NRC Accepts Centrus Energy Application for License Expansion

June 23, 2020

BETHESDA, Md., June 23, 2020 /PRNewswire/ -- Centrus Energy Corp. (NYSE American: LEU) today announced that the Company's application to produce High-Assay Low-Enriched Uranium (HALEU) at its Piketon, Ohio, facility has been accepted by the Nuclear Regulatory Commission (NRC) for formal review. HALEU-based fuels will be required for most of the advanced reactor designs currently under development and may also be utilized in next-generation fuels for the existing fleet of reactors in the United States and around the world.

"With support from the U.S. Department of Energy, Centrus is proud to be leading the way in the development of a domestic source of HALEU that can meet a wide range of commercial, nonproliferation and other national security requirements," said Daniel B. Poneman, Centrus President and CEO. "Providing an assured, domestic supply of HALEU will help restore U.S. nuclear leadership internationally, and is a prerequisite for the United States to play a major role in building and fueling the world's nuclear reactors and setting global standards for nuclear safety and nonproliferation. We appreciate the dedicated work by the NRC on this initial step and look forward to working with them as the process moves forward from here."

In 2019, Centrus entered into a three-year, $115 million cost-shared contract with the U.S. Department of Energy to deploy its AC-100M centrifuge technology and to demonstrate production of HALEU. The demonstration program is on schedule and on budget, with the first set of outer casings for the centrifuges delivered to Piketon after being manufactured in Oak Ridge, Tennessee.

Centrus' Piketon, Ohio, facility is already licensed to enrich uranium to a Uranium-235 (U-235) concentration of up to 10 percent, making it the only U.S. facility licensed for enrichment above 5 percent. Upon final approval of this license amendment, Centrus would be licensed to enrich uranium up to 20 percent U-235. Next-generation reactors and fuel designs will require a range of enrichment levels, but many are expected to be as high as 19.75 percent. A number of advanced reactor and fuels developers have announced plans to use HALEU-based fuel in their designs.

A recent report by the U.S. Nuclear Fuel Working Group cited HALEU as a key step toward re-establishing U.S. leadership in advanced nuclear technology. This echoes the findings of an April 2020 survey by the U.S. Nuclear Infrastructure Council in which U.S. advanced reactor companies identified the availability of HALEU as the number one issue that "keep(s) you up at night."

What is HALEU?

When uranium ore is extracted from the earth, the concentration of the fissile isotope Uranium-235 is less than one percent. Most existing reactors in the United States and worldwide operate on Low-Enriched Uranium (LEU) fuel that has been enriched to increase the concentration of the U-235 isotope to slightly less than 5 percent. High-Assay Low-Enriched Uranium is further enriched so that the U-235 concentration is between 5 percent and 20 percent. While this is still far below the levels needed to produce weapons or power U.S. Navy vessels, HALEU offers unique advantages as an advanced nuclear fuel for both existing and next generation reactors, including greater power density, improved reactor performance, fewer refueling outages, improved proliferation resistance, and smaller volumes of waste.

About Centrus Energy

Centrus Energy is a trusted supplier of nuclear fuel and services for the nuclear power industry. Centrus provides value to its utility customers through the reliability and diversity of its supply sources – helping them meet the growing need for clean, affordable, carbon-free electricity. Since 1998, the Company has provided its utility customers with more than 1,750 reactor years of fuel, which is equivalent to 7 billion tons of coal. With world-class technical and engineering capabilities, Centrus is also advancing the next generation of centrifuge technologies so that America can restore its domestic uranium enrichment capability in the future. Find out more at www.centrusenergy.com.

Forward Looking Statements:

This news release contains "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934. In this context, forward-looking statements mean statements related to future events, may address our expected future business and financial performance, and often contain words such as "expects", "anticipates", "intends", "plans", "believes", "will", "should", "could", "would" or "may" and other words of similar meaning. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For Centrus Energy Corp., particular risks and uncertainties that could cause our actual future results to differ materially from those expressed in our forward-looking statements include but are not limited to the following, which may be amplified by the novel coronavirus (COVID-19) pandemic: risks related to our significant long-term liabilities, including material unfunded defined benefit pension plan obligations and postretirement health and life benefit obligations; risks relating to our 8.25% notes (the "8.25% Notes") maturing in February 2027 and our Series B Senior Preferred Stock; risks related to the use of our net operating loss ("NOLs") carryforwards and net unrealized built-in losses ("NUBILs") to offset future taxable income and the use of the Rights Agreement (as defined herein) to prevent an "ownership change" as defined in Section 382 of the Internal Revenue Code of 1986, as amended (the "Code") and our ability to generate taxable income to utilize all or a portion of the NOLs and NUBILs prior to the expiration thereof; risks related to the limited trading markets in our securities; risks related to our ability to maintain the listing of our Class A Common Stock on the NYSE American LLC (the "NYSE American"); risks related to decisions made by our Class B stockholders and our Series B Senior Preferred stockholders regarding their investment in the Company based upon factors that are unrelated to the Company's performance; risks related to the Company's capital concentration; risks related to natural and other disasters, including the continued impact of the March 2011 earthquake and tsunami in Japan on the nuclear industry and on our business, results of operations and prospects; the impact and potential extended duration of the current supply/demand imbalance in the market for low-enriched uranium ("LEU"); our dependence on others for deliveries of LEU including deliveries from the Russian government-owned entity TENEX, Joint-Stock Company ("TENEX"), under a commercial supply agreement with TENEX and deliveries under a long-term supply agreement with Orano Cycle ("Orano"); risks related to existing or new trade barriers and contract terms that limit our ability to deliver LEU to customers; risks related to actions, including government reviews, that may be taken by the United States government, the Russian government or other governments that could affect our ability to perform under our contract obligations or the ability of our sources of supply to perform under their contract obligations to us, including the imposition of sanctions, restrictions or other requirements, and risks relating to the potential expiration of the 1992 Russian Suspension Agreement ("RSA") and/or a renewal of the RSA on terms not favorable to us or legislation imposing new or increased limits on imports of Russian LEU; risks related to our ability to sell the LEU we procure pursuant to our purchase obligations under our supply agreements; risks relating to our sales order book, including uncertainty concerning customer actions under current contracts and in future contracting due to market conditions and lack of current production capability; risks related to financial difficulties experienced by customers, including possible bankruptcies, insolvencies or any other inability to pay for our products or services or delays in making timely payment; pricing trends and demand in the uranium and enrichment markets and their impact on our profitability; movement and timing of customer orders; risks related to the value of our intangible assets related to the sales order book and customer relationships; risks associated with our reliance on third-party suppliers to provide essential products and services to us; the impact of government regulation including by the U.S. Department of Energy ("DOE") and the U.S. Nuclear Regulatory Commission; uncertainty regarding our ability to commercially deploy competitive enrichment technology; risks and uncertainties regarding funding for deployment of the American Centrifuge technology and our ability to perform and absorb costs under our agreement with DOE to demonstrate the capability to produce high assay low enriched uranium ("HALEU") and our ability to obtain and/or perform under other agreements; risks relating to whether or when government or commercial demand for HALEU will materialize; the potential for further demobilization or termination of our American Centrifuge work; risks related to our ability to perform and receive timely payment under agreements with DOE or other government agencies, including risk and uncertainties related to the ongoing funding of the government and potential audits; the competitive bidding process associated with obtaining a federal contract; risks related to our ability to perform fixed-price and cost-share contracts, including the risk that costs could be higher than expected; risks that we will be unable to obtain new business opportunities or achieve market acceptance of our products and services or that products or services provided by others will render our products or services obsolete or noncompetitive; risks that we will not be able to timely complete the work that we are obligated to perform; failures or security breaches of our information technology systems; risks related to pandemics and other health crises, such as the global COVID-19 pandemic; potential strategic transactions, which could be difficult to implement, disrupt our business or change our business profile significantly; the outcome of legal proceedings and other contingencies (including lawsuits and government investigations or audits); the competitive environment for our products and services; changes in the nuclear energy industry; the impact of financial market conditions on our business, liquidity, prospects, pension assets and insurance facilities; the risks of revenue and operating results fluctuating significantly from quarter to quarter, and in some cases, year to year; and other risks and uncertainties discussed in this and our other filings with the Securities and Exchange Commission, including under Part 1. Item1A - "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2019.

These factors may not constitute all factors that could cause actual results to differ from those discussed in any forward-looking statement. Accordingly, forward-looking statements should be not be relied upon as a predictor of actual results. Readers are urged to carefully review and consider the various disclosures made in this report and in our other filings with the Securities and Exchange Commission that attempt to advise interested parties of the risks and factors that may affect our business. We do not undertake to update our forward-looking statements to reflect events or circumstances that may arise after the date of this

Quarterly Report on Form 10-Q, except as required by law.

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