method. Warrants that are issued as payment for agency fees or other transactions costs are accounted for as share-based payments.

**Financial instruments**

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are recognized when the rights to receive or obligation to pay cash flows from the assets or liabilities have expired or been settled or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive loss ("FVTOCI"), or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL. Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss and comprehensive loss in the period in which they arise.

**2. Material accounting policy information** (continued)

**Impairment of financial assets at amortized cost**

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in the consolidated statement of loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through the consolidated statement of loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

**Derecognition of financial assets**

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss.

**Derivative financial assets**

Warrants are classified as derivative financial assets and are recorded at FVTPL. Warrants without an active market that are received as attachments to common share units are initially recorded at nominal amounts. At the time of purchase the total unit cost is allocated in full to each common share. Subsequent value is determined at measurement date using a valuation technique, such as the Black-Scholes option pricing model, or when the valuation technique input variables are not reliable, using the intrinsic value, which is equal to the higher of the market value of the underlying security, less the exercise price of the warrant, or zero.

**Newly adopted accounting standards and interpretations**

Effective for annual reporting periods beginning on or after January 1, 2023, the Company adopted the following amendments:

Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – the amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy.

Definition of Accounting Estimates (Amendments to IAS 8) – the amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty." Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

The adoption of these amendments did not have a material impact on the results of its operations and financial position.



**enCore Energy Corp.**
**Notes to the Consolidated Financial Statements**
**For the years ended December 31, 2023 and December 31, 2022**
**(Expressed in USD unless otherwise noted)**

**2. Material accounting policy information** (continued)

**Use of estimates**

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make estimates, assumptions, and judgment in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgments are continuously evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. Although management uses historical experience and its best knowledge of the expected amounts, events or actions to form the basis for estimates, actual results may differ from these estimates.

**Critical accounting estimates:**

**The assessment of the recoverable amount of mineral properties as a result of impairment indicators –** When indicators of impairment are identified, recoverable amount calculations are based either on discounted estimated future cash flows or on comparable recent transactions. The assumptions used are based on management's best estimates of what an independent market participant would consider appropriate. Changes in these assumptions may alter the results of impairment testing, the amount of the impairment charges recorded in the statement of loss and comprehensive loss and the resulting carrying values of assets.

**Asset retirement obligations -** Significant estimates were utilized in determining future costs to complete groundwater restoration, plugging and abandonment of wellfields and surface reclamation at the Company's uranium sites. Estimating future costs can be difficult and unpredictable as they are based principally on current legal and regulatory requirements and ISR site closure plans that may change materially. The laws and regulations governing ISR site closure and remediation in a particular jurisdiction are subject to review at any time and may be amended to impose additional requirements and conditions which may cause our provisions for environmental liabilities to be underestimated and could materially affect our financial position or results of operations. Estimates of future asset retirement obligation costs are also subject to operational risks such as acceptability of treatment techniques or other operational changes.

**Critical accounting judgments:**

**The assessment of indicators of impairment for mineral properties -** The Company follows the guidance of IFRS 6 to determine when a mineral property asset is impaired. This determination requires significant judgment. In making this judgment, the Company evaluates, among other factors, the results of exploration and evaluation activities to date and the Company's future plans to explore and evaluate a mineral property.

**Valuation of acquired mineral properties –** The valuation of mineral properties acquired by the Company requires significant judgement. Acquired mineral properties are valued at their fair market value which can require significant estimates in future cash flows, production, and timing.

**Business combinations and divestments -** The determination of whether a set of assets acquired and liabilities assumed constitute a business may require the Company to make certain judgments, taking into account all facts and circumstances. A business is presumed to be an integrated set of activities and assets capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or economic benefits. The acquisition of Alta Mesa on February 14, 2023 (Note 8) was determined to constitute an acquisition of assets.

The Company completed two transactions in 2023 to divest of non-core assets that resulted in receipt of marketable securities (Note 4). Neither of these transactions led to the Company holding significant influence according to the definition of IAS 28 Investments in Associates, accordingly, they were accounted for as equity investments with the fair value of the securities on the transaction date being recorded on the Company's Statement of Financial Position.





## 3. Uranium contracts

Investments in uranium are categorized in Level 1 of the fair value hierarchy (Note 15).

The following table summarizes the fair value of the physical uranium investment:

| | Investment in uranium $ | Quantity in pounds (lbs) |
|---|---|---|
| Balance, December 31, 2021 | 4,210,000 | 100,000 |
| Sale of uranium investment | (4,245,000) | (100,000) |
| Gain on sale of uranium | 35,000 | |
| Balance, December 31, 2022 | - | - |
| Investment in uranium | 19,572,500 | 400,000 |
| Sale of uranium investment | (22,148,000) | (400,000) |
| Gain on sale of uranium | 2,575,500 | |
| **Balance, December 31, 2023** | **-** | **-** |

During the year ended December 31, 2023, the Company bought and sold 400,000 lbs of $U_3O_8$ (December 31, 2022: 100,000 lbs) and recognized a gain of $2,575,500 (December 31, 2022: $35,000).

**Deposits on uranium investment**

In 2022, the Company entered into two uranium concentrates purchase agreements with an unrelated third party to purchase 300,000 pounds of uranium concentrates from the seller for total consideration of $13,650,000 ($45.33/lb average). The contracts required initial deposits of $3,000,000 cumulative, which was paid in 2022, and final payment totaling $ 10,650,000 in 2023.

**Sales contracts**

In 2021, the Company entered into several contracts with traders and nuclear utilities. These contracts are designed to retain exposure to spot pricing while also incorporating minimum floor and maximum ceiling prices, which are adjusted annually for inflation. The minimum floor prices are set to ensure a reasonable margin over the Company's expected operational costs, allowing for participation in potential increases in uranium prices.

As of December 31, 2023, uranium sales contracts over the next five years are as follows:

| Year | Sales Commitments in Pounds |
|---|---|
| 2024 | 720,000 |
| 2025 | 700,000 |
| 2026 | 700,000 |
| 2027 | 650,000 |
| 2028 | 200,000 |

**Loan agreements**

In December 2023 the Company entered into a Master Transaction Agreement which included a loan agreement with Boss Energy Ltd. The master transaction agreement closed February 19, 2024 (Note 19). Pursuant to the loan agreement Boss Energy will loan the Company up to 200,000 pounds of uranium. The loan will bear interest of 9% and be repayable in 12 months in cash or uranium at the election of Boss Energy.





## 4. Marketable securities

In May 2022, the Company divested Cibola Resources, LLC to Elephant Capital ("Elephant") pursuant to a Share Purchase Agreement whereby the Company received consideration in the form of 11,308,250 common shares with a market value of $ 0.27 per share. Elephant was subsequently acquired by Evolving Gold Corp., who renamed themselves American Future Fuel Corp. ("AFFC"). Accordingly, the 11,308,250 shares of Elephant were converted to 11,308,250 shares of AFFC (CSE: AMPS). The cost base of the Company's shareholdings is $3,041,955.

As at December 31, 2023, all of the shares held are free trading (the "Trading Shares") or will become free trading within the next 12 months. These shares have been classified as a current asset on the consolidated statements of financial position, due to the Company's ability to liquidate those shareholdings within the next 12 months. These shares are carried at a fair value of $2,265,794 ($0.20 per share) (December 31, 2022 - $ 3,924,156 ($0.35 per share)).

In October 2022, the Company received 80,000 common shares of Uravan Minerals Inc. ("Uravan") with a market value of $ 0.12 per share pursuant to its previous agreement with Prime Fuels Corp. ("PFC") to divest of the Company's Lisbon mining claims. The agreement required that PFC pay the Company 10% of any consideration PFC received upon sale, transfer, or exchange to a third party. Uravan acquired PFC and all of the mineral claims on October 28, 2022. The cost base of the Company's shareholdings was $9,530. The shares were classified as a current asset on the consolidated statements of financial position, due to the Company's ability to liquidate those shareholdings within the next 12 months. On July 7, 2023, in conjunction with Uravan's acquisition of all of the outstanding shares of Nuclear Fuels Inc, ("NFI") these shares were converted on a 1:0.8 basis. or 64,000 common shares of Nuclear Fuels Inc.

In April 2023, the Company divested of Belt Line Resources Inc and Hydro Restoration Corp to Nuclear Fuels Inc ("NFI") pursuant to a Share Purchase Agreement whereby the Company received consideration in the form of 8,566,975 common shares (19.9% of the total shareholding in NFI) with a market value of $0.33 per share. The Company exercised significant judgement in the assessment of the interest in NFI specifically when considering the level of decision-making authority the Company could exercise over NFI and concluded that NFI is an equity investment recorded and measured at fair value through profit and loss (FVTPL).

During the year ended December 31, 2023, NFI was acquired by Uravan Minerals Inc., who renamed themselves Nuclear Fuels Inc. As a result of this transaction the Company received 696,825 additional shares related to a contractual top up right for a total aggregate ownership of 9,327,800 shares (19.9% of the total shareholding in NFI). The cost base of the Company's shareholdings of NFI is $2,802,030.

As at December 31, 2023, 3,731,120 of the shares held are free trading or will become free trading within the next 12 months. These shares have been classified as a current asset on the consolidated statements of financial position, due to the Company's ability to liquidate those shareholdings within the next 12 months. As at December 31, 2023, 5,596,680 of the shares have been classified as a non-current asset on the consolidated statements of financial position, due to the Company's inability to liquidate those shareholdings

within the next 12 months. The fair value of the 9,327,800 Nuclear Fuels, Inc shares at December 31, 2023 is $ 5,077,980 ($0.544 per share).

In July 2023, the Company divested of Neutron Energy Inc. to Anfield Energy Inc. ("Anfield") pursuant to a Share Purchase Agreement whereby the Company received consideration of C$5,000,000 and 185,000,000 common shares (19.56% of the total shareholding in Anfield). The shares were classified as a current asset on the consolidated statements of financial position, due to the Company's ability to liquidate those shareholdings within the next 12 months. These shares are carried at a fair value of $12,589,065 ($0.068 per share).

In accordance with the Company's material accounting policy, each of these common shares is classified as FVTPL, with gains/losses being recognized to the consolidated statements of loss and comprehensive loss.





**4. Marketable securities** (continued)

The following table summarizes the fair value of the Company's marketable securities at December 31, 2023:

| | | Marketable securities | |
|---|---|---|---|
| | | current | non-current |
| | Volume | $ | $ |
| Balance, December 31, 2021 | | - | - |
| Additions | 11,388,250 | 2,443,094 | 608,391 |
| Change in fair value | | 848,814 | 208,591 |
| Foreign exchange translation | | (129,547) | (32,151) |
| Balance, December 31, 2022 | 11,388,250 | 3,162,361 | 784,831 |
| Additions | 194,247,800 | 7,022,600 | 2,792,500 |
| Reclass from non-current to current | | 787,559 | (787,559) |
| Change in fair value | | 5,732,355 | 185,480 |
| Foreign exchange translation | | 181,177 | 71,535 |
| **Balance, December 31, 2023** | **194,247,800** | **16,886,052** | **3,046,787** |

**5. Intangible assets**

In 2018, the Company acquired access to certain uranium exploration data from VANE Minerals (US) LLC ("VANE") in exchange for 3,000,000 common shares at a fair value of $ 264,096. In 2023, the Company agreed to assume storage and maintenance responsibilities for the data in return for permanent ownership and granting the seller certain back-in rights for any projects developed from the use of the data.

In 2020, for $67,251 the Company permanently acquired certain electronic data pertaining to properties in South Texas from Signal Equities, LLC. The intangible asset was determined to have an indefinite life and therefore is not being amortized but reviewed for impairment annually and more frequently if required.

In 2020, the Company permanently acquired the Grants Mineral Belt database for $ 200,000 through its asset acquisition with Westwater Resources, Inc. In 2021, the Company increased its ownership of related borehole log data through a second purchase of $17,500. This intangible asset was determined to have an indefinite life and therefore is not being amortized but reviewed for impairment annually or more frequently if required.

In 2022, the Company acquired access to the Getty Minerals Database from Platoro West Incorporated for $ 55,948. The intangible asset was determined to have an indefinite life and therefore is not being amortized but reviewed for impairment annually and more frequently if required.

There were no indicators of impairment as at December 31, 2023. The change in the intangible assets during the years ended December 31, 2022, and the year ended December 31, 2023, was as follows:

| | VANE Agreement $ | Getty Database $ | Signal Equities Database $ | Grants Mineral Belt Database $ | Total $ |
|---|---|---|---|---|---|
| Balance, December 31, 2021 | 207,504 | - | 67,251 | 217,241 | 491,996 |
| Additions | - | 55,948 | - | - | 55,948 |
| Amortization | (19,764) | - | - | - | (19,764) |
| Currency translation adjustment | 900 | (798) | - | - | 102 |
| Balance, December 31, 2022 | 188,640 | 55,150 | 67,251 | 217,241 | 528,282 |

| | | | | | |
|---|---|---|---|---|---|
| Amortization | (19,053) | - | - | - | (19,053) |
| Currency translation adjustment | 5,395 | (895) | 893 | (901) | 4,492 |
| **Balance, December 31, 2023** | **174,982** | **54,255** | **68,144** | **216,340** | **513,721** |





## 6. Property, plant, and equipment

In February 2023, through its asset acquisition of Alta Mesa, the Company acquired a variety of property, plant, and equipment assets (Note 9).

In May 2023, the Company acquired proprietary Prompt Fission Neutron ("PFN") technology and equipment. The asset is amortized over its expected useful economic life of 10 years.

| | Uranium plants $ | Other property and equipment $ | Furniture $ | Buildings $ | Software $ | Total $ |
|---|---|---|---|---|---|---|
| Balance, December 31, 2021 | 1,309,515 | 214,748 | 16,470 | 62,946 | - | 1,603,679 |
| Additions | 758,747 | 172,198 | 8,507 | - | 60,135 | 999,587 |
| Disposals | | | | | | |
| Depreciation | (162,208) | (78,646) | (4,377) | (2,316) | (21,298) | (268,845) |
| Balance, December 31, 2022 | 1,906,054 | 308,300 | 20,600 | 60,630 | 38,837 | 2,334,421 |
| Additions | 9,125,821 | 4,603,420 | 94,035 | 308,384 | - | 14,131,660 |
| Disposals | | | | | | |
| Depreciation | (625,951) | (792,836) | (28,726) | (15,959) | (30,192) | (1,493,664) |
| Currency translation adjustment | - | 305 | (1,612) | - | (1,250) | (2,557) |
| **Balance, December 31, 2023** | **10,405,924** | **4,119,189** | **84,297** | **353,055** | **7,395** | **14,969,860** |

## 7. Right-of-use assets and lease liability

In 2021, the Company entered into a contractual agreement to lease office space in Corpus Christi, Texas through June 30, 2025. The terms of the lease call for a monthly lease payment of $5,417. The Company recorded a right-of use ("ROU") asset and a corresponding lease obligation of $221,139 on July 1, 2021.When measuring the present value of lease obligations, the remaining lease payments were discounted using the estimated borrowing rate of 7%.

In 2021, the Company acquired a lease agreement for additional office space in Vancouver, B.C. through July 10, 2023. During the year ended December 31, 2023, this lease expired, and the related security deposit was returned to the Company.

In 2022, the Company entered into a contractual agreement to lease office space in Corpus Christi, Texas through August 31, 2024. During the year ended December 31, 2023, this lease was terminated.

In 2023, the Company entered into a contractual agreement to lease office space in Corpus Christi, Texas through June 30, 2025. The terms of the lease call for a monthly lease payment of $1,516. The Company recorded a right-of use ("ROU") asset and a corresponding lease obligation of $40,325 on February 1, 2023. When measuring the present value of lease obligations, the remaining lease payments were discounted using the estimated borrowing rate of 7%.

In 2023, the Company entered into a contractual agreement to lease additional office space in Corpus Christi, Texas through June 30, 2025. The terms of the lease call for a monthly lease payment of $5,994. The Company recorded a right-of use ("ROU") asset and a corresponding lease obligation of $149,325 on April 1, 2023. When measuring the present value of lease obligations, the remaining lease payments were discounted using the estimated borrowing rate of 7%.

In 2023, the Company entered a contractual agreement to lease office space in Dallas, Texas through October 31, 2028. The terms of the lease call for a monthly lease payment of $5,087. The Company recorded a right-of use ("ROU") asset and a corresponding lease obligation of $260,141 on June 1, 2023. When measuring the present value of lease obligations, the remaining lease payments were discounted using the estimated borrowing rate of 7%.

**7. Right-of-use assets and lease liability** (continued)

The change in the lease liability during the year ended December 31, 2022, and the year ended December 31, 2023 was as follows:

| | Leased asset<br>$ | Leased offices<br>$ | Total<br>$ |
|---|---|---|---|
| Balance, December 31, 2021 | 3,416 | 246,093 | 249,509 |
| Additions | - | 34,898 | 34,898 |
| Accretion | 77 | 15,157 | 15,234 |
| Lease payments made | (3,493) | (103,953) | (107,446) |
| Currency translation adjustment | - | (11,767) | (11,767) |
| Balance, December 31, 2022 | - | 180,428 | 180,428 |
| Less: current lease liability | - | (84,262) | (84,262) |
| Balance (long-term), December 31, 2022 | - | 96,166 | 96,166 |
| Additions | - | 449,823 | 449,823 |
| Lease termination | - | (22,945) | (22,945) |
| Accretion | - | 32,838 | 32,838 |
| Lease payments made | - | (177,439) | (177,439) |
| Currency translation adjustment | - | 10,083 | 10,083 |
| **Balance, December 31, 2023** | - | **472,788** | **472,788** |
| Less: current lease liability | - | (177,641) | (177,641) |
| **Balance (long-term), December 31, 2023** | **-** | **295,147** | **295,147** |

As of December 31, 2023, the undiscounted future lease payments are as follows:

| **Year** | **$** |
|---|---|
| 2024 | 206,196 |
| 2025 | 140,121 |
| 2026 | 63,874 |
| 2027 | 65,182 |
| 2028 | 55,227 |
| **Total** | **530,600** |

**8. Asset acquisition**

In November 2022, the Company, and Energy Fuels, Inc ("Energy Fuels") entered into a Definitive Agreement. Pursuant to the terms and subject to the conditions in the Definitive Agreement, on February 14, 2023, the Company acquired the Alta Mesa in-Situ Recovery uranium project ("Alta Mesa").

The aggregate amount of the total consideration was $ 120,574,541 which consisted of a cash payment of $ 60,000,000, the issuance of a $60,000,000 secured vendor takeback convertible promissory note and 44,681 enCore stock options (the "Replacement Options") for options held by Energy Fuels option holders, valued at $81,414 using the Black-Scholes option pricing model, and total transaction costs of $493,127 associated with the Arrangement.





**8. Asset acquisition** (continued)

The transaction did not qualify as a business combination according to the definition in IFRS 3 *Business Combinations.* It has been accounted for as an asset acquisition with the purchase price allocated based on the estimated fair value of the assets and liabilities summarized as follows:

| **Consideration** | **$** |
|---|---|
| Cash | 60,000,000 |
| Convertible promissory note | 60,000,000 |
| Fair value of replacement options | 81,414 |

| | |
|---|---|
| Transaction costs | 493,127 |
| **Total consideration value** | **120,574,541** |

| **Net assets acquired** | **$** |
|---|---|
| Prepaids | 42,374 |
| Property, plant, and equipment | 6,111,000 |
| Mineral properties | 120,196,484 |
| Asset retirement obligations | (5,488,969) |
| Accounts payable and accrued liabilities | (286,348) |
| **Total net assets acquired** | **120,574,541** |

The value of the replacement options has been derived using the Black-Scholes option pricing model. The weighted average assumptions used in the Black-Scholes option pricing model are as follows:

| **Weighted Average** | |
|---|---|
| Exercise Price | $ 3.10 |
| Share price | $ 3.20 |
| Discount Rate | 3.39% |
| Expected life (years) | 5.00 |
| Volatility | 99.48% |
| **Fair value of replacement options (CAD per option):** | $ 2.43 |

The fair value of the Replacement Options is based on the issuance of 44,681 options with a fair value of $81,414 (C$108,636).





## 9. Mineral properties

| | Arizona $ | Colorado $ | New Mexico $ | South Dakota $ | Texas $ | Utah $ | Wyoming $ | Total $ |
|---|---|---|---|---|---|---|---|---|
| Balance, December 31, 2021 | 900,719 | 619,902 | 4,395,822 | 85,667,919 | 1,455,206 | 1,804,283 | 41,235,727 | **136,079,578** |
| Exploration costs: | | | | | | | | |
| Drilling | - | - | - | - | 197,422 | - | - | 197,422 |
| Acquisition, maintenance and lease fees | 111,004 | - | 472,401 | - | 2,523,123 | 39,566 | 397,324 | 3,543,418 |
| Permitting & Licensing | - | (30,280) | - | 251,863 | 339,225 | 5,698 | 273,726 | 840,232 |
| Personnel | 4,500 | 8,621 | - | 301,066 | 280,341 | 19,620 | 207,518 | 821,666 |
| Recoveries | - | (20,000) | - | - | - | (2,000) | - | (22,000) |
| Resource review | 118,500 | - | 37,125 | - | 47,104 | 1,680 | 10,080 | 214,489 |
| Divestment: | | | | | | | | |
| Divestment of mineral interest | - | - | - | - | - | (28,485) | - | (28,485) |
| Assets held for sale | (358,969) | - | - | - | - | - | (369,913) | (728,882) |
| Project development costs: | | | | | | | | |
| Construction of wellfields | - | - | - | - | 1,670,151 | - | - | 1,670,151 |
| Drilling | - | - | - | - | 2,109,835 | - | - | 2,109,835 |
| Personnel | - | - | - | - | 521,662 | - | - | 521,662 |
| Balance, December 31, 2022 | 775,754 | 578,243 | 4,905,348 | 86,220,848 | 9,144,069 | 1,840,362 | 41,754,462 | 145,219,086 |
| Exploration costs: | | | | | | | | |
| Drilling | - | - | - | - | 7,300 | - | - | 7,300 |
| Acquisition, maintenance and lease fees | 99,415 | 4,544 | 49,370 | 312,927 | 121,414,182 | 49,910 | 296,298 | 122,226,646 |
| Consulting | 141 | 4,566 | 138 | 4,742 | 96,937 | 552 | 38,511 | 145,587 |
| Personnel | - | 8,069 | - | 174,850 | 426,773 | - | 75,317 | 685,009 |
| Impairment | - | - | - | - | (1,537,168) | (658) | - | (1,537,826) |
| Divestment: | | | | | | | | |
| Divestment of mineral interest | (358,969) | - | (2,433,353) | - | - | - | (376,039) | (3,168,361) |
| Assets held for sale | 358,969 | - | - | - | - | - | 369,913 | 728,882 |
| Project development costs: | | | | | | | | |
| Construction of wellfields | - | - | - | - | 1,060,260 | - | - | 1,060,260 |
| Drilling | - | - | - | - | 5,898,856 | - | - | 5,898,856 |
| Personnel | - | - | - | - | 1,245,519 | - | - | 1,245,519 |
| Reclassification | | | | | | | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Reclassification to mining properties | - | - | - | - | (5,301,820) | - | - | (5,301,820) |
| **Balance, December 31, 2023** | **875,310** | **595,422** | **2,521,503** | **86,713,367** | **132,454,908** | **1,890,166** | **42,158,462** | **267,209,138** |





**9. Mineral properties** (continued)

**Assets Held for Sale**

On April 1, 2023, the Company divested its subsidiaries Belt Line Resources, Inc. and Hydro Restoration Corp to NFI (Note 4). Beltline Resources, Inc owned the Moonshine Springs project in Arizona. Hydro Restoration Corp owned the Kaycee and Bootheel projects in Wyoming. Pursuant to two Share Purchase Agreements dated November 3, 2022, the Company received 8,566,975 shares of NFI with a fair value of $2,792,500. The net book value of the two subsidiaries was $ 735,863 at the transaction date, resulting in a gain on divestment of subsidiary of $2,056,637.

**Arizona**

The Company owns or controls several Arizona State mineral leases and unpatented federal lode mining claims covering acreage in northern Arizona strip district.

At December 31, 2023, the Company held cash bonds for $ 88,500 (December 31, 2022 - $88,500) with the Bureau of Land Management. Subsequent to the period ended December 31, 2023, the bond has been released and funds have been returned to the Company (Note 19).

**Colorado**

***Centennial***

The Centennial Uranium Project is located in Colorado. In 2006, the Company entered into an option agreement to purchase uranium rights on certain areas of the Centennial Project for consideration of $1,895,000 plus contingent payments of $ 3,165,000. Pursuant to the agreement, the contingent payments are payable upon receipt of regulatory permits and licenses allowing uranium production. If the Company does not obtain such permits and licenses by September 27, 2019, the uranium rights, at the option of the seller, can be transferred back to the seller. To date, the Company has neither obtained the required permits and licenses, nor has it been able to renegotiate the option agreement. The Company is attempting to renegotiate the option agreement and the seller has not exercised its option to have the uranium rights transferred back.

**New Mexico**

On July 20, 2023, the Company divested its subsidiary Neutron Energy, Inc, including its holding of the Marquez-Juan Tafoya Uranium Project to Anfield Energy, Inc. Pursuant to a Share Purchase Agreement, the Company received cash consideration of $3,796,000 (C$5,000,000) and 500,000,000 shares of Anfield with a fair value of $ 7,022,600. (Note 4). The net book value of the subsidiary was $2,433,353 at the transaction date, transaction costs of $ 423,387 were incurred and $32,826 in currency exchange effect was recognized resulting in a gain on divestment of subsidiary of $7,994,688.

***Nose Rock***

The Nose Rock Project is located in McKinley County, New Mexico.

***Treeline***

The Treeline project is located in McKinley and Cibola Counties, Grants Uranium District, New Mexico.

***McKinley, Crownpoint and Hosta Butte***

The Company owns a 100% interest in the McKinley properties and a 60 - 100% interest in the adjacent Crownpoint and Hosta Butte properties, all of which are located in McKinley County, New Mexico. The Company holds a 60% interest in a portion of a certain section at Crownpoint. The Company owns a 100% interest in the rest of the Crownpoint and Hosta Butte project area, subject to a 3% gross profit royalty on uranium produced.

***West Largo***

The West Largo Project is near the Grants Mineral Belt in McKinley County, New Mexico.

**9. Mineral properties** (continued)

**New Mexico** (continued)

***Other New Mexico Properties***

The Company holds mineral properties in an area located primarily in McKinley County in northwestern New Mexico.

In January 2022, the Company divested certain mineral interest to Ambrosia Solar, LLC ("Ambrosia"). The assets, having no net book value at the transaction date, resulted in a gain on disposal of the mineral interests of $48,480 recorded on the Company's consolidated statements of loss and comprehensive loss.

Under the agreement, Ambrosia retained the right to acquire the uranium mineral rights associated with the property by quit claim deed to be furnished by the Company. In 2023, the Company received an additional payment of $24,240 to extend the option through January 14, 2024 which was recorded on the Company's consolidated statements of loss and comprehensive loss. Subsequent to the year ended December 31, 2023, Ambrosia exercised its final option to complete the purchase of these rights and the Company received an additional payment of $24,240.

Related to a 2021 agreement, Wildcat Solar Power Plant, LLC exercised its option to acquire rights to certain mineral interests in September 2023. $16,000 was received in consideration. The asset having no net book value at the transaction date, resulted in a gain on disposal of the mineral interests of $16,000 recorded on the Company's consolidated statement of comprehensive loss.

**South Dakota**

***Dewey-Burdock***

The Dewey-Burdock Project is an in-situ recovery uranium project located near Edgemont, South Dakota.

**Texas**

***Kingsville Dome***

The Kingsville Dome project is located in Kleberg County, Texas on land owned by the Company.

***Rosita***

The Rosita Project is located in Duval County, Texas on land owned by the Company.

At December 31, 2023, in accordance with its material accounting policy for mineral properties, the Company assessed its Rosita South Extension mineral property assets for impairment and found that the asset at a carrying value of $6,757,297 and a recoverable value of $5,301,822, resulting in an impairment charge of $ 1,455,475 on the Company's consolidation statement of loss and comprehensive loss. Subsequent to recording impairment, the asset was reclassified as a Mining property asset (Note 10).

***Upper Spring Creek***

The Upper Spring Creek Project is located in Live Oak and Bee counties in Texas.

***Butler Ranch***

The Butler Ranch Exploration project is located in Karnes County, Texas.

***Alta Mesa Project***

The Alta Mesa Project is located in Brooks County, Texas.

Subsequent to the period ended December 31, 2023, the Company completed several transactions under a master transaction agreement with an unrelated company Boss Energy Ltd. The completion of this transaction resulted in the Company holding a 70% interest in the project while also remaining as the project manager. Boss Energy Ltd. holds a 30% interest in the project (Note 19) .

**9. Mineral properties** (continued)

**Utah**

***Ticaboo***

The Company owns three portions of a claim block located in Shootarang Canyon, Utah. The Company has a federal Plan of Operation and State of Utah approval for processing of the assets.

***Other Utah Properties***

The Company owns various mining claims throughout Utah, as well as its Cedar Mountain project located northwest of the White Mesa Mill in Blanding County, Utah.

**Wyoming**

***Gas Hills***

The Gas Hills Project is located in Riverton, Wyoming.

***Dewey Terrace***

The Dewey Terrace Project is located in Weston and Niobrara Counties of Wyoming. The project is adjacent to the Company's NRC licensed Dewey-Burdock Project along the Wyoming-South Dakota state line.

***Juniper Ridge***

The Juniper Ridge Project is located in the southwest portion of Wyoming.

**10. Mining properties**

At December 31, 2023, in accordance with its material accounting policy for mineral properties, the Company reclassified its Rosita Extension mineral property to a producing mining property.

Significant judgment was used to determine the recoverable value in use of the Rosita Extension asset. Recoverability is dependent upon assumptions and judgments in pricing for future uranium sales, costs of production, and mineral reserves. Other assumptions used in the calculation of recoverable amounts are discount rates, future cash flows and profit margins. A 10% change in these assumptions could impact the potential impairment of this asset.

The mining property's balance at December 31, 2023 and December 31, 2022 consists of:

| | Rosita Extension $ | Total $ |
|---|---|---|
| Balance, December 31, 2021 | - | - |
| Additions | - | - |
| Amortization | - | - |
| Balance, December 31, 2022 | - | - |
| Additions | 5,301,820 | 5,301,820 |
| Amortization | - | - |
| **Balance, December 31, 2023** | **5,301,820** | **5,301,820** |



enCore Energy Corp.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2023 and December 31, 2022
(Expressed in USD unless otherwise noted)

## 11. Asset retirement obligations

The Company is obligated by various federal and state mining laws and regulations which require the Company to reclaim surface areas and restore underground water quality for certain assets in Texas, Wyoming, Utah and Colorado. These projects must be returned to the pre-existing or background average quality after completion of mining.

The Company updates these reclamation provisions based on cash flow estimates, and changes in regulatory requirements and settlements annually. The Company used an inflation factor of 2.5% per year and a discount rate of 11% in estimating the present value of its future cash flows.

The asset retirement obligations balance by project is as follows:

| | **December 31, 2023** **$** | December 31, 2022 $ |
|---|---|---|
| Kingsville | 2,458,564 | 3,151,875 |
| Rosita | 1,485,560 | 1,298,397 |
| Vasquez | 40,896 | 34,274 |
| Alta Mesa | 6,574,980 | - |
| Centennial | 168,806 | 168,806 |
| Gas Hills | 63,000 | 63,000 |
| Ticaboo | 36,000 | 36,000 |
| **Asset retirement obligations** | **10,827,806** | 4,752,352 |

The asset retirement obligations continuity summary is as follows:

| **Asset retirement obligation** | **$** |
|---|---|
| Balance, December 31, 2021 | 4,176,493 |
| | |
| Accretion | 429,956 |
| Settlement | (11,324) |
| Change in estimates | 157,227 |
| Balance, December 31, 2022 | 4,752,352 |
| | |
| Additions (Note 9) | 5,488,969 |
| Accretion | 1,099,119 |
| Settlement | (291,449) |
| Change in estimates | (221,185) |
| **Balance, December 31, 2023** | **10,827,806** |

At the year end, the undiscounted cash flows total $ 17,130,164 (December 31, 2022: $6,345,630).

## 12. Share capital

The authorized share capital of the Company consists of an unlimited number of common and preferred shares without par value.

During the year ended December 31, 2023, the Company issued:

i) 10,615,650 units for a public offering at a price of C$ 3.25 per unit for gross proceeds of $ 25,561,689 (C$34,500,863). Each unit consisted of one common share and one-half share purchase warrant. Each whole warrant entitles the holder to purchase one additional share at a price of C$4.05 for a period of three years. The Company paid commissions of $ 1,504,047 (C$2,030,012) and other cash issuance costs of $391,939 (C$529,000).





**12. Share capital** (continued)

ii) 23,277,000 subscription receipts issued December 6, 2022 at a price of C$ 3.00 per Subscription Receipt were converted into units for gross proceeds of $51,737,788 (C$69,831,000). Each unit is comprised of one common share of enCore and one share purchase warrant. Each warrant entitles the holder to purchase one additional share at a price of C$ 3.75 for a period of three years. The Company paid commissions of $3,018,893 (C$4,074,600), other cash issuance costs of $171,365 (C$231,291) and issued 1,350,000 finders' warrants with a fair value of $1,415,067 (C$1,909,916). 1,066,500 of the finder's warrants are exercisable into one common share of the Company at a price of C$ 3.91 for 27 months from closing; 283,500 of the finder's warrants are exercisable into one common share of the Company at a price of C$ 3.25 for 27 months from closing. The value of the finders' warrants was derived using the Black-Scholes option pricing model.

The weighted average assumptions used in the Black-Scholes option pricing model are as follows:

| **Weighted Average** | | |
|---|---|---|
| Quantity | 1,066,500 | 263,500 |
| Exercise Price | $ 3.91 | $ 3.25 |
| Share price | $ 3.20 | $ 3.20 |
| Discount Rate | 4.19% | 4.19% |
| Expected life (years) | 2.25 | 2.25 |
| Volatility | 81.81% | 81.81% |
| **Fair value of finders' warrants (CAD per option):** | $ 1.38 | $ 1.54 |

iii) 6,034,478 common shares were issued on the exercise of warrants, for gross proceeds of $ 16,995,629.

iv) 575,676 common shares were issued on the exercise of stock options, for gross proceeds of $ 557,465. In connection with the stock options exercised, the Company reclassified $1,041,239 from contributed surplus to share capital.

v) In June 2023 the Company filed a Canadian short form base shelf prospectus of $ 140 million and U.S. registration statement on Form F-10. The Company also filed a prospectus supplement, pursuant to which the Company may, at its discretion and from time-to-time, sell common shares of the Company for aggregate gross proceeds of up to $70.0 million. The sale of common shares is to be made through "at-the-market distributions" ("ATM"), as defined in the Canadian Securities Administrators' National Instrument 44-102 Shelf Distributions, directly on a U.S. Exchange. At December 31, 2023, 15,690,943 common shares were sold in accordance with the Company's ATM program for gross proceeds of $49,444,256.

During the year ended December 31, 2022, the Company issued:

i) 6,535,947 units through a "bought deal" prospectus offering at a price of C$ 4.59 per unit, for gross proceeds of $ 23,057,411 (C$30,000,000). Each unit consisted of one common share and one-half share purchase warrant. Each whole warrant entitles the holder to purchase one additional share at a price of C$ 6.00 for a period of two years. The Company paid commissions of $1,239,336 (C$1,612,500), other cash issuance costs of $234,539 (C$305,159) and issued 351,307 finders' warrants with a fair value of $672,343 (C$874,785). The finder's warrants are exercisable into one common share of the Company at a price of C$ 4.59 for two years from closing;

ii) 2,291,642 common shares were issued on the exercise of warrants, for gross proceeds of $ 2,452,227. In connection with certain of the warrants exercised, the Company reclassified $147,772 from contributed surplus and credited share capital;

iii) 1,016,436 common shares were issued on the exercised of stock options, for gross proceeds of $ 1,177,093. In connection with the stock options exercised, the Company reclassified $2,728,487 from contributed surplus and credited share capital; and

iv) 193,348 common shares for the settlement and compensation for services received in relation to the Company's acquisition of Azarga Uranium Corporation during the year ended December 31, 2021.





**12. Share capital** (continued)

**Stock options**

The Company adopted a Stock Option Plan (the "Plan") under which it is authorized to grant options to Officers, Directors, employees and consultants enabling them to acquire common shares of the Company. The number of shares reserved for issuance under the Plan cannot exceed 10% of the outstanding common shares at the time of the grant. The options can be granted for a maximum of five years and vest as determined by the Board of Directors.

The Company's stock options outstanding at December 31, 2023 and December 31, 2022, and the changes for the year then ended, are as follows:

| | Year ended December 31, 2023 | | Year ended December 31, 2022 | |
|---|---|---|---|---|
| | Options # | Weighted average exercise price CAD $ | Options # | Weighted average exercise price CAD $ |
| Options outstanding, beginning of period/year | 7,235,648 | 2.52 | 5,272,294 | 1.42 |
| Granted | 2,670,181 | 2.85 | 3,107,501 | 4.10 |
| Exercised | (575,676) | 1.31 | (1,016,436) | 1.51 |
| Forfeited/expired | (917,271) | 3.20 | (127,711) | 3.60 |
| **Options outstanding** | **8,412,882** | **$ 2.63** | **7,235,648** | **$ 2.52** |
| **Options exercisable** | **5,921,267** | **$ 2.39** | **4,928,144** | **$ 1.78** |

As of December 31, 2023, stock options outstanding were as follows:

| | Options Outstanding December 31, 2023 | | | Options Exercisable December 31, 2023 | |
|---|---|---|---|---|---|
| Option price per share | Options # | Weighted remaining life (years) | Weighted exercise price CAD $ | Options # | Weighted exercise price CAD $ |
| $ 0.18 - 1.92 | 2,792,289 | 0.33 | $ 0.77 | 2,792,289 | $ 0.77 |
| $ 2.40 - 3.79 | 2,981,008 | 1.43 | $ 2.89 | 1,090,331 | $ 2.92 |
| $ 4.20 - 5.76 | 2,639,585 | 0.93 | $ 4.30 | 2,038,647 | $ 4.33 |
| | **8,412,882** | **2.68** | **$ 2.63** | **5,921,267** | **$ 2.39** |

During the year ended December 31, 2023, the Company granted an aggregate of 2,670,181 stock options to Directors, Officers, employees, and an accounting advisory consultant of the Company. A fair value of C$5,616,767 was calculated for these options as measured at the grant date using the Black-Scholes option pricing model.

During the year ended December 31, 2022, the Company granted an aggregate of 3,107,501 stock options to Directors, Officers, and consultants of the Company. A fair value of $7,665,042 was calculated for these options as measured at the grant date using the Black-Scholes option pricing model.

The Company's standard stock option vesting schedule calls for 25% every six months commencing six months after the grant date.

During the year ended December 31, 2023, the Company recognized stock option expense of $ 4,538,747 (December 31, 2022 - $5,744,655) for the vested portion of the stock options.





**12. Share capital** (continued)

**Stock options** (continued)

The fair value of all compensatory options granted is estimated on the grant date using the Black-Scholes option pricing model. The weighted average assumptions used in calculating the fair values are as follows:

| | December 31, 2023 | December 31, 2022 |
|---|---|---|
| Risk-free interest rate | 3.34% | 2.06% |
| Expected life of option | 5.0 years | 4.9 years |
| Expected dividend yield | 0% | 0% |
| Expected stock price volatility | 95.43% | 116.48% |
| Fair value per option | CAD $2.10 | CAD $3.21 |

**Share purchase warrants**

A summary of the status of the Company's warrants as of December 31, 2023, and December 31, 2022, and changes during the year then ended is as follows:

| | Year ended December 31, 2023 | Year ended December 31, 2022 |
|---|---|---|

| | Warrants # | Weighted average exercise price CAD $ | Warrants # | Weighted average exercise price CAD $ |
|---|---|---|---|---|
| Warrants outstanding, beginning of year | 7,494,506 | 4.43 | 6,298,839 | 2.43 |
| Granted | 30,013,783 | 3.80 | 3,670,919 | 5.81 |
| Exercised | (6,034,479) | 3.35 | (2,291,642) | 1.39 |
| Expired | (12,006) | 2.02 | (183,610) | 1.67 |
| **Warrants outstanding, end of period/year** | **31,461,804** | **4.04** | **7,494,506** | **4.43** |

As of December 31, 2023, share purchase warrants outstanding were as follows:

| | | Warrants Outstanding December 31, 2023 | |
|---|---|---|---|
| Warrant price per share | Warrants # | Weighted average remaining life (years) | Weighted average exercise price CAD $ |
| $3.00 - 4.05[1] | 28,088,438 | 1.77 | $ 3.81 |
| $4.59 - 6.00 | 3,373,366 | 0.02 | $ 5.96 |
| | **31,461,804** | **1.79** | **$ 4.04** |

1 Includes 1,000 outstanding warrants at an exercise price of C$ 3.00 which also include power warrants exercisable into one share and one-half warrant. Each whole warrant is exercisable at C$ 3.90 for 36 months.

**Share subscriptions received**

As of December 31, 2022, the Company held in escrow $ 51,558,624 (C$67,596,720) in share subscriptions pertaining to a financing that closed concurrently with the Company's acquisition of Alta Mesa (Note 9).

**Convertible promissory note**

On February 14, 2023, the Company issued a secured convertible promissory note (the "Note") in connection with the Alta Mesa acquisition (Note 9).





**12. Share capital** (continued)

**Convertible promissory note** (continued)

The principal value of the Note is $60,000,000, and the Note is secured by certain assets of the Company pursuant to the terms of a Pledge Agreement, a Security Agreement, and a Guaranty Agreement between the parties.

The principal portion of the Note is convertible at any time and at the option of the holder into common shares of the Company at a conversion price of $2.9103 per share until maturity on February 14, 2025, and bears interest at a rate of 8.0% per annum. Commencing on June 30, 2023, the Company must make semi-annual interest only payments on June 30 and December 31, of each year through to maturity.

The Note was valued initially by measuring the fair value of the liability component using a 12% discount rate, and by allocating the residual (using the residual value method) to the equity conversion feature.

A reconciliation of the convertible debenture components is as follows:

| | Liability $ | Equity $ | Total $ |
|---|---|---|---|
| Balance, December 31, 2022 and December 31, 2023 | - | - | - |
| Issuance of promissory note | 56,186,734 | 3,813,266 | 60,000,000 |
| Accretion expense | 3,052,433 | - | 3,052,433 |
| Principal payments | (40,000,000) | - | (40,000,000) |
| Accrued interest, not yet paid | - | - | - |
| **Balance, December 31, 2023** | **19,239,167** | **3,813,266** | **23,052,433** |

**Liabilities:**

| | | | |
|---|---|---|---|
| Current portion - convertible debenture (accrued interest) | - | - | - |
| Long term portion - convertible debenture | 19,239,167 | - | 19,239,167 |
| **Balance, December 31, 2023** | **19,239,167** | **-** | **19,239,167** |

Subsequent to the period ended December 31, 2023, the outstanding balance on this note was converted by the holder and accrued interest was paid (Note 19).

## 13. Related party transactions and balances

Related parties include key management of the Company and any entities controlled by these individuals as well as other entities providing key management services to the Company. Key management personnel consist of Directors and senior management including the Executive Chairman, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, and Chief Administrative Officer.

The amounts paid to key management or entities providing similar services are as follows:

| | | **December 31, 2023** | December 31, 2022 |
|---|---|---|---|
| | | **$** | $ |
| Consulting | (1) | 154,529 | 103,514 |
| Data acquisition | | - | 55,150 |
| Directors' fees | (2) | 185,583 | 192,604 |
| Staff costs | | 5,956,285 | 1,607,211 |
| Stock option expense | | 3,586,512 | 4,729,503 |
| **Total key management compensation** | | **9,882,909** | 6,687,982 |

(1) During the year ended December 31, 2023, the Company incurred communications & community engagement consulting fees of $ 147,529 (December 31, 2022 - $103,514) according to a contract with Tintina Holdings, Ltd., a company owned and operated by the spouse of the Company's Executive Chairman. The Company also incurred finance and accounting consulting fees of $7,000 (December 31, 2022 – nil) according to a contract with Hovan Ventures LLC, a company owned and operated by the former CFO for the Company.





## 13. Related party transactions and balances (continued)

During the period Tintina Holdings, Ltd's contract was reassigned to a company named 5 Spot Corporation, a new Company owned by the spouse of the Company's Executive Chairman.

(2) Directors' Fees are included in staff costs on the consolidated statements of loss and comprehensive loss.

During the year ended December 31, 2023, the Company granted 2,075,000 options (December 31, 2022: 2,566,667) to key management, with a fair value of $3,174,594 (December 31, 2022: $6,496,785).

As of December 31, 2023, and December 31, 2022, the following amounts were owing to related parties:

| | | **December 31, 2023** | December 31, 2022 |
|---|---|---|---|
| | | **$** | $ |
| 5 Spot Corp | Consulting services | 12,000 | 12,744 |
| Hovan Ventures LLC | Consulting services | 7,000 | - |
| Officers and Board members | Accrued compensation | 2,501,594 | 428,630 |
| | | **2,520,594** | 441,374 |

## 14. Management of capital

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to support the exploration, evaluation, and development of its mineral properties and to maintain a flexible capital structure that optimizes the cost of capital within a framework of acceptable risk. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue debt, and acquire or dispose of assets.

The Company is dependent on the capital markets as its primary source of operating capital and the Company's capital resources are largely determined by the strength of the junior resource markets, the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects.

The Company considers the components of shareholders' equity as capital.

There were no changes in the Company's approach to capital management during the year ended December 31, 2023, and the Company is not subject to any externally imposed capital requirements.

**15. Financial instruments**

Financial instruments include cash, receivables and marketable securities and any contract that gives rise to a financial asset to one party and a financial liability or equity instrument to another party. Financial assets and liabilities measured at fair value are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgement and may affect placement within the fair value hierarchy levels. The hierarchy is as follows:

1. Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.





**15. Financial instruments** (continued)

2. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.

- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

Marketable securities are measured at Level 1 of the fair value hierarchy. The Company classifies these investments as financial assets whose value is derived from quoted prices in active markets and carries them at FVTPL.

The Company classifies its cash, restricted cash and receivables as financial assets measured at amortized cost. Accounts payable, lease liability, due to related parties, and convertible promissory note are classified as financial liabilities measured at amortized cost. The carrying amounts of receivables, accounts payable, and amounts due to related parties approximate their fair values due to the short-term nature of the financial instruments. The carrying value of the Company's convertible promissory note, and lease liabilities approximates fair value as they bear a rate of interest commensurate with market rates.

Investments in uranium are measured at Level 1 of the fair value hierarchy. The Company classifies these investments as financial assets measured at fair value as determined based on the most recent month-end spot prices for uranium published by UxC and converted to Canadian dollars at the date of the consolidated statements of financial position.

**Currency risk**

Foreign currency exchange risk is the risk that future cash flows, net income and comprehensive income will fluctuate as a result of changes in foreign exchange rates. As the Company's operations are conducted internationally, operations and capital activity may be transacted in currencies other than the functional currency of the entity party to the transaction.

The Company's objective in managing its foreign currency risk is to minimize its net exposures to foreign currency cash flows by obtaining most of its estimated annual U.S. cash requirements and holding the remaining currency in Canadian dollars. The Company monitors and forecasts the values of net foreign currency cash flow and consolidated statement of financial position exposures and from time to time could authorize the use of derivative financial instruments such as forward foreign exchange contracts to economically hedge a portion of foreign currency fluctuations.

The following table provides an indication of the Company's foreign currency exposures during the years ended December 31, 2023, and December 31, 2022:

| | **December 31, 2023 C$** | December 31, 2022 C$ |
|---|---|---|
| Cash | 5,120,718 | 216,871 |
| Marketable Securities - Current | 22,333,093 | 3,162,362 |
| Accounts payable and accrued liabilities | (351,193) | (2,890,582) |
| | **27,102,618** | 488,651 |

A 10% change in Canadian/US foreign exchange rate at period end would have changed the net loss of the Company, assuming that all other variables remained constant, by $2,049,192 for the year ended December 31, 2023 (December 31, 2022 - $ 352,315).

The Company has not, to the date of these financial statements, entered into derivative instruments to offset the impact of foreign currency fluctuations.





**15. Financial instruments** (continued)

**Credit risk**

Credit risk arises from cash held by banks and financial institutions and receivables. The maximum exposure to credit risk is equal to the carrying value of these financial assets. Some of the Company's cash is held by a Canadian bank.

**Market risk**

The Company is exposed to market risk because of the fluctuating value of its marketable securities (Note 4). The Company has no control over these fluctuations and does not hedge its investments. Based on the December 31, 2023 value of marketable securities every 10% change in the share price of these holdings would have impacted loss for the period, by approximately $ 1,689,000 (December 31, 2022 - $550,000) before income taxes.

Further, the Company is still primarily in the exploration stage; commodity prices are not reflected in operating financial results. However, fluctuations in commodity prices may influence financial markets and may indirectly affect the Company's ability to raise capital to fund exploration.

**Interest rate risk**

Interest rate risk mainly arises from the Company's cash, which receives interest based on market interest rates. The interest rate risk on cash is not considered significant.

**Liquidity risk**

The Company is primarily engaged in the acquisition, exploration, and development of uranium resource properties in the United States which is subject to significant inherent risk. Declines in the market prices of uranium and delays in the production, changes in the regulatory environment and adverse changes in other inherent risks can significantly and negatively impact the Company's operations and cash flows and its ability to maintain sufficient liquidity to meet its financial obligations. Adverse changes to the factors mentioned above have impacted the recoverability of the Company's mineral properties property, mining properties, and plant and equipment, which may result in impairment losses being recorded.

The Company's current operating budget and future estimated cash flows indicate that the Company will generate positive cash flow in excess of the Company's cash commitments within the twelve-month period following the date these consolidated financial statements were authorized for issuance.

The Company may be required to raise additional funds from external sources to meet these requirements. There is no assurance that the Company will be able to raise such additional funds on acceptable terms, if at all.

If the Company raises additional funds by issuing securities, existing shareholders may be diluted. If the Company is unable to obtain financing from external sources or issuing securities the Company may have difficulty meeting its payment obligations.





**16. Segmented information**

The Company operates in a single segment: the acquisition, exploration, and development of mineral properties in the United States.

The table below provides a breakdown of the Company's long-term assets by geographic segment:

| | South Dakota $ | Texas $ | New Mexico $ | Wyoming $ | Other States $ | Canada $ | Total $ |
|---|---|---|---|---|---|---|---|
| Intangible assets | - | 122,401 | 217,241 | - | 188,640 | - | 528,282 |
| Property, plant and equipment | 60,630 | 2,273,791 | - | - | - | - | 2,334,421 |
| Mineral properties | 86,220,848 | 9,144,069 | 4,905,348 | 41,754,462 | 3,194,359 | - | 145,219,086 |
| Mining properties | - | - | - | - | - | - | - |
| Right-of-use assets | - | 168,871 | - | - | - | 16,743 | 185,614 |
| Balance, December 31, 2022 | 86,281,478 | 11,709,132 | 5,122,589 | 41,754,462 | 3,382,999 | 16,743 | 148,267,403 |
| | | | | | | | |
| Intangible assets | - | 122,399 | 216,340 | - | 174,982 | - | 513,721 |
| Property, plant and equipment | 208,619 | 14,761,241 | - | - | - | - | 14,969,860 |
| Mineral properties | 86,713,367 | 132,454,909 | 2,521,503 | 42,158,462 | 3,360,897 | - | 267,209,138 |
| Mining properties | - | 5,301,820 | - | - | - | - | 5,301,820 |
| Right-of-use assets | - | 443,645 | - | - | - | - | 443,645 |
| **Balance, December 31, 2023** | **86,921,986** | **153,084,014** | **2,737,843** | **42,158,462** | **3,535,879** | **-** | **288,438,184** |

**17. Supplemental cash flows**

The Company incurred non-cash financing and investing activities as follows:

| | December 31, 2023 $ | December 31, 2022 $ |
|---|---|---|
| Non-cash financing activities: | | |
| Share issue costs on finders' warrants issued | 1,415,057 | - |
| Deferred financing costs remaining in accounts payable and accrued liabilities | - | 1,513,220 |
| | **1,415,057** | 1,513,220 |
| Non-cash investing activities: | | |
| Mineral property costs included in accounts payable and accrued liabilities | 327,607 | 27,040 |
| Property, plant, and equipment additions included in accounts payable and accrued liabilities | 187,834 | 20,090 |
| Reclamation Settlements remaining in Accounts Payable | 9,651 | - |
| Convertible promissory note issued for asset acquisition (Note 10) | 60,000,000 | - |
| Marketable securities received on divestitures | 9,815,100 | 3,051,564 |
| | **70,340,192** | 3,098,694 |

There were no amounts paid for income taxes during the years ended December 31, 2023, and December 31, 2022.





**18. Current and deferred income tax**

**Income tax expense (recovery)**

| | December 31, 2023 $ | December 31, 2022 $ |
|---|---|---|
| **Current tax expense (recovery)** | | |
| Current period | 2,450 | |
| | | |
| **Deferred tax expense (recovery)** | | |
| Orgination and reversal of temporary differences | (4,631,094) | (2,949,101) |
| Change in tax rate | (321,972) | |
| Change in unrecognized temporary differences | 4,953,071 | 2,949,101 |
| **Income tax expense (recovery)** | **2,455** | **-** |

**18. Current and deferred income tax** (continued)

The actual income tax provision differs from the expected amount calculated by applying the Canadian combined federal and provincial corporate tax rates to income before tax. These differences result from the following:

| | **December 31, 2023** | December 31, 2022 |
|---|---|---|
| | **$** | $ |
| Loss before income tax | (22,385,977) | (16,515,389) |
| Statutory income tax rate | 27% | 27% |
| Expected income tax expense (recovery) | (6,044,214) | (4,459,155) |
| Increase (decrease) resulting from: | | |
| Change in unrecognized temporary differences | 4,953,071 | 2,949,101 |
| Permanent differences | 1,135,213 | 1,159,884 |
| Change in tax rate | (321,972) | - |
| Effect of tax rates in foreign jurisdictions | 221,891 | 146,727 |
| Share issue costs | - | 201,740 |
| Other | 58,461 | 1,703 |
| **Income tax expense (recovery)** | 2,450 | - |

**Recognized deferred tax assets and liabilities**

Deferred tax assets are attributable to the following:

| | **December 31, 2023** | December 31, 2022 |
|---|---|---|
| | **$** | $ |
| Loss carryforwards | 2,136,465 | 488,823 |
| Lease liability and other | 166,894 | - |
| Deferred tax assets | 2,303,159 | 488,823 |
| Set-off of tax | (2,303,159) | (488,823) |
| **Net deferred tax assets** | **-** | **-** |

Deferred tax liabilities are attributable to the following:

| | **December 31, 2023** | December 31, 2022 |
|---|---|---|
| | **$** | $ |
| Intangible assets | (37,659) | (39,481) |
| Right-of-use assets | (119,784) | (42,472) |
| Fixed assets | (913,369) | (276,699) |
| Convertible note | (182,600) | - |
| Marketable securities | (1,049,747) | (130,171) |
| Deferred tax liabilities | (2,303,159) | (488,823) |
| Set-off of tax | 2,303,159 | 488,823 |
| **Net deferred tax liability** | - | - |

**Unrecognized deferred tax assets**

| | **December 31, 2023** | December 31, 2022 |
|---|---|---|
| | **$** | $ |
| Deductible temporary differences | 16,045,512 | 3,920,076 |
| Tax losses | 40,067,059 | 26,069,552 |
| | 56,112,571 | 29,989,628 |

Deferred tax assets have not been recognized in respect of the above items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom.

**18. Current and deferred income tax** (continued)

The Company has Canadian non-capital loss carryforwards of $ 42,405,288 (December 31, 2022 - $28,628,469), that will start expiring in 2028 and US federal net operating loss carryforwards of $27,093,435 (December 31, 2022 - $21,099,321), of which $21,217,214 can be carried forward indefinitely and $5,876,221 that will start expiring in 2027.

**19. Events after the reporting period**

Subsequent to December 31, 2023, the following reportable events were completed:

**(a)** The Company issued 5,451,669 shares pursuant to the exercise of warrants for gross proceeds of $ 16,507,663 (C$22,280,554).

**(b)** The Company issued 127,716 shares pursuant to the exercise of brokers warrants for gross proceeds of $ 411,979 (C$556,052).

**(c)** The Company sold 393,365 common shares in accordance with the Company's ATM program for gross proceeds of $ 1,595,143.

**(d)** The Company sold 102,400 common shares in accordance with the Company's ATM program for gross proceeds of $ 412,782 (C$557,133).

**(e)** The Company issued 6,872,143 common shares and paid $ 197,701 in accrued interest pursuant to the conversion of the outstanding balance on its convertible note by its holder (Note 12).

**(f)** The Company issued 697,754 common shares pursuant to the exercise of stock options for gross proceeds of $ 900,077 (C$1,214,843).

**(g)** The Company granted 425,000 stock options to employees and contractors with an average exercise price of C$ 6.11.

**(h)** The Company received $85,500 pursuant to the release of a cash bond held by the Bureau of Land Management pertaining to Arizona state mineral leases (Note 10).

**(i)** The Company sold 15,000,000 shares of Anfield Energy Inc for gross proceeds of C$ 1,097,950.

**(j)** The Company purchased 1,716,260 units of NFI at a price of C$ 0.60 per unit. Each unit is comprised of 1 common share and one half of a warrant. This investment maintained the Company's ownership level at 19.9%.

**(k)** The Company received $60 million in consideration of Boss Energy's 30% share of a joint venture arrangement for the Company's Alta Mesa project.

**(l)** The Company received $10 million from Boss Energy for a private placement of 2,564,102 enCore common shares at $ 3.90 per share.

**(m)** The Company entered into a loan agreement providing for up to 200,000 pounds of uranium to be lent by Boss Energy.

**(n)** The Company entered a strategic collaboration agreement with Boss Energy to research and develop the Company's PFN technology, to be financed equally by each party.

**(o)** In the normal course of business, the Company completed the following uranium transactions related to existing uranium contracts (Note 3).:

1) Purchased 125,000 lbs for $9,822,500
2) Sold 320,000 lbs for $30,491,000
3) Received a loan of 200,000 lbs

**Exhibit 99.4**

**CERTIFICATION**
**PURSUANT TO RULE 13a-14(a) OR RULE 15d-14(a)**
**OF THE U.S. SECURITIES EXCHANGE ACT OF 1934**

I, W. Paul Goranson, certify that:

1. I have reviewed this annual report on Form 40-F of enCore Energy Corp.

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

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

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

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

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

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

   d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

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

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

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

Date: March 28, 2024

By: /s/ W. Paul Goranson
W. Paul Goranson
Chief Executive Officer

**Exhibit 99.5**

**CERTIFICATION**
**PURSUANT TO RULE 13a-14(a) OR RULE 15d-14(a)**
**OF THE U.S. SECURITIES EXCHANGE ACT OF 1934**

I, Shona Wilson, certify that:

1. I have reviewed this annual report on Form 40-F of enCore Energy Corp.

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

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

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

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

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

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

   d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

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

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

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

Date: March 28, 2024

By: /s/ Shona Wilson
Shona Wilson
Chief Financial Officer

**Exhibit 99.6**

**CERTIFICATION**
**PURSUANT TO 18 U.S.C. SECTION 1350**
**AND RULE 13a-14(b) OR RULE 15d-14(b)**
**OF THE U.S. SECURITIES EXCHANGE ACT OF 1934**

In connection with the Annual Report of enCore Energy Corp. (the "Company") on Form 40-F for the year ended December 31, 2023 (the "Report"), the undersigned, in the capacity and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

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

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

Dated: March 28, 2024

/s/ W. Paul Goranson
W. Paul Goranson
Chief Executive Officer

**Exhibit 99.7**

**CERTIFICATION**
**PURSUANT TO 18 U.S.C. SECTION 1350**
**AND RULE 13a-14(b) OR RULE 15d-14(b)**
**OF THE U.S. SECURITIES EXCHANGE ACT OF 1934**

In connection with the Annual Report of enCore Energy Corp. (the "Company") on Form 40-F for the year ended December 31, 2023 (the "Report"), the undersigned, in the capacity and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

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

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

Dated: March 28, 2024

/s/ Shona Wilson
Shona Wilson
Chief Financial Officer

**Exhibit 99.8**

DAVIDSON & COMPANY LLP — Chartered Professional Accountants

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We hereby consent to the incorporation by reference in the Annual Report on Form 40-F No. 001-41489 for the year ended December 31, 2023 of enCore Energy Corp. of our report dated March 28, 2024, relating to the consolidated financial statements of enCore Energy Corp, for the year ended December 31, 2023 which is incorporated by reference in this Annual Report on Form 40-F.

We also consent to the incorporation by reference in the Registration Statements on Form F-10 (Nos. 333-269428 and 333- 272609, the " **F-10s**") and on Form S-8 (No. 333-273173, the "**S-8**") of enCore Energy Corp. of our report referred to above and references to our name under the heading "Interests of Experts" in the Annual Information Form forming a part of the Annual Report on Form 40-F, which is incorporated by reference in such Form F-10s and S-8.

**/s/ DAVIDSON & COMPANY LLP**

Vancouver, Canada
(PCAOB ID:731)

Chartered Professional Accountants

March 28, 2024

A member of Nexia International

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Telephone (604) 687-0947 Davidson-co.com

**Exhibit 99.9**

**CONSENT OF EXPERT**

I, W. Paul Goranson, P.E., am one of the authors of the technical report titled “Crownpoint and Hosta Butte Uranium Project, McKinley County, New Mexico, USA Mineral Resource Technical Report, National Instrument 43-101” dated and with an effective date of February 25, 2022 and a revision date of March 16, 2022 (the “**Technical Report**”).

I hereby consent to being named in enCore Energy Corp.’s (the “ **Company**”) Annual Report on Form 40-F (the “**40-F**”) for the fiscal year ended December 31, 2023, to be filed with the U.S. Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, as having prepared the Technical Reports and to the use of the Technical Reports, or any portion thereof, and to the inclusion or incorporation by reference of information derived from the Technical Reports and use of my name in the 40-F and the Company’s Registration Statements on Form F-10 (Nos. 333-269428 and 333-272609, the “**F-10s**”) and on Form S-8 (No. 333-273173, the “ **S-8**”). This consent extends to any amendments to the 40-F or to the F-10s or S-8.

Dated: March 28, 2024

By: /s/ W. Paul Goranson
Name: W. Paul Goranson, P.E.

**Exhibit 99.10**

**CONSENT OF EXPERT**

I, Carl Warren, P.E., P.G., am one of the authors of the technical report titled “Crownpoint and Hosta Butte Uranium Project, McKinley County, New Mexico, USA Mineral Resource Technical Report, National Instrument 43-101” dated and with an effective date of February 25, 2022 and a revision date of March 16, 2022 (the “**Technical Report**”).

I hereby consent to being named in enCore Energy Corp.’s (the “ **Company**”) Annual Report on Form 40-F (the “**40-F**”) for the fiscal year ended December 31, 2023, to be filed with the U.S. Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, as having prepared the Technical Reports and to the use of the Technical Reports, or any portion thereof, and to the inclusion or incorporation by reference of information derived from the Technical Reports and use of my name in the 40-F and the Company’s Registration Statements on Form F-10 (Nos. 333-269428 and 333-272609, the “**F-10s**”) and on Form S-8 (No. 333-273173, the “ **S-8**”). This consent extends to any amendments to the 40-F or to the F-10s or S-8.

Dated: March 28, 2024

By: /s/ Carl Warren
Name: Carl Warren, P.E., P.G.

**Exhibit 99.11**

**CONSENT OF EXPERT**

I, Douglas L. Beahm, P.E., P.G., am an author of:

(i) the amended technical report titled "Crownpoint and Hosta Butte Uranium Project, McKinley County, New Mexico, USA, Mineral Resource Technical Report, National Instrument 43-101" dated February 25, 2022 with an effective date of February 25, 2022 and a revision date of March 16, 2022, and

(ii) the technical report entitled "Technical Report Summary for the Alta Mesa Uranium Project, Brooks and Jim Hogg Counties, Texas, USA" with an effective date of January 19, 2023

(together, the "**Technical Reports**").

I hereby consent to being named in enCore Energy Corp.'s (the " **Company**") Annual Report on Form 40-F (the "**40-F**") for the fiscal year ended December 31, 2023, to be filed with the U.S. Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, as having prepared the Technical Reports and to the use of the Technical Reports, or any portion thereof, and to the inclusion or incorporation by reference of information derived from the Technical Reports and use of my name in the 40-F and the Company's Registration Statements on Form F-10 (Nos. 333-269428 and 333-272609, the "**F-10s**") and on Form S-8 (No. 333-273173, the " **S-8**"). This consent extends to any amendments to the 40-F or to the F-10s or S-8.

Dated March 28, 2024

By: /s/ Douglas L. Beahm
Name: Douglas L. Beahm, P.E., P.G.

**Exhibit 99.12**

**CONSENT OF EXPERT**

I, Steve Cutler, P.G., am an author of:

(i) the technical report entitled "NI 43-101 Technical Report Preliminary Economic Assessment Dewey-Burdock Uranium ISR Project South Dakota, USA" dated December 23, 2020 and effective as of December 3, 2019, and

(ii) the technical report entitled "NI 43-101 Technical Report, Preliminary Economic Assessment, Gas Hills Uranium Project, Fremont and Natrona Counties, Wyoming, USA" dated August 10, 2021 with an effective date of June 28, 2021

(together, the "**Technical Reports**").

I hereby consent to being named in enCore Energy Corp.'s (the " **Company**") Annual Report on Form 40-F (the "**40-F**") for the fiscal year ended December 31, 2023, to be filed with the U.S. Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, as having prepared the Technical Reports and to the use of the Technical Reports, or any portion thereof, and to the inclusion or incorporation by reference of information derived from the Technical Reports and use of my name in the 40-F and the Company's Registration Statements on Form F-10 (Nos. 333-269428 and 333-272609, the "**F-10s**") and on Form S-8 (No. 333-273173, the " **S-8**"). This consent extends to any amendments to the 40-F or to the F-10s or S-8.

Dated March 28, 2024

By: /s/ Steve Cutler
Name: Steve Cutler, P.G.

**Exhibit 99.13**

**CONSENT OF EXPERT**

I, Ray Moores, P.E. of Western Water Consultants Inc., dba, WWC Engineering, am one of the authors of the technical report entitled "NI 43-101 Technical Report, Preliminary Economic Assessment, Gas Hills Uranium Project, Fremont and Natrona Counties, Wyoming, USA" dated August 10, 2021 with an effective date of June 28, 2021 (the "**Technical Report**").

I hereby consent to being named in enCore Energy Corp.'s (the " **Company**") Annual Report on Form 40-F (the "**40-F**") for the fiscal year ended December 31, 2023, to be filed with the U.S. Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, as having prepared the Technical Reports and to the use of the Technical Reports, or any portion thereof, and to the inclusion or incorporation by reference of information derived from the Technical Reports and use of my name in the 40-F and the Company's Registration Statements on Form F-10 (Nos. 333-269428 and 333-272609, the "**F-10s**") and on Form S-8 (No. 333-273173, the " **S-8**"). This consent extends to any amendments to the 40-F or to the F-10s or S-8.

Dated March 28, 2024

By: /s/ Ray Moores
Name: Ray Moores, P.E.

**Exhibit 99.14**

**CONSENT OF EXPERT**

I, Matthew Yovich, am one of the authors of the technical report entitled "NI 43-101 Technical Report Preliminary Economic Assessment Dewey-Burdock Uranium ISR Project South Dakota, USA" dated December 23, 2020 and effective as of December 3, 2019 (the "**Technical Report**"). At the time of preparing the Technical Report, I was a P.E. with Woodard & Curran and a "qualified person" within the meaning of National Instrument 43-101 *Standards of Disclosure for Mineral Projects*. I have since retired.

I hereby consent to being named in enCore Energy Corp.'s (the " **Company**") Annual Report on Form 40-F (the "**40-F**") for the fiscal year ended December 31, 2023, to be filed with the U.S. Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, as having prepared the Technical Reports and to the use of the Technical Reports, or any portion thereof, and to the inclusion or incorporation by reference of information derived from the Technical Reports and use of my name in the 40-F and the Company's Registration Statements on Form F-10 (Nos. 333-269428 and 333-272609, the "**F-10s**") and on Form S-8 (No. 333-273173, the " **S-8**"). This consent extends to any amendments to the 40-F or to the F-10s or S-8.

Dated March 28, 2024

By: /s/ Matthew Yovich
Name: Matthew Yovich

**Exhibit 99.15**

**CONSENT OF JOHN SEELEY**

The undersigned hereby consents to:

(1) the inclusion in enCore Energy Corp.'s (the " **Company**") Annual Report on Form 40-F (the "**40-F**") for the fiscal year ended December 31, 2023 of the scientific and/or technical information contained in the Company's Management's Discussion and Analysis dated March 26, 2024 and the Company's Annual Information Form for the year ended December 31, 2023, dated as of March 28, 2024 (the "**Technical Information**") being filed with the United States Securities and Exchange Commission (the " **SEC**"); and

(2) the filing of this consent under cover of the 40-F with the SEC and of the incorporation by reference of this consent, the use of my name and the Technical Information into the Company's Registration Statements on Form F-10 (Nos. 333-269428 and 333-272609, the "**F-10s**") and on Form S-8 (No. 333-273173, the " **S-8**"). This consent extends to any amendments to the 40-F or to the F-10s or S-8.

/s/ John M. Seeley

Name: John M. Seeley, Ph.D., P.G., C.P.G.
Title: Manager, Geology and Exploration, enCore Energy Corp.

Date: March 28, 2024