UR-ENERGY INC
Form 424B5
February 02, 2016

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The information in this preliminary prospectus supplement is not complete and may be changed. A registration statement related to these securities has been declared effective by the Securities and Exchange Commission. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not the solicitation of an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to completion, dated February 2, 2016

PROSPECTUS SUPPLEMENT	**Filed Pursuant to Rule 424(b)(5)**
(To Prospectus Dated September 12, 2014)	**Registration No. 333-198232**

UR-ENERGY INC.

$6,000,000

12,000,000 common shares

We are offering 12,000,000 common shares. Our common shares are listed on the NYSE MKT ("NYSE MKT") under the symbol "URG" and on the Toronto Stock Exchange ("TSX") under the symbol "URE." On February 1, 2016, the closing price of our common shares on the TSX was CDN$0.77 and on the NYSE MKT was $0.55.

INVESTING IN OUR SECURITIES INVOLVES A HIGH DEGREE OF RISK. YOU SHOULD CAREFULLY READ THE "RISK FACTORS" SECTION BEGINNING ON PAGE S-31 OF THIS PROSPECTUS SUPPLEMENT.

	Per Share	Total
Public offering price	$0.50	$6,000,000
Underwriting discounts and commissions(1)	$0.03	$360,000
Proceeds to us, before expenses(2)	$0.47	$5,640,000

(1)

We have agreed to pay to the underwriters a cash fee equal to 6% of the gross proceeds of the Offering (including in respect of any Over-Allotment Shares sold upon exercise of any portion of the Over-Allotment Option) (the "Underwriters' Fee"). See "*Underwriting*".

(2)

After deducting the Underwriters' Fee, but before deducting the expenses of the Offering, which are estimated to be $250,000, which, together with the Underwriters' Fee, will be paid out of the gross proceeds of the Offering.

We have granted to the Underwriters an option (the "Over-Allotment Option") exercisable for 30 days from the date of the closing of the offering to purchase up to 1,800,000 additional common shares (the "Over-Allotment Shares") at the public offering price to cover over-allotments, if any.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement. Any representation to the contrary is a criminal offense.

The shares will be ready for delivery on or about February 17, 2016.

Cantor Fitzgerald Canada Corporation

Raymond James **Dundee Securities Ltd.**

The date of this prospectus supplement is , 2016.

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Prospectus Supplement

Prospectus

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ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement relates to a prospectus which is part of a registration statement that we have filed with the SEC utilizing a "shelf" registration process. Under this process, we may sell the securities described in the accompanying prospectus in one or more offerings. The accompanying prospectus provides you with a general description of the securities we may offer. This prospectus supplement contains specific information about the terms of this offering. This prospectus supplement may add, update or change information contained in the accompanying prospectus. Please carefully read both this prospectus supplement and the accompanying prospectus, including the information described in the section of this prospectus supplement entitled "Where You Can Find More Information."

If the description of this offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement. In various places in this prospectus supplement and the accompanying prospectus, we refer you to sections of other documents for additional information by indicating the caption heading of the other sections. All cross-references in this prospectus supplement are to captions contained in this prospectus supplement and not in the accompanying prospectus, unless otherwise indicated.

We have not authorized anyone to provide any information other than that contained or incorporated by reference in this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We have not, and the underwriters have not, authorized anyone to provide you with different information. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in each of this prospectus supplement, the accompanying prospectus, the documents incorporated by reference into this prospectus supplement and the accompanying prospectus and any related free writing prospectus is accurate as of the respective dates of those documents. Our business, financial condition, results of operations and prospects may have changed since those dates. You should read this prospectus supplement, the accompanying prospectus, the documents incorporated by reference into this prospectus supplement and the accompanying prospectus and any related free writing prospectus when making your investment decision.

Unless otherwise indicated or the context otherwise requires, the terms "Company", "we", "us" and "our" are used to refer to Ur-Energy Inc. inclusive of our subsidiaries.

All references are to United States currency in this prospectus supplement unless otherwise specifically referenced. References to "CDN$" are to Canadian dollars.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This prospectus supplement and accompanying prospectus and the documents incorporated herein and therein may contain "forward-looking statements" within the meaning of applicable Canadian and United States securities laws, and these forward-looking statements can be identified by the use of words such as "expect", "anticipate", "estimate", "believe", "may", "potential", "intends", "plans" and other similar expressions or statements that an action, event or result "may", "could" or "should" be taken, occur or be achieved, or the negative thereof or other similar statements. These statements are only predictions and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance, or achievements expressed or implied by these forward-looking statements. Such statements include, but are not limited to: (i) ability to maintain steady state operations at Lost Creek and ramp up to production rates at design capacity; (ii) the technical and economic viability of Lost Creek; (iii) the timing and outcome of permitting and regulatory approvals of the amendment for

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LC East and the KM horizon; (iv) our ability to complete additional favorable uranium sales agreements including spot sales if production is available and the market warrants; (v) the production rates and life of the Lost Creek Project and subsequent production from adjoining properties, including LC East; (vi) the potential of exploration targets throughout the Lost Creek Property (including the ability to expand resources); (vii) the potential of our other exploration and development projects, including Shirley Basin, as well as the technical and economic viability of Shirley Basin; (viii) the timing and outcome of applications for regulatory approval to build and operate an ISR mine at Shirley Basin; (ix) the outcome of our forecasts and production projections; and (x) the continuing and long-term effects on the uranium market of events in Japan in 2011 including supply and demand projections. These other factors include, among others, the following: future estimates for production, production ramp-up and operations (including any difficulties with continued ramp up), capital expenditures, operating costs, mineral resources, recovery rates, grades and prices; business strategies and measures to implement such strategies; competitive strengths; estimates of goals for expansion and growth of the business and operations; plans and references to our future successes; our history of operating losses and uncertainty of future profitability; status as an exploration stage company; the lack of mineral reserves; risks associated with obtaining permits in the United States; risks associated with current variable economic conditions; our ability to service our debt and maintain compliance with all restrictive covenants related to the debt facilities and security documents; the possible impact of future financings; the hazards associated with mining production; compliance with environmental laws and regulations; uncertainty regarding the pricing and collection of accounts; the possibility for adverse results in pending and potential litigation; uncertainties associated with changes in government policy and regulation; uncertainties associated with a Canada Revenue Agency or U.S. Internal Revenue Service audit of any of our cross border transactions; adverse changes in general business conditions in any of the countries in which we do business; changes in size and structure; the effectiveness of management and our strategic relationships; ability to attract and retain key personnel; uncertainties regarding the need for additional capital; uncertainty regarding the fluctuations of quarterly results; foreign currency exchange risks; ability to enforce civil liabilities under U.S. securities laws outside the United States; ability to maintain our listing on the NYSE MKT and the TSX; risks associated with the expected classification as a "passive foreign investment company" under the applicable provisions of the U.S. Internal Revenue Code of 1986, as amended; risks associated with our investments and other risks and uncertainties described under "*Risk Factors*".

This list is not exhaustive of the factors that may affect our forward-looking statements. Some of the important risks and uncertainties that could affect forward-looking statements are described further under the section headings "Our Business" and "Risk Factors" in this prospectus supplement and the accompanying prospectus. Although we have attempted to identify important factors that could cause actual results to differ materially from those described in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, believed, estimated or expected. We caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. Except as required by law, we disclaim any obligation subsequently to revise any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events. **We qualify all of the forward-looking statements contained or incorporated by reference in this prospectus supplement by the foregoing cautionary statements.**

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CAUTIONARY NOTE TO U.S. INVESTORS CONCERNING DISCLOSURE OF MINERAL RESOURCES

Unless otherwise indicated, all resource estimates included in this prospectus supplement and accompanying prospectus and the documents incorporated herein and therein have been prepared in accordance with Canadian National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") and the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards for Mineral Resources and Mineral Reserves ("CIM Definition Standards"). NI 43-101 is a rule developed by the Canadian Securities Administrators which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects.

Canadian standards, including NI 43-101, differ significantly from the requirements of the United States Securities and Exchange Commission ("SEC"), and resource information contained in this prospectus supplement and accompanying prospectus and the documents incorporated herein and therein may not be comparable to similar information disclosed by U.S. companies. In particular, the term "resource" does not equate to the term "'reserves". Under SEC Industry Guide 7, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. SEC Industry Guide 7 does not define and the SEC's disclosure standards normally do not permit the inclusion of information concerning "measured mineral resources", "indicated mineral resources" or "inferred mineral resources" or other descriptions of the amount of mineralization in mineral deposits that do not constitute "reserves" by U.S. standards in documents filed with the SEC. U.S. investors should also understand that "inferred mineral resources" have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an "inferred mineral resource" will ever be upgraded to a higher category. Under Canadian rules, estimated "inferred mineral resources" may not form the basis of feasibility or pre-feasibility studies except in rare cases. Investors are cautioned not to assume that all or any part of an "inferred mineral resource" exists or is economically or legally mineable. Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute "reserves" by SEC standards as in-place tonnage and grade without reference to unit measures. Accordingly, information concerning mineral deposits set forth in this prospectus supplement and accompanying prospectus and the documents incorporated herein and therein may not be comparable to information made public by companies that report in accordance with United States standards.

CURRENCY AND EXCHANGE RATES

The following table sets out the exchange rates for currencies expressed in terms of equivalent Canadian dollars for one US dollar:

US dollar	**2013**	**2014**	**2015**
End of period	$ 0.9348	$ 0.8599	$ 0.7225
Average for the period	$ 0.9711	$ 0.9058	$ 0.7836

Exchange rates are the historical interbank foreign exchange rates for the appropriate period as quoted by the Bank of Canada. The noon rate quoted by the Bank of Canada for the conversion of Canadian dollars into United States dollars on February 1, 2016 is US$0.7140 = CDN$1.00.

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GLOSSARY OF COMMON TERMS

Mineral Resource	is 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 eventual 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.
Inferred Mineral Resource	is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geologic evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.
Indicated Mineral Resource	is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve.
Measured Mineral Resource	is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve or to a Probable Mineral Reserve.
Modifying Factors	are considerations used to convert Mineral Resources to Mineral Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors. CIM Definition Standards

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Lithology	is a description of a rock; generally its physical nature. The description would address such things as grain size, texture, rounding, and even chemical composition. A lithologic description would be: coarse grained well rounded quartz sandstone with 10% pink feldspar and 1% muscovite.
PFN	is a modern geologic logging method known as Prompt Fission Neutron. PFN is considered a direct measurement of true uranium concentration (% U) and is used to verify the grades of mineral intercepts previously reported by gamma logging. PFN logging is accomplished by a down-hole probe in much the same manner as gamma logs, however only the mineralized interval plus a buffer interval above and below are logged.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary provides a brief overview of us and the key aspects of this offering. This summary does not contain all of the information that may be important to you. For a more complete understanding, you should read carefully this entire prospectus supplement and the accompanying prospectus, including the information presented under the headings "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Information," and the documents incorporated by reference herein.

The Company

Incorporated on March 22, 2004, Ur-Energy is an exploration stage mining company. We are engaged in uranium mining, recovery and processing activities, including the acquisition, exploration, development and operation of uranium mineral properties in the United States. We began operation of our first in situ recovery (ISR) uranium mine at our Lost Creek Project, Wyoming in 2013. Ur-Energy is a corporation continued under the *Canada Business Corporations Act* on August 8, 2006. Our common shares are listed on the NYSE MKT under the symbol "URG" and on the Toronto Stock Exchange under the symbol "URE."

The registered office of the Company is located at 55 Metcalfe Street, Suite 1300, Ottawa, Ontario K1P 6L5, and head office of the Company is located at 10758 W. Centennial Road, Suite 200, Littleton, Colorado 80127; telephone: 1-720-981-4588.

The address of the Company's website is www.ur-energy.com. Information contained on the Company's website is not part of this prospectus supplement nor is it incorporated by reference herein.

The Offering

Issuer	Ur-Energy Inc.
Common shares offered	12,000,000 shares (the "Offered Shares")
Common stock to be outstanding after this offering(1)	142,387,061 shares
Option to purchase additional shares granted by us	Up to 1,800,000 shares
Use of proceeds	The net proceeds to be received by the Company from the Offering, after deducting the Underwriters' Fee and estimated expenses of the Offering, will be approximately $5,390,000. If the Over-Allotment Option is exercised in full, the net proceeds to be received by the Company from the Offering, after deducting the Underwriters' Fee and estimated expenses of the Offering, will be approximately $6,236,000. It is anticipated that more than 90% of the net proceeds of the Offering will be used by the Company for the advancement and the development of the Company's Lost Creek project including equipment and chemicals for the plant and facilities, and construction and further development of header houses and wellfields, including drilling, materials and labor. This amount will include the anticipated licensure and permitting activities, including routine regulatory fees, for Lost Creek during 2016.

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	The remaining net proceeds of the Offering, after the foregoing, anticipated to be less than 10%, will be used by the Company for working capital and general corporate purposes, including the payment of ongoing debt service obligations. The proceeds will provide for additional cash flow coverage between deliveries into term and spot contracts and time for receipt of proceeds from such sales. Although the Company intends to use the net proceeds from the Offering as set forth above, the actual allocation of the net proceeds may vary depending on future developments in the Company's mineral properties or unforeseen events, including those factors disclosed under the heading "*Risk Factors*". In the event that the Over-Allotment Option is exercised, any additional net proceeds will be allocated to general working capital.
Dividend policy	We have not paid dividends on our common stock and do not intend to pay cash dividends in the foreseeable future.
Risk factors	An investment in our common stock involves a significant degree of risk. We urge you to carefully consider all of the information described in the section entitled "*Risk Factors*" beginning on page S-31 of this prospectus supplement.

(1) The information above regarding the number of common shares outstanding is based on 130,387,061 common shares outstanding as of January 31, 2016 and assumes the Over-Allotment Option is not exercised. The number of common shares outstanding as of that date does not include shares reserved for issuance under our equity compensation plans, of which 855,621 restricted stock units have been granted, each of which may result in one common share being issued in the future based on the satisfaction of certain vesting criteria established pursuant to the respective awards. In addition, as of January 31, 2016, we had outstanding options to purchase 8,770,289 common shares and warrants to purchase 8,224,112 common shares.

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OUR BUSINESS

Overview and Corporate Structure

Incorporated on March 22, 2004, Ur-Energy is an exploration stage mining company. We are engaged in uranium mining, recovery and processing activities, including the acquisition, exploration, development and operation of uranium mineral properties in the United States. We began operation of our first in situ recovery (ISR) uranium mine at our Lost Creek Project, Wyoming in 2013. Ur-Energy is a corporation continued under the *Canada Business Corporations Act* on August 8, 2006. Our Common Shares are listed on the TSX under the symbol "URE" and on the NYSE MKT under the symbol "URG."

Ur-Energy has one direct wholly-owned subsidiary: Ur-Energy USA Inc. ("Ur-Energy USA"), a company incorporated under the laws of the State of Colorado.

Ur-Energy USA has three wholly-owned subsidiaries: NFU Wyoming, LLC ("NFU Wyoming"), a limited liability company formed under the laws of the State of Wyoming to facilitate acquisition of certain property and assets and, currently, to act as our land holding and exploration entity; Lost Creek ISR, LLC, a limited liability company formed under the laws of the State of Wyoming to hold and operate our Lost Creek Project and certain other of our Lost Creek properties and assets; and Pathfinder Mines Corporation ("Pathfinder"), a company incorporated under the laws of the State of Delaware, acquired in December 2013, which holds, among other assets, the Shirley Basin and Lucky Mc properties in Wyoming.

Ur-Energy USA has two jointly held subsidiaries with NFU Wyoming: NFUR Bootheel, LLC ("NFUR Bootheel"), a limited liability company formed under the laws of the State of Colorado to facilitate participation in an exploration, mining and development agreement with Jet Metal Corp. (formerly, Crosshair Energy Corporation); and NFUR Hauber, LLC ("NFUR Hauber"), a limited liability company formed under the laws of the State of Colorado to facilitate participation in a venture project at our Hauber project.

NFUR Hauber has one wholly-owned subsidiary: Hauber Project LLC, a limited liability company formed under the laws of the State of Colorado to hold our Hauber project. NFUR Hauber is the sole member and manager of Hauber Project LLC.

NFUR Bootheel holds an interest in The Bootheel Project, LLC, a limited liability company formed under the laws of the State of Colorado to hold the Bootheel property (and, formerly, the Buck Point property), which is a venture with Jet Metal Corp., in which, at December 31, 2015, NFUR Bootheel owns a 19.115% interest.

Key Developments

Effective as of May 2, 2015, Jeffrey T. Klenda assumed the title of acting Chief Executive Officer of the Company after the employment agreement with its former President and Chief Executive Officer, Wayne Heili, ended upon completion of its term on May 1, 2015.

Our one millionth pound of uranium was recovered at the Lost Creek Project during the second quarter of 2015. We delivered into term contracts during all four quarters of 2015, and made spot sales during three quarters.

The Company updated its technical report and mineral resource estimates at Lost Creek Property in June 2015, reporting an increase in the mineral resource, and again in January 2016 with a further increased mineral resource and an update of its preliminary economic analysis for the property. See *"Updated Preliminary Economic Assessment of the Lost Creek Property"* below.

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Currently, and at December 31, 2015, our principal direct and indirect subsidiaries, and affiliated entities, and the jurisdictions in which they were incorporated or organized, are as follows:

We are engaged in uranium mining, recovery and processing operations, in addition to the exploration and development of uranium mineral properties. Our wholly-owned Lost Creek Project in Sweetwater County, Wyoming is our flagship property. The project has been fully permitted and licensed since October 2012. We received operational approval from the NRC, and started production operation activities in August 2013. Our first sales of production from Lost Creek were made in December 2013; sales have been made in all quarters of 2014 and 2015.

Currently, we have ten mid- and long-term uranium sales agreements in place with U.S. utilities for the sale of Lost Creek production or other yellowcake product at contracted pricing. Combined, these multi-year sales agreements represent a significant portion of our anticipated production into 2021. These agreements, individually, do not represent a substantial portion of our annual projected production, and our business is therefore not substantially dependent upon any one of the agreements. From time to time, we enter into spot sale transactions.

The Company has contractually committed to sell 662,000 pounds of uranium yellowcake during 2016, at an average price of approximately US$47 per pound. During 2015, we worked with our customers to establish our delivery schedule for those commitments, with distribution of sales throughout the year. This schedule was created in an attempt to avoid uneven cash flows that could result from uneven delivery schedules. In mid-January 2016, certain deliveries with an anticipated schedule for first quarter delivery were moved to mid-year delivery dates, causing unevenness of cash flow in the first half of the year. This development was addressed promptly by the Company examining various alternatives in scheduling of deliveries and sales and other financing prospects.

Our newest project, Shirley Basin, is one of the assets we acquired as a part of the Pathfinder transaction which closed in December 2013. We also acquired all the historic geologic and engineering data for the project. During 2014, we completed a drill program of a limited number of confirmatory holes in order to complete an NI 43-101 mineral resource estimate which was released in August 2014;

subsequently, an NI 43-101 Preliminary Economic Assessment for Shirley Basin was completed in January 2015. Baseline studies necessary for the permitting and licensing of the project commenced in 2014 and were completed in 2015. Subsequently, in December 2015, our application for a permit to mine was submitted to the State of Wyoming Department of Environmental Quality. We anticipate that the application for a source and byproduct material license for the project will be submitted to the NRC during the first quarter 2016.

We utilize in situ recovery of the uranium at Lost Creek and will do so at other projects where this is possible. The ISR technique is employed in uranium extraction because it allows for a lower cost and effective recovery of roll front mineralization. The in situ technique does not require the installation of tailings facilities or significant surface disturbance. This mining method utilizes injection wells to introduce a mining solution, called lixiviant, into the mineralized zone. The lixiviant is made of natural groundwater fortified with oxygen as an oxidizer, sodium bicarbonate as a complexing agent, and carbon dioxide for pH control and the generation of sodium bicarbonate in the formation. The complexing agent bonds with the uranium to form uranyl carbonate, which is highly soluble. The dissolved uranyl carbonate is then recovered through a series of production wells and piped to a processing plant where the uranyl carbonate is removed from the solution using Ion Exchange (IX) and captured on resin contained within the IX columns. The groundwater is re-fortified with the oxidizer and complexing agent and sent back to the wellfield to recover additional uranium. A low-volume bleed is permanently removed from the lixiviant flow. A reverse osmosis (RO) process is available to minimize the waste water stream generated. Brine from the RO process, if used, and excess bleed are disposed of by means of injection into deep disposal wells. Each wellfield is made up of dozens of injection and production wells installed in patterns to optimize the areal sweep of the uranium ore body.

Our Lost Creek processing facility includes all circuits for the capture, concentration, drying and packaging of uranium yellowcake for delivery into sales. Our processing facility, in addition to the IX circuit, includes dual processing trains with separate elution, precipitation, filter press and drying circuits (this is in contrast to certain other uranium in situ recovery facilities which operate as a capture plant (IX) only, and rely on agreements with other producers for the finishing, drying and packaging of their yellowcake end-product). Additionally, a restoration circuit including an RO unit was installed during initial construction to complete groundwater restoration once mining is complete.

The elution circuit (the first step after ion exchange) is utilized to transfer the uranium from the IX resin and concentrate it to the point where it is ready for the next phase of processing. The resulting rich eluate is an aqueous solution containing uranyl carbonate, salt and sodium carbonate and/or sodium bicarbonate. The precipitation circuit follows the elution circuit and removes the carbonate from the concentrated uranium solution and combines the uranium with peroxide to create a yellowcake crystal slurry. Filtration and washing is the next step, in which the slurry is loaded into a filter press where excess contaminants such as chloride are removed and a large portion of the water is removed. The final stage occurs when the dewatered slurry is moved to a yellowcake dryer, which will further reduce the moisture content, yielding the final dried, free-flowing, product. Refined, salable yellowcake is packaged in 55-gallon steel drums.

The restoration circuit is utilized in the production and post-mining phases of the operation. The RO is initially utilized to minimize the waste water stream generated during production. Once production is complete, the groundwater must be restored to baseline quality or its pre-mining class of use by first removing a small portion of the groundwater and disposing of it (commonly known as sweep). Following sweep, the groundwater is treated utilizing RO and re-injecting the clean water. Finally, the groundwater is homogenized and sampled to insure the cleanup is complete, thus ending the mining process.

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Our Lost Creek processing facility was constructed during 2012 - 2013, with production operations commencing in August 2013. Our first sales were made in December 2013. Nameplate design and NRC-licensed capacity of our Lost Creek processing plant is two million pounds per year, of which approximately one million pounds per year may be produced from our wellfields. The Lost Creek plant and the allocation of resources to mine units and resource areas were designed to generate approximately one million pounds of dried U_3O_8 per year at certain flow rates and uranium concentrations subject to regulatory and license conditions. Production of dried U_3O_8 was 727,246 pounds and 547,992 pounds in 2015 and 2014, respectively. The excess capacity in the design of the processing circuits of the plant is intended, first, to facilitate routine (and, non-routine) maintenance on any particular circuit without hindering production operational schedules. The capacity was also designed to permit us to process uranium from other of our mineral projects in proximity to Lost Creek if circumstances warrant in the future (*e.g.,* Shirley Basin Project), or, alternatively to be able to contract to toll mill/process product from other in situ uranium mine sites in the region. This design would permit us to conduct either of these activities while Lost Creek is producing and processing uranium and/or in years following Lost Creek production from wellfields during final restoration activities.

Our Lost Creek processing facility includes all circuits for the production, drying and packaging of uranium yellowcake for delivery into sales. As contemplated in the Preliminary Economic Assessment of Shirley Basin, the Lost Creek processing facility may be utilized for the drying and packaging of uranium from Shirley Basin.

Our Mineral Properties

Our current land portfolio includes 14 projects in the United States. Ten of the U.S. projects are in the Great Divide Basin, Wyoming, including our flagship project, Lost Creek Project, which began production operations in August 2013. Currently we control a total of more than 2,100 unpatented mining claims and four State of Wyoming mineral leases for a total of more than 42,000 acres (16,997 hectares) in the area of the Lost Creek Property, including the Lost Creek permit area (the "Lost Creek Project," "Lost Creek" or "Project") and certain adjoining properties which we refer to as LC East, LC West, LC North, LC South and EN project areas (collectively, with the Lost Creek Project, the "Lost Creek Property"). Five of the projects at the Lost Creek Property contain NI 43-101 compliant mineral resources: Lost Creek, LC East, LC West, LC South and LC North. See Resource Summary under *"Updated Preliminary Economic Assessment for the Lost Creek Property"* below. Those five projects are currently held by Lost Creek ISR, LLC; EN Project is held by NFU Wyoming, LLC.

Following the repurchase of an existing production royalty with respect to 20 claims of the Lost Creek Project in 2013, there are no remaining royalties at the Lost Creek Project, except for the royalty on the State of Wyoming section mineral lease as provided by law. Currently, there is only limited production planned from the State lease section. There is a production royalty of one percent on certain claims of the LC East Project, and other royalties on other claims within the other adjoining projects as well as the other State sections on which we maintain mineral leases (LC West and EN projects).

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A map showing our Wyoming projects and the geologic basins in which they are located is set out below.

Our Wyoming properties together total more than 66,000 acres (approximately 27,000 hectares) and include two properties, Shirley Basin and Lucky Mc, obtained through our acquisition of Pathfinder Mines Corporation in December 2013.

Operating Properties

Lost Creek Project Great Divide Basin, Wyoming

The Lost Creek Project area was acquired in 2005, and is located in the Great Divide Basin, Wyoming. The Main Mineral Trend of the Lost Creek uranium deposit is located within the Lost Creek Project. The Lost Creek Project covers 4,194 acres (1,722 hectares), comprising 201 lode mining claims and one State of Wyoming mineral lease section. Regional access relies almost exclusively on existing public roads and highways. The local and regional transportation network consists of primary, secondary, local and unimproved roads. Direct access to Lost Creek is mainly on two crown-and-ditched gravel paved access roads to the processing plant. One road enters from the west off of Sweetwater County Road 23N (Wamsutter-Crooks Gap Road); the other enters from the east off of BLM Sooner Road. On a wider basis, from population centers, the Property area is served by an

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Interstate Highway (Interstate 80), a US Highway (US 287), Wyoming state routes (SR 220 and 73 to Bairoil), local county roads, and BLM roads. The Lost Creek Property is located as shown here:

Environmental Liabilities

There were no pre-existing mineral processing facilities or related tailings ponds or waste deposits within the Lost Creek Property prior to the initiation of the construction of Lost Creek's ISR facilities and wellfields. Surface disturbance included in the economic analysis is associated with drilling, well installation, wellfield construction, plant construction and installation of the three deep waste disposal wells. Likewise, subsurface disturbance is associated with the injection and production operations in MU1. Other than the above mentioned, there are no known environmental liabilities on the Lost Creek Property. The total bond held by the WDEQ to reclaim property disturbances for which Lost Creek ISR, LLC is liable is US$16.4 million as of October 2015, of which US$14.997 million is for the Lost Creek Permit under the existing Permit to Mine. Currently, the maximum anticipated bond for the life of Property is US$32.3 million which is expected will be in place by approximately October 2019. This is equivalent to the anticipated costs for complete restoration and reclamation of the site over the life of mine.

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Property Infrastructure and Sources of Power, Water, Personnel, etc.

The basic infrastructure (power, water, and transportation) necessary to support an ISR mining operation is located within reasonable proximity of the Lost Creek Property. Generally, the proximity of the Lost Creek Property to paved roads is beneficial with respect to transportation of equipment, supplies, personnel and product to and from the Lost Creek Property. Existing regional overhead electrical service is aligned in a north-to-south direction along the western boundary of the Lost Creek Project. An overhead raptor resistant power line, approximately two miles in length, was constructed in 2012 to bring power from the existing Pacific Power line to the Lost Creek plant. Power drops have been made to the Project and distributed to the plant, offices, wellfields, and other facilities.

Previous infrastructure near the Lost Creek Property is predominantly related to oil and gas development, past and present uranium exploration and beneficiation, and recreation. There have been several historical conventional uranium mills and mines and one historical ISR project (Bison Basin Project) in the vicinity of the Lost Creek Property. The closest mining facility to the Lost Creek Property is the Sweetwater Mill, a conventional uranium mine and mill that is not currently operational. The facility lies about three and one-half miles south of the southwestern-most boundary of the Company's Lost Creek Project, with less than one mile separating the respective permit boundaries.

Mine operations require disposal into deep disposal wells ("DDWs") of limited quantities of fluids that cannot be returned to the production aquifers. A total of five DDWs have been permitted for the Project. Three have been drilled to date. Two storage ponds, permitted by state and federal regulators, are located adjacent to the plant and are used to temporarily store the water that will ultimately be disposed of in the DDWs. The first DDW (LC DW #1) is located in the extreme southwest corner of the Lost Creek Project. It was installed and tested in 2008, and was used as the basis for permitting the other four wells. The second DDW (LC DW #4) was drilled in late 2012 immediately south of the plant building. A third deep disposal well (LC DW #3) was drilled and installed approximately 1$^1/_2$ miles west of the plant in July 2014.

Tailings storage areas, solid waste disposal areas, and heap leach pad(s) will not be a part of the infrastructure for the Lost Creek Property as ISR operations do not require these types of facilities.

Water Supply

Most of the non-potable water for ISR operations is obtained from the mining operation itself; *i.e.,* from extracted groundwater. With the exception of a 0.5% to 1.5% bleed, the groundwater extracted by the production wells will continue to be recycled through the system.

Water for activities within the Lost Creek Property is currently supplied by eleven water wells drilled by the Company. Eight of these are located within the Lost Creek Project, one is in the LC North Project, one is in the LC South Project, and one is in the EN Project. All but one of the active wells produces water in excess of 25 gallons per minute. Water usage in the past has been mostly for drilling, casing wells, and abandonment of exploration and delineation holes. Two of the eight wells in the Lost Creek Project are adjacent to the plant site. One of those is being used as a source of fire suppression water and the other as a source of fresh water for that facility. Additional wells may be necessary as exploration and production activities extend further from the plant.

Production Operations

Following receipt of the final regulatory authorization in October 2012, we commenced construction at Lost Creek. Construction included the plant facility and office building, installation of all process equipment, installation of two access roads, additional power lines and drop lines, deep disposal wells, construction of two holding ponds, warehouse building, and drill shed building. In

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August 2013, the Company was given operational approval by the NRC and commenced production operation activities.

Production operations in MU1 within the HJ Horizon began on August 2, 2013 and, through September 30, 2015, 1,358,407 pounds of uranium have been produced from this mine unit. For the Lost Creek PEA, in order to accurately reflect existing resources, all resources produced through September 30, 2015 were subtracted from total Measured Resources from the HJ Horizon in MU1. All the wells to support the originally-planned 13 header houses ("HHs") have been completed. Surface installations for HHs 1-1 through 1-12 have been installed and HHs 1-1 through 1-11 were operational as of October 15, 2015. Header house 12 was brought online in November. Construction of header house 13 is underway.

All monitor ring wells have been installed and pump-tested in MU2. As of October 15, 2015, 138 pattern wells have been piloted within HHs 2-1, 2-2 and 2-3. Additionally, two applications for amendments to the license and permits have been submitted; as relevant to the Lost Creek PEA, the two applications seek to authorize production in the KM Horizon within the Lost Creek Project and to authorize production in the HJ and KM Horizons within the EMT in the LC East Project.

During 2015, 783,549 pounds of U_3O_8 were captured within the Lost Creek plant; 727,246 pounds U_3O_8 were packaged in drums; and 717,125 pounds U_3O_8 of drummed inventory were shipped from the Lost Creek processing plant to the converter. At December 31, inventory at the conversion facility was approximately 63,776 pounds U_3O_8.

From production, Lost Creek sold 725,000 pounds U_3O_8 during calendar 2015 at an average price of US$41.33 per pound. Total sales for 2015, including purchased U_3O_8, was 925,000 pounds at an average price of US$45.20 per pound. Contract sales were as expected (630,000 pounds at an average price of US$49.42 per pound); however, spot sales were lower than expected (295,000 pounds at an average price of US$36.18) due to the continuing low spot price environment.

After more than two years of operations, the 2015 average plant head grade remained at 97 ppm despite having somewhat lower head grades for the fourth quarter. Head grade during December was 87 ppm, which was above the quarter's average grade of 85 ppm. The lower head grade during this period of operation, as well as varying month-to-month grades, is a typical result as the mine matures and older operating patterns remain in the flow regime while newer patterns are brought online. This maturation of mine is also demonstrated through the increasing average flowrates, with a 454 gpm (23.5%) increase quarter-over-quarter.

Taxes, Fees

The Company is required to pay various state and local taxes related to production and the ownership of property. These taxes are in the form of severance, ad valorem, gross products, personal, and real property taxes. There is no state income tax in Wyoming. Royalties based on sales of uranium will be paid to the state under the state mineral lease at the Project. The state mineral leases carry the standard five percent royalty required by law. In 2013 we removed the only privately-held royalty interest which had pertained to the Lost Creek Project by an agreement for the purchase of that royalty interest. Various royalties exist on portions of the Adjoining Projects, including on a portion of LC East Project. Those royalties, as they pertain to anticipated production, have been included in the analysis but are relatively insignificant affecting only three future header houses at a rate of one percent of production sales. Additionally, maintenance fees will be paid to the BLM, and payments made to the state for the state mineral leases.

The Lost Creek Property economic analysis includes tax estimates for state severance taxes, county ad valorem taxes and property taxes, all of which are directly attributable to the Lost Creek Property. The economic analyses presented herein also provide the results of the analyses for pre-income tax and post-income tax, which includes U.S. federal and Illinois state income taxes. There is no State of Wyoming income tax and all sales are assumed to take place in Illinois where the conversion facility is located. The only difference between the two scenarios is the value of the estimated income taxes. 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 and no debt, interest or capital repayments. Ur-Energy USA Inc. files consolidated federal tax returns in the United States and had approximately $94.5 million in tax loss carry forwards as of December 31, 2014. The Company does not anticipate paying any significant federal income taxes until the existing, and any future, tax loss carry forwards are utilized. In addition, reclamation costs can be deducted in the early years of the project, thus also pushing out the tax liability.

Updated Preliminary Economic Assessment for Lost Creek Property

On January 19, 2016, we issued an updated Preliminary Economic Assessment for the Lost Creek Property Sweetwater County Wyoming (January 19, 2016 (TREC, Inc.))(the "Lost Creek PEA"). The Lost Creek PEA was prepared for the Company and its subsidiary, Lost Creek ISR, LLC ("LC"), by Douglass H. Graves, P.E., TREC, Inc. ("TREC") and James A. Bonner, C.P.G., Vice President Geology of the Company in accordance with NI 43-101. The objective of the Lost Creek PEA is to disclose recent changes for the Lost Creek Property which come in the form of an updated mineral resource estimate prompted by recent drilling within Lost Creek's Mine Unit 2 ("MU2"), exploratory drilling at the Lost Creek and LC East Projects, and the re-estimation of all previously-identified resources for the Property at a revised 0.20 grade-thickness (GT) cut-off. The economic analyses within the Lost Creek PEA have been revised to evaluate the impact of additional identified resources with information and data acquired through two years of ISR operations at Lost Creek. The Lost Creek PEA therefore serves to replace the last economic analyses for the Lost Creek Property from December 2013 and the most recent NI 43-101 Technical Report on the Lost Creek Property, dated June 17, 2015. The Lost Creek PEA covers production through September 30, 2015 and drilling and other exploration and operational activities conducted through October 15, 2015.

On June 17, 2015, the Company published an independent Technical Report for the Lost Creek Property to report increased resources for its operating Mine Unit 1 ("MU1") and from exploration drilling conducted early in 2015. In order to reconcile higher-than-expected uranium recoveries from production operations in this mine unit, the grade thickness ("GT") cutoff for uranium intercepts used in resource estimation was lowered from 0.30 to 0.20. Employing these revised guidelines, resources for MU1 were re-mapped and re-evaluated, increasing the MU1 Measured Resources by 55% (after subtraction of MU1 production). Through the monitoring of continued production from MU1, the authors believe the 0.20 GT better represents the in-situ uranium resources for the Lost Creek Property. Accordingly, for the Lost Creek PEA, all resource estimations for Lost Creek Property have used the new 0.20 GT cutoff, again, following re-mapping and re-evaluation.

Review of the mineral resource estimate by an independent party is not necessary in this instance to comply with NI 43-101 which requires an independent review when the total mineral resource has increased by more than 100% since the last independent review. Since the June 17, 2015 Technical Report, our activities have resulted in a cumulative increase of mineral resources at the Lost Creek Property of 31% in the Measured and Indicated categories and 28% in the Inferred category.

The Lost Creek Property represents the composite of six individual contiguous Projects: Lost Creek Project, LC East Project, LC West Project, LC North Project, LC South Project and EN Project.

The fully-licensed and operating Lost Creek Project is considered the core project while the others are collectively referred to as the Adjoining Projects. The Adjoining Projects were acquired by the Company as exploration targets to provide resources supplemental to those recognized at the Lost Creek Project. Most were initially viewed as stand-alone projects, but expanded over time such that collectively they represent a contiguous block of land along with the Lost Creek Project.

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Location and Size

The Lost Creek Property is located in the northeast corner of Sweetwater County, approximately 90 miles southwest of Casper, Wyoming. Current total acreage is approximately 42,372 acres of federal mineral claims and state of Wyoming mineral leases (Figure 1 below).

Figure 1: General Location Map

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The Lost Creek Property is situated in the northeastern part of the Great Divide Basin ("GDB"), which is underlain by up to 25,000 ft. of Paleozoic to Quaternary sedimentary units. Rock outcrops in the GDB are dominated by the Battle Spring Formation of Eocene age, which also hosts the uranium mineralization considered in the Lost Creek PEA. The dominant lithology in the Battle Spring Formation is coarse arkosic sandstone, interbedded with intermittent mudstone, claystone and siltstone. Deposition occurred as alluvial-fluvial fan deposits within a south-southwest flowing paleo-drainage.

Exploration in the Lost Creek region started in the mid-1960s. Several companies explored portions of the current Lost Creek Property during this early period and continued to advance the uranium discoveries until 1983 when market conditions declined. New Frontiers Uranium, LLC acquired the Lost Creek Project in 2000 and held it until 2005 when Ur-Energy USA Inc. purchased 100% ownership of the property through the purchase of a wholly-owned company, NFU Wyoming, LLC.

The uranium mineralization occurs as roll front type deposits formed where uranium precipitated from oxidizing groundwater when it contacted reduced host rock. The majority of known, potentially recoverable uranium throughout the Lost Creek Property occurs within two major mineralized trends. The Main Mineral Trend ("MMT") lies within the Lost Creek Project and the East Mineral Trend ("EMT") occurs in the LC East Project. The main mineralized stratigraphic intervals are identified by URE as the HJ and KM Horizons of the Battle Spring Formation. Additional uranium has been identified in the overlying FG and DE Horizons and also in the underlying Deep Horizons.

Exploration and Drilling

No non-drilling exploration surveys have been conducted by the Company on the Lost Creek Property. Existing uranium resources within the property boundaries were estimated, including the use of historical down-hole electric logs, lithology logs, drill hole location maps, summaries of mineralized drill hole intercepts and survey coordinates for drill holes.

Data from this drilling forms the basis of much of the mineral resource estimation herein. Since the completion of the June 17, 2015 Technical Report, we have conducted development drilling within MU2 and completed the second phase of the 2015 exploration program. Results from these drilling activities, using a GT cutoff of 0.20 or better, have been used in the Lost Creek PEA to update Lost Creek Property resources.

MU2 is being developed within the HJ Horizon, which has been recognized as containing ten individual sub-horizons. In the development of the first three header houses for MU2, through October 15, 2015, 138 pattern wells have been piloted. This drilling totaled 67,230 feet. In addition, 22,809 feet of drilling was conducted to complete 22 delineation holes and 20 monitor wells in the mine unit. Detailed roll front and GT contour mapping of mineralization was performed on these 180 drill holes, in order to update MU2 resources for the Lost Creek PEA.

Delineation drilling prior to wellfield development had been conducted on approximately 100 foot spacing and was the basis for initial wellfield resource estimates. When considering, however, that a roll front target at Lost Creek may be only 25 to 50 ft. wide, this presents circumstances in which the presence of the mineralized trend can be confirmed, but the sampling (drilling) may not test the richest portion of the roll front. Production well installation on the other hand is conducted on approximately 75 foot spacing and thus affords much additional data at closer spacing. The earlier determination to lower the GT cutoff from 0.30 to 0.20 effected an increase in resources within MU2. Additionally, the increase in drill density resulted in an increase in resources due to: (1) recognition that the roll fronts are considerably more sinuous and convoluted than can be recognized at 100 foot drill spacing. The increased sinuosity has the effect of increasing the length of the fronts and thus an increase in resources. (2) The closer drill density results in more drill holes penetrating the "spine" of the roll

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fronts where the highest grade occurs. This increases the overall average grade and GT, thus increasing resources.

The interpretation of drill hole data from this higher-density drilling resulted in the following MU2 resource increases:

Measured and Indicated resources were increased by 42% (682,000 pounds) from 1.606 million to 2.288 million pounds eU_3O_8.

Inferred resources increased by 58% (184,500 pounds) from 315,500 pounds to 500,000 pounds eU_3O_8.

A 150-hole exploration drilling program was conducted in 2015 immediately south and southeast of MU1. The primary goal of this program was to characterize three previously-identified mineralized sand units (FG, HJ, and KM). Exploratory drilling was conducted along drill hole fences spaced at 400 foot intervals along the projected mineralized trend.

The exploration program was conducted in two phases, with the first phase completed early in 2015. Ninety-one exploratory holes were drilled at the time, totaling 51,535 feet of drilling. The first phase successfully extended several mineralization trends and increased resources within three mineralized horizons. This drilling identified 120,800 pounds of new Measured and Indicated resources and 296,300 pounds of Inferred resources south of MU1. These exploration resources were reported in the 2015 Technical Report.

In third quarter 2015, the second phase of drilling was completed, consisting of 59 drill holes (24,760 feet of drilling). This drilling continued to extend the mineralization trends and increased resources within the three mineralized horizons. This drilling identified an additional 18,400 pounds of new Measured and Indicated resources and 201,700 pounds of Inferred resources south of MU1. The majority of this drilling was performed on the Lost Creek Project. However, some resources were delineated within the HJ and KM horizons on the LC East Project.

Mineralization

Mineralization at the Lost Creek Project and Adjoining Projects occurs as roll front type uranium deposits. Mineralization occurs in sand horizons within the Eocene-age Battle Spring Formation. The most significant mineral resources in the Lost Creek Property occur within two major stratigraphic horizons, the HJ and the KM Horizons. The HJ Horizon contains most of the currently defined mineral resources and hosts the current production zones. The HJ Horizon is subdivided into four stratigraphic sub-horizons that are also used for resource reporting. The highest abundance of uranium mineralization occurs in the MHJ1 and MHJ2 sub-horizons. Each sub-horizon, in turn, may consist of multiple mineralized roll fronts. The HJ Horizon, as a whole, contains up to 11 individual roll fronts within a stratigraphic interval of approximately 130 ft.

The KM Horizon underlies the HJ Horizon and contains additional significant mineralization that will be targeted for future production later in the Lost Creek mine plan. Mine approvals for the KM Horizon will be addressed by the proposed amendments to the mine license and permits. To date, a total of nine individual roll fronts have been identified in the KM Horizon within a stratigraphic interval of approximately 100 ft.

Mineral resources that are currently targeted for mining in the Lost Creek Property occur within two major trends. In the Lost Creek Project, resources are focused in an east-west oriented trend approximately three miles long and 500 to 2,000 ft. wide, termed the Main Mineral Trend (MMT). Mineralization targeted for mining has also been identified within the underlying KM Horizon. The FG Horizon also contains considerable mineralization.

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A second mineralized trend of significance, the East Mineral Trend (EMT), was identified by historical drilling within the LC East Project. Although geologically similar, it appears to be a separate and independent trend from the MMT and is believed to be the product of a different mineralization system. The EMT assumes a generalized northeast-southwest orientation extending for approximately six and one-half miles with a width of 500 to 1,500 ft. As in the MMT, the known mineralization occurs mainly in the HJ and KM Horizons. Significant occurrences have also been identified in the FG Horizon.

Sample Collection, Preparation, Analysis and Security

All mineralization at the Lost Creek Property does not outcrop. Therefore, testing of the mineralization is accomplished solely by drilling. Similarly, virtually all measurement of uranium content, or "sampling," is accomplished by one or more of three methods derived from the drilling activities:

1. *Down-Hole Gamma Logs*: This method is the most common and provides information on mineralization. Every hole drilled on the Lost Creek Property is gamma logged. Gamma logging is an indirect measurement of uranium content.

2. *PFN (Prompt Fission Neutron) logging* of selected mineralized intervals. This method provides a direct downhole measurement of uranium content as a supplement to, and confirmation of, gamma measurements.

3. *Coring*: Only a small percentage of drilled holes are cored. Laboratory analyses of core provide information on uranium content and physical, mineralogical and chemical properties of the host formation.

Lost Creek Property Mineral Resource Estimate

The prior Lost Creek Property resource estimate (2015 Technical Report) was updated based on the following new data sources:

1. As of October 15, 2015, 138 close-spaced pattern wells had been piloted, 20 monitor wells had been completed and 22 delineation holes drilled within MU2. In addition to this newly-acquired data, all existing drill hole data within MU2 were re-evaluated, using a 0.20 GT cutoff, and included in the MU2 resource estimate.

2. The results from the second phase of the 2015 exploratory drilling program. Fifty-nine drill holes were completed during this phase, adding 18,423 pounds of Measured and Indicated resources, and 201,785 pounds of Inferred resources since the 2015 Technical Report.

3. All resources throughout the entire Lost Creek Property were updated using a 0.20 GT cut-off in the revised resource estimation process.

Updated resource estimations based on the first phase of the 2015 exploration program and final pattern drilling within MU1 were disclosed in the 2015 Technical Report.

The current mineral resource estimate for the Lost Creek Property, after subtracting 1.358 million pounds of uranium produced from MU1 through September 30, 2015, is 13.251 million pounds in the Measured and Indicated categories, and 6.439 million pounds eU_3O_8 in the Inferred category. In general, the current resource estimate represents a net increase to the Lost Creek Property (all Projects) of 3.146 million pounds eU_3O_8 in the Measured and Indicated categories (after adjustment for MU1 production) and 1.402 million pounds eU_3O_8 in the Inferred category when compared to the

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previous estimate in the June 17, 2015 Technical Report. This represents a 31% and 28% increase in the respective categories. The updated resource estimate is summarized below:

Mr. Bonner, C.P.G., is of the opinion that the classification of the resources as stated meets the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) definitions as adopted by the CIM Council on May 10, 2014 (CIM Council, 2014). The mineral resource estimates in the Lost Creek PEA, based on historical and recent drilling, were reviewed and accepted by Mr. Bonner.

The majority of resources within the Lost Creek Property have been geographically allocated to 12 designated Resource Areas ("RAs") which represent the accumulation of resources within a given horizon in a given area. Economic analyses in the Lost Creek PEA are performed solely on these designated areas, due to the vertical and lateral continuity of the resources. RAs represent precursors to potential mine units (wellfields). To date, RAs 1 and 2 have been converted to Mine Units 1 and 2, respectively. At the current time, approximately 87% of the total Lost Creek Property resources, as presented in the Resource Summary above, are contained within Resource Areas.

Cautionary statement:

The Lost Creek PEA 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 the Lost Creek PEA is based on recovery data from wellfield operations to date, as well as the Company's personnel and industry experience at similar facilities. There can be no assurance that recovery at this level will be achieved.

The authors of the Lost Creek PEA have assumed that the Company's operations at the Lost Creek Property will be conducted in conformance with applicable laws, regulations and requirements of federal, state and local agencies. It is also assumed that organization and management controls have been and will continue to be established to ensure compliance with applicable regulations and to implement the Company's policy for providing a safe working environment including the philosophy of maintaining radiation exposures As Low As Reasonably Achievable ("ALARA").

The new resources identified via the recent activities and evaluations have been added to the Lost Creek production plan and provide a positive impact on the possible economics of the Lost Creek Property. The revenue for the cash flow estimate was developed using the GT contour mineral resource estimate for the MMT and EMT, and further assumed that, based on an 80% recovery factor, approximately 13.8 million pounds of U_3O_8 will be recovered from the MMT and EMT at the Lost Creek Property. Remaining CAPEX costs are for sustaining capital requirements at the mine site and are primarily associated with the replacement of equipment that will be used in the future operations of the plant and the wellfields. The sustaining capital cost is estimated to be US$3.6 million. In addition, although not considered sustaining capital, costs are included in this analysis for the installation of two additional deep disposal wells at an estimated cost of US$6.2 million. The sustaining capital estimate is based on the actual previous purchases of the same equipment and/or vendor prices, thus the predicted level of accuracy of the sustaining capital estimate is +/ 10%.

OPEX cost estimates in the Lost Creek PEA were developed by evaluating each process unit operation and associated operating services (power, water, air, waste disposal), infrastructure (offices, shops), salary plus burden, and environmental control (heat, air conditioning, monitoring). The OPEX estimate in the Lost Creek PEA is based on the Company's current operating costs, budgets, development plan, deliverables, process flow sheets, process design, materials balance and project manpower schedule.

Construction of the plant and first mine unit (wellfield) began in October 2012. Plant construction was completed in the third quarter of 2013. Wellfield drilling and construction activities have been

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completed to various levels with the majority of the work occurring in the first mine unit and a portion of the drilling occurring in the second mine unit.

Subsequent to initial capital purchases, all other installation costs have been expensed. These include additional construction in the first mine unit, installation of the monitor well ring in the second mine unit and the drilling and construction of the third deep disposal well.

There is no certainty that the mineral recovery or the economic analyses presented in the Lost Creek PEA will be realized. In order to realize the full potential benefits described in the Lost Creek PEA the following activities are required:

- Further development of Mine Unit 2; and
- Continuation of permit amendment process for the required permits and approvals for KM production and LC East production.

Regulatory Authorizations and Land Title of the Lost Creek Property

Beginning in 2007, we completed all necessary applications and related processes to obtain the required permitting and licenses for the Lost Creek Project, of which the three most significant are: a Source and Byproduct Materials License from the NRC (received August 2011); a Plan of Operations with the BLM (Record of Decision ("ROD") received October 2012; affirmed by U.S. District Court for the District of Wyoming, September 2013); and a Permit and License to Mine from the WDEQ (October 2011). The WDEQ License to Mine was issued following determinations in favor of the project by the WEQC with respect to a third-party objection, which included a WEQC direction that the WDEQ Permit be approved by the WDEQ. The WDEQ Permit includes the approval of the first mine unit, as well as the Wildlife Management Plan, including a positive determination of the protective measures at the project for the greater sage-grouse species.

In March 2010, the USFWS submitted a finding of "warranted for listing but precluded by higher priorities" with regard to the greater sage-grouse, whose habitat includes Wyoming. A finding that listing is "warranted but precluded" results in recognition of the greater sage-grouse as a candidate for listing. Pursuant to a settlement agreement, issued as a consent decree of a federal district court, the USFWS was required to make a listing decision on or before September 30, 2015.

As a part of the Lost Creek WDEQ Application, we submitted a Wildlife Protection Plan addressing, among other issues, the sage-grouse. The Wyoming Game and Fish Department ("WGFD") reviewed and recommended the Wildlife Management Plan to the WDEQ, including findings that the Wildlife Management Plan meets all of the protection measures for the greater sage-grouse species, and is consistent with the Wyoming Governor's Executive Order on the sage-grouse. Following WGFD's recommendation, the Lost Creek Wildlife Management Plan was incorporated into the WDEQ Permit, and subsequently upheld by the WEQC rulings.

The State of Wyoming has developed a "core-area strategy" to help protect the greater sage-grouse species within certain core areas of the state. Exploration areas of our Lost Creek property are all within a designated core area and are thus subject to work activity restrictions from March 1 to July 15 of each year. The timing restriction precludes exploration drilling and other non-operational based activities which may disturb the sage-grouse. Drilling activity is not restricted outside this period. The sage-grouse timing restrictions relevant to ISR production and operational activities at the Lost Creek Project are somewhat different because the State has recognized that mining projects within core areas must be allowed to operate year-round. Therefore, there are no timing restrictions on drilling, construction, or operational activities within pre-approved disturbed areas within our permit to mine.

Potential risks to the accessibility of the estimated mineral resource may include changes in the designation of the sage grouse as an endangered species by the USFWS because the Lost Creek

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Property lies within a sage grouse core area as defined by the state of Wyoming. In September 2015, the USFWS issued its finding that the greater sage grouse does not warrant protection under the Endangered Species Act (ESA). The USFWS reached this determination after evaluating the species' population status, along with the collective efforts by the BLM and U.S. Forest Service, state agencies, private landowners and other partners to conserve its habitat. After a thorough analysis of the best available scientific information and taking into account ongoing key conservation efforts and their projected benefits, the USFWS determined the species does not face the risk of extinction now or in the foreseeable future and therefore does not need protection under the ESA. Should future decisions vary, or state or federal agencies alter their management of the species, there could potentially be an impact on future expansion operations. However, the Company continues to work closely with the WDGF and the BLM to mitigate impacts to the sage grouse.

Meanwhile, in related regulatory processes, the BLM prepared environmental impact statements for and issued amendments to eleven Resource Management Plans ("RMPs"), related to the greater sage-grouse. Included in these RMPs are proposals to designate millions of acres of federal lands currently open for mineral location as lands to be withdrawn from such mineral status.

Additional authorizations from federal, state and local agencies for the Lost Creek Project include: WDEQ-Air Quality Division Air Quality Permit and WDEQ-Water Quality Division Class I Underground Injection Control ("UIC") Permit. The latter permit allows Lost Creek to operate up to five Class I injection wells to meet the anticipated disposal requirements for the life of the Lost Creek Project. The Environmental Protection Agency ("EPA") issued an aquifer exemption for the Lost Creek project. The WDEQ's separate approval of the aquifer reclassification is a part of the WDEQ Permit. We also received approval from the EPA and the Wyoming State Engineer's Office for the construction and operation of two holding ponds at Lost Creek.

In 2014, two applications for amendments to the primary authorizations to mine were submitted to regulatory agencies. In 2015, the BLM issued a notice of intent to complete an environmental impact statement for the application. The NRC will participate in this review as a cooperating agency. A permit amendment requesting approval to mine at the LC East Project and within the KM Horizon at the Lost Creek Project was submitted to the WDEQ for review and approval. Approval will include an aquifer exemption. The air quality permit will be revised to account for additional surface disturbance. An application will be submitted to Sweetwater County to re-zone the land at LC East. A subsequent Development Plan will also have to be submitted for review and approval. Numerous well permits from the State Engineer's Office will be required.

A WDEQ draft permit for Underground Injection Control (UIC) Class V wells has been completed for Lost Creek. It is anticipated that final approvals from all regulators will be received in first quarter 2016. These approvals will allow for the onsite disposal of fresh permeate (*i.e.,* clean water) into Class V wells. Site operators will use the reverse osmosis circuits, which were installed during initial construction of the plant, to treat process waste water into brine and permeate streams. The brine stream will continue to be disposed of in the UIC Class I deep wells while the clean, permeate stream will be injected into the UIC Class V wells. It is expected that these operational procedures, which are expected to be commissioned and fully operational in second quarter 2016, will significantly enhance waste water disposal capacity at the site.

Through certain of our subsidiaries, we control the federal unpatented lode mining claims and State of Wyoming mineral leases which make up the Lost Creek Property. Title to the mining claims is subject to rights of *pedis possessio* against all third-party claimants as long as the claims are maintained. The mining claims do not have an expiration date. Affidavits have been timely filed with the BLM and recorded with the Sweetwater County Recorder attesting to the payment of annual maintenance fees to the BLM as established by law from time to time. The state leases have a ten-year term, subject to renewal for successive ten-year terms.

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The surface of all the mining claims is controlled by the BLM, while we have the right to use as much of the surface as is necessary for exploration and mining of the claims, subject to compliance with all federal, state and local laws and regulations. Surface use on BLM lands is administered under federal regulations. Similarly, access to state-controlled land is largely inherent within the State of Wyoming mineral lease. The state lease at the Lost Creek Project requires a nominal surface impact fee to be paid. The other state mineral leases currently do not have surface impact payment obligations.

A professional legal survey of the permit area boundary of the Lost Creek Project was completed in advance of the submission of applications for permits and licenses on the Project. Similarly, a professional legal survey was conducted for the anticipated permit area for the LC East permit amendments. Legal surveys of individual mining claims are not required, and otherwise have not been completed. The area covered by the state leases is based on the legal subdivision descriptions as set forth by the U.S. Cadastral Survey and have not been verified by legal surveys.

Exploration and Development Properties

Our Five Projects Adjoining Lost Creek, Together with the Lost Creek Project, Form the Lost Creek Property

The LC East and LC West Projects (currently, approximately 5,710 acres (2,130 hectares) and 3,840 acres (1,550 hectares), respectively) were added to the Lost Creek Property in 2012. The two projects were formed through location of new unpatented lode mining claims and an asset exchange completed in February 2012 with Uranium One Americas, Inc., through which we acquired 175 unpatented mining claims and related data. In 2012, all baseline studies at LC East were initiated. In 2014, we submitted applications for amendments of the Lost Creek licenses and permits to include development of LC East. We also located additional lode mining claims to secure the lands in what will be the LC East permit area. The EMT is a second mineral trend of significance, in addition to the MMT at Lost Creek, identified by historic drilling on the lands forming LC East. The Lost Creek PEA recommends further wellfield development to continue recovery activities, and to pursue all regulatory authorizations to recover from the KM horizon and the EMT in LC East toward a goal of future production.

The LC North Project (approximately 7,730 acres (3,120 hectares)) is located to the north and to the west of the Lost Creek Project. Historical wide-spaced exploration drilling on this project consisted of 161 drill holes. The Company has conducted two drilling programs at the project. Exploration drilling will be conducted at LC North to pursue the potential of an extension of the MMT in the HJ and KM horizons.

The LC South Project (approximately 10,775 acres (4,360 hectares)) is located to the south and southeast of the Lost Creek Project. Historical drilling on the LC South Project consisted of 482 drill holes. In 2010, the Company drilled 159 exploration holes (total, 101,270 feet (30,876 meters)) which confirmed numerous individual roll front systems occurring within several stratigraphic horizons correlative to mineralized horizons in the Lost Creek Project. Also, a series of wide-spaced drill holes were part of this exploration program which identified deep oxidation (alteration) that represents the potential for several additional roll front horizons. The HJ and KM horizons will be further explored, as well as additional drilling to further evaluate the potential of deeper mineralization.

The EN Project (approximately 10,122 acres (4,100 hectares)) is adjacent to and east of LC South. We have over 50 historical drill logs from the EN project. Some minimal, deep, exploration drilling has been conducted at the project. Although no mineral resource is yet reported due to the limited nature of the data, Company geologists recommend that the EN project should be explored further with wide spaced framework drilling to assess regional alteration and stratigraphic relationships.

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Pathfinder Mines Corporation: Shirley Basin Mine Site (Shirley Basin, Wyoming) and Lucky Mc Mine Site (Gas Hills Mine District, Wyoming)

As a part of the Pathfinder acquisition, we now own the Shirley Basin and Lucky Mc mine sites in the Shirley Basin and Gas Hills mining districts of Wyoming, respectively, from which Pathfinder and its predecessors historically produced more than seventy-one million pounds of uranium, primarily from the 1960s through the 1990s. Pathfinder's predecessors included COGEMA, Lucky Mc Uranium Corporation, and Utah Construction/Utah International.

Both Lucky Mc and Shirley Basin conventional mine operations were suspended in the 1990s due to low uranium pricing, and facility reclamation was substantially completed. We assumed the remaining reclamation responsibilities including financial surety for reclamation, at Shirley Basin and at the Lucky Mc mine site. The Lucky Mc tailings site was fully reclaimed and, at the time of our acquisition, was in the process of being transferred to the DOE. Therefore, we assumed no obligations with respect to the Lucky Mc tailings site, which were retained by the seller upon closing, or the NRC license at the site. We do not have plans for the further exploration or development of the Lucky Mc property during 2016.

Together with property holdings of patented lands, unpatented mining claims, and State of Wyoming and private leases totalling more than 5,500 acres (nearly 3,700 acres at Shirley Basin (approximately 1,500 hectares); approximately 1,800 at Lucky Mc (approximately 750 hectares)), we also acquired all historic geologic, engineering and operational data related to the two mine areas. Our project at Shirley Basin (the "Shirley Basin Project" or "Shirley Basin") is located in Carbon County, Wyoming, approximately 40 miles south of Casper, Wyoming. The Shirley Basin Project is accessed by travelling west from Casper, on Highway 220. After travelling 18 miles, turn south on Highway 487 and travel an additional 35 miles; the entrance to Shirley Basin Mine is to the east.

Under the terms of our acquisition of Pathfinder, we are obligated to pay a 5% production royalty on production at the Shirley Basin Project under certain market conditions. That royalty will be limited by the following market conditions: (i) if the reported spot price exceeds $55 prior to June 30, 2016 the 5% gross royalty is capped at US$6,625,000; (ii) if the reported spot price exceeds US$45, but does not exceed US$55 prior to June 30, 2016 the royalty cap is reduced to US$3,700,000; (iii) if the reported spot price does not exceed US$45 prior to June 30, 2016 the royalty is terminated. The amount of production royalty, if triggered, may be purchased back at any time at our election.

The tailings facility at the Shirley Basin site is one of the few remaining facilities in the United States that is licensed by the NRC to receive and dispose of byproduct waste material from other in situ uranium mines. We continue to operate the byproduct disposal site and accepted deliveries throughout 2015 under several existing contracts.

Shirley Basin History and Geology

The Shirley Basin property lies in the northern half of the historic Shirley Basin uranium mining district (the "District"). Earliest discoveries were made in 1954 by Teton Exploration. This was followed by an extensive claim staking and drilling rush by several companies in 1957. Several important discoveries were made and the first mining was started in 1959 by Utah Construction Corp. (predecessor to Pathfinder). Underground mining methods were initially employed but encountered severe groundwater removal problems, so in 1961 Utah Construction switched to solution mining methods. In 1968 market and production needs caused Utah Construction to move to open-pit mining and a conventional mill. All production within the district since that time has been by open-pit methods.

Several companies operated uranium mines within the District, however three companies were dominant. Utah Construction/Pathfinder's efforts were focused in the northern portions of the District,

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while Getty was largely in the central portions, and Kerr-McGee was in the southern portions. In 1960 Getty and Kerr-McGee joined together as Petrotomics Company to build a mill for joint processing of their production. The last mining in the District ended in 1992 when Pathfinder shut down production due to market conditions. Total production from Shirley Basin was 51.3 million pounds of uranium, of which 28.3 million pounds came from the Utah Construction/Pathfinder operations which we now own.

Resources which we are currently targeting for ISR production represent unmined extensions of mineral trends addressed in past open-pit mines. These extensions had been targeted for mining but were abandoned with shut-down of the mining operations in 1992.

The Shirley Basin mining district lies in the north-central portions of the Shirley Basin geologic province, which is one of several inter-montane basins in Wyoming created 35-70 million years ago (mya) during the Laramide mountain building event. The Basin is floored by folded sedimentary formations of Cretaceous age (35-145 mya). These units were tilted by Laramide tectonic forces and subsequently exposed to erosion, creating a "paleo-topographic" surface. In the northern half of the Basin the Cretaceous units were later covered by stream sediments of the Wind River Formation of Eocene age (34-56 mya) which filled paleo-drainages cut into a paleo-topographic surface. The source of the Wind River sediments is granitic terrain within the nearby Laramie Range to the east and the Shirley Mountains to the southwest. The Wind River Formation was subsequently covered by younger volcanic ash-choked stream sediments of the White River and Arikaree Formations of Oligocene age (23-34 mya) and Miocene age (5-23 mya), respectively.

The Wind River Formation is the host of the majority of uranium mineralization mined within the Shirley Basin mining district. The lithology of the Wind River Formation is characterized by multiple thick, medium to coarse grained sandstones separated by thick claystone shale units. The individual sandstones and shales are typically 20 to 50 feet thick. Total thickness of the Wind River Formation ranges from approximately 400 to 500 feet. The two most dominant sandstones are named the Main and Lower Sands. The Lower Sand represents the basal sand unit of the Wind River Formation and in places lies directly above the underlying Cretaceous formations.

Uranium occurs as roll front type deposits along the edge of large regional alteration systems within sandstone units of the Wind River Formation. The source of the uranium is considered to be the volcanic ash content within the overlying White River Formation and also granitic content within the Wind River Formation itself. The Main and Lower Sands are the primary hosts to mineralization which we are currently targeting for ISR development. Studies we conducted in 2014, as well as previous studies by Pathfinder in the late 1990s, indicate that this mineralization is amenable to ISR extraction. The primary target is called the FAB Trend which represents the connecting mineral trend between two past-produced open-pits. A secondary target called Area 5 was also an ISR target for Pathfinder prior to shut-down of their mining operations in 1992.

Preliminary Economic Assessment for Shirley Basin Uranium Project

The Shirley Basin mineral resource estimate includes drill data and analyses of more than three thousand holes and nearly 1.2 million feet of historic drilling at the Shirley Basin Project which were acquired with the acquisition of Pathfinder. Early in 2014, we drilled 14 confirmation holes representing approximately 6,600 feet which were included in the mineral resource estimate for the project.

In August 2014, we issued a Technical Report on Resources for the Shirley Basin Uranium Project Carbon County Wyoming (August 27, 2014). Subsequently, in January 2015, we issued a Preliminary Economic Assessment for the Shirley Basin Uranium Project Carbon County Wyoming, January 27,

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2015 (the "Shirley Basin PEA"). The current mineral resources at the Shirley Basin Project are estimated as follows:

Shirley Basin Uranium Project 2015 Resource Summary

	MEASURED			INDICATED		
RESOURCE AREA	AVG GRADE % eU_3O_8	SHORT TONS (X 1000)	POUNDS (X 1000)	AVG GRADE (X 1000)	SHORT TONS (X 1000)	POUNDS (X 1000)
FAB TREND	0.280	1,172	6,574	0.119	456	1,081
AREA 5	0.243	195	947	0.115	93	214
TOTAL	**0.275**	**1,367**	**7,521**	**0.118**	**549**	**1,295**
MEASURED & INDICATED				**0.230**	**1,915**	**8,816**

Notes:

(1) Sum of Measured and Indicated tons and pounds may not add to the reported total due to rounding.

(2) Mineral resources that are not mineral reserves do not have demonstrated economic viability.

(3) Based on grade cutoff of 0.020 percent eU_3O_8 and a grade × thickness cutoff of 0.25 GT.

(4) Measured, Indicated, and Inferred Mineral Resources as defined in Section 1.2 of NI 43-101 (the CIM Definition Standards (CIM Council, 2014)).

(5) Resources are reported through July 2014.

(6) All reported resources occur below the historical, pre-mining static water table.

(7) Sandstone density is 16.0 cu. ft./ton.

Information shown in the table above differs from the disclosure requirements of the SEC. See *"Cautionary Note to U.S. Investors Concerning Disclosure of Mineral Resources"* above.

No additional exploration or delineation drilling has been conducted at the project. Baseline environmental studies were completed during 2014 - 2015, allowing for the preparation of applications for permits to proceed. The first of these applications was submitted to the WDEQ in December 2015. We anticipate that the application for a source material license for the project will be submitted to the NRC during first quarter 2016.

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CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Company as at the dates indicated, and as adjusted to give effect to the issue of the Offered Shares under the Offering. This table should be read in conjunction with the Company's audited consolidated financial statements for the fiscal year ended December 31, 2014, together with the notes thereto and the Company's unaudited consolidated interim financial statements for the three and nine month periods ended September 30, 2015 together with the notes thereto, incorporated by reference in this prospectus supplement. Except as set forth below, there have been no material changes in the share capital of the Company since December 31, 2014. All amounts are in thousands of US dollars except for per share data and except as otherwise stated.

	As at December 31, 2014 before giving effect to the Offering (audited) ($)	As at September 30, 2015 before giving effect to the Offering (unaudited) ($)	As at September 30, 2015 after giving effect to the Offering (unaudited) ($)(1)
Share Capital (thousands)	$ 168,118	$ 168,911	$ 174,301(2)
(Common Shares Authorized: unlimited)	129,365,076	130,188,775	142,188,775(3)
Stock Options	8,468,614	8,676,918	8,676,918
Warrants	8,374,112	8,324,112	8,324,112
Total Shareholders' Equity (thousands)	$ 32,101	$ 31,692	$ 37,082(4)
Restricted Share Units	659,964	774,386	774,386

(1) Assuming the Over-Allotment Option is not exercised.

(2) If the Over-Allotment Option is exercised in full, the share capital will be $175,147.

(3) If the Over-Allotment Option is exercised in full, the Common Shares outstanding will be 143,988,775.

(4) If the Over-Allotment Option is exercised in full, Total Shareholders' Equity will be $37,928.

There have been no material changes to the Company's share and loan capitalization on a consolidated basis since September 30, 2015.

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USE OF PROCEEDS

The net proceeds to be received by the Company from the Offering, after deducting the Underwriters' Fee and estimated expenses of the Offering, will be approximately $5,390,000. If the Over-Allotment Option is exercised in full, the net proceeds to be received by the Company from the Offering, after deducting the Underwriters' Fee and estimated expenses of the Offering, will be approximately $6,236,000.

It is anticipated that approximately 90% of the net proceeds of the Offering will be used by the Company for the advancement and the development of the company's Lost Creek project including equipment and chemicals for the plant and facilities, and construction and further development of header houses and wellfields, including drilling, materials and labor. This amount will include the anticipated licensure and permitting activities, including routine regulatory fees, for Lost Creek during 2016.

The remaining net proceeds of the Offering, after the foregoing, anticipated to be less than 10%, will be used by the Company for working capital and general corporate purposes, including the payment of ongoing debt service obligations. The proceeds will provide for additional cash flow coverage between deliveries into term and spot contracts and time for receipt of proceeds from such sales.

Although the Company intends to use the net proceeds from the Offering as set forth above, the actual allocation of the net proceeds may vary depending on future developments in the Company's mineral properties or unforeseen events, including those factors disclosed under the heading "*Risk Factors*".

In the event that the Over-Allotment Option is exercised, any additional net proceeds will be allocated to general working capital.

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UNDERWRITING

Pursuant to the underwriting agreement, dated February 2, 2016 (the "Underwriting Agreement"), the Company has agreed to sell and Cantor Fitzgerald Canada Corporation, as lead underwriter, Raymond James Ltd. and Dundee Securities Ltd. (collectively, the "Underwriters") have agreed to purchase on the Closing Date the Offered Shares at the Offering Price, payable in cash to the Company against delivery. The obligations of the Underwriters under the Underwriting Agreement may be terminated upon the occurrence of certain stated events. The Underwriters are, however, obligated to take up and pay for all of the Offered Shares if any of the securities are purchased under the Underwriting Agreement. The Offering Price was determined by negotiation between the Company and the Underwriters. Subject to the terms and conditions of the underwriting agreement, we have agreed to sell to the underwriters, and each underwriter has severally agreed to purchase, at the public offering price less the underwriting discounts and commissions set forth on the cover page of this prospectus, the number of shares of common stock listed next to its name in the following table:

Name	Number of Shares
Cantor Fitzgerald Canada Corporation	7,200,000
Raymond James Ltd.	3,600,000
Dundee Securities Ltd.	1,200,000
Total	12,000,000

Pursuant to the Underwriting Agreement, the Company has granted to the Underwriters the Over-Allotment Option, exercisable no later than 30 days after the Closing Date, to purchase the Over-Allotment Shares at the Offering Price on the same terms and conditions as apply to the purchase of the Offered Shares thereunder. The Underwriters may exercise the Over-Allotment Option only to the extent required to cover over-allotments made in connection with the sale of the Offered Shares under this prospectus and for market stabilization purposes. This prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Over-Allotment Shares issuable upon exercise of the Over-Allotment Option.

Jeffrey Klenda, Executive Director and acting Chief Executive Officer of the Company and a director of the Company, is expected to purchase 1,000,000 Common Shares under the Offering for gross proceeds of US$500,000. The Company's Audit Committee has approved Mr. Klenda's participation in the Offering.

The Underwriters may sell Offered Shares in the United States through their U.S. affiliates, Cantor Fitzgerald & Co., Raymond James & Associates, Inc. and Dundee Securities Inc. Subject to applicable law, the Underwriters may offer to sell the Offered Shares outside of Canada and the United States.

Pursuant to the Underwriting Agreement, the Company has agreed to pay to the Underwriters the Underwriters' Fee which is equal to six percent of the gross proceeds from the issue and sale of the Offered Shares and Over-Allotment Shares, if any, for various services rendered to the Company in connection with the Offering.

The Company has also agreed to reimburse the Underwriters for their reasonable out-of-pocket fees and expenses, including the fees and expenses of their legal counsel whether or not the Offering is completed, in an amount not to exceed $80,000. All amounts payable to the Underwriters will be paid from the proceeds of the Offering.

The Underwriters reserve the right to offer selling group participation, in the normal course of the brokerage business, to selling groups of other licensed broker-dealers, brokers or investment dealers, who may or may not be offered part of the Underwriters' Fee.

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The Company has agreed in the Underwriting Agreement that it shall not issue, negotiate or enter into any agreement to sell or issue or announce the issue of, any equity securities of the Company, other than: (i) the issuance of the Offered Shares; (ii) pursuant to the grant of options in the normal course pursuant to the Company's employee stock option plan, the issuance of securities in the normal course pursuant to the Company's restricted share unit plan ("RSU Plan"), the issuance of common shares upon exercise or redemption of such options or restricted share units, as applicable, or issuance of securities pursuant to the exercise or conversion, as the case may be, of options or securities of the Company outstanding on the date hereof; (iii) or an issuance of options or securities in connection with a *bona fide* acquisition by the Company, for a period of 90 days following the Closing Date (the "Expiry Date"), without the prior written consent of Cantor Fitzgerald Canada Corporation, on behalf of the Underwriters, such consent not to be unreasonably withheld.

As a condition precedent to the Underwriters' obligation to close the Offering, subject to customary exemptions permitting dispositions to trusts for the direct or indirect benefit of the director or senior officer and/or the immediate family of such person, and tenders to a take-over bid or acquisition transaction, all directors and senior officers of the Company shall be required to execute and deliver written undertakings in favour of the Underwriters agreeing not to sell, transfer, pledge (other than as disclosed to the Underwriters in writing), assign, or otherwise dispose of any securities of the Company owned, directly or indirectly by such directors or senior officers, until the Expiry Date, without the prior written consent of the Lead Underwriter on behalf of the Underwriters. Notwithstanding the foregoing, on or after March 21, 2016, certain directors and senior officers of the Company will be entitled to sell or otherwise dispose of securities of the Company in connection with the redemption of certain restricted share units under the RSU Plan as disclosed to the Underwriters. Notwithstanding the foregoing, if (1) during the last 17 days of prior to the Expiry Date the Company issues an earnings release or material news or a material event relating to the Company occurs; or (2) prior to the Expiry Date the Company announces that it will release earnings results during the 16-day period beginning on the Expiry Date, the restrictions imposed by the immediately preceding paragraph shall continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event, as applicable, unless the Underwriters waive, in writing, such extension. The Company will provide the Underwriters, and each director and senior officer of the Company with prior notice of any such announcement that gives rise to an extension of this period.

Pursuant to policies of certain Canadian securities regulatory authorities, the Underwriters may not, throughout the period of distribution under the Offering, bid for or purchase Common Shares for their own accounts or for accounts over which they exercise control or direction. The foregoing restriction is subject to certain exceptions, on the condition that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in or raising the price of the Common Shares. These exceptions include a bid or purchase permitted under Universal Market Integrity Rules for Canadian marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities, and a bid or purchase made for or on behalf of a customer where the order was not solicited during the period of distribution. Subject to the foregoing, the Underwriters may effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time. The Underwriters may carry out these transactions on the TSX, NYSE MKT, in the over-the-counter market or otherwise.

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of preventing or mitigating a decline in the market price of the Common Shares, and may cause the price of the Offered Shares to be higher than would otherwise exist in the open market absent such stabilizing activities. As a result, the price of the Offered Shares may be higher than the price that

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might otherwise exist in the open market. These transactions, if commenced, may be discontinued at any time.

The Company has agreed, pursuant to the Underwriting Agreement, to indemnify the Underwriters and their respective affiliates and their respective directors, officers, employees shareholders and agents and each other person, if any, controlling any of the Underwriters or their affiliates and against certain liabilities, including liabilities under Canadian and U.S. securities legislation in certain circumstances or to contribute to payments the Underwriters may have to make because of such liabilities.

The Underwriters propose to offer the Offered Shares initially at the Offering Price. After the Underwriters have made a reasonable effort to sell all of the Offered Shares at such price, the Offering Price may be decreased and may be further changed from time to time to an amount not greater than the Offering Price, and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Offered Shares is less than the proceeds paid by the Underwriters to the Company.

The Company has applied for conditional approval to list the Offered Shares on the TSX and has applied to list the Offered Shares on the NYSE MKT. Listing of the shares will be subject to fulfilling all of the requirements of the TSX and NYSE MKT.

Other than pursuant to certain exceptions, the Offered Shares will be available for delivery in book-based form through CDS and the Depositary Trust Company ("DTC") or their respective nominees and will be deposited with CDS on the Closing Date. A purchaser of Offered Shares will receive only a customer confirmation from the Underwriters or other registered dealer who is a CDS Participant or a DTC participant ("DTC Participant") through which the Offered Shares are purchased. Purchasers who are not issued a certificate evidencing the Common Shares which are subscribed for by them at closing may request that a certificate be issued in their name. Such a request will need to be made through the CDS Participant or DTC Participant through whom the beneficial interest in the securities is held at the time of the request.

A prospectus in electronic format may be made available on the web sites maintained by one or more of the Underwriters or their U.S. affiliates participating in the offering. The Underwriters may agree to allocate a number of shares to the Underwriters and their U.S. affiliates for sale to their online brokerage account holders. Internet distributions will be allocated by the representative to the Underwriters and their U.S. affiliates that may make Internet distributions on the same basis as other allocations. Other than the prospectus in electronic format, the information on these websites is not part of this prospectus supplement or the registration statement of which this prospectus supplement forms a part, has not been approved or endorsed by the Company or any Underwriter in its capacity as underwriter, and should not be relied upon by investors.

Certain of the Underwriters and their affiliates have provided in the past to us and our affiliates, and may provide from time to time in the future, certain commercial banking, financial advisory, investment banking and other services for us and such affiliates in the ordinary course of their business, for which they have received and may continue to receive customary fees and commissions. In addition, from time to time, certain of the Underwriters and their affiliates may effect transactions for their own account or the account of customers, and hold on behalf of themselves or their customers, long or short positions in our debt or equity securities or loans, and may do so in the future.

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DESCRIPTION OF SHARE CAPITAL

General

The authorized capital of the Company consists of an unlimited number of Common Shares and an unlimited number of Class A Preference Shares. As of January 31, 2016, there were 130,387,061 Common Shares and no preferred shares issued and outstanding.

The holders of the Common Shares are entitled to one vote per share at all meetings of the shareholders of the Company. The holders of Common Shares are also entitled to dividends, if and when declared by the directors of the Company and the distribution of the residual assets of the Company in the event of a liquidation, dissolution or winding up of the Company.

The Company's Class A Preference Shares are issuable by the directors in one or more series and the directors have the right and obligation to fix the number of shares in, and determine the designation, rights, privileges, restrictions and conditions attaching to the shares of each series. The rights of the holders of Common Shares will be subject to, and may be adversely affected by, the rights of the holders of any Class A Preference Shares that may be issued in the future. The Class A Preference Shares, may, at the discretion of the board of directors, be entitled to a preference over the Common Shares and any other shares ranking junior to the Class A Preference Shares with respect to the payment of dividends and distribution of assets in the event of liquidation, dissolution or winding up.

Prior Sales

For the 12-month period before the date of this prospectus supplement, the Company issued the following Common Shares and securities convertible into Common Shares:

Date of Issuance	Number of Securities Issued	Security Issued	Issue/Exercise Price Per Security	
2/10/2015	10,000	Common Shares(2)	US$	0.81
2/18/2015	10,000	Common Shares(2)	US$	0.81
2/24/2015	56,113	Common Shares(2)	US$	0.81
2/25/2015	22,758	Common Shares(2)	US$	0.81
2/26/2015	21,640	Common Shares(2)	US$	0.81
3/4/2015	114,888	Common Shares(2)	US$	0.81
3/5/2015	200,386	Common Shares(2)	US$	0.81
3/13/2015	274,574	Restricted Share Units(4)	US$	0.00
5/1/2015	115,214	Common Shares(2)	US$	0.95
5/12/2015	21,023	Common Shares(2)	US$	0.82
5/29/2015	200,000	Stock Options(3)	US$	1.14
8/5/2015	4,212	Common Shares(2)	US$	0.76
8/17/2015	210,586	Restricted Share Units(4)	US$	0.00
8/17/2015	842,354	Stock Options(3)	US$	0.86
12/11/2015	310,432	Restricted Share Units(4)	US$	0.00
12/11/2015	1,341,698	Stock Options(3)	US$	0.80
1/5/2016	16,620	Common Shares(2)	US$	0.77
1/11/2016	110,485	Common Shares(1)	US$	0.00
1/25/2016	59,255	Common Shares(1)	US$	0.00
1/26/2016	27,634	Common Shares(1)	US$	0.00

(1) Vested Restricted Share Units ("RSUs") redeemed for Common Shares by employees and directors.

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(2) Stock options exercised by employees and directors.

(3) Stock options granted to employees and directors pursuant to the Company's stock option plan.

(4) RSUs granted to employees and directors pursuant to the Company's RSU plan.

Trading Price and Volume

The Common Shares are listed on the TSX under the trading symbol "URE". The following table sets forth information relating to the trading of the Common Shares on the TSX for the periods indicated.

	Price Range (CDN$)		
Month, Year	**High**	**Low**	**Total Volume**
January, 2016	0.98	0.73	1,264,914
December 2015	0.90	0.68	1,439,176
November 2015	0.75	0.60	714,123
October 2015	0.87	0.71	468,660
September 2015	0.91	0.72	729,272
August 2015	1.02	0.73	799,412
July 2015	1.02	0.75	1,236,734
June 2015	1.16	0.96	1,003,770
May 2015	1.28	1.10	722,811
April 2015	1.31	1.03	1,790,514
March 2015	1.35	1.11	2,488,920
February 2015	1.19	0.96	1,079,569

(1) Source for data in the above table is TSX. Past performance should not be seen as an indicator of future performance.

The Common Shares are listed on the NYSE MKT under the trading symbol "URG". The following table sets forth information relating to the trading of the Common Shares on the NYSE MKT for the periods indicated.