



Centrus Provides Update on Construction of America's First HALEU Production Facility

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Production of High-Assay, Low-Enriched Uranium (HALEU) Expected to Begin by Early 2022

BETHESDA, Md., March 23, 2021 /PRNewswire/ -- Centrus Energy Corp. (NYSE American: LEU) is providing an update on construction of the nation's first production facility for High-Assay, Low-Enriched Uranium (HALEU) in Piketon, Ohio.

"Despite the impact of the pandemic and the extraordinary steps we have taken to protect our workforce – including limiting the number of people who can be on the construction site at any one time – we have kept construction on track and expect to begin producing HALEU by next year," said Centrus President and CEO Daniel B. Poneman. "We believe this first-of-a-kind facility can play a critical role in meeting both government and commercial requirements for HALEU, powering America's nuclear leadership as the world turns to a new generation of advanced reactors and advanced nuclear fuels."

Under a 2019 contract with the U.S. Department of Energy's Office of Nuclear Energy, Centrus is licensing and constructing a cascade of sixteen AC100M centrifuges – a U.S. technology – to demonstrate production of HALEU. The Department stated the objective was to demonstrate a domestic technology so that it "could be used in any type of advanced reactors, including defense reactors that require the use of HALEU produced using U.S.- origin technology." The three year, \$115 million, cost-shared contract runs through mid-2022.

HALEU is an advanced nuclear fuel material that is not commercially available in the United States today, but may be required in the future to fuel both existing and next generation reactors. For example, 9 out of the 10 reactor designs selected by the Department of Energy for its Advanced Reactor Demonstration Program are expected to operate on HALEU. HALEU, which is enriched so that the concentration of the U-235 isotope is higher than the 4-5 percent level typically used in existing reactors but lower than 20 percent, offers numerous advantages in reactor performance and a lower volume of waste produced.

Construction Update:

- Centrus submitted a license amendment request (LAR) to the U.S. Nuclear Regulatory Commission (NRC) last year to modify its commercial license so that it can enrich uranium up to 20 percent U-235. The NRC has accepted the LAR for technical review and that review is under way. The facility has an existing NRC license for production up to 10 percent and, if this amendment is approved, will become the first U.S. facility licensed for the full range of LEU and HALEU production up to 20 percent U-235.
- This month, Centrus completed assembly of all AC100M gas centrifuges. The centrifuges will undergo final preparations prior to being installed into the production cascade.
- Design and engineering work on the non-centrifuge or "balance of plant" systems is near completion and system construction is well under way. Auxiliary and support systems necessary for operation of the cascade are being installed.
- Upon NRC license amendment approval and successful completion of the NRC's Operational Readiness Review, Centrus expects to begin HALEU production by early 2022.
- Centrus has completed all required HALEU Demonstration Program milestones to date and remains on track to complete the remaining milestones on time and program completion no later than June 2022.
- To support the construction effort, Centrus has reactivated its domestic supply chain for centrifuge components and supporting equipment needed for the demonstration, and restored its capacity to manufacture centrifuge parts in its Oak Ridge, Tennessee, manufacturing facility.
- To date, the program has supported more than 200 direct jobs in Ohio and Tennessee, as well as supply chain jobs in Pennsylvania, North Carolina, New Mexico, Massachusetts, and other states.
- The workforce of centrifuge operators and support staff necessary for cascade operations is in place.
- Subject to the availability of funding and/or offtake contracts, Centrus can build additional centrifuges and support equipment to expand production in the facility in a modular fashion to meet whatever level of production is required for commercial and/or U.S. government purposes.

Centrus is releasing a number of unclassified photos from the construction effort, which can be found at this link:

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 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"); pricing trends and demand in the uranium and enrichment markets and their impact on our profitability; the impact of government regulation and policies 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 continuation and 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 related to whether or when government funding or demand for HALEU for government or commercial uses 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 risks and uncertainties related to the ongoing funding by the government and potential audits; the competitive bidding process associated with obtaining contracts, including government contracts; 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.

For a discussion of these risks and uncertainties and other factors that may affect our future results, please see Part I, Item 1A, Risk Factors, and the other sections of this Annual Report on Form 10-K. 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 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 Annual Report on Form 10-K, except as required by law.

Contacts:

Investors: Dan Leistikow (301) 564-3399 or LeistikowD@centrusenergy.com

Media: Lindsey Geisler (301) 564-3392 or GeislerLR@centrusenergy.com

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