



Suite 500 – 2 Toronto Street
Toronto, Ontario M5C 2B6
Tel: 416 214 2810
Fax: 416 214 2727
investorinfo@energyfuels.com
<http://www.energyfuels.com>

FOR IMMEDIATE RELEASE

October 12th, 2006 (SYMBOL: "EFR" TSX.V)

Energy Fuels Inc.: Company in Early Development Stage to Build A Mill in Western Colorado

TORONTO, ONTARIO--(CCNMatthews) - Energy Fuels Inc. (TSX VENTURE:EFR) (the "Company") is pleased to confirm earlier newspaper reports in Colorado that its wholly-owned subsidiary, Energy Fuels Resources Corporation ("EFRC"), is in the planning stages of building a uranium and vanadium production mill west of Naturita, Colorado adjacent to a U.S. Department of Energy site in the Paradox Valley.

"The building of a state of the art uranium and vanadium mill to process uranium and vanadium from mines all over the Western Slope of Colorado would be of substantial economic benefit to the region. Denver based technical consultants have been engaged to conduct an environmental assessment and a preliminary feasibility and design study to construct a state of the art, environmentally sensitive mill. We expect that it will likely take two (2) years to complete the State licensing process and another year or so to build it. We have a strong mining and milling team in place to execute the plan" said George Glasier, President and CEO.

The Company is considering various options which may be available to project finance the proposed mill including, for example, long term debt financing secured by long term delivery and take or pay contracts or joint ventures with utilities.

Energy Fuels Inc. is a Toronto-based mineral exploration/production company with uranium and vanadium projects located in the States of Colorado, Utah and Arizona, through its wholly-owned Colorado subsidiary Energy Fuels Resources Corporation, and with gold, base metals and platinum group and uranium projects located in Newfoundland, Quebec, and Ontario.

This news release contains certain "Forward-Looking Statements" within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended. All statements, other than statements of historical fact, included herein are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations are disclosed in the Company's documents filed from time to time with the British Columbia Securities Commission and the United States Securities & Exchange Commission.

Shares outstanding: 28,351,322

For more information please contact:

Energy Fuels Inc.
Investor contact: George E.L. Glasier
President and CEO
(970) 864-2125
or Toll-free: 1-800-970-2125
[Website: www.energyfuels.com](http://www.energyfuels.com)

(The TSX Venture has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.)