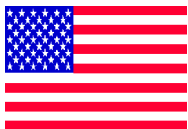


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## **United States need strong boost from national uranium production**

In 2007, US uranium production increased 14% to 2,127 tonnes (4.7 million pounds) from 1,870 tonnes (4.1 million pounds) of U<sub>3</sub>O<sub>8</sub>, according to preliminary data from the Energy Information Administration (EIA). As of the end of 2007, there were 5 in-situ leach mines in operation (Crow Butte, Alta Mesa), Smith-Ranch-Highland, Kingsville Dome and Vasquez, with a total annual production capacity of 4,130 tonnes U<sub>3</sub>O<sub>8</sub>.

There was also one uranium mill in (White Mesa) operation, with a capacity of 2,000 tonnes of ore per day.

There are 104 functioning nuclear power reactors, representing 23% of the world's total reactors and generating 20% of the country's electricity. They are housed in 66 plants that have cranked out more than 800 billion kilowatt hours for five straight years. US suppliers (brokers, converters, enrichers, fabricators, producers, and traders) and owners and operators of US civilian nuclear power reactors, purchase uranium each year from foreign suppliers.

Foreign suppliers totalled 65 million pounds U<sub>3</sub>O<sub>8</sub> in 2006, and the average price was \$ 19.31 per pound, which was 30% more than in 2005.

Also, the US government, US suppliers, and owners and operators of US civilian nuclear power reactors sold uranium to foreign suppliers.

Foreign sales totalled 19 million pounds U<sub>3</sub>O<sub>8</sub> in 2006, and the average price was \$ 32.87 per pound, which was 59% higher than the 2005 price.

As a result, US uranium production represents only 10% of total US demand.

The Nuclear Regulatory Commission, the US watchdog, is expecting at least 176 applications for new plant leases in the next two years.

The Nuclear Energy Institute estimates that without nuclear power playing its current role in the generation of electricity, the US would spew 29% - equal to 190 million metric tonnes - more carbon as it does now.

According to the World Nuclear Association, the United States is marked for 23 proposed/planned nuclear reactors. Given that new reactors tend to have higher capacities than older units, this represents a 21% in nuclear generating capacity.

The US nuclear industry has been in decline for most of the past three decades but, thanks to the strong backing from the Bush government, 2007 could have marked the start of a renaissance.

US energy companies are looking at building more than 30 new nuclear reactors across the country. If any of these projects get off the ground they will represent the first new construction of reactors since the 1929 melt-down at Tree Mile Island in Pennsylvania. Followed by the Chernobyl nuclear disaster in the Ukraine in 1986, this undermined public confidence in nuclear safety and led to the cancellation of dozens of reactor projects.

Public opposition to nuclear power is still strong in certain US regions, such as California and New England. But concerns about energy security and climate change mean that nuclear power is a cause politicians feel increasingly comfortable promoting.

New Mexico passed a Bill that pointed out the necessity for nuclear energy and uranium production in the State.

In fiscal year 2009 the US Department of Energy will advance President Bush's American Competitiveness Initiative aimed at ensuring US technological competitiveness and economic security, and implement the Advanced Energy Initiative (AEI) to accelerate the research and development of clean energy technologies to diversify the nation's energy supply.

In support of the Administration's initiatives that support climate change technology and to implement the US Climate Change Technology Program's Strategic Plan, the fiscal year 2009 budget emphasizes a two-pronged strategy for its climate change technology programs: invest in carbon dioxide (CO<sub>2</sub>) mitigation technologies for coal with carbon capture and storage (CCS) and in nuclear power.

At a request of \$ 3.2 billion (fiscal year 2008) enacted appropriations, the President's AEI will continue to support clean energy technology breakthroughs that will help improve the US energy security through diversification and help to reduce the dependence on oil.

The fiscal year 2009 budget for AEI includes funding to promote the licensing of new nuclear power plants and research on advanced nuclear fuel cycles.

Nuclear energy has been recognized as an important source of energy in the United States and key component of the AEI portfolio. The department is leading the Administration's efforts to spur a nuclear renaissance in the United States to meet energy and climate goals.

The Department work with industry partners to promote the near term licensing and deployment of the first new nuclear plants in over 30 years, as well as to extend the life of current plants.

In fiscal 2009, a total of \$ 1.4 billion is requested for nuclear energy activities.

Texas could be one of the main centres of any nuclear revival. Dallas-based energy group TXU Corp. has said it was considering building up to 6,000 MM of nuclear capacity at up to three sites in Texas, with an aim of starting power generating between 2015 and 2020.

In April 2007, newly structured TXU, to be merged with private equity houses Kohlberg Kravis Roberts and Texas Pacific Group, said it backed a plan to build two new reactors at its Comanche Peak site near Forth Worth. Other energy groups, such as NRG Energy and Exelon, have also said they plan to expand their nuclear capacity in Texas.

Nuclear reactors are complicated and take time to build. The big question is whether the new crop projects will be more successful than previous ones, which ran grossly over budget and behind schedule.

For example, TXU's 2,300 MW Comanche Peak complex took two decades to build and the final bill was \$ 11 billion against the original budget of less than \$ 1 billion.

The current budget estimates for new reactors are \$ 3 billion to \$ 4 billion each.

To kick-start the new generation of nuclear development, the US government has put together a package of incentives worth more than \$ 8 billion for the first companies to build reactors. The activity is being channelled through a consortium called NuStart Energy Development, whose members include Constellation, Duke Energy, Entergy, Exelon, and Tennessee Valley Authority.

Entergy has received approval to use its Grand Gulf nuclear site in Mississippi for new development, while TVA is applying for permission to expand its reactor fleet at the Belle-front site in Alabama.

Although NuStart appears to be making heading, there is still no progress on what to do with the country's waste. These have been plans to bring waste underground at Yucca Mountain in Nevada since 1957, but controversy between the federal government and local politicians makes that the target of opening the facility in 2017 is unlikely to be met.

Uranium Resources is already a small producer of U<sub>3</sub>O<sub>8</sub> in the United States, having produced 348,600 pounds of U<sub>3</sub>O<sub>8</sub> in the first nine months of 2007.

In contrast to Canada, there is only a limited number of exploration and development companies focusing on the United States.

Uranium One, became the premier uranium developer/explorer in the United States since it completed the acquisition of Energy Metals in August 2007, and it is primarily focused on bringing its uranium projects in Kazakhstan and South Africa into production.

There is only a handful of major companies with a benchmark of \$ 100 million plus market capitalization, focusing on the United States.

Most of these companies are Canada-based.

Cameco of Canada, the world's largest uranium producer, is active in the United States through a 70% interest in a Strategic Alliance with Western Uranium (WUC - TSX.V) in the King Valley Property in Nevada, which has a NI 43-101 compliant 4.8 million pounds U<sub>3</sub>O<sub>8</sub> Inferred resource.

**Overview of major development / exploration  
companies active in the US**

			<b>Market cap. in US\$ million March 31, 2008</b>
Uranium One	UUM	TSX	1,580
Uranium Resources	URRE	Nasdaq	313
Ur-Energy	URE	TSX.V	168
Uranium Energy	URME	OTCBB	112
Western Uranium	WUC	TSX.V	102
Strathmore Minerals	STM	TSX.V	102
Uranerz	URZ	AMEX	101



Since the acquisition of Energy Metals IN August 2007, preceded by the purchase from U.S. Energy of the Shooting Canyon Uranium Mill in Utah, as well as a land package comprising approximately 38,763 acres of uranium exploration properties in Utah, Wyoming, Arizona and Colorado, **Uranium One** (UUU – TSX) has become the premier uranium developer/explorer focused on the United States. The Company has acquired one of the largest portfolios of previously explored uranium properties located in the heart of the historic mining districts, encompassing over 250,000 acres in the western US, including over 105,000 acres in Wyoming.

These properties include the uranium mining districts of the south central Texas Uranium Belt, the Great Divide, Powder River and Shirley Basins in Wyoming, the Bullfrog Green River and Lisbon Valley districts in Utah, southeast Oregon and the Arizona Strip.

Projected annual production from the Company's asset base in the United States is 8 to 10 million pounds by 2012 from 6 production centres.

The significant US resource base within a portfolio of advanced uranium projects include: Attributable Measured resources of 10.7 million pounds U3O8, attributable Indicated resources of 49.7 million pounds U3O8, attributable Inferred resources of 7.3 million pounds U3O8, attributable historical resources of 196.1 million pounds U3O8.

In addition, there exists a significant potential to improve the confidence of existing resources and to expand resources through additional drilling.

The Company has also acquired three uranium companies in the United States in 2006-07, including Standard Uranium, Quincy Energy and High Plains Uranium.

The Company owns a licensed uranium ISR processing facilities in Hobson, Texas, which is currently undergoing refurbished and an expansion in nameplate yellowcake capacity to approximately 1 million pounds U3O8 per year.

In **Texas**, the Company's Hobson/Palangana Uranium Project is scheduled to start production in 2008.

An Inferred resource of 1.9 million tons grading 0.15% U3O8 containing 5.7 million pounds has been estimated at La Palangana, with the potential to increase this resource base through additional drilling at the Property.

A confirmatory drill program is underway with 6 drill rigs at the Project. As of April 2, 2007, a total of 474 holes have been drilled since July 2006, totalling 188,619 feet.

In **Wyoming**, where the Company is preparing its properties for production in 2009-2010, baseline environmental studies of the Moore Ranch Project in the Powder River Basin are advancing along schedule.

A Measured resource of 2.95 million tons grading 0.10% U3O8, containing 5.88 million pounds at a 0.25% grade-thickness cut-off has been estimated. An additional Inferred resource of 43,600 tons grading 0.102% eU3O8 containing 90,000 pounds has also been estimated (NI 43-101 compliant).

Similarly, baseline environmental studies at the Antelope Project in the Great Divide Basin continue with completion of these studies scheduled for January 2008.

At the Peterson Ranch Project, exploration was previously completed during the late 1970s and into the mid-1980s. All historical drill data is available and has been used to estimate a NI 43-101 Measured resource base of 0.9 million tons grading 0.088% U3O8 containing 1.6 million pounds and an Indicated resource base of 0.1 million tons grading 0.119% U3O8 containing 0.3 million pounds.

In **New Mexico**, the Company has an option to acquire up to 80% in Crownpoint 19 and Crownpoint 29 from NZ Uranium, LLC and also have a 48% stake in Crownpoint 24 (Hydro Resources 40% and NZ Uranium, LLC 12%).

Continental Oil (Conoco) conducted an extensive exploration and evaluation program on the Crownpoint properties in the 1970s, investigating the uranium mineralization with the goal of developing a mining operation. Conoco completed at least 325 rotary and diamond core drill holes on the Crownpoint 19 and Crownpoint 29 properties and at least 157 rotary and diamond drill holes on the Crownpoint 24 Property.

Conoco and Hydro Resources completed a pre-feasibility study defining a significant U3O8 resource.

The Indicated resource calculated in the pre-feasibility study for Crownpoint 19 is 2.8 million tons at a grade of 0.091% containing 5.6 million pounds of U3O8. The Indicated resource estimate for the western half of Crownpoint 29 is 4.3 million tons at an average grade of 0.085% containing 8.0 million pounds of U3O8.

The Indicated resource estimate for Crownpoint 24 is 4.8 million tons at an average grade of 0.104% containing 10.0 million pounds of U3O8.

The Company also has the option to acquire up to 80% of the Hosta Butte Project from NZ Uranium, LLC. Conoco conducted an extensive exploration and evaluation program on the Property in the 1970s, investigating the uranium mineralization with the intention of developing a mining operation. Conoco completed at least 133 rotary and diamond core drill holes in the area of the resource.

Conoco and Hydro Resources completed a pre-feasibility study defining a significant U3O8 resource. The Indicated resource (on a 100% basis) calculated in this study for the Hosta Butte Property is 6.6 million tons at an average grade of 0.112% U3O8 containing 14.8 million pounds of U3O8.

In **Utah**, the Section 2 portion of the Velvet Project was intensively explored during the 1970s with the principal exploratory work and drilling completed by Atlas Minerals and additional drilling completed by Minerals Recovery Corporation (MRC), adjacent to Atlas Minerals' Velvet Mine. This was mined in Section 3 up to the property line with EMC's current mineral holdings in Section 2.

The Velvet Mine, operated on Section 3, produced approximately 400,000 tons of ore at grades of 0.46% U3O8 and 0.64% V2O5 (approximately 4 million pounds of U3O8 and 5 million pounds V2O5) during the period from 1979 to 1984.

The available data include radiometric data from some 173 drill holes completed on the Property. The Indicated resource estimate for the Company's Velvet Project is 306,000 tons grading 0.34% U3O8 containing 2.1 million pounds of U3O8.

The Company's Aurora Property is located in southern **Oregon**, approximately 3 miles from the Nevada border. Placer Amex conducted an extensive exploration and evaluation program on the Property from 1977 through to 1980, investigating the uranium mineralization with the goal of developing a conventional mining operation.

Placer Amex and the previous owners, Locke Jacobs, completed at least 562 rotary and diamond core drill holes, of which 530 are included in the resource calculation.

A NI 43-101 compliant Indicated resource has been estimated at 17.69 million tons at an average grade of 0.0518% U3O8 containing 18.3 million pounds of U3O8 using a 0.03% U3O8 cut-off grade.

On May 1, 2007, the Company announced that it had entered into a definitive agreement for the supply of uranium concentrate with a leading US nuclear utility. The contract covers the sale of 1.4 million pounds of U3O8 for delivery over a 6-year period beginning in 2010. The terms include market related pricing along with floor price protection.



Since its incorporation in 1997, **Uranium Resources** ("URI" - URRE - Nasdaq) has produced over 7 million pounds of uranium by in-situ recovery (ISR) methods in the state of Texas, URI also has 183,000 acres of uranium mineral holdings and approximately 92 million pounds of U3O8 in New Mexico.

The Company acquired these properties over the past 20 years with an extensive information database.

URI is currently mining and selling uranium from its south Texas facilities. Since the Company's founding in 1997, it has produced well over 7 million pounds of U3O8 by in-situ recovery (ISR) methods and continues to produce at a rate of 400,000 pounds annually, primarily from the Kingsville Dome facility.

In 2006, URI produced 259,000 pounds U3O8 (in 2005: 310,000 pounds). The Vasquez Project produced 165,000 pounds (2005: 310,000 pounds), while 94,000 pounds came from the Company's Kingsville Dome Project, which commenced production in the second quarter of 2006.

Annual production costs for 2006 and 2005 were \$ 47.46 and \$ 20.19 per pounds respectively.

URI sold 263,000 pounds in 2006 compared with sales of 271,000 pounds in 2005. For the year, URI had revenues of \$ 8.6 million (\$ 32.363 per pound) compared with \$ 4.9 million (\$ 17.95 per pound) in 2005.

During the first nine months of 2007, URI produced 244,900 pounds of U3O8 compared with 187,400 U3O8 in the first half of last year. Of this production, 70,300 pounds were from Vasquez and 278,300 pounds were produced at Kingsville Dome. Production costs \$ 30.05 per pounds (9 months 2006: \$ 47.99).

The Company sold 391,900 pounds of U3O8, compared with 200,000 pounds during the comparable period of 2006. The average selling price was US\$ 69.43 compared with US\$ 28.13 last year.

URI expects to soon have its Rosita facility in possession again, as it did between 1988 and 1999 and is exploring other opportunities in Texas. This will enable the Company to achieve its overall goal of producing between 1 and 2 million pounds of uranium in Texas each year using in-situ mining methods.

While Texas production will continue to significantly contribute to the Company's overall performance, its New Mexico properties are its future. URI owns over 183,000 acres in the State's Grants Region, with over 91.7 million pounds in estimated uranium resources.

Long-term, the Company's goal is to produce 8 million pounds of uranium each year from its New Mexico assets, although it is currently not producing here.

Along with acquiring properties at Church Rock, Roca Honda, Nose Rock, West Largo and Crownpoint in New Mexico over the past 20 years, URI gained an extensive database of over 16,000 drill logs, mine reserve estimates, mine development plans and mill designs.

At its Church Rock site in New Mexico, URI has established a partnership with Ilochu Corporation, one of Japan's largest corporations, to evaluate and develop the site's significant uranium resources. The other properties in New Mexico are being similarly evaluated with the intent to begin development and production at these properties as well.

URI is also evaluating potential joint ventures to take advantage of New Mexico's significant uranium potential.



**Ur-Energy** (URE – TSX) is completing mine planning, baseline studies and permitting activities to bring two uranium deposits, the Lost Creek and Lost Soldier uranium deposits, in the Great Divide Basin in **Wyoming** into production.

The Company's current properties in Wyoming contain NI 43-101 compliant resources in the order of 22 million pounds of U3O8, plus almost 3 million pounds in the Inferred category.

Additional potential for discovery exceeds 85 million historical pounds of U3O8.

The Lost Creek Deposit is located 4 miles north of Rio Tinto's Sweetwater Mill. The Deposit is approximately 3 miles (4.8 kilometres) long and the mineralization occurs in four main sandstone horizons between 315 feet and 700 feet in depth.

NI 43-101 compliant resources (Roscoe Postle Associates Inc. – June 2006 for Lost Creek are 9.8 million pounds of U3O8 at a grade of 0.058% as an Indicated resource and 1.1 million pounds of U3O8 at a grade of 0.076% as an Inferred resource.

AATA International is currently preparing the permit applications with the first scheduled to be submitted starting in the third quarter of 2007.

At the Lost Soldier Deposit, located approximately 14 miles to the northeast of the Lost Creek Property, engineering feasibility studies are underway and geologic and hydrologic data from the 2006 drilling program of 17 pump test and monitory wells is being evaluated.

The Property already has over 3,700 historic drill holes defining 14 mineralised sandstone units.

NI 43-101 compliant resources for Lost Solder are 5 million pounds of U3O8 at 0.064% as a Measured resource, 7.2 million pounds of U3O8 at 0.065% as an Indicated resource and 1.8 million pounds of U3O8 at 0.055% as an Inferred resource.

In 2007, drilling totalled 47,675 metres including 255 holes. Results by mineral category were: 59% " ore quality" , 22% strong mineral and 19% weak or trace mineral.

Drilling at the RS Project initiated on November 15, 2007 included a total of six rotary drilled reconnaissance exploration holes for a total of 1,685 metres (5,530 feet) before drilling ceased on December 20, 2007 due to weather and ground conditions.

The best mineral intercept was 5 feet of 0.023% e U3O8.

The drilling program will resume in 2008 and will be expanded to include other frontier areas within the Project.

Drilling at the EN Project, five miles east-southeast of the Lost Creek project, was initiated on October 17, 2007 and concluded on October 26, 2007. Three rotary drill holes were competed for a total footage of 8,605 feet (2,623 metres).

The results confirmed mineralization in the target zone. Drilling will resume in 2008 and will focus on testing the results of the investigation of hitherto undetected, horizons of oxidation and trace mineralization that were identified.

Drilling at the LC North Project, consisting of 50 planned exploration holes, was initiated on October 22, 2007 and halted on December 6, 2007 in order to divert the drill area to activities at the Lost Creek Project, which lies adjacent to and immediately south of the LC North Project.

To that point in time, 30 holes were drilled for a total of 29,600 feet (9,022 metres). The results confirmed mineralization occurring in multiple target horizons, many of which correlate stratigraphically with mineral horizons in the Lost Creek trend.

Drilling will be resumed in 2008 and will focus on testing continuity with the Lost Creek mineral trends and defining resource estimates.

Ur-Energy has completed an in-house economic analysis on the Lost Creek Property. To confirm to the Standards under NI 43-101, the Company has commissioned an independent Technical Report to be prepared by Lyntek.

The completed technical report will supplement a previously filed geological report that establishes the NI 43-101 compliant resource estimate.

In December 2007, Ur-Energy's wholly-owned subsidiary Lost Creek ISR, submitted an Application for In Situ Permit to mine and Application to License to mine to the State of Wyoming Department of Environmental Quality Division for its Lost Creek Property.

The applications are the culmination of more than two years of baseline data collection, scientific review, and writing by Ur-Energy.

In **Canada**, Ur-Energy has staked claims in two of Canada's northern Proterozoic basins, the Thelon and Hornby Basins. Both basins are highly prospective for unconformity-type uranium deposits, the highest grade uranium deposits known.

In August 2007, Ur-Energy signed a definitive Option Agreement on Titan Uranium's (TUE – TSX.V) R-Seven and Rook 1 properties. These two project areas comprise of 75,698 hectares (187,053 acres) located in the western part of the Athabasca Basin.

The Company can earn up to an undivided 51% working interest in the properties by financing Cdn\$ 9.0 million in exploration expenditures over a 4-year period.



**Uranium Energy** ("UEC" - UEC – AMEX)) has the objective of becoming a near-term In-Situ Resource uranium producer in the United States. The Company has a project portfolio of 19 properties in 6 US States. Its Project portfolio includes a total historic resource of 14 million pounds of U3O8 and an additional potential to host 25 million pounds of U3O8.

UEC is developing its 100%-owned, advanced-stage flagship Goliad Project in South Texas that holds over 30 discoveries. In-Situ Recovery uranium production is projected to begin in 2009. The Project has 5.2 million pounds of historic ISR-amenable uranium resource with total potential targets of over 15 million pounds at an average grade above 0.07%.

UEC filed its mining permit application in august 2007. drilling is ongoing with 7 drill rigs. Drilling in November and December 2007 at Goliad consisted of 16 drill holes, targeting the B and D sands, of which 17 holes showed a strong mineralization above a GT of 0.30 and 48 holes showed mineralization between GT's pf 0.2 and 0.3.

In October 2007, UEC undertook an extensive coring program designed to support the historic Goliad disequilibrium factors (DEF's), developed from prompt fission neutron (PFN) logging during the early 1980s. DEF' refers to the ratio of actual grade of uranium in the rock to the grade obtained from gamma ray logging. A positive DEF of 1.0 or greater indicates a higher grade of uranium than what is obtained from logging. Historic DEF's in the range of 1.4 to 1.7 were demonstrated in each of the four mineralised sand zones by PFN logging at the Goliad Project.

The results of the coring program will be used to support the development of a NI 43-101 compliant resource.

UEC controls one of the largest uranium exploration and development databases in the US, which contain over 4.6 million feet of drilling data on properties in 17 US States. Through the use of these databases, UEC has acquired advanced uranium properties throughout the southwestern US States of Texas, Wyoming, New Mexico, Arizona, Colorado and Utah.

In April 2007, UEC entered into an agreement with Spider Rock Mining, a private company, to acquire 8,500 acres under the administration of the U.S. Bureau of Land Management within the heart of the Ambrosia Lake Mining District in the State of New Mexico. As part of the agreement, UEC will also acquire historic production information covering most of the Property.

The acquisition is the site of over 8.5 million pounds of historical underground uranium production, primarily from the Ann Lee and Sandstone mines, and is contiguous to the current uranium resource holdings of BHP Billiton.

The Ambrosia Lake District includes some of the largest past-producing uranium mines in the US, operated at the time by Kerr McGee (now Conoco Phillips), and United Nuclear Corp.

A substantial amount of production, development and exploration work has been completed on the Property by these companies.

In April 2007, UEC acquired a 49% interest in Cibola Resources LLC, the owner of a mining lease covering approximately 6,700 acres in the Cebolleta Land Grant situated in the historic Laguna mining district, New Mexico. Neutron Energy, a private company located in Phoenix, Arizona, owns the other 51% of Cibola Resources and is the operator of the Project.

Historic estimates published by the New Mexico Bureau of Geology and Mineral Resources, and supported by SOHIO and other previous operator data, indicate that the Cebolleta Land Grant has 20.65 million pounds of uranium remaining in-situ. Mining on the Property took place from 1975 until 1981, and produced 1.2 million pounds of U3O8 and grades of 0.12% before declining uranium prices led to the closure of mining operations.

UEC also acquired the exclusive rights to the development database covering the Cebolleta Property completed by SOHIO during the course of their development and production at JJ Number 1/L-Bar. The database consists of 701,486 feet of drill logs from 996 holes.

The Joint Venture has designed a conformation drilling program to verify historic information and provide additional information for a geologic model and development plan. The drilling program is planned to commence in early summer 2008.

The Joint venture is also conducting environmental baseline evaluations in the project area, with six to eight full-time scientists, geologists and engineers being assigned to the Project.

In May 2007, UEC also completed the acquisition of past-producing uranium/vanadium properties, consisting of approximately 5,000 acres in the Uravan Mineral Belt of the Colorado Plateau in the states of Colorado and Utah. This acquisition compliments the Company's existing properties in this significant uranium- and vanadium-producing region.

The Uravan Mineral Belt is the oldest uranium mining area in the United States and arcs across the west central Colorado counties of Mesa, Montrose and San Miguel, into northeastern Utah.

Both uranium ores averaging 0.25% and vanadium pores averaging 1.7% are produced in the region from sandstone deposits, primarily in the Salt Wash Member of the Morrison Formation.

The acquired property was the subject of significant uranium exploration, and includes the sites of several past-producing uranium and vanadium mines. Some of the formerly producing uranium mines within the property boundary include the Sandy, Babe Ruth, Bald Eagle, Fawn Springs #5, and Teapot Dome mines. The aggregate production from these mines was 400,000 pounds of uranium, and nearly 2.4 million pounds of vanadium. Grades of production in each case were close to the average for the mineral belt.

The sites of historical production are in close proximity to UEC's existing properties, which are also the sites of historically-producing mines, and share mineral trends with those former mines.

For example, the Babe Ruth Mine is 4 miles east of the Company's Raven Mine Project in Colorado. One area of the Property is also contiguous to Cotter Corporation's large open-pit and decline located in the US Department of Energy Uranium Reserve.

UEC's property holding in the Colorado Plateau now include the sites of 15 past-producing uranium/vanadium mines. The aggregate production from these mines was approximately 5 million pounds of uranium and 16 million pounds of vanadium.

Grades of production in all cases were similar to the averages of 0.25% uranium and 1.7% vanadium, that were observed for the rest of the mineral belt.

In December 2007, UEC established a strategic land position of approximately 1,800 acres, consisting of 73 lode claims in the Red Basin Uranium District, located in Catron County, New Mexico. The acquisition of this Project was driven by the Company's evaluation of its Brenniman Database.

The Red Basin Project covers an area of high-grade uranium mineralization reportedly drilled by Kerr-McGee in the tertiary de Baca formation, immediately above the contact with the Cretaceous Mesaverde Group. An internal; memo by Kerr-McGee states that mineralization is reported to be at a depth of between 200 and 400 feet. This has not been verified through drilling by UEX.

Historic production grades, as reported by the new Mexico Bureau of Mines and Mineral resources in the Red basin District averaged 0.17% U<sub>3</sub>O<sub>8</sub>. The disclosure related to the historic production grades has not been independently been verified.

The red Basin is approximately 100 miles west of Socorro, new Mexico, and is positioned on the margin of two physiographic provinces, the Colorado Plateau and Basin and Range province. The tertiary and Cretaceous formations outcrop along this provincial margin trend from just north of Magdalena, west to the Arizona state line.

This uranium trend was the subject of intense exploration activity during the previous uranium cycle in the 1970sm, from companies such as Kerr-McGee, Pioneer Nuclear, Gulf Minerals, Occidental Minerals, Energy Reserves Group, United Nuclear Corp., and Teton.

In January 2008, UEC acquired the Corporate Ranch Project in Arizona. This strategically situated project is comprised of approximately 1,120 acres of state leases located in eastern Apache County. The project compliments the Company's recently acquired Red Basin Project in neighbouring Catron County, New Mexico.

UEC possesses 57 electric logs drilled and recorded by occidental Minerals in 1981. of these logs 14 showed high-grade uranium mineralization as evidenced by gamma-ray values of 400 to approximately 3,500 counts per second and 37 showed anomalous gamma activity.

The mineralization occurs at depths between 100 and 200 feet, and appears to be below the water table and therefore possibly amenable to ISR mining.

UEC's evaluation of thus prospective uranium play is ongoing, and its plans to increase its land position, both in Arizona and new Mexico. The Company will initiate a mapping and sampling program on the Coyote Ranch project within the coming year



**Western Uranium** (WUC – TSX.V) is a mineral company with the focus on uranium. The Company has exploration properties in Nevada, New Mexico in the United States and in the Thelon Basin, Nunavut and the Northwest Territories in Canada.

With over Cdn\$ 50 million in the treasury, Western Uranium is well-funded to continue the exploration program of all the properties, with its primary focus on the 150 square mile King Valley Property in Nevada.

In August 2007, Western Uranium executed an agreement with Cameco, the world's largest uranium producer, to form a Strategic Alliance under which Cameco has the right to earn a 70% venture interest on each economically viable stand alone deposit development within any area currently in the Company's exploration portfolio upon the definition of 15 million pounds Indicated or higher resources under NI 43-101 classifications.

Also under the Strategic Alliance Agreement, Cameco acquired a 10% equity interest in Western Uranium through the purchase of 5.59 million units at a price of Cdn\$ 3.80 per unit for gross proceeds of Cdn\$ 21.2 million. Each unit is comprised of one-half of a share purchase warrant. Each whole share purchased warrant entitles Cameco to acquire an additional common share at a price of Cdn\$ 4.25 per unit until August 2008.

On either the King Valley, Nevada or Freeline, New Mexico projects, these 15 million pounds must be in addition to the historical resources contained on each project.

In February 2008, Western Uranium announced the results of a NI 43-101 compliant report completed by independent mining and engineering consulting company AMEC E & C Services, outlining an Inferred resource at the Kings Valley Project of an estimated 4.8 million pounds of U<sub>3</sub>O<sub>8</sub> to be contained in 3.0 million tonnes at a grade of 0.081% U<sub>3</sub>O<sub>8</sub>, using a 0.05% cut-off grade in the South and Moonlight zones and a 0.035% cut-off grade in the North Zone.

It is expected that with additional work and drilling, generally additional information regarding the mineral processing and mining methodology, this resource could be upgraded to the Indicated category.

The Company is also currently evaluating and defining drill targets in areas known as Bull Basin and Old Man Springs, which lie 6-10 kilometres to the northeast of the northernmost drill area.

These areas exhibit geochemical, geophysical and geological trails warranting testing with drilling.

Western Uranium plans an aggressive drill program commencing in May 2008 to test these to anomalies with 35-50 drill holes and has developed a plan which will expedite and accelerate the regional exploration program, allowing for initial drill testing of these targets, while continuing an aggressive regional exploration program to identify other areas warranting additional exploration.

Western Uranium will spin out its lithium asset located at the Kings Valley Project into an independent, publicly traded company, Western Lithium Corp., projected for completion in June 2008.

Exploration is continuing on the property holdings in Nunavut and will consist of additional soil sampling, geological mapping and boulder train sampling. Results from the Soil Gas Hydrocarbon Survey over Area 7 substantiates that a uranium mineralizing system has been active in the area.

This survey was conducted over the area of the wide spaced drilling completed during spring and fall of 2007. A part of the results of the Soil Gas Survey are still outstanding.

This information will be used to help guide the 20078 field program, which will be underway from mid-July to the end of August 2008.



**Strathmore Minerals** (STM – TSX) a Canada-based uranium resource company, has already acquired out of the money uranium resources that have been previously discovered, but not yet mined, since 1996. Since having completed a spin-out of its Canadian and Peruvian mineral properties in Fission Energy Corp. (FIS – TSX.V) in July 2007, Strathmore's properties are located in the **United States**.

The strong increase in the price of uranium since 2005 has enabled Strathmore to advance its core area Wyoming and New Mexico properties.

### **Wyoming properties**

The Gas Hills Uranium District in Wyoming will continue to be Strathmore's area of primary focus. This district was the second largest producing district in the United States during the past uranium cycle. It had a historical production of 100 million pounds.

Five mills operated in Fremont County, which were fed in part by Gas Hill mine production, including Pathfinder Mines (Areva): Lucky McMine (2,500 tpd), Federal American Partners (1,100 tpd) and Union Carbide (1,500 tpd).

Strathmore is the dominant land holder with over 32,000 acres and expectations are for the sequential development of up to 12 open-pit deposits over the next several years, with the George-Ver, Loco-Lee and Bull-Rush open-pits planned for production by 2010.

New key properties with historic uranium resources acquired in the Gas Hills include the Andria, East Day Loma and New Rock Hill deposits.

In 2007, Strathmore completed a NI 43-101 compliant report for the Reno Creek portion of the much larger Pine-Tree-Reno Creek Uranium Project in Wyoming. A Measured & Indicated Resource estimate of 7.4 million pounds at an average grade of 0.65% U<sub>3</sub>O<sub>8</sub>, up from the historically reported 4 million pounds U<sub>3</sub>O<sub>8</sub>, was identified.

An additional 3.4 million pounds of U<sub>3</sub>O<sub>8</sub> at an average grade of 0.065% U<sub>3</sub>O<sub>8</sub> is classified as an Inferred mineral resource.

In addition, total historic Measured & indicated resources (non NI 43-101 compliant) on Strathmore's other Wyoming properties are: approximately 53 million pounds, including 8.44 million pounds for the Gas Hills, George-Ver, Bull-Rush and Loco-Lee properties.

In March 2007, Strathmore granted an option for an 80% interest in its Wyoming Red Creek Property to Yellowcake Mining (YCKM – OTCBB) In return for the option, Yellowcake has issued 9 million of its shares to Strathmore, and will fund US\$ 8 million over 5 years towards property's exploration. Yellowcake will also be required to pay a royalty to Strathmore of 3% of the optioned portion of all future production.

Strathmore also granted options for a 60 interest in its Jeep and Sky properties to Yellowcake Mining. In return for the options, Yellowcake will fund US\$ 10 million over 6 years for Jeep and US\$ 7.5 million over 4 years for Sky. Toward the properties exploration.

Strathmore has a right to earn back 11% of each property by reimbursing Yellowcake for its exploration costs.

In September 2007, Strathmore completed an agreement with American Uranium Corp. ("AUC" – AUUM - OTCBB) to finance the development of the Pine Tree – Reno Creek Uranium Project. As part of the agreement AUC has reimbursed Strathmore \$ 300,000 for all reasonable costs incurred related to the agreement.

AUC has an option to earn a 60% interest in the Property by issuing to Strathmore 6.0 million common shares in its capital, spending a total of US\$ 5 million in expenditures over the first 3 years for its initial 22.5% interest, and spending an additional US\$ 28 million between the 3<sup>rd</sup>, and 6<sup>th</sup> anniversary of the closing of the agreement to earn its remaining interest.

Strathmore retains the right up to 90 days of a bankable feasibility study, to earn back 11% of the Project by paying AUC \$ 14 million.

Until AUC has completed its 60% earn-in-commitment, Strathmore will remain the operator of the Project.

## **New Mexico properties**

In July 2007, Strathmore completed an agreement with Sumitomo Corp. of Japan to develop its Roca Honda Uranium Project, under which Strathmore owns a 60% interest in Roca Honda Resources LLC and Sumitomo owns the remaining 40%.

The Project has NI 43-101 compliant Measured and Indicated resources of 15.83 million pounds of U<sub>3</sub>O<sub>8</sub>.

Over 5 years, Strathmore and Sumitomo will fund a US\$ 27.2 million feasibility study in proportion to their respective ownership interests.

Following completion of the Feasibility Study should a positive decision to be made to proceed, Sumitomo will contribute a pre-determined cash contribution for development of the Roca Honda Mine.

Strathmore received US\$ 1 million from Sumitomo for completing the agreement.

Permitting activities, including: baseline water quality monitory for metallurgical studies, mine planning, and mill design studies, are continuing.

The Marquez Project, has historical Measured, Indicated & Inferred resources of 9.36 million pounds (non NI 43-1901 compliant).

A NI 43-101 report and revised resource estimate are prepared.

The Church Rock Project, has a NI 43-101 compliant Measured and Indicated resource of 11.85 million pounds and Inferred resource of 3.52 million pounds.

Uranium Resources (URRE – OTCBB) has reported that a tenth Circuit Court decision regarding “Indian Country” issues and their uranium deposits at Church Rock may be forthcoming in 2008.

Strathmore is continuing to monitor development in this legal case.

In July 2006, Strathmore completed an agreement with Nu-Mex Uranium Resources (“Nu-Mex”, NUMX – OTCBB) to explore and develop the Company’s Nose Rock Project. Upon closing the agreement, Nu-Mex issued Strathmore US\$ 250,000.

Nu-Mex has the exclusive right to earn a 65% interest by meeting certain obligations. Nu-Mex will be required to issue 5.0 million common shares to the limited liability company to be formed to consummate this agreement.

Nu-Mex will incur a total of US\$ 44.5 million in work commitments expenditures by spending US\$ 1 million in both the first year and second year, US\$ 1.5 million on the third year, US\$ 10 million in the fourth, fifth and sixth years and a final US\$ 11 million in the seventh year.

After the third year expenditure commitments are met, Nu-Mex will earn a 25% interest and after the seventh year commitments are met, Nu-Mex will earn its 65% interest.

Strathmore retains the right to pay US\$ 25 million to earn back a 16% interest in the Project.

In October 2007, Strathmore completed a formal option agreement with Nu-Mex to explore and develop the Company’s Dalton Pass properties. The agreement terms grant Nu-Mex exclusive rights to earn a 63% interest in the Dalton Pass Project.

The Project has historical Measured & Indicated resources of 4.73 million pounds of U<sub>3</sub>O<sub>8</sub> and Inferred resources of 0.76 million pounds of U<sub>3</sub>O<sub>8</sub> (non Ni 43-101 compliant).

Under the terms of the transaction, Strathmore received US\$ 250,000. Nu-Mex has committed to US\$ 16.75 million in property expenditures and additional cash payments of US\$ 1.0 million over 6 years.

Strathmore retains the right to earn back a 16% interest in the project for a period of 90 days after the completion of a Bankable Feasibility Report by paying US\$ 8.0 million to Nu-Mex, providing Nu-Mex has met all the obligations required to earn a 65% interest.

Strathmore’s other projects in New Mexico have a total of approximately 1.0 million pounds of U<sub>3</sub>O<sub>8</sub> Measured & Indicated and Inferred resources (non NI 43-101 compliant).

In July 2007, all of Strathmore’s **Canadian** and **Peruvian** mineral property interests and its investment in Great Bear Resources, with a cost base of US\$ 18.1 million and \$ 500,000 cash, were transferred to Fission Energy Corp. (FIS – TSX.V). Strathmore also incurred \$ 328,914 of reorganization costs to complete arrangement to reorganize the Company.

Under the terms of the agreement Strathmore’s shareholders received one new share in exchange for their old Strathmore common share and one-third of a common share in the capital of Fission for each common share. In South Dakota, the Chord Project has historical Measured & Indicated and Inferred resources of 3.8 million pounds (non NI 43-101 compliant).



**Uranerz Energy** (URZ – AMEX) is engaged in the acquisition, exploration and development of uranium properties in the **US** (Wyoming), **Canada** (Saskatchewan) and **Mongolia**.

Uranerz controls approximately 44,122 hectares in the Powder River Basin of Wyoming. Each of these properties has drill-indicated uranium present, based on historical information. The Powder River Basin has some of the highest grade uranium deposits in the State that are amenable to the cost-effective in-situ recovery (ISR) mining techniques.

In December 2007, Uranerz submitted applications to the U.S. Nuclear regulatory Commission and the Land Quality Division of the Wyoming Department of Environmental Quality for licences and permits to construct and operate ISR uranium facilities on its Nichols Ranch and Hawk projects located in the central Powder River Basin.

Commercial ISR mining in the Basin has been ongoing since 1987, with production coming from the Smith Ranch-Highland Power Resources, a wholly-owned US subsidiary of Cameco and from Areva's Irigaray/Christensen ranch ISR Mine located in the Pumpkin Buttes Uranium District, which is presently on stand-by, but scheduled to recommence operations in the near term.

In January 2008, Uranerz completed the acquisition of an undivided 81% interest in the NAMMCO mineral properties, covering 30,351 hectares in the Pumpkin Buttes Uranium District in the central Powder Basin of Wyoming.

Uranerz has effectively tripled its property position in the Powder Basin River Basin and now controls a total of approximately 44,122 hectares or approximately 160 square metres of mineral properties in the area.

Uranerz will be the manager of the Arkose Mining Venture under a joint venture with United Nuclear owned by NAMMCO sellers.

Uranerz will conduct the majority of its aggressive 2008 exploration drilling program of 900,000 feet of drilling on the newly acquired NAMMCO mineral properties.

The strategy for the 2008 exploration drilling program will be to concentrate on target areas with the intent of quickly proving up mineral resources for NI 43-101 compliant disclosure.

Uranerz has joint ventured its two uranium projects in the Great Divide Basin area of Wyoming to Black Range Minerals (BLR – ASX). Under the terms of the joint venture Black Range will have the right to earn a 50% interest in the joint venture by managing and meeting the first US\$ 750,000 in exploration expenditures on the projects within three years of inception of the joint venture agreement.

As at September 30, 2007, Black Range has completed drilling at both locations with 32 holes drilled on the Eagle Property in 2006 and 42 holes drilled on the Cyclone Rim Property during 2007. Geologic study is continuing on these drill results.

In November 2005, Uranerz signed an agreement to joint venture its Cochrane River Property, located in northern Saskatchewan, Canada, with Triex Minerals (TXM – TSX.V). Triex can earn a 60% interest in the property by making payments to Uranerz of Cdn\$ 75,000 and spending Cdn\$ 1.5 million on the Property by May 1, 2008. Triex can elect to earn an additional 10% interest in the project by spending an additional Cdn\$ 1.5 million by November 1, 2009.

The focus of the 2007 summer program was to complete property-scale geological mapping of outcrops, and systematic geochemical sampling of boulders and glacial till. The objective was to refine targets for first-pass drill testing in 2008.

Uranerz has 8 exploration licences in **Mongolia** located in geologically favourable areas and cover approximately 284,815 hectares of land surface. Uranerz has joint ventured these projects to Blue Rock Resources (BRD – TSX.V), which has granted the option to acquire an undivided 70% interest in the properties for payments totalling 150,000 common shares of Blue Rock a120,000 in cash and by incurring exploration expenditures in the amount of \$ 1.5 million on the properties by October 18, 2009.

Uranerz has the right to acquire back a 21% in the joint venture.