



March 27, 2014

Lightbridge Announces 2013 and Fourth Quarter Business Update and Financial Results

Live Conference Call and Webcast Scheduled at 11 a.m. ET Friday, March 28 at: <http://www.media-server.com/m/p/occurz2m>

MCLEAN, Va., March 27, 2014 (GLOBE NEWSWIRE) -- [Lightbridge Corporation](#) (Nasdaq:LTBR), a leading innovator of nuclear fuel designs and provider of nuclear energy consulting services, today provided a business update on the progress of its nuclear fuel technology and consulting operations and reported financial results for the quarter and year ended December 31, 2013.

"Lightbridge technology and services uniquely address the most important safety and economic issues facing the commercial nuclear energy industry," said [Seth Grae](#), President and Chief Executive Officer. "We achieved major milestones in 2013, setting the stage for more growth and long-term value creation."

The Company advanced the ongoing development of its nuclear fuel technology and improved the strategic position of its commercial nuclear advisory services, Mr. Grae said. "We also improved Lightbridge's financial strength, flexibility and liquidity with proceeds from a registered direct offering," he added. "Awareness continues to increase within a growing global industry of the compelling value proposition of Lightbridge fuel technology and services."

Lightbridge is developing and commercializing next generation nuclear fuel technology with benefits of enhanced safety, increased revenue and improved operating margins for both existing and new build reactors. Lightbridge's advisory services are helping clients with on-time and on-budget development and regulation of nuclear power plants to expand electricity generation capabilities.

For a more detailed description of the value proposition of Lightbridge fuel technology, including projected incremental annual net operating cash flows and return on investment for a nuclear power plant operator at various wholesale electricity prices, visit <http://bit.ly/1jLXpoY>. The advantages of Lightbridge's metallic fuel design were confirmed in three independent third-party analyses published in 2012 and 2013. These reports, which include a peer-reviewed article published in [Nuclear Technology](#), are available for download at <http://ir.ltbridge.com/>.

2013 Business Update

Fuel Technology

- In March, the proliferation resistance of the Company's fuel design was validated in an [independent analysis conducted by Siemens Industry, Inc.](#) "...(T)he proposed Lightbridge design (is) classified as low enriched uranium (that) cannot be used directly for the construction of nuclear weapons," the report says.
- In the second quarter, the Company enhanced its metallic fuel assembly design for existing pressurized water reactors (PWRs), eliminating the outer blanket row of oxide fuel rods and making Lightbridge's entire fuel assembly metallic. Nuclear utilities using the Company's metallic fuel in existing PWRs can realize improved safety and operating benefits (i.e., power uprate and longer fuel cycle) without the fuel performance constraints imposed by introducing conventional oxide fuel rods into an assembly. This fuel assembly design enhancement was implemented in response to specific feedback from Lightbridge's [Nuclear Utility Fuel Advisory Board](#) comprised of senior fuel managers from four of the larger U.S. nuclear utilities (Exelon, Duke, Dominion, and Southern Company). In the fourth quarter, the Company filed a new U.S. patent application relating to these enhancements.
- In October, the Company entered into a [memorandum of understanding](#) with Babcock & Wilcox Nuclear Energy, Inc., a subsidiary of [The Babcock & Wilcox Company](#), to explore joint development of a pilot-scale facility to demonstrate fabrication of Lightbridge's innovative metallic nuclear fuel. The study is expected to be completed in 2014.
- In December, the Company received a Notice of Allowance from the U.S. Office of Patent and Trademark (USPTO) for a key U.S. patent covering Lightbridge's multi-lobed metallic fuel rod design and fuel assemblies. The actual patent - number 8,654,917 - was issued on February 18, 2014 and is available on the USPTO website at <http://www.uspto.gov/>.

"Our strong competitive advantages are reinforced by the new patent," Mr. Grae said. "Clearly, this is the single most important

patent in Lightbridge's intellectual property portfolio and is crucial to the Company's future royalty revenue stream. We have now secured broad protection for our fuel technology in the U.S. - the world's largest market of pressurized water reactors currently in operation."

Advisory Services

- In October 2013, the Company was selected as technical advisor to provide independent re-verification of equipment and material procurement processes related to construction and maintenance of nuclear power plants operated by Korea Hydro and Nuclear Power Company (KHNP). As a subcontractor to London-based Lloyd's Register Group Limited, Lightbridge will focus on environmental and seismic qualification and commercial grade dedication aspects of a two-year Lloyd's Register/KHNP contract.
- During the year, a consulting contract between Lightbridge and the [Emirates Nuclear Energy Corporation](#) (ENEC) was extended through 2015.

"Lightbridge is actively engaged in talks to provide consulting services to other governments interested in deploying nuclear power in their countries," Mr. Grae said. "Our proposals are before the relevant agencies and we expect responses in the coming quarters about potential new consulting assignments."

In other 2013 developments, Mr. Grae participated in a [U.S. Department of Commerce trade mission to China and Vietnam](#) in May to promote U.S. access to business opportunities in the international commercial nuclear industry. Industry executives and senior officials from the U.S. Departments of Commerce, Energy, State and the White House met with Chinese and Vietnamese government officials on civil nuclear energy policies, as well as with potential buyers, agents, distributors and joint venture partners. China's nuclear industry is expected to grow to nearly \$300 billion by 2020. Commercial nuclear energy opportunities in Vietnam are currently estimated at \$10 billion and are expected to grow to \$50 billion by 2030, according to Commerce Department data. Mr. Grae is a member of the [U.S. Department of Commerce Civil Nuclear Trade Advisory Committee](#) (CINTAC). The Committee advises the Secretary of Commerce on how to expand U.S. civil nuclear exports and strengthen the industry's competitiveness. Mr. Grae was first named to the CINTAC in 2010.

Financial Results and Guidance

For the quarter ended December 31, 2013, Lightbridge's net loss was \$1.2 million, or a loss of \$0.09 per share, on revenue of \$0.6 million, compared to a net loss \$0.7 million, or a loss of \$0.06 per share, on revenue of \$0.8 million in the fourth quarter of 2012. Sequential revenue increased approximately \$0.4 million in the fourth quarter of 2013, compared to the third quarter of 2013. For the year, the Company's net loss was \$4.9 million, or a loss of \$0.37 per share, on revenue of \$1.9 million. In 2012, the net loss was \$4.1 million, or a loss of \$0.32 per share, on revenue of \$3.7 million. Lightbridge revenues are derived from consulting and strategic advisory services for foreign governments planning to create or expand electricity generation capabilities using nuclear power plants, and are used to help fund the continuing development of the Company's nuclear fuel technologies.

"Over the next 12 to 15 months, we expect to incur approximately \$3 million to \$4 million in research and development expenses related to the development of our proprietary nuclear fuel designs," Mr. Grae said. "We spent approximately \$2.0 million and \$2.1 million for research and development during the years ended December 31, 2013 and 2012, respectively."

Lightbridge research and development activities are expected to increase over the next two to three years, with a primary focus on testing and demonstration of the Company's metallic fuel technology for Western-type pressurized water reactors (PWR). The main objective of this research and development phase is to prepare for full-scale demonstration of the Company's fuel technology in an operating commercial PWR.

Balance Sheet Overview

At December 31, 2013, the Company had approximately \$4.2 million in cash and cash equivalents, restricted cash and marketable securities, and approximately \$4.5 million of working capital, with no long-term debt. Stockholders' equity was approximately \$5.2 million at December 31, 2013 compared with \$5.8 million on December 31, 2012. Common shares outstanding at December 31, 2013 totaled 15,057,243.

In October 2013, the Company received net proceeds of approximately \$3.9 million after offering costs from a registered direct offering to certain institutional investors of a fixed combination of 2.5 million shares of common stock and warrants. The purchase price was \$1.75 per fixed combination, with each combination consisting of one share of common stock and a warrant to purchase 0.5 shares of common stock. William Blair & Company, L.L.C. served as placement agent for the offering, which was a takedown from a previously filed [shelf registration statement on Form S-3](#). The offering prospectus is on file with the Securities and Exchange Commission and can be viewed at <http://1.usa.gov/1fU51nR>

2013 Fourth Quarter Conference Call

Lightbridge will hold a conference call and webcast on Friday, March 28, at 11 a.m. ET to discuss the Company's 2013 and fourth quarter results and provide an update on recent corporate developments. Seth Grae, President and Chief Executive Officer, will lead the call and additional members of the senior management team will be available to answer questions. Questions may be asked live, using the telephone lines below. Questions also may be submitted in writing before or during the conference call to ir@ltbridge.com. All written questions will be read and answered during the call.

Lightbridge Corporation Conference Call - Business Update and 2013 Q4 Financial Results

Date: Friday, March 28, 2014
 Time: 11 a.m. ET
 Domestic Call-In: 877-440-7569
 International Call-In: 253-237-1189
 Live Webcast: <http://www.media-server.com/m/p/occurz2m>
 Replay: Available for one year at the URL above.

About Lightbridge Corporation

Lightbridge is a US nuclear energy company based in McLean, Virginia with operations in Abu Dhabi, Moscow and London. The Company develops proprietary, proliferation resistant, next generation nuclear fuel technologies for current and future nuclear reactor systems. The Company also provides comprehensive advisory services for established and emerging nuclear programs based on a philosophy of transparency, non-proliferation, safety and operational excellence. Lightbridge's breakthrough fuel technology is establishing new global standards for safe and clean nuclear power and leading the way to a sustainable energy future. Lightbridge consultants provide integrated strategic advice and expertise across a range of disciplines including regulatory affairs, nuclear reactor procurement and deployment, reactor and fuel technology and international relations. The Company leverages those broad and integrated capabilities by offering its services to commercial entities and governments with a need to establish or expand nuclear industry capabilities and infrastructure.

Lightbridge is on Twitter. Sign up to follow @LightbridgeCorp at <http://twitter.com/lightbridgecorp>.

Forward Looking Statements

This news release contains statements that are forward-looking in nature within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding the Company's competitive position and product and service offerings. These statements are based on current expectations on the date of this news release and involve a number of risks and uncertainties that may cause actual results to differ significantly from such estimates. The risks include, but are not limited to, the degree of market adoption of the Company's product and service offerings; market competition; dependence on strategic partners; and the Company's ability to manage its business effectively in a rapidly evolving market. Certain of these and other risks are set forth in more detail in Lightbridge's filings with the [Securities and Exchange Commission](#). Lightbridge does not assume any obligation to update or revise any such forward-looking statements, whether as the result of new developments or otherwise.

LIGHTBRIDGE CORPORATION CONSOLIDATED BALANCE SHEETS

	December 31, 2013	December 31, 2012
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 3,672,877	\$ 2,197,555
Marketable securities	15,731	1,598,209
Restricted cash	555,008	553,682
Accounts receivable - project revenue and reimbursable project costs	425,916	601,803
Prepaid expenses & other current assets	288,939	574,590
Total Current Assets	4,958,471	5,525,839

Property Plant and Equipment -net	--	17,221
Other Assets		
Patent costs - net	699,168	600,596
Total Assets	<u>\$ 5,657,639</u>	<u>\$ 6,143,656</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities		
Accounts payable and accrued liabilities	\$ 476,628	\$ 385,223
Total Current Liabilities	<u>476,628</u>	<u>385,223</u>
Commitments and contingencies		
Stockholders' Equity		
Preferred stock, \$0.001 par value, 50,000,000 authorized shares, no shares issued and outstanding	--	--
Common stock, \$0.001 par value, 500,000,000 authorized, 15,057,243 shares outstanding and 12,526,240 shares outstanding at December 31, 2013 and December 31, 2012, respectively	15,057	12,526
Additional paid-in capital - stock and stock equivalents	76,243,764	71,955,631
Deficit	(71,077,810)	(66,212,849)
Common stock reserved for issuance, 2,264 shares at December 31, 2012	--	3,125
Total Stockholders' Equity	<u>5,181,011</u>	<u>5,758,433</u>
Total Liabilities and Stockholders' Equity	<u>\$ 5,657,639</u>	<u>\$ 6,143,656</u>

LIGHTBRIDGE CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS

	Years Ended	
	December 31,	
	<u>2013</u>	<u>2012</u>
Consulting Revenue	\$ 1,901,354	\$ 3,677,596
Cost of Consulting Services Provided	<u>1,109,890</u>	<u>2,266,815</u>
Gross Margin	<u>791,464</u>	<u>1,410,781</u>
Operating Expenses		
General and administrative	3,616,897	3,841,486
Research and development expenses	<u>2,027,905</u>	<u>2,064,568</u>
Total Operating Expenses	<u>5,644,802</u>	<u>5,906,054</u>
Operating Loss	<u>(4,853,338)</u>	<u>(4,495,273)</u>
Other Income and (Expenses)		
Investment income	(8,133)	433,636
Other income (expenses)	<u>(3,490)</u>	<u>4,562</u>
Total Other Income and (Expenses)	<u>(11,623)</u>	<u>438,198</u>

Net loss before income taxes	(4,864,961)	(4,057,075)
Income taxes	—	—
Net loss	<u>\$ (4,864,961)</u>	<u>\$ (4,057,075)</u>
Net Loss Per Common Share, Basic and diluted	<u>\$ (0.37)</u>	<u>\$ (0.32)</u>
Weighted Average Number of shares outstanding	<u>13,009,575</u>	<u>12,491,106</u>

LIGHTBRIDGE CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended	
	December 31,	
	2013	2012
Operating Activities:		
Net Loss	\$ (4,864,961)	\$ (4,057,075)
Adjustments to reconcile net loss from operations to net cash used in operating activities:		
Stock-based compensation	329,499	975,421
Depreciation and amortization	17,221	28,357
(Gains) loss on marketable securities	49,116	(195,892)
Changes in non-cash operating working capital items:		
Accounts receivable - fees and reimburseable project costs	175,887	(324,592)
Prepaid expenses and other assets	285,651	(184,407)
Accounts payable, accrued liabilities and other current liabilities	91,405	(1,295,210)
Net Cash Used In Operating Activities	<u>(3,916,182)</u>	<u>(5,053,398)</u>
Investing Activities:		
Proceeds from the sale of marketable securities	1,572,242	3,979,469
Purchase of Marketable securities	(38,880)	(234,963)
Patent costs	(98,572)	(63,521)
Property and equipment	—	936
Net Cash Provided By Investing Activities	<u>1,434,790</u>	<u>3,681,921</u>
Financing Activities:		
Net proceeds from the issuance of common stock	3,958,040	1,733
Restricted cash	(1,326)	(1,799)
Net Cash Provided By (Used In) Financing Activities	<u>3,956,714</u>	<u>(66)</u>
Net Increase (Decrease) In Cash and Cash Equivalents	1,475,322	(1,371,543)
Cash and Cash Equivalents, Beginning of Year	<u>2,197,555</u>	<u>3,569,098</u>
Cash and Cash Equivalents, End of Year	<u>\$ 3,672,877</u>	<u>\$ 2,197,555</u>
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the year:		
Interest paid	<u>\$ —</u>	<u>\$ —</u>

Income taxes paid

 \$ - \$ -

CONTACT: Gary Sharpe

Investor Relations and Corporate Communications

Lightbridge Corporation

1-571-730-1213

gsharp@ltbridge.com