UR-ENERGY INC
Form 20-F/A
January 26, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F/A
Amendment No. 1

(Mark One)

¨REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

TANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2009

OR

¨TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

¨SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report.....

For the transition period from _____ to _____

Commission file number 001-33905

UR-ENERGY INC.
(Exact name of Registrant as specified in its charter)

N/A
(Translation of Registrant's name into English)

Canada
(Jurisdiction of incorporation or organization)

10758 W. Centennial Road, Suite 200, Littleton, Colorado 80127

(Address of principal executive offices)

Roger Smith, 720-981-4588, roger.smith@ur-energyusa.com, 10758 W. Centennial Road, Suite 200, Littleton, Colorado 80127
(Name, Telephone, E-mail and/or Facsimile number and Address of Corporation Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Name of each exchange on which registered
Common Shares, no par value	NYSE Amex

Securities registered or to be registered pursuant to Section 12(g) of the Act.

None
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

None
(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

93,940,568

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

¨ Yes T No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

¨ Yes T No

Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

T Yes ¨ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

¨ Yes ¨ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Securities Exchange Act of 1934. (Check One):

Large accelerated filer ¨ Accelerated filer ¨ Non-accelerated filer T

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP T | International Financial Reporting Standards as issued by the International Accounting Standards Board ¨ | Other ¨

If “Other” has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

T Item 17 ¨ Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Securities Exchange Act of 1934).

¨ Yes T No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

¨ Yes ¨ No

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PART I

This Amendment No. 1 (“Amendment No. 1”) to our Annual Report on Form 20-F (Annual Information Form) filed with the Securities and Exchange Commission for the fiscal year ended December 31, 2009 is being filed to include (i) a map showing the locations of the Lost Creek and Lost Soldier projects in Item 4B, (ii) a table providing the spot and long-term contract prices of uranium in Item 3A, (iii) information with respect to quantity and grade where contained pounds of U3O8 are referenced with respect to certain exploration targets in Items 4 and 5, and (iv) a further explanation of Indicated Mineral Resources and Mineral Reserves in connection with our technical reports in Item 4. In addition, this Amendment No. 1 changes throughout our Annual Report on Form 20-F (Annual Information Form) our references to the Corporation as a development stage company to an exploration stage company to comply with Industry Guide 7 definitions.

Other than the additions and changes mentioned in this note and conforming changes related thereto, no part of the Annual Report on Form 20-F (Annual Information Form) filed on www.sec.gov on March 12, 2010 is being amended, and this report continues to speak as of March 5, 2010 , the date on which it was approved by our board of directors. The filing of this Amendment No. 1 should not be understood to mean that any statements contained herein are true or complete as of any date subsequent to March 5, 2010. Accordingly, this Amendment No. 1 should be read in conjunction with Annual Report on Form 20-F (Annual Information Form) for the fiscal year ended December 31, 2009 and the documents filed with and/or furnished to the Securities and Exchange Commission by the Corporation subsequent to March 12, 2010.

Introduction

Ur-Energy Inc. is incorporated under the laws of Canada and is referred to in this document, together with its subsidiaries, as "Ur-Energy" or the "Corporation" or the “Company”.

The Corporation’s consolidated financial statements are prepared in accordance with accounting principles generally accepted in Canada ("Canadian GAAP") and are presented in Canadian dollars unless otherwise indicated. All references in this Annual Report on Form 20-F (Annual Information Form) to financial information concerning the Corporation refer to such information in accordance with Canadian GAAP and all dollar amounts in this Annual Report on Form 20-F (Annual Information Form) are in Canadian dollars unless otherwise indicated.

In this document, cross-references relevant to the information being requested may be provided for ease of reference.

Forward-Looking Information

This Annual Report on Form 20-F (Annual Information Form) contains "forward-looking statements" within the meaning of applicable United States and Canadian securities laws. Shareholders can identify these forward-looking statements 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 the Corporation’s 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) the Corporation’s belief that it will have sufficient cash to fund its capital requirements; (ii) receipt of (and related timing of) a United States Nuclear Regulatory Commission Source and Byproduct Material License; Wyoming Department of Environmental Quality Permit and License to Mine and all other necessary permits related to Lost Creek; (iii) Lost Creek and Lost Soldier will advance to production and the production timeline at Lost Creek scheduled for early 2011; (iv) production rates, timetables and methods at Lost Creek and Lost Soldier; (v) the

Corporation's procurement and construction plans at Lost Creek; (vi) the licensing process at Lost Soldier; (vii) the timing, the mine design planning and the preliminary assessment at Lost Soldier; (viii) the completion and timing of various exploration programs, including without limitation, those as LC North and LC South ; (ix) the potential of new exploration targets in the area of Lost Creek, including those at LC North and LC South, to contain 24 – 28 million pounds of U3O8 (not an NI 43-101 compliant resource); (x) timing, completion, and funding for and results of further exploration programs at the Bootheel Project and Hauber Project; and (xi) the community and regulatory issues with the Screech Lake project and related exploration. The potential quantity and grade ranges set forth in regards exploration targets at Lost Creek, LC North and LC South are conceptual in nature only. There has been insufficient exploration to define a mineral resource at the new exploration targets at Lost Creek, LC North and LC South. It is uncertain if further exploration will result in the target(s) being delineated as a mineral resource. These other factors include, among others, the following: future estimates for production, production start-up and operations (including any difficulties with startup), capital expenditures, operating costs, mineral resources, recovery rates, grades and prices; business strategies and measures to implement such strategies; competitive strengths; estimated goals; expansion and growth of the business and operations; plans and references to the Corporation's future successes; the Corporation's history of operating losses and uncertainty of future profitability; the Corporation's status as an exploration stage corporation; the Corporation's lack of mineral reserves; the hazards associated with mining construction and production; compliance with environmental laws and regulations; risks associated with obtaining permits in Canada and the United States; risks associated with current variable economic conditions; the possible impact of future financings; uncertainty regarding the pricing and collection of accounts; risks associated with dependence on sales in foreign countries; the possibility for adverse results in potential litigation; fluctuations in foreign exchange rates; uncertainties associated with changes in government policy and regulation; uncertainties associated with the Canadian Revenue Agency's audit of any of the Corporation's cross border transactions; adverse changes in general business conditions in any of the countries in which the Corporation does business; changes in the Corporation's size and structure; the effectiveness of the Corporation's management and its strategic relationships; risks associated with the Corporation's ability to attract and retain key personnel; uncertainties regarding the Corporation's need for additional capital; uncertainty regarding the fluctuations of the Corporation's quarterly results; uncertainties relating to the Corporation's status as a non-U.S. corporation; uncertainties related to the volatility of the Corporation's shares price and trading volumes; foreign currency exchange risks; ability to enforce civil liabilities under U.S. securities laws outside the United States; ability to maintain the Corporation's listing on the NYSE Amex (the "NYSE Amex") and Toronto Stock Exchange (the "TSX"); risks associated with the Corporation's possible status as a "passive foreign investment Corporation" or a "controlled foreign corporation" under the applicable provisions of the U.S. Internal Revenue Code of 1986, as amended; risks associated with the Corporation's investments and other risks and uncertainties described under the heading "Risk Factors" of this Annual Report on Form 20-F (Annual Information Form).

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Cautionary Note to U.S. Investors - Resource and Reserve Estimates

The terms “mineral reserve,” “proven mineral reserve” and “probable mineral reserve” used in the Corporation’s disclosure are Canadian mining terms that are defined in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”) under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the “CIM”) Best Practice Guidelines for the Estimation of Mineral Resource and Mineral Reserves (the “CIM Standards”), adopted by the CIM Council on November 23, 2003. These definitions differ from the definitions in the United States Securities and Exchange Commission (the “SEC”) Industry Guide 7 under the Securities Act of 1933, as amended (the “Securities Act”). Under Industry Guide 7 standards, 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. Under Industry Guide 7 standards, a “final” or “bankable” feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow analysis to designate reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority.

The terms “mineral resource,” “measured mineral resource,” “indicated mineral resource” and “inferred mineral resource” used in the Corporation’s disclosure are Canadian mining terms that are defined in accordance with NI 43-101 under the guidelines set out in the CIM Standards; however, these terms are not defined terms under Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC. Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. “Inferred mineral resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their economic 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, estimates of 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 mineable.

Accordingly, information contained in this report containing descriptions of the Corporation’s mineral deposits may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

Metric/Imperial Conversion Table

The imperial equivalents of the metric units of measurement used in this Annual Report on Form 20-F (Annual Information Form) are as follows:

Metric Unit	Imperial Equivalent
gram	0.03215 troy ounces
hectare	2.4711 acres
kilogram	2.2046223 pounds
kilometer	0.62139 miles
meter	3.2808 feet
tonne	1.1023 short tons

Item 1. Identity of Directors, Senior Management and Advisers.

Not applicable.

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Item 2. Offer Statistics and Expected Timetable.

Not applicable.

Item 3. Key Information.

A. Selected financial data.

The following table summarizes certain of the Corporation's selected financial information (stated in thousands of Canadian dollars) prepared in accordance with Canadian GAAP. The information in the table was derived from the more detailed financial statements for the periods ended December 31, 2005 through the fiscal year ended December 31, 2009, inclusive, and the related notes, and should be read in conjunction with the financial statements and with the information appearing under the headings Item 5 – Operating and Financial Review and Prospects and Item 17 – Financial Statements.

Historical results are not necessarily indicative of results to be expected for any future period. No dividends have been paid in any of the fiscal years ended December 31, 2005 through the fiscal year ended December 31, 2009.

	2009	2008	2007	2006	2005
				(In thousands of Canadian dollars)	
Results from operations					
Revenue	Nil	Nil	Nil	Nil	Nil
Total expenses	(17,408)	(25,968)	(22,959)	(12,396)	(6,151)
Interest income	891	2,495	2,816	630	126
Foreign exchange gain (loss)	(3,506)	5,656	(806)	(177)	909
Other income (loss)	922	(37)	-	-	-
Loss before income taxes	(19,101)	(17,854)	(20,949)	(11,943)	(5,116)
Recovery of future income taxes	368	-	429	-	-
Net loss	(18,733)	(17,854)	(20,520)	(11,943)	(5,116)
Net loss per share, basic and diluted	(0.20)	(0.19)	(0.24)	(0.20)	(0.15)
Financial position					
Total assets	81,702	101,534	110,931	59,927	38,000
Capital stock and additional paid-in capital	157,725	157,118	149,826	64,137	26,698
Accumulated deficit and accumulated other comprehensive loss	(77,573)	(58,841)	(40,987)	(20,467)	(8,523)
Net assets	80,152	98,277	108,839	43,670	18,175
Outstanding shares, in thousands	93,857	92,996	93,857	59,464	33,354

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Currency and Exchange Rates

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

	Years ended December 31,				
Canadian dollar	2009	2008	2007	2006	2005
End of period	$ 1.04940	$ 1.22280	$ 0.98200	$ 1.16640	$ 1.16600
Average for the period	$ 1.14235	$ 1.06669	$ 1.07440	$ 1.13461	$ 1.21173

	September	October	November	December	January	February
Canadian dollar	2009	2009	2009	2009	2010	2010
High for the month	$ 1.10440	$ 1.08550	$ 1.08520	$ 1.06830	$ 1.07090	$ 1.07310
Low for the month	$ 1.06490	$ 1.02690	$ 1.04760	$ 1.04210	$ 1.02670	$ 1.03960

Exchange rates are the historical interbank foreign exchange rates for the appropriate period as quoted by OANDA Corporation on its website www.oanda.com. The rate quoted by OANDA for the conversion of United States dollars into Canadian dollars on March 5, 2010 is CDN$1.0314 = US$1.00.

Unlike other commodities, uranium does not trade on an open market. Contracts are negotiated privately by buyers and sellers. Uranium prices are published by two of the leading industry-recognized independent market consultants The Ux Consulting Company, LLC and TradeTech, LLC who publish on their respective websites at http://www.uxc.com/ and http://www.uranium.info. The following information reflects an average of the prices published by these two consulting groups for the timeframe indicated:

12.31 of [year]	2007	2008	2009
Spot price	$ 89.50	$ 52.50	$ 44.50
LT price	$ 95	$ 70	$ 61

End of [month]	Sept 2009	Oct 2009	Nov 2009	Dec 2009	Jan 2010	Feb 2010
Spot price	$ 42.88	$ 48	$ 45.38	$ 44.50	$ 42.38	$ 41.13
LT price	$ 64.50	$ 64.50	$ 61	$ 61	$ 61	$ 60

B. Capitalization and indebtedness.

Not applicable.

C. Reasons for the offer and use of proceeds.

Not applicable.

D. Risk factors.

The Corporation operates in a dynamic and rapidly changing environment that involves numerous risks and uncertainties. The risks described below should be considered carefully when assessing an investment in the common

shares of the Corporation (the “Common Shares”). The occurrence of any of the following events could harm the Corporation. If these events occur, the trading price of the Corporation’s Common Shares could decline, and shareholders may lose part or even all of their investment.

The Corporation faces numerous risks as an exploration stage company.

The Corporation is engaged in the business of acquiring and exploring mineral properties in the hope of locating economic deposits of minerals. The Corporation’s property interests are in the exploration stage. Accordingly, there is little likelihood that the Corporation will realize profits in the short term. Any profitability in the future from the Corporation’s business will be dependent upon development of an economic deposit of minerals and further exploration and development of other economic deposits of minerals, each of which is subject to numerous risk factors. Further, there can be no assurance, even when an economic deposit of minerals is located, that any of the Corporation's property interests can be commercially mined. The exploration and development of mineral deposits involve a high degree of financial risk over a significant period of time which a combination of careful evaluation, experience and knowledge of management may not eliminate. While discovery of additional ore-bearing structures may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. It is impossible to ensure that the current exploration programs of the Corporation will result in profitable commercial mining operations. The profitability of the Corporation's operations will be, in part, directly related to the cost and success of its exploration and development programs which may be affected by a number of factors. Substantial expenditures are required to establish resources and reserves which are sufficient to commercially mine some of the Corporation's properties and to construct, complete and install mining and processing facilities in those properties that are actually mined and developed.

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The price of uranium is affected by demand.

The price of uranium fluctuates. The future direction of the price of uranium will depend on numerous factors beyond the Corporation's control including international, economic and political trends, governmental regulations, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors on the price of uranium, and therefore on the economic viability of the Corporation's properties, cannot accurately be predicted. As the Corporation is only at the exploration stage, it is not yet possible for it to adopt specific strategies for controlling the impact of fluctuations in the price of uranium.

Permitting, licensing and approval processes are required for the Corporation's operations and obtaining and maintaining these permits and licenses is subject to many conditions which the Corporation may be unable to achieve.

Many of the operations of the Corporation require licenses and permits from various governmental authorities. The Corporation believes it holds or is in the process of obtaining all necessary licenses and permits to carry on the activities which it is currently conducting or proposes to conduct under applicable laws and regulations. Such licenses and permits are subject to changes in regulations and changes in various operating circumstances. There can be no guarantee that the Corporation will be able to obtain all necessary licenses and permits that may be required to maintain its exploration and mining activities including constructing mines or milling facilities and commencing operations of any of its exploration properties. In addition, if the Corporation proceeds to production on any exploration property, it must obtain and comply with permits and licenses which may contain specific operating conditions. There can be no assurance that the Corporation will be able to obtain such permits and licenses or that it will be able to comply with any such conditions.

The Corporation's operations are subject to environmental risks and compliance with environmental regulations which are increasing and costly.

Environmental legislation and regulation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. Compliance with environmental quality requirements and reclamation laws imposed by federal, state, provincial, and local governmental authorities may require significant capital outlays, materially affect the economics of a given property, cause material changes or delays in intended activities, and potentially expose the Corporation to litigation. The Corporation cannot accurately predict or estimate the impact of any such future laws or regulations, or future interpretations of existing laws and regulations, on the Corporation's operations. Historic mining activities have occurred on and around certain of the Corporation's properties. If such historic activities have resulted in releases or threatened releases of regulated substances to the environment, potential for liability may exist under federal or state remediation statutes.

The only market for uranium is nuclear power plants worldwide, and there are a limited number of customers.

The marketability of uranium and acceptance of uranium mining is subject to numerous factors beyond the control of the Corporation. The price of uranium may experience volatile and significant price movements over short periods of time. Factors affecting the market and price include demand for nuclear power, political and economic conditions in uranium mining, producing and consuming countries, reprocessing of spent fuel and the re-enrichment of depleted uranium tails or waste, sales of excess civilian and military inventories (including from the dismantling of nuclear weapons) by governments and industry participants, and production levels and costs of production in geographical areas such as Russia, Africa and Australia.

Deregulation of the electrical utility industry and acceptance of nuclear energy affects the demand for uranium.

The Corporation's future prospects are tied directly to the electrical utility industry worldwide. Deregulation of the utility industry, particularly in the United States and Europe, is expected to affect the market for nuclear and other fuels for years to come, and may result in a wide range of outcomes including the expansion or the premature shutdown of nuclear reactors. Maintaining the demand for uranium at current levels and future growth in demand will depend upon acceptance of the nuclear technology as a means of generating electricity. Lack of public acceptance of nuclear technology would adversely affect the demand for nuclear power and potentially increase the regulation of the nuclear power industry.

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The Corporation’s share price is subject to significant fluctuations.

The value of the Corporation’s Common Shares could be subject to significant fluctuations in response to variations in quarterly and yearly operating results, the success of the Corporation's business strategy, competition, financial markets, commodity prices or applicable regulations which may affect the business of the Corporation and other factors.

While the Corporation has mineral resources, it currently does not have any mineral reserves. Calculations of mineral resources and recovery are only estimates, and there can be no assurance about the quantity and grade of minerals until reserves or resources are actually mined.

Until reserves or resources are actually mined and processed, the quantity of reserves or resources and grades must be considered as estimates only. In addition, the quantity of reserves or resources may vary depending on commodity prices. Any material change in the quantity of resources, grade, or production costs may affect the economic viability of the Corporation’s properties.

The Corporation is dependent on key personnel, contractors and service providers, the loss of whom could harm the Corporation’s business.

Shareholders will be relying on the good faith, experience and judgment of the Corporation’s management and advisors in supervising and providing for the effective management of the business and the operations of the Corporation and in selecting and developing new investment and expansion opportunities. The Corporation may need to recruit additional qualified employees, contractors and service providers to supplement existing management, the availability of which cannot be assured. The Corporation will be dependent on a relatively small number of key persons including specifically W. William Boberg, President and Chief Executive Officer, Harold Backer, Executive Vice President, Geology & Exploration and Wayne Heili, Vice President Mining & Engineering, the loss of any one of whom could have an adverse effect on the Corporation’s business and operations. The Corporation does not hold key man insurance in respect of any of its executive officers.

Mining operations involve a high degree of risk and the results of exploration and ultimate productions are highly uncertain.

The exploration for, and development of, mineral deposits involves significant risks which a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration and development programs planned by the Corporation will result in a profitable commercial operation.

Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as uranium prices which are highly cyclical and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of uranium and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Corporation not receiving an adequate return on invested capital.

Mining operations generally involve a high degree of risk. The Corporation's operations will be subject to all the hazards and risks normally encountered in the exploration and development of uranium, including unusual and unexpected geology formations, flooding and other conditions involved in the drilling and removal of material, any of

which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability.

The Corporation’s operations are subject to many regulatory requirements.

The Corporation's business is subject to various federal, state, provincial and local laws governing prospecting and development, taxes, labor standards and occupational health, mine and radiation safety, toxic substances, environmental protection and other matters. Exploration and development are also subject to various federal, state, provincial and local laws and regulations relating to the protection of the environment. These laws impose high standards on the mining industry to monitor the discharge of waste water and report the results of such monitoring to regulatory authorities, to reduce or eliminate certain effects on or into land, water or air, to progressively restore mine properties, to manage hazardous wastes and materials and to reduce the risk of worker accidents. A violation of these laws may result in the imposition of substantial fines and other penalties and potentially expose the Corporation to litigation. There can be no assurance that the Corporation will be able to meet all the regulatory requirements in a timely manner or without significant expense or that the regulatory requirements will not change to delay or prohibit the Corporation from proceeding with certain exploration and development.

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Possible Amendment to Mining Law of 1872 may significantly impact the Corporation's ability to develop certain unpatented mining claims.

Members of the United States Congress have repeatedly introduced bills which would supplant or alter the provisions of the United States Mining Law of 1872, as amended. If enacted, such legislation could change the cost of holding unpatented mining claims and could significantly impact the Corporation's ability to develop mineralized material on unpatented mining claims. Such bills have proposed, among other things, to either eliminate or greatly limit the right to a mineral patent and to impose a federal royalty on production from unpatented mining claims. Although it is impossible to predict at this point what any legislated royalties might be, enactment could adversely affect the potential for development of such mining claims and the economics of existing operating mines on federal unpatented mining claims. Passage of such legislation could adversely affect the financial performance of the Corporation.

Competition from larger or better capitalized companies may affect the Corporation's Common Share price and the Corporation's ability to acquire properties.

The international uranium industry is highly competitive. The Corporation's activities are directed toward the search, evaluation, acquisition and development of uranium deposits. There is no certainty that the expenditures to be made by the Corporation will result in discoveries of commercial quantities of uranium deposits. There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Corporation will compete with other interests, many of which have greater financial resources than it will have, for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration and development efforts.

Nuclear energy competes with other sources of energy, including oil, natural gas, coal and hydro-electricity. These other energy sources are to some extent interchangeable with nuclear energy, particularly over the longer term. Lower prices of oil, natural gas, coal and hydro-electricity may result in lower demand for uranium concentrate and uranium conversion services. Furthermore, the growth of the uranium and nuclear power industry beyond its current level will depend upon continued and increased acceptance of nuclear technology as a means of generating electricity. Because of unique political, technological and environmental factors that affect the nuclear industry, the industry is subject to public opinion risks which could have an adverse impact on the demand for nuclear power and increase the regulation of the nuclear power industry.

Uncertain global economic conditions will affect the Corporation and its Common Share price.

Current conditions in the domestic and global economies are uncertain. There continues to be a high level of market instability and market volatility with unpredictable and uncertain financial market projections. The impacts of a global recession or depression, commodity price fluctuations, the availability of capital and the acceptance of nuclear energy may have consequences on the Corporation and its share price. In addition, it could have consequences on the nuclear industry's ability to finance future construction of nuclear generating facilities. Global financial problems and lack of confidence in the strength of global financial institutions have created many economic and political uncertainties that have impacted the global economy. As a result, it is difficult to estimate the level of growth for the world economy as a whole. It is even more difficult to estimate growth in various parts of the world economy, including the markets in which the Corporation participates. All components of the Corporation's budgeting and forecasting are dependent on commodity prices and their fluctuations as well as political acceptance and policy. The prevailing economic uncertainties render estimates of future expenditures difficult.

The Corporation will need to obtain additional funding in the medium to long term in order to implement the Corporation's business plan, and the inability to obtain it could cause the Corporation's business plan to fail.

Additional funds will be required for future exploration, development and production. The source of future funds available to the Corporation is through the sale of additional equity capital, proceeds from the exercise of convertible equity instruments outstanding or borrowing of funds. There is no assurance that such funding will be available to the Corporation. Furthermore, even if such financing is successfully completed, there can be no assurance that it will be obtained on terms favorable to the Corporation or will provide the Corporation with sufficient funds to meet its objectives, which may adversely affect the Corporation's business and financial position. In addition, any future equity financings by the Corporation may result in substantial dilution for existing shareholders of the Corporation.

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The Corporation lacks a history of earnings and dividend record.

The Corporation has no earnings or dividend record. It has not paid dividends on its Common Shares since incorporation and does not anticipate doing so in the foreseeable future. Payments of any dividends will be at the discretion of the board of directors of the Corporation after taking into account many factors, including the Corporation's financial condition and current and anticipated cash needs.

The impact of hedging activities may affect the Corporation's profitability.

Although the Corporation has no present intention to do so, it may hedge a portion of its future uranium production to protect it against low uranium prices and/or to satisfy covenants required to obtain project financings. Hedging activities are intended to protect the Corporation from the fluctuations of the price of uranium and to minimize the effect of declines in uranium prices on results of operations for a period of time. Although hedging activities may protect a company against low uranium prices, they may also limit the price that can be realized on uranium that is subject to forward sales and call options where the market price of uranium exceeds the uranium price in a forward sale or call option contract.

The Corporation's title to certain properties may be uncertain.

Although the Corporation has obtained title opinions with respect to certain of its properties and has taken reasonable measures to ensure proper title to its properties, there is no guarantee that title to any of its properties will not be challenged or impugned. Third parties may have valid claims underlying portions of the Corporation's interests. The Corporation's mineral properties in the United States consist of leases to private mineral rights, leases covering state lands and unpatented mining claims. Many of the Corporation's mining properties in the United States are unpatented mining claims to which the Corporation has only possessory title. Because title to unpatented mining claims is subject to inherent uncertainties, it is difficult to determine conclusively ownership of such claims. These uncertainties relate to such things as sufficiency of mineral discovery, proper posting and marking of boundaries and possible conflicts with other claims not determinable from descriptions of record. The present status of the Corporation's unpatented mining claims located on public lands allows the Corporation the exclusive right to mine and remove valuable minerals. The Corporation is allowed to use the surface of the public lands solely for purposes related to mining and processing the mineral-bearing ores. However, legal ownership of the land remains with the United States. The Corporation remains at risk that the mining claims may be forfeited either to the United States or to rival private claimants due to failure to comply with statutory requirements. The Corporation has taken or will take all curative measures to ensure proper title to its properties where necessary and where possible.

The Corporation may be subject to aboriginal land claims.

Certain properties in which the Corporation has an interest may be the subject of aboriginal land claims. As a result of these claims, the Corporation may be significantly delayed or unable to pursue exploration and production activities in respect of these properties or may have to expend considerable management resources and funds to adequately meet the regulatory requirements to pursue activities in respect of these properties.

Some hazards which the Corporation may face are uninsurable.

The Corporation currently carries insurance coverage for general liability, directors' and officers' liability and other matters. The Corporation intends to carry insurance to protect against certain risks in such amounts as it considers adequate. The nature of the risks the Corporation faces in the conduct of its operations is such that liabilities could exceed policy limits in any insurance policy or could be excluded from coverage under an insurance policy. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage

or compliance with applicable laws and regulations may cause substantial delays and require significant capital outlays, adversely affecting the Corporation's business and financial position.

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The Corporation's board of directors may face the possibility of conflicts of interest with other resource companies with which they are involved.

Certain directors of the Corporation also serve as directors and officers of other companies involved in natural resource exploration, development and production. Consequently, there exists the possibility that such directors will be in a position of conflict of interest. Any decision made by such directors involving the Corporation will be made in accordance with their duties and obligations to deal fairly and in good faith with the Corporation and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a material interest.

U.S. holders of the Corporation's shares may have potential adverse U.S. Federal Income Tax consequences.

A non-U.S. corporation generally will be considered a "passive foreign investment company" (a "PFIC") as such term is defined in the U.S. Internal Revenue Code of 1986, as amended (the "Code") for any taxable year if either (1) at least 75% of its gross income is passive income or (2) at least 50% of the value of its assets is attributable to assets that produce or are held for the production of passive income. If the Corporation were treated as a PFIC for any taxable year in which a U.S. holder held the Corporation's shares, certain adverse consequences could apply, including a material increase in the amount of tax that the U.S. holder would owe, an imposition of tax earlier than would otherwise be imposed, interest charges and additional tax form filing requirements.

The determination of whether a corporation is a PFIC involves the application of complex tax rules. The Corporation has not made a conclusive determination as to whether it has been in prior tax years or is currently a PFIC. The Corporation could have qualified as a PFIC for past tax years and may qualify as a PFIC currently or in future tax years. However, no assurance can be given as to such status for prior tax years, for the current tax year or future tax years. U.S. holders of Corporation's shares are urged to consult their own tax advisors regarding the application of U.S. income tax rules.

The Corporation may lose its status as a foreign private issuer.

Ur-Energy is a "foreign private issuer," as such term is defined in Rule 405 under the Securities Act, and, therefore, it is not required to comply with all the periodic disclosure and current reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and related rules and regulations. In order for the Corporation to maintain its current status as a foreign private issuer, a majority of its Common Shares must be either directly or indirectly owned of record by non-residents of the U.S., as it does not currently satisfy any of the additional requirements necessary to preserve this status.

The Corporation may in the future lose its foreign private issuer status if a majority of its shares are owned of record by residents of the U.S. and it continues to fail to meet the additional requirements necessary to avoid loss of foreign private issuer status. The regulatory and compliance costs to the Corporation under U.S. securities laws as a U.S. domestic issuer may be significantly more than the costs it incurs as a Canadian foreign private issuer eligible to use the Multi-Jurisdictional Disclosure System ("MJDS"). If it is not a foreign private issuer, it would not be eligible to use the MJDS or other foreign issuer forms and would be required to file periodic and current reports and registration statements on U.S. domestic issuer forms with the SEC, which are more detailed and extensive than the forms required of a foreign private issuer. The Corporation may also be required to prepare its financial statements in accordance with U.S. generally accepted accounting principles ("GAAP"). In addition, the Corporation may lose the ability to rely upon exemptions from certain corporate governance requirements on U.S. stock exchanges that are available to foreign private issuers. Further, if the Corporation engages in capital raising activities through private placements after losing its foreign private issuer status, there is a higher likelihood that investors may require the Corporation to file resale registration statements with the SEC as a condition to any such financing.

Item 4. Information on the Corporation.

A. History and development of the Corporation.

Ur-Energy is a corporation continued under the laws of Canada pursuant to the Canada Business Corporations Act (the “CBCA”) on August 8, 2006. The registered office of the Corporation is located at 55 Metcalfe Street, Suite 1300, Ottawa, Ontario, K1P 6L5. The Corporation’s head office and United States headquarters is located at 10758 West Centennial Road, Suite 200, Littleton, Colorado, 80127. The Corporation also has offices at 5880 Enterprise Drive, Suite 200, Casper, Wyoming 82609 and 341 Main Street North, Suite 206, Brampton, Ontario L6X 3C7. The Corporation’s Littleton telephone number is (720) 981-4588 and its facsimile number is (720) 981-5643. The Corporation’s Common Shares are listed on the TSX under the symbol "URE" and on the NYSE Amex under the symbol "URG".

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Incorporated on March 22, 2004, Ur-Energy is an exploration stage junior mining company engaged in the identification, acquisition, evaluation, exploration and development of uranium mineral properties in Canada and the United States. The Corporation's land portfolio includes 12 properties in Wyoming, USA. Of these, 10 are located in the Great Divide Basin, of which two (the Lost Creek property and the Lost Soldier property) contain defined resources that the Corporation expects to advance to production.

The Corporation also has two properties, known as Screech Lake and Gravel Hill, in the Northwest Territories, Canada; and the Bugs property in the Kivalliq region of the Baker Lake Basin in Nunavut, Canada.

The Corporation has various royalty interests in properties in Wyoming, USA and Nunavut, Canada.

Background

The Corporation, through its wholly-owned subsidiary, Ur-Energy USA Inc. ("Ur-Energy USA"), acquired Wyoming properties comprising certain of its Great Divide Basin and the Shirley Basin projects, effective June 30, 2005, when Ur-Energy USA entered into the Membership Interest Purchase Agreement ("MIPA") with New Frontiers Uranium, LLC ("New Frontiers"). Under the terms of the MIPA, the Corporation purchased from New Frontiers all of the issued and outstanding membership interests (the "Membership Interests") in NFU Wyoming, LLC ("NFU Wyoming"). Assets acquired from New Frontiers include the extensively explored and drilled Lost Creek and Lost Soldier projects, other properties, and a development database including more than 10,000 electric well logs, over 100 geologic reports and over 1,000 geologic and uranium maps covering large areas of Wyoming, Montana and South Dakota. The 100% interest in NFU Wyoming was purchased for an aggregate consideration of $24,515,832 (US$20,000,000), plus capitalized interest.

Since 2005, the exploration and development of Lost Creek has progressed. The Corporation commissioned an NI 43-101 Preliminary Assessment in 2008. Beginning in 2007, the Corporation has proceeded with its applications for a Source Material and Byproduct License from the U.S. Nuclear Regulatory Commission ("NRC") and a Permit and License to Mine from the Wyoming Department of Environmental Quality ("WDEQ"). The applications were deemed complete by both agencies and the technical review process is ongoing. See also Item 4.B - Business Overview: Lost Creek Project.

Recent Developments

Corporate

The Corporation has continued to add essential technical personnel including three new people based out of the Corporation's Casper, Wyoming office: Sam Talbott, Chief Geologist; Dr. Charles Kelsey, Radiation Safety Officer and Leland Huffman, Senior Scientist.

On April 28, 2009, at the Corporation's annual and special meeting of shareholders, the shareholders approved and ratified the Corporation's Shareholder Rights Plan which became effective on November 7, 2008. Through a Successor Rights Plan Agreement, effective as of January 1, 2010, the Successor Rights Agent is now Computershare Investor Services Inc.

Regulatory

In May 2009, the Corporation received new guidance from the NRC concerning the NRC's schedule for the first three pending applications for in situ recovery ("ISR") operations which included the Corporation's application for the Lost Creek project. The NRC determined that it will complete a site-specific Supplemental Environmental Impact

Statement (“SEIS”) for each of the ISR applications rather than an environmental assessment. In December 2009, the NRC issued the Draft SEIS for the Lost Creek project, and continued its guidance for the completion of a SEIS for each pending application in second quarter 2010 and the probable issuance of licenses in third quarter 2010.

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In June 2009, the Corporation submitted an application for a Class I Underground Injection Control ("UIC") permit to the WDEQ which supports the suitability of a Class I UIC permit for the Lost Creek disposal well system, including up to five disposal wells. In November 2009, the WDEQ provided its technical comments on the application, and notified the Corporation that the agency will proceed with drafting of the permit, while it awaits the responses to technical comments. The Corporation provided responses to the technical comments on February 1, 2010.

Throughout 2009, the Corporation worked with the WDEQ in its review of the Lost Creek Application for Permit to Mine, submitting additional technical data and information, holding meetings and, in December 2009, submitting the data package for Mine Unit #1.

On December 3, 2009, the Corporation announced the approval of its Lost Creek Development Plan by the officials of Sweetwater County, Wyoming. The Development Plan describes in detail the infrastructure and facilities which will be constructed at the planned uranium ISR production site.

Technical

As of March 31, 2009, as part of its winter drilling program, the Corporation had drilled and installed 15 monitoring wells; completed groundwater sampling of an approximately 10,000 foot deep test well; and, assisted by TREC, Inc., completed detailed designs and specifications for all components of the Lost Creek ISR Plant.

The drilling program at Lost Creek resumed in July 2009 following the earlier winter drilling program. The primary purpose of the 2009 drilling program was delineation of the ISR recoverable uranium resources within the planned Mine Unit #2 area.

On August 10, 2009, the Corporation announced that geophysical and survey crews started work on the Screech Lake project in the Thelon Basin, Northwest Territories, Canada. The Corporation continues discussions with the First Nations groups towards an exploration agreement on the Screech Lake project.

On August 12, 2009, the Corporation announced the results of geologic evaluations of the Lost Creek Permit Area and adjacent properties held by the Corporation, namely, LC North and LC South, which contain multiple exploration targets and demonstrate the potential to contain 24 to 28 million pounds U3O8 in 20.7 to 24.1 million tons, with an average grade of 0.058% U3O8(not an NI 43-101 compliant resource). Individual redox fronts (reduction – oxidation fronts) which are amenable to ISR mining technology are commonly in the range of 10 to 20 feet (3 to 6 meters) thick. Depths of mineralization are from 200 feet to 900 feet with GTs (Grade X Thickness) of 0.3 to 2.23 (averaging 0.7), with an assumption, based upon knowledge of roll fronts in the Great Divide Basin, of 50 - 100 foot width, all of which are similar to the Lost Creek deposit. These potential quantity and grade ranges are conceptual in nature, only. There has been insufficient exploration to define a mineral resource. It is uncertain if further exploration will result in the target(s) being delineated as a mineral resource. The Corporation's drilling and historic data have identified a minimum of an additional 120 compiled linear miles of new redox fronts stacked with multiple stratigraphic horizons with potential for resource development on these properties. The newly identified fronts occur within the same stratigraphic horizons that are present in the area of the Lost Creek deposit. Estimation of the potential of the new fronts is based on the observed similarity of alteration characteristics, grade and thickness of mineralization to that currently identified in the Lost Creek deposit.

The Corporation announced in November 2009 that it had selected Fagen Inc. to serve as General Contractor in the construction of the process plant facilities at Lost Creek.

As part of its third quarter 2009 update in November 2009, the Corporation detailed the US$22 million of capital and development expenditures made on the Lost Creek project from 2007 through third quarter which included

800 exploration and delineation drill holes, drilling and installation of 153 monitor wells, complete delineation of Mine Unit #1 and commencement of delineation of Mine Unit #2, prepayment for key long-lead time plant equipment, and acquisition of operational support equipment for ongoing use now and during production operations.

Joint Ventures

During the third quarter of 2009, Crosshair Exploration & Mining Corporation ("Crosshair") completed its earn-in to a 75% interest in The Bootheel Project, LLC in the Shirley Basin, Wyoming which comprises the Bootheel and Buck Point properties (the "Bootheel Project"). Crosshair earned its 75% interest in the Bootheel Project by spending US$3 million in exploration costs and issuing 125,000 common shares of Target Exploration & Mining Corporation (an acquisition by Crosshair subsequent to the buy-in agreement) to the Corporation. Earlier in the third quarter, Crosshair completed an independent NI 43-101 mineral resource estimate on the Bootheel property.

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Effective December 1, 2009, Bayswater Uranium Corporation ("Bayswater") joined the Corporation's wholly-owned subsidiary, Hauber Project LLC, as an earn-in Member and Manager of the Hauber project (the "Hauber Project"). The Hauber Project is located in Crook County, Wyoming. Pursuant to the terms of the operating agreement, Bayswater can earn a 75% interest by incurring eligible exploration expenditures of US$1 million over a four-year period. On January 11, 2010, the Corporation further announced that Bayswater completed an independent NI 43-101 mineral resource estimate on the Hauber Project

Principal Capital Expenditures and Divestitures

In August 2009, the Corporation completed the sale of its "Moorcroft Database" to Peninsula Minerals Limited for US$1 million and a royalty on future production from a broad-ranging project area in the Eastern Powder River Basin, Wyoming. The Corporation obtained the Moorcroft Database as part of its acquisition of NFU Wyoming in 2005, which also included several other historic databases.

Although construction of the Lost Creek plant will not begin until receipt of the necessary permits, requests for quotations for all major process equipment were prepared and solicited from vendors and contractors. During 2009, the Corporation spent approximately $1.1 million on construction related activities, including plant design work and the purchase of certain long-lead construction items.

No significant capital expenditures are currently in progress. Pursuant to the Corporation's policy, other continuing development costs on the Lost Creek project are presently being charged to expense as incurred.

B. Business overview.

Lost Creek Project

The Lost Creek uranium deposit is located in the Great Divide Basin, Wyoming. The deposit is approximately three miles (4.8 kilometers) long and the mineralization occurs in four main sandstone horizons between 315 feet (96 meters) and 700 feet (213 meters) in depth.

As identified in the June 2006 Technical Report on Lost Creek, NI 43-101 compliant resources are 9.8 million pounds of U3O8 at 0.058% as an indicated resource and an additional 1.1 million pounds of U3O8 at 0.076% as an inferred resource.

A royalty on future production of 1.67% is in place with respect to 20 claims comprising a small portion of the Lost Creek project.

The Corporation continues to advance matters to obtain an NRC Source Material and Byproduct License (the "NRC License") for the Lost Creek project. In October 2007, the Corporation submitted its Application for the NRC License (the "Application"). In June 2008, the NRC notified the Corporation that the acceptance review had been completed and the Application was found sufficient for technical review. Since November 2008, the NRC has submitted various Request for Additional Information ("RAI") inquiries to the Corporation for both the Technical Report and Environmental Report portions of the Application and the Corporation has submitted responses. In June 2009, the NRC issued its Generic Environmental Impact Study ("GEIS"). In addition to the GEIS guidelines, the NRC has advised all applicants for new ISR operations that a site-specific SEIS is required. The Corporation received the Lost Creek Draft SEIS in December 2009, and submitted comments to the NRC in response in February 2010. Current NRC guidance calls for the completion of an SEIS for each pending application in second quarter 2010 and the probable issuance of licenses in third quarter 2010. The Corporation anticipates the issuance of Lost Creek's NRC

License in the summer of 2010.

The U.S. Bureau of Land Management ("BLM") has determined that its project environmental review and approval will be independent of the environmental review process carried out by the NRC. In response, the Corporation submitted a Plan of Operations to the BLM in November 2009. The BLM appointed a coordinator for the review process and the review, including public comment and selection of a contractor for the environmental review, has commenced. The BLM's decision of record on the Plan is expected in the summer of 2010.

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The Corporation continues to advance matters to obtain a WDEQ Permit to Mine (the "WDEQ Permit") for the Lost Creek project. In December 2007, the Corporation submitted the Lost Creek Permit to Mine Application (the "WDEQ Application") to the WDEQ. The WDEQ Application was deemed complete in May 2008. WDEQ has issued various sets of technical comments to which the Corporation has responded. The Corporation submitted its data package for Mine Unit #1 in December 2009, and initial comments were received from WDEQ in February 2010. The Company anticipates filing its responses to those comments before the end of first quarter 2010. Ur-Energy anticipates the issuance of Lost Creek's WDEQ Permit in the summer of 2010.

On March 5, 2010, the U.S. Fish and Wildlife Service ("USFWS"), in compliance with a federal court order, 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. This finding is reconsidered annually, taking into account changes in the status of the species. When higher priority listing actions have been addressed by the USFWS for other species, a proposed listing rule is prepared and issued for public comment. This means that until the USFWS finalizes a listing determination, the greater sage grouse will remain under state management. As a part of its WDEQ Application, the Corporation has submitted a Wildlife Protection Plan regarding, among other issues, the sage grouse. The Corporation conducted several meetings during fourth quarter 2009 – first quarter 2010 with the WDEQ and Wyoming Department of Game and Fish to facilitate the processing and acceptance of the mitigation plan as a part of the WDEQ Permit.

The Corporation submitted to the WDEQ-Water Quality Division an application for a permit for up to five Class 1 UIC disposal wells. These wells, utilized for deep geologic disposal of liquid waste, will be located within the Lost Creek permit area. The Corporation acquired detailed data including formation stratigraphy, reservoir extent and properties, water quality and assessment of well injection rates from a deep test well drilled in 2008. This data set was used to support the application which was submitted to WDEQ-Water Quality Division in June 2009. WDEQ processing of this particular application was delayed initially as a result of WDEQ staffing issues, but progressed with the issuance in late November 2009 of technical comments, to which the Corporation submitted its responses on February 1, 2010. The Corporation anticipates receipt of this permit in the second quarter of 2010.

The Corporation continued its development program at Lost Creek during 2009. The first phase of the 2009 program included the drilling and installation of 15 monitoring wells (11,770 feet / 3,590 meters) to obtain and monitor water quality and hydrologic data for the purpose of permitting an additional mineralized horizon underlying the horizon presently being permitted. The Corporation also completed mechanical integrity testing of installed baseline and monitoring wells and the installation of submersible pump equipment to facilitate ongoing water sampling requirements.

In July 2009, the delineation drilling program at Lost Creek continued with 235 additional drill holes originally planned. As the program progressed, additional drill holes were planned, and the program was extended through February 2010, to further investigate mineralization found in unanticipated locations. As of February 28, 2010, 277 holes were completed for a total of 196,840 feet (59,741 meters) drilling completed to support definition of future proposed mining areas. As well, in early 2010, additional monitor wells were drilled and other work completed.

In 2009, the Corporation's engineering staff, assisted by TREC, Inc., completed the detailed designs and specifications for all components of the Lost Creek plant.

Although construction of the Lost Creek plant will not begin until receipt of the necessary permits, requests for quotations for all major process equipment at the Lost Creek project were solicited from vendors and contractors. Bids were evaluated and procurement was ongoing throughout 2009. One purchase order totaling US$1,323,834 was issued during the second quarter of 2009 for ion exchange columns and other process equipment. An additional purchase order for US$319,357 was issued during the second quarter in order to initiate the

drawing and approval process for other plant equipment.

During the year ended December 31, 2008, the Corporation invested $3.5 million in mineral properties, bonding deposits, capital assets and design work on the Lost Creek plant. The majority of these expenditures went toward bonding deposits and the purchase of capital assets. The capital asset purchases were primarily for field vehicles and field equipment purchased to facilitate the exploration and development work programs in Wyoming.

During the year ended December 31, 2007, the Corporation invested $3.5 million in mineral properties, bonding deposits and capital assets. The majority of these expenditures went toward mineral properties and bonding deposits. The capital asset purchases were primarily for field vehicles and field equipment purchased to facilitate the exploration and development work programs in Wyoming.

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Technical Report Summaries

The following are the executive summaries excerpted in substantive form from the two technical reports completed on the Lost Creek project. A Preliminary Assessment, completed in 2008 by John I. Kyle, P.E. and Douglas K. Maxwell, P.E. of Lyntek Incorporated ("Lyntek"), is the more recent NI 43-101 Technical Report and was prepared to provide an independent analysis and preliminary assessment of the potential economic viability of the mineral resource of the Lost Creek project. In 2006, an NI 43-101 Technical Report was prepared by C. Stewart Wallis, P.Geo, then a consulting geologist associated with Scott Wilson Roscoe Postle Associates Inc. (formerly, Roscoe Postle Associates Inc. ("RPA")).

As noted above, considerable development and changes have been made on the Lost Creek property since these reports, particularly the initial Wallis report, were produced. Total drilling on the project to date by Ur-Energy is 1048 holes for a total of 689,824 feet (210,007 meters). Most of this drilling, however, has been geared toward advancing the primary resource at the Lost Creek deposit toward production. For the most part, the detailed drill holes (300 or more holes to delineate each mine unit at 100 foot spacing) were drilled for mine unit design and layout purposes. These holes are closely spaced for the mine unit planning and specifically not for the purpose of adding resources.

The NI 43-101 compliant Indicated Mineral Resource at Lost Creek allows for the application of technical and economic parameters to support mine planning and evaluation of the economic viability of the deposit, as set forth in the 2008 Preliminary Assessment – Lost Creek. Because the practice of ISR mining is to drill out individual mine units just prior to mining each unit, the Preliminary Assessment – Lost Creek can only make use of the Indicated Mineral Resources figures. The ISR drilling and development practices make the reporting of an NI 43-101 mineral reserve impracticable as there is insufficient delineation of the project for treatment as a Mineral Reserve.

April 2008

The following is the Executive Summary extracted from the technical report dated April 2, 2008 and titled "Preliminary Assessment for the Lost Creek Project Sweetwater County, Wyoming", which was prepared for the Corporation in accordance with NI 43-101 by Lyntek ("Preliminary Assessment – Lost Creek"). The full Preliminary Assessment – Lost Creek can be viewed under the Corporation's profile on the SEDAR website at www.sedar.com.

EXECUTIVE SUMMARY

Lyntek has generated a preliminary assessment or scoping study of the Lost Creek uranium in situ recovery (ISR) project located in Sweetwater County, Wyoming. Lost Creek ISR, LLC a wholly owned subsidiary of Ur-Energy USA Inc. controls the property and has evaluated the potential to place the property in production through the use of an in-house economic analysis. Lyntek has reviewed the analysis and has made changes as necessary to represent the project's economics. During this effort, we reviewed several technical details regarding the project.

Lyntek has relied upon work conducted by an earlier NI 43-101 study that defined the uranium resources (C. Stewart Wallis, 2006). The Lost Creek resources are based on a minimum grade of 0.03 % U3O8 and a minimum grade thickness (GT) equal to or greater than 0.3 are reported in the table below.

Table 1.1 Lost Creek Resources: C. Stewart Wallis, Rostle Postle Associates, Inc., June 15, 2006

Reserve Classification	Tons (millions)	Average Ore Zone Thickness (feet)	Uranium Grade (Percent U3O8)	Pounds U3O8 (millions)

Indicated	8.5	19.5	0.058	9.8
Inferred	0.7	9.6	0.076	1.1

Indicated Resources were defined by 200 feet spacing with the exception of a few sections drilled off at 50 feet spacing. Detailed drilling on closer spacing (up to 50 feet) will be necessary prior to the final engineering designs and the ISR mining of individual mine units during the life of the mine. Individual mine units will be drilled out with hydrologic testing just prior to mining each mine unit. Detail drilling of the first mine unit planned is not completed at this time. The size and shape of individual mine units may vary when detailed drilling is carried out on each unit and the hydrologic characteristics of each mine unit may vary from mine unit to mine unit.

. . .A conservative approach to this preliminary assessment of the Lost Creek Project has been employed by using an in-place indicated resource of 8.1 million pounds of U3O8 defined by a model of 6 individual mine units averaging 1.2 to 1.4 million pounds of U3O8. Assuming an 80 % uranium recovery, it is projected that there will be 6.5 million pounds of U3O8 produced. The uranium mineralization is primarily located in the HJ and the UKM sandstone horizons at average depths of 435 feet and 555 feet, respectively.

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Lost Creek ISR, LLC has conducted hydrologic studies through its contractor Petrotek Engineering Corporation (October 2007) of the mineralized HJ sandstone horizon. These studies show that the sandstones appear to have adequate hydrologic characteristics that will support ISR operations. In addition, it has been concluded that the shale layers above and below the HJ ore zone will act as adequate geologic members to contain the lixiviant within the desired production zone and prevent the migration of the lixiviant to water bearing geologic zones above and below the target mineralized zone.

It is important to note that there is an east-west scissor fault located down the axis of a significant portion of the resources. This fault will impact mining operations. The hydrology studies also defined the scissor fault as a tight zone which acts as a barrier to groundwater flow across the fault. In addition, there is a difference in ground water elevations within the HJ structure as the fault line is crossed. The water level on the south side of the fault lies below the water level on the north side of the fault. Work in evaluating the UKM sandstone horizon has begun but needs to be finalized to determine if it has suitable characteristics consistent with the HJ horizon.

Leach studies have been conducted in 2005 and 2007. The leach studies conducted in 2005 used bottle roll tests on six one-foot core sections from five drill holes. The uranium grades within these six samples ranged from a low of 0.040 to a high of 0.480. With the application of 25 pore volumes of lixiviant containing 2 grams/liter HCO3 and 500 milligrams/liter of H2O2, the recoveries ranged from 59.4 to 92.8 %. Interestingly, the high grade sample showed the lowest recovery and it is quite possible that additional pore volumes of lixiviant would remove additional uranium as the last pore volume contained 68 milligrams of uranium, so recovery would likely improve to some degree on this high grade ore. The next lowest recovery was 75.0 %. The 2007 leach study focused on a homogenized production zone from one hole in the HJ horizon. The goal of this test group was to review a matrix of different chemistries in an effort to determine the most appropriate lixiviate chemistry for the project. Results of the tests show an elevated bicarbonate concentration may be required to maximize productivity at the Project. Natural groundwater with peroxide yielded a 20 % ultimate recovery while all lixiviants with a bicarbonate concentration greater than 1.0 g/L averaged 88.6 % ultimate recovery with a range of 84.1 to 93.3 %.

Project economics have been developed assuming a 6000 gpm ISR processing plant producing one million pounds of U3O8 per year. During the first two years, yellowcake slurry will be produced while a dryer is being permitted and constructed so that afterwards dry yellowcake can be produced. The capital costs for plant equipment and facilities also include capital costs for a larger plant that will accommodate an additional one million pounds of U3O8 for processing resin from other properties including those belonging to Ur-Energy USA Inc. However the operating costs and sales of this additional yellowcake capacity have not been included in the economics analysis. It is assumed that the additional capital investment will present an un-quantified opportunity.

In Lyntek's assessment of the economics for the project, we find that the project will produce results that are quite robust. The economic assessment assumes contingencies of 20 % for both capital and operating costs. Lyntek has used a price forecast of $80 as an indicator of likely uranium prices in the future. Per Nuclear Market Review, this price is $15 below the current fixed price contract and $7 above the spot price indicator of February 29, 2008. Because of the volatility of uranium prices, this price appears to be a reasonable price upon which the project's economics can be based. To allow for the volatility of the uranium price, we have assumed a price swing potential of $40 per pound of U3O8 and developed additional economic cases upon those swings to allow stakeholders to properly evaluate the potential economics of the project under possible price conditions. Because of the extreme difficulty in forecasting current uranium prices, it is recommended that stakeholders pay particular attention to the lower limit price forecast as a measure of evaluating risk for the project. In addition to assist with forecast issues, cost sensitivities were also modeled to evaluate potential cost variances. The results of these economic analyses are shown in Table 1-2.

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Table 1-2 Economic Indicators

Case	Revenue ($MM)	Pre-tax IRR (%)	NPV @ 10% ($MM)
Case 1 Base Case U3O8 $80	516.2	43.6	106.8
Case 2 U3O8 $40	258.1	-1.9	-23.2
Case 3 U3O8 $120	774.3	73.8	236.8
Case 4 U3O8 $80 Operating Costs +20%	516.2	39	90.6
Case 5 U3O8 $80 Operating Costs – 20%	516.2	48.2	122.9
Case 6 U3O8 $80 Capital Costs +20%	516.2	36.7	94.3
Case 7 U3O8 $80 Capital Costs -20%	516.2	52.5	119.3
Case 8 Worst Case U3O8 $40 Op. & Cap. Costs + 20%	258.1	-7.6	-51.7
Case 8 Best Case U3O8 $120 Op. & Cap. Costs - 20%	774.3	90	265.7

(a) This analysis is conducted upon operating and capital costs that include contingencies of 20%, respectively. The ranges cited above assume that the operating and capital estimates, inclusive of contingencies, may range in actuality by 20 %.

For the life of the mine, the economic assessment estimates the average operating cost at $19.46 per pound and, with a 20 % contingency, 23.36 per pound of U3O8. The capital cost for the plant is estimated at $30.0 million. The development of the property, inclusive of header houses, drilling, environmental, engineering, and permitting is forecast at $23.9 million. Contingencies of $8.6 million are added to provide a total capital cost of $62.5 million to start the project in 2009. Of this amount, $5.5 million has already been spent to advance the project to the current stage. The bonding estimate, which is included in the cash flow assessment, requires $5.5 million in spending up to the start of production, of which $1 million has already been spent. The allocated purchase price of the property, which is included in the economics as sunk capital, is $9 million. The remaining expenditures to bring the project into production, at this point in time is then, $61.5 million, including contingencies. Lyntek is of the opinion that these costs fairly represent the expected capital and operating costs of the project.

Based upon this economic assessment, it is recommended that work continue upon this project to further analyze the project, work to reduce risks, continue to permit and plan to execute the project as it appears to be worthwhile to continue these efforts. It is recommended that more extensive hydrologic and leach tests be conducted to better define these important considerations. Furthermore, there is no certainty that the results projected in the Preliminary Assessment will be realized and actual results may vary substantially.

June 2006

The following is the Executive Summary extracted from the technical report dated June 15, 2006 and titled “Technical Report on the Lost Creek Property, Wyoming”, which was prepared for the Corporation in accordance with NI 43-101 by C. Stewart Wallis, P.Geo, who at the time of the preparation of the report was a consulting geologist associated with Scott Wilson Roscoe Postle Associates Inc. (formerly, Roscoe Postle Associates Inc.) (“Technical Report – Lost Creek”). The full Technical Report – Lost Creek can be viewed under the Corporation’s profile on the SEDAR website at www.sedar.com.

EXECUTIVE SUMMARY

RPA was retained by Ur-Energy to prepare an independent Technical Report on the Lost Creek Project in the State of Wyoming, USA.

The Lost Creek Project consists of 184 unpatented lode claims and one state section lease totaling 4,379 acres, 90 miles southwest of Casper, Wyoming. The property was extensively drilled in the 1970s by Texasgulf Inc. (TG) and, more recently, Ur-Energy has completed a program of data compilation and 10,420 ft. of confirmation drilling.

The current resources at the Lost Creek Project as at May 30, 2006, based on a minimum grade of 0.03% U3O8 and a grade thickness (GT) equal to or greater than 0.3 are reported in Table 1-1. RPA is of the opinion that the classification of resources as stated meets the CIM definitions as adopted by the CIM Council on November 14, 2004, as required by National Instrument 43-101.

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Table 1.1 Lost Creek Resources - 2006
Ur-Energy, Inc.

Classification	Tons (millions)	Average Thickness (Ft.)	Grade (% U3O8)	Pounds U3O8 (millions)
Indicated	8.5	19.5	0.058	9.8
Inferred	0.7	9.6	0.076	1.1

Preliminary leach tests indicate that the mineralization is amenable to leaching with an oxygenated lixiviant. The main mineralized horizons, which have an approximate stratigraphic thickness in excess of 130 ft., are confined by impermeable mudstones above and below the mineralization and, therefore, are considered to be ideal for the use of in situ leaching (ISL) methodology.

Ur-Energy has proposed a US$2.975 million budget to advance the project during the year ending June 2007. The proposed program includes the drilling of 17 wells in order to carry out pump tests and water quality analysis, permitting, collection of environmental data, and feasibility studies. Ur-Energy is planning to submit an application for mine permits by mid 2007.

RPA is of the opinion that Ur-Energy should continue with the drilling, pump tests, permitting and feasibility studies leading to a production decision.

TECHNICAL SUMMARY

The Lost Creek Project is located 90 miles southwest of Casper, Wyoming, and 25 miles south of Jeffrey City, which is located on U.S. Highway 287. The property is readily accessible year round by an extensive system of gravel and dirt roads extending from Jeffrey City.

Climax Amax Inc. acquired the property in 1968 and discovered low-grade mineralization in the Battle Springs formation. TG acquired the property in 1976, optioned the adjoining Conoco ground in 1978, and completed drilling with the discovery of the continuation of the Main Mineral Trend (MMT) eastward from the Lost Creek Project. Leach tests using bicarbonate lixiviant resulted in uranium extraction ranging from 60% to 80%. TG dropped the project in 1983 due to economic conditions.

From 1986 to 1988, Power Nuclear Corporation (PNC) Exploration of Japan acquired a 100% interest in the project from Cherokee Exploration Inc., the then owner of the property, and conducted geologic and in situ leach evaluations. In 2000, New Frontiers Uranium LLC acquired the property and the database from PNC.

About 3,000 rotary drill holes totaling some 1.36 million ft. have been completed on or near the property, with the MMT being drilled off at 200 ft. centers with some infill at closer spacing.

There have been a number of resource estimates completed by the various owners since 1978. In 1982, TG reported a total resource of 5.7 million lbs of contained U3O8 in 4.6 Mt at an average grade of 0.062% U3O8 using a polygonal method with varying cut-offs. These resources are historical in nature and Ur-Energy is not treating the historical estimates as NI 43-101 defined resources or reserves verified by a qualified person, and the historical estimates should not be relied upon.

Mineralization is found at depths ranging from 150 ft. to 1,150 ft. in fluvial arkosic sandstones of the Eocene Battle Spring Formation that dip from 3° northwest to 3° southwest. Thick-bedded (up to 50 ft. thick), medium- to

coarse-grained sandstones make up about 60% of the section at Lost Creek and host the uranium deposits. Siltstone, shale, and claystone are interbedded with the sandstones. The main zone of mineralization at Lost Creek strikes east-west for at least four miles (half of which is well defined) and is up to 2,000 ft. wide, with intercepts ranging from 350 ft. to 700 ft. deep. Mineralization is in the form of fine-grained intergrowths of coffinite with pyrite, as coatings, fracture fillings, and rimming voids. Grade ranges from 0.03% U3O8 to 0.20% U3O8, with an average of intercepts in the mineralized envelope of the MMT at 0.04% U3O8. The thickness of individual mineralized beds at Lost Creek locally ranges from 5 ft. to 28 ft., and averages 16 ft. It appears that there are no high-grade intercepts greater than 0.5% U3O8. Generally, the deposit has uniformly low grade intercepts in thick mineralized horizons, with continued alteration to the north.

Ur-Energy carried out a drill program totaling 10,420 ft. in 14 holes during October and November 2005. Twelve holes were spotted within 5 ft. to 10 ft. of the historical drill holes in order to verify mineralization intersected in those older holes and to allow comparison of the mineralized intervals. One hole was drilled between two historical holes 200 ft. apart in order to verify continuity of the mineralization. The holes were surveyed with a down-hole geophysical probe and selected intervals of core were sampled for chemical assays. Measurements taken by the down-hole probe include gamma logs, self potential, resistivity, and hole deviation. A total of 188 samples were chemically analyzed at Energy Laboratories Inc. (Energy Labs) of Casper, Wyoming, using standard industry analyses. Energy Labs has been carrying out uranium analysis for over 25 years and is considered to be a recognized laboratory.

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Ur-Energy selected a total of six one-foot samples from the recent drilling to undergo bottle roll leach tests. The work was carried out over an 80 hour period at Energy Labs using a lixiviant of sodium bicarbonate and hydrogen peroxide. Analysis of the leach solutions indicated leach efficiencies of 52% to 94%. Tails analysis indicated an average U3O8 extraction of 82.8%.

AATA International Inc., an environmental consultancy at Fort Collins, Colorado, reports that, based on the experience of two permitted projects, approval of a new greenfield ISL project could require three to four years after the decision to proceed with a baseline data collection. Ur-Energy will fast-track the project to shorten the timetable by one year by carrying out concurrent studies wherever possible and being proactive with the agencies. The schedule is driven by the collection of the environmental baseline data and project data. Ur-Energy has commenced collection of the baseline data required, and permission has been received from the Wyoming Department of Environmental Quality (WDEQ) for the drilling of 17 wells to be used for pump tests that will commence in June. The pump tests will provide information on water quality and permeability of the sandstones relative to the horizontal and vertical flow. Wildlife, meteorological, soil and vegetation surveys have commenced, and archaeological and radiology surveys are scheduled for this summer.

A total of 576 holes were identified within the current property boundary. These holes contained 628 mineralized intervals equal to or greater than 0.03% U3O8. The majority of the data consisted of U3O8 grade estimated from geophysical logs. Chemical assays were used where available (17 holes), representing approximately 4% of the intervals. GT values were calculated for each hole, using a cut-off of 0.03% U3O8. All intercepts below the water table contributed to the total thickness. A 0.3 GT boundary was used to create polygons, from which the area was calculated. Nineteen (19) holes within this boundary, but with a GT value of less than 0.3, were excluded from the estimate.

RPA reviewed selective geophysical drill logs, compared the TG drill holes and geophysical logs with the twins drilled by Ur-Energy, and considers the data appropriate for use in a resource estimate.

A cut-off grade of 0.03% U3O8 and a GT product equal to or greater than 0.3 were used to define the mineral resources. This is based on a uranium price of US$40 per pound and estimated operating costs of approximately US$20 per pound.

Classification of the resources was determined by a combination of grade continuity and drill hole spacing, nominally 200 ft. centers for indicated resources, with the exception of several section lines that have been drilled off at 50 ft. spacing along the sections.

Lost Soldier Project

The Lost Soldier project is located approximately 14 miles (22.5 kilometers) to the northeast of the Lost Creek project. The property has over 3,700 historical drill holes defining 14 mineralized sandstone units. The Corporation maintains 143 lode mining claims at Lost Soldier, totaling approximately 2,710 mineral acres (1,097 hectares). A royalty on future production of one percent (1%), which arises from a data purchase, is in place with respect to certain claims within the project.

Following the completion, in 2007, of all environmental baseline studies, the Lost Soldier project was turned over to the Corporation’s engineering staff for detailed engineering evaluation and study, which has been ongoing; detailed mapping of the roll-front geology, and detailed mine design planning have been prepared. Corporation staff continued with engineering studies and mine design analyses in 2009. The Corporation continues to anticipate that regulatory applications for Lost Soldier will be made after the Corporation obtains the Lost Creek licenses and permit to mine, and as corporate priorities are determined for the development of the lands adjacent to Lost Creek.

Technical Report

The following Executive Summary is extracted from the technical report dated July 10, 2006 and titled “Technical Report on the Lost Soldier Property, Wyoming”, which was prepared for the Corporation in accordance with NI 43-101 by C. Stewart Wallis, P.Geo, who at the time of the preparation of the report was a consulting geologist associated with Scott Wilson Roscoe Postle Associates Inc. (formerly, Roscoe Postle Associates Inc.) (“Technical Report – Lost Solider”). The Technical Report – Lost Soldier can be viewed under the Corporation’s profile on the SEDAR website at www.sedar.com.

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EXECUTIVE SUMMARY

RPA was retained by Ur-Energy, to prepare an independent Technical Report on the Lost Soldier Project in the State of Wyoming, USA.

The Lost Soldier Project consists of 70 unpatented claims totaling 1,400 acres located in Sweetwater County, 90 miles southwest of Casper, Wyoming. The property was extensively drilled in the 1970s and more recently Ur-Energy has completed a program of data compilation and continuation drilling.

The current resources at the Lost Soldier Project as at May 30, 2006, based on a minimum grade of 0.03% U3O8 and a grade thickness (GT) equal to or greater than 0.3 are reported in Table 1-1. RPA is of the opinion that the classification of resources as stated meets the CIM definitions as adopted by the CIM Council on November 14, 2004 as required by National Instrument 43-101.

Table 1-1 Lost Soldier Resources – 2006
Ur-Energy Inc. Lost Soldier Project

Classification	Tons (millions)	Average Thickness (Ft.)	Grade (% U3O8)	Pounds U3O8 (millions)
Measured	3.9	21.1	0.064	5
Indicated	5.5	17.1	0.065	7.2
Total M+I	9.4	17.2	0.065	12.2
Inferred	1.6	14.5	0.055	1.8

Preliminary leach tests indicate that the mineralization is amenable to leaching with an oxygenated lixiviant. The main mineralized horizons consist of nine sand units ranging from depths of 100 ft. to greater than 450 ft. below the surface and are separated by impermeable mudstones and therefore are considered to be ideal for the use of ISL methodology.

Ur-Energy has proposed a US$3.145 million budget to advance the project during the year ending June 2007. The proposed program includes the drilling of 17 wells in order to carry out pump tests and water quality analysis, permitting, collection of environmental data and feasibility studies. Ur-Energy is planning to submit an application for mine permits by mid 2007.

RPA is of the opinion that Ur-Energy should continue with the drilling, pump tests, permitting and feasibility studies leading to a production decision.

TECHNICAL SUMMARY

The Lost Soldier Project is readily accessible year round by three miles of gravel road from Bairoil, which is approximately 90 miles southwest of Casper.

In the late 1960s, Kerr-McGee Corp. (Kermac) carried out reconnaissance exploration and drilling that showed potential for low-grade mineralization in the Lost Soldier area. Kermac continued drilling through May, 1974 but let the property expire in 1986. More than 5,900 exploration, development, and core holes, totaling over 3.3 million ft. have been drilled in the area, half of which were drilled on 50 ft. to 100 ft. spacing.

Several individuals restaked the property and from 1992 to 1994, Cameco Corporation (Cameco) re-evaluated the property in 1993 and 1994. Cameco completed 28 holes totaling 13,481 ft. including 911 ft. of coring in 19 holes to

provide samples for porosity and permeability tests. It is reported that there was excellent permeability in the mineralized sands and low permeability in the confining zones. The leach tests confirmed that the mineralization was amenable to leaching with bicarbonate lixiviant.

Cameco transferred the property to its subsidiary Power Resources in January 1997 and the property was returned to the original owners in 2000. In 2003, New Frontiers) consolidated the 53 claim property.

Effective June 30, 2005, Ur-Energy entered into the Membership Interest Purchase Agreement where under it agreed to purchase all of the issued and outstanding membership interests in NFU Wyoming for US$20 million as part of a package of properties that includes an extensive database. Ur-Energy staked an additional 17 claims adjoining the original property.

There have been a number of historic resource estimates completed by various owners of the property with the most recent being Cameco, (1994) that reported the following resources:

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• Demonstrated: 8.4 million pounds of U3O8

• Inferred: 7.3 million pounds of U3O8

The resources stated above are historical in nature and Ur-Energy is not treating the historical estimates as National Instrument 43-101 defined resources or reserves verified by a qualified person and the historical estimates should not be relied upon.

The Lost Soldier deposit occurs in the eastern part of the Great Divide Basin in arkosic sandstones of the Eocene Battle Spring Formation. Pliocene pediment and gravel deposits cover the sedimentary rocks and average four ft. thick. The Battle Spring Formation is 900 ft. thick locally and dips 1.5° to 15° west reflecting the Lost Soldier anticline. Mineralized intervals are found at depths ranging from less than 75 ft. to 500 ft. with individual sandstone beds up to 120 ft. thick containing uranium mineralization. Siltstone and mudstone intervals up to 30 ft. thick correlate across the area and separate the upper and lower sandstones. Alteration in barren zones within the geochemical cell shows limonite and hematite staining, kaolinization of feldspar, bleaching, and greenish coloration by chlorite. The area has a static water table 30 ft. to 100 ft. deep, typically 70 ft. to 80 ft.

Uranium occurs as uraninite and coffinite, in roll fronts and in stacked tabular bodies in arkosic sandstones. Some of the mineralization is also related to post-mineral faulting and remobilization. Mineralization occurs in nine or more sandstone horizons, generally 7 ft. to 16 ft. thick. An upper sandstone unit about l00 ft. thick contains most of the uranium mineralization. Grade ranges from 0.04% to 0.20% U3O8 with an average of intercepts in the mineralized zone of 0.078% U3O8. Several mineralized fronts extend beyond the core area, providing possible extensions to the deposit to the west-northwest and south.

Ur-Energy completed five rotary holes totaling 1,857 ft. during October and November 2005. The holes were spotted within 5 ft. or 10 ft. of the historical holes in order to verify mineralization intersected in these older holes and allow comparison of the mineralized intervals. Century Geophysical Corp of Tulsa, Oklahoma carried out downhole surveys which included gamma logs, self potential, resistivity and deviation surveys for all the holes. Of the total footage, 197 ft. in five holes were cored and 97 one-foot or 0.5 foot samples were chemically assayed at Energy Laboratories in Casper, Wyoming using a four-acid leach and ICP analysis. Energy Labs has been carrying out uranium analysis for over 25 years and is considered to be a recognized laboratory.

Ur-Energy selected six one-foot samples from the recent drilling to undergo bottle roll leach tests. The work was carried out over an 80 hour period at Energy Labs using a lixiviant of sodium bicarbonate and hydrogen peroxide. Analysis of the leach solutions indicated leach efficiencies of 53% to 94%. Tails analysis indicated an average U3O8 extraction of 65.2%.

AATA International Inc., an environmental consultancy at Fort Collins, Colorado, reports that based on the experience of two permitted projects, approval of a new greenfield ISL project could require three to four years after the decision to proceed with a baseline data collection. Ur-Energy will fast-track the project to shorten the timetable by one year by carrying out concurrent studies wherever possible and being proactive with the agencies. The schedule is driven by the collection of the environmental baseline data and project data. Ur-Energy has commenced collection of the baseline data required, and permission has been received from the Wyoming Department of Environmental Quality (WDEQ) for the drilling of 17 wells to be used for monitoring wells and pump tests that will commence in June. The pump tests will provide information on water quality and permeability of the sandstones relative to the horizontal and vertical flow. Wildlife, meteorological, soil and vegetation surveys have commenced and archaeological and radiology surveys are scheduled for this summer.

A total of 3,760 holes within the current property boundary contain mineralized intervals greater than 0.03% U3O8 of which 1,933 holes are used in the resource estimate. The majority of the data consist of U3O8 grade estimated from geophysical logs. Chemical assays are used where available representing approximately 2% of the intervals. Grade thickness (GT) values were then calculated for each hole, using a cut-off of 0.03% U3O8. All intervals above the cut-offs were summed to provide a total interval thickness in each hole. Only intercepts deeper than 100 ft. contributed to the total thickness. A 0.3 GT boundary was used to create polygons, for which the area was measured. One hundred and fifty (150) holes within this GT boundary but with a GT value below the cut-off of 0.3 were excluded from the resource estimate.

RPA reviewed selective geophysical drill logs, compared the Cameco and Kermac drill holes, chemical assays and geophysical logs with the twins drilled by Ur-Energy and considers all of the drill hole data appropriate for use in a resource estimate.

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A cut-off grade of 0.03% U3O8 and a grade thickness product (GT) equal to or greater than 0.3 were used to define the mineral resources. This is based on a uranium price of US$40 per pound and estimated operating costs of approximately US$20 per pound.

Classification of the resources was determined by a combination of grade continuity and drill hole spacing, nominally 50 ft. centres for measured resources, 100 ft. centres for indicated and up to 200 ft. for inferred resources.

C. Organizational structure.

The Corporation has three wholly-owned subsidiaries: Ur-Energy USA Inc. ("Ur-Energy USA"), a company incorporated under the laws of the State of Colorado for the acquisition and development of properties and, subsequently, more generally for operations in the United States; ISL Resources Corporation ("ISL"), a company incorporated under the laws of the Province of Ontario; and CBM-Energy Inc. ("CBM"), a company incorporated under the laws of the Province of Ontario. The latter two entities are shell companies with no assets or liabilities other than those related to their incorporation.

ISL has one wholly-owned subsidiary, ISL Wyoming, Inc., a company incorporated under the laws of the State of Wyoming.

Ur-Energy USA has four wholly-owned subsidiaries: NFU Wyoming, LLC ("NFU Wyoming"), a limited liability company formed under the laws of the State of Wyoming to facilitate the Corporation's acquisition of certain property and assets and subsequently to be the land holding and exploration branch of the companies; NFUR Bootheel, LLC ("NFUR Bootheel"), a limited liability company formed under the laws of the State of Colorado to facilitate the Corporation's participation in a limited liability company venture agreement with Crosshair; NFUR Hauber, LLC ("NFUR Hauber"), a limited liability company initially formed under the laws of the State of Colorado to facilitate the Corporation's participation in venture at the Corporation's Hauber project (now with Bayswater); and, Lost Creek ISR, LLC, a limited liability company formed under the laws of the State of Wyoming to hold and operate the Corporation's Lost Creek property and assets.

NFUR Bootheel is a Member in The Bootheel Project, LLC, a limited liability company formed under the laws of the State of Colorado to hold the Corporation's Bootheel and Buck Point properties and the venture formed with Crosshair. Crosshair completed its earn-in to a 75% interest in the Bootheel Project in 2009. See Item 4.D – Property, plants and equipment.

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 the Corporation's Hauber project and the venture in which Bayswater has become a Member. Bayswater is an earn-in Member and the current Manager of the Hauber Project. Bayswater can earn a 75% interest by incurring eligible exploration expenditures over a four-year period. See Item 4.D – Property, plants and equipment.

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The principal direct and indirect subsidiaries of the Corporation and the jurisdictions in which they were incorporated or organized are set out below:

D. Property, plants and equipment.

In addition to Lost Creek and Lost Soldier, described above, the Corporation has a number of other exploration properties in the United States and Canada, totaling more than 220,000 mineral acres (approximately, 89,000 hectares).

The Corporation also holds an extensive well log and exploration database, which an in-house team of geologists continues to evaluate for the purpose of generating new exploration targets and creating value by identifying other marketable portions of the database.

Lost Creek and Lost Soldier Projects

See Item 4B – Business overview for detailed descriptions and backgrounds of the Lost Creek and Lost Soldier projects.

Corporation's Projects Adjacent to Lost Creek

The Corporation has expanded its land holdings around Lost Creek, and currently controls a total of 1,753 unpatented mining claims and two State of Wyoming sections for a total of almost 34,000 mineral acres including the Lost Creek permit area, LC North, LC South, EN and Toby project areas. These totals include the 292 lode mining claims acquired by the Corporation during 2009 through staking and two purchase agreements.

Initial drilling at LC North in 2007 was conducted for purposes of investigating numerous occurrences of uranium-bearing intercepts detected by historical exploration drilling by previous operators in the 1970s and examining the relationships to the mineralization to be mined at Lost Creek. In the 2007 drill program, 30 holes were drilled for a total of 29,600 feet (9,022 meters).

In 2008, exploration drilling of 11,370 feet (3,468 meters) was completed at the EN project. In January 2009, the Corporation completed an agreement reducing an existing royalty within an area of interest arising from transactions dating back to 2006. With regard to the EN project, and three other areas, the Corporation was able to eliminate the area of interest, and to reduce the royalty (from two percent (2%) to one percent (1%)) on certain specified mining claims. The results of the 2007 and 2008 drilling programs outside of the Lost Creek permit area along with information from over 725 historic drill holes confirmed mineralization occurring in multiple horizons.

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In August 2009, the Corporation announced the results of in-house geologic evaluations of the Lost Creek permit area and adjacent properties held by the Corporation which contain multiple exploration targets demonstrating the potential to contain 24 to 28 million pounds U3O8 in 20.7 to 24.1 million tons, with an average grade of 0.058% U3O8 (not an NI 43-101 compliant resource). Individual redox fronts (reduction – oxidation fronts) which are amenable to ISR mining technology are commonly in the range of 10 to 20 feet (3 to 6 meters) thick. Depths of mineralization are from 200 feet to 900 feet with GTs (Grade X Thickness) of 0.3 to 2.23 (averaging 0.7), with an assumption, based upon knowledge of roll fronts in the Great Divide Basin, of 50 - 100 foot width, all of which are similar to the Lost Creek deposit. These potential quantity and grade ranges are conceptual in nature, only. There has been insufficient exploration to define a mineral resource. It is uncertain if further exploration will result in the target(s) being delineated as a mineral resource. Corporation geologists, using Ur-Energy drilling and historic data, have identified a minimum of an additional 120 compiled linear miles (193 kilometers) of new redox fronts with potential for resource development on these properties. This is in addition to the approximately 36 miles of redox fronts containing the current Lost Creek deposit. The new exploration targets on LC North and LC South properties (adjacent to the Lost Creek permit area) consist of at least 10 individual sinuous redox fronts within four major stratigraphic horizons identified by Ur-Energy geologists using an in-house database of historic drill holes and Ur-Energy drill holes. The Corporation continues to evaluate the exploration potential and is recommending future exploration programs for these areas. The newly identified fronts occur within the same stratigraphic horizons that are present in the area of the Lost Creek deposit. Estimation of the potential of the new fronts is based on the observed similarity of alteration characteristics, grade and thickness of mineralization to that currently identified in the Lost Creek deposit.

Hauber Project LLC

In 2007, the Corporation entered into agreements with Trigon Uranium Corporation and its subsidiary ("Trigon"). Under the terms of the agreements, the Corporation contributed its Hauber property to Hauber Project. The Hauber Project is located in Crook County, Wyoming and consists of 205 unpatented lode mining claims and one state uranium lease totaling approximately 4,570 mineral acres. Effective August 1, 2008, Trigon tendered its resignation as a Member and the Manager of the Hauber Project, after which management of the Hauber Project was returned to the Corporation. A settlement of the remaining obligations of Trigon was reached in July 2009.

Effective December 1, 2009, the Corporation entered into an agreement with Bayswater. Under the terms of the agreement, Bayswater joined the Hauber Project as the earn-in Member and Manager of Hauber Project, and can earn a 75% interest by incurring eligible exploration expenditures of US$1 million dollars over a four-year period. The first year’s expenditures will include at least two core drill holes for the purpose of testing the ISR amenability through selected mineralized zones. On January 11, 2010, the Corporation further announced that Bayswater completed an independent NI 43-101 mineral resource estimate on the Hauber Project which concludes the properties hold approximately 1.45 million pounds eU3O8 indicated resources in 432,000 tons at an average grade of 0.17% eU3O8.

The Bootheel Project, LLC

Crosshair completed its earn-in of a 75% interest in the Corporation’s subsidiary, The Bootheel Project, LLC during third quarter 2009. The interest arises from a venture agreement entered into by the Corporation and a subsidiary of then-Target in June 2007. Effective March 31, 2009, Target became a wholly-owned subsidiary of Crosshair through a plan of arrangement. Crosshair’s 75% interest was acquired by spending US$3.0 million in qualified exploration costs, and issuing 125,000 common shares of Target to the Corporation (which was exchanged for 150,000 shares of Crosshair in its acquisition of Target).

Under the terms of the 2007 agreement, the Corporation contributed its Bootheel and Buck Point properties to the Bootheel Project. The properties cover an area of known uranium occurrences within the Shirley Basin. Crosshair completed agreements in 2008 for additional rights and leased lands in the Bootheel property area, in which the lessor

has a 75% mineral interest in the net mineral acres. With the completion of those agreements, the Bootheel Project covers total defined areas at the Bootheel property and the Buck Point property of approximately 8,524 gross, and 7,895 net, mineral acres. Various royalties exist on future production of uranium and other minerals from the Bootheel Project.

Crosshair released an independent resource estimate on the Bootheel property under NI 43-101 in the third quarter of 2009. This NI 43-101 resource estimate reports that the Bootheel property contains an indicated resource of 1.09 million pounds U3O8 (indicated resource) in 1.4 million short tons, at a grade of 0.038% U3O8 and an inferred resource of 3.25 million pounds U3O8 (in 4.4 million short tons) at an average grade of 0.037% U3O8. This NI 43-101 report was filed by Crosshair on www.sedar.com. As a result of the Corporation having a 25% interest in the project, it is no longer the controlling Member of the Bootheel Project. Therefore the manner in which the costs for the project's Bootheel and Buck Point properties are reported in the financial statements has changed from being fully consolidated in the Corporation's accounts to the investment in the project being treated as an equity investment. This equity investment is accounted for under the equity accounting method with the net investment reflected on the Corporation's Balance Sheet. The Corporation's share of expenses incurred is shown as loss from affiliate on the Statement of Operations.

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Additional U.S. Exploration Activities and Corporation Databases

Ongoing evaluation continues on the Corporation's historic exploration databases. Throughout 2009, the Corporation acquired rights in additional lands, and field exploration programs continued. The Corporation dropped its mining claims in Arizona in the third quarter of 2009. The Corporation holds production royalty interests in various properties in the United States by virtue of land transactions and the sale of the Moorcroft Database.

Canadian Properties

The Corporation has three properties in northern Canada: Screech Lake, Gravel Hill and Bugs. The Corporation also retains a 5% royalty interest in the Mountain Lake and Dismal Lake West properties held by Triex Minerals Corporation, which together comprise 58 claims.

Screech Lake and Gravel Hill Properties, Thelon Basin, Northwest Territories Canada

The Thelon Basin is host to the undeveloped Kiggavik-Andrew Lake and End uranium deposits. The Corporation's Thelon Basin properties are grass roots projects which the Corporation believes have potential for discovery of high-grade unconformity uranium deposits of the Athabasca style. Of these, the Screech Lake project remains the Corporation's priority. The Corporation holds 24 claims, totaling more than 24,000 hectares (59,000 acres).

Various geophysical work has been conducted on the property since 2005, including a field exploration program in 2009. Highly anomalous radon concentrations and trends have been identified. The coincidence of consistent high to extremely high radon with deep structure and conductivity combine to make the North Screech radon trend the primary focus of more advanced exploration on the Screech Lake project.

In 2006, an environmental screening study was completed, and an application for a land use permit to conduct drill testing of the Screech Lake anomalies was referred to the Mackenzie Valley Environmental Impact Review Board ("Review Board") for environmental assessment. In 2007, an environmental assessment was completed and a report and recommendation from the Review Board was issued. The Review Board recommended to the Minister of Indian and Northern Affairs Canada (the "Minister") that the Corporation's application to conduct exploratory drilling at the Screech Lake property be rejected due to local native community concerns. In October 2007, the Corporation received notification that the Minister had adopted the recommendation of the Review Board. As part of the decision, the Minister did confirm that the decision does not affect the legal standing of the Corporation's Screech Lake mineral claims.

To date, the Corporation continues its discussions with First Nations groups toward securing an exploration agreement to facilitate the Review Board permitting process for a drill program and further exploration. In July 2009, an agreement was secured with Lutsel K'e Dene First Nation to conduct surface exploration work (not drilling). Work carried out in the third quarter of 2009 included claim maintenance, an audio-magnetotelluric ("AMT") survey and collection of over 500 surface samples for bio-leach and soil gas analysis. Commenced in August 2009, this field program was completed in early September 2009. The primary purpose of the AMT geophysics was to determine depth to the top of the unconformity. The two geochemical techniques utilized are tools recently developed in the Athabasca Basin to locate anomalous geochemical signatures over blind uranium orebodies. The choice of the survey parameters resulted from the Corporation's participation in the Canadian Mining Industry Research Organization research program on the application of surface geochemical methods in the Athabasca Basin. Although no drilling was conducted in 2009, the calculated depth measurements will better define drill equipment requirements for future programs and defined, in part, near-surface unconformity targets and better definition of cross-structures.

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The Gravel Hill property consists of approximately 14,000 hectares (35,000 acres). Assessment work was conducted at Gravel Hill in 2008. No work was conducted at Gravel Hill in 2009 and there are currently no plans for exploration work in 2010.

Bugs Property, Baker Lake Basin, Nunavut Canada

The Corporation conducted a drilling and field exploration program in 2008 on the Bugs property in the Kivalliq region of the Baker Lake Basin, incurring total exploration and acquisition costs of approximately $2.0 million. As part of this program, the Corporation utilized funds from the flow-through financing it raised in March 2008. No field work was conducted at the Bugs property in 2009. The Corporation earned its 100% interest in the property in 2007 by issuing 85,000 Common Shares and reserving a 2% net smelter royalty to the vendor. The Bugs property consists of 19 mineral claims totaling approximately 45,000 acres (18,000 hectares). There are currently no plans for exploration work at the Bugs property in 2010.

Item 4A. Unresolved Staff Comments.

Not applicable.

Item 5. Operating and Financial Review and Prospects.

AMENDED MANAGEMENT'S DISCUSSION AND ANALYSIS

Introduction

The following provides management's discussion and analysis of results of operations and financial condition for the years ended December 31, 2009, 2008 and 2007. Management's Discussion and Analysis ("MD&A") was prepared by Company management and approved by the board of directors on March 5, 2010. This discussion and analysis should be read in conjunction with the Company's audited consolidated financial statements for the years ended December 31, 2009, 2008 and 2007. All figures are presented in Canadian dollars, unless otherwise noted, and are in accordance with Canadian generally accepted accounting principles.

The Company was incorporated on March 22, 2004 and completed its first year-end on December 31, 2004. The consolidated financial statements include all of the assets, liabilities and expenses of the Company and its wholly-owned subsidiaries Ur-Energy USA Inc.; NFU Wyoming, LLC; Lost Creek ISR, LLC; NFUR Bootheel, LLC; Hauber Project LLC; NFUR Hauber, LLC; ISL Resources Corporation; ISL Wyoming, Inc.; and CBM-Energy Inc. All inter-company balances and transactions have been eliminated upon consolidation. Ur-Energy Inc. and its wholly-owned subsidiaries are collectively referred to herein as "Ur-Energy" or the "Company".

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Forward-Looking Information

This MD&A contains "forward-looking statements" within the meaning of applicable United States and Canadian securities laws. Shareholders can identify these forward-looking statements 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 the Company's 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) the Company's belief that it will have sufficient cash to fund its capital requirements; (ii) receipt of (and related timing of) a United States Nuclear Regulatory Commission Source and Byproduct Material License; Wyoming Department of Environmental Quality Permit and License to Mine and all other necessary permits related to Lost Creek; (iii) Lost Creek and Lost Soldier will advance to production and the production timeline at Lost Creek scheduled for early 2011; (iv) production rates, timetables and methods at Lost Creek and Lost Soldier; (v) the Company's procurement and construction plans at Lost Creek; (vi) the licensing process at Lost Soldier; (vii) the timing, the mine design planning and the preliminary assessment at Lost Soldier; (viii) the completion and timing of various exploration programs, including without limitation, those as LC North and LC South ; (ix) the potential of new exploration targets in the area of Lost Creek, including those at LC North and LC South, to contain 24 – 28 million pounds of U3O8 (not an NI 43-101 compliant resource); (x) timing, completion, and funding for and results of further exploration programs at the Bootheel Project and Hauber Project; and (xi) the community and regulatory issues with the Screech Lake project and related exploration. These other factors include, among others, the following: future estimates for production, production start-up and operations (including any difficulties with startup), capital expenditures, operating costs, mineral resources, recovery rates, grades and prices; business strategies and measures to implement such strategies; competitive strengths; estimated goals; expansion and growth of the business and operations; plans and references to the Company's future successes; the Company's history of operating losses and uncertainty of future profitability; the Company's status as an exploration stage company; the Company's lack of mineral reserves; the hazards associated with mining construction and production; compliance with environmental laws and regulations; risks associated with obtaining permits in Canada and the United States; risks associated with current variable economic conditions; the possible impact of future financings; uncertainty regarding the pricing and collection of accounts; risks associated with dependence on sales in foreign countries; the possibility for adverse results in potential litigation; fluctuations in foreign exchange rates; uncertainties associated with changes in government policy and regulation; uncertainties associated with the Canadian Revenue Agency's audit of any of the Company's cross border transactions; adverse changes in general business conditions in any of the countries in which the Company does business; changes in the Company's size and structure; the effectiveness of the Company's management and its strategic relationships; risks associated with the Company's ability to attract and retain key personnel; uncertainties regarding the Company's need for additional capital; uncertainty regarding the fluctuations of the Company's quarterly results; uncertainties relating to the Company's status as a non-U.S. corporation; uncertainties related to the volatility of the Company's shares price and trading volumes; foreign currency exchange risks; ability to enforce civil liabilities under U.S. securities laws outside the United States; ability to maintain the Company's listing on the NYSE Amex (the "NYSE Amex") and Toronto Stock Exchange (the "TSX"); risks associated with the Company's possible status as a "passive foreign investment corporation" or a "controlled foreign corporation" under the applicable provisions of the U.S. Internal Revenue Code of 1986, as amended; risks associated with the Company's investments and other risks and uncertainties described under the heading "Risk Factors" of the Company's Annual Report on Form 20-F ("Annual Information Form") dated March 5, 2010 which is filed on SEDAR at www.sedar.com and with the U.S. Securities and Exchange Commission at www.sec.gov.

The potential quantity and grade ranges set forth in regards exploration targets at Lost Creek, LC North and LC South are conceptual in nature only. There has been insufficient exploration to define a mineral resource at the new

exploration targets at Lost Creek, LC North and LC South. It is uncertain if further exploration will result in the target(s) being delineated as a mineral resource.

Nature of Operations and Description of Business

The Company is an exploration stage junior mining company engaged in the identification, acquisition, evaluation, exploration and development of uranium mineral properties in Canada and the United States. Due to the nature of the uranium mining methods to be used by the Company on the Lost Creek property, and the definition of "mineral reserves" under National Instrument 43-101 ("NI 43-101"), which uses the CIM Definition Standards, the Company has not determined whether the properties contain mineral reserves. However, the Company's April 2008 NI 43-101 "Preliminary Assessment for the Lost Creek Project Sweetwater County, Wyoming" outlines the economic viability of the Lost Creek project, which is currently in the permitting process with state and federal regulators. The recoverability of amounts recorded for mineral properties is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain the necessary financing to develop the properties and upon attaining future profitable production from the properties or sufficient proceeds from disposition of the properties.

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The Company is primarily focused on uranium exploration in Wyoming, USA where the Company has 12 properties. Of those, ten properties are in the Great Divide Basin, and two of those (Lost Creek and Lost Soldier) contain defined resources that the Company expects to advance to production. Among its other properties, the Company also has two uranium exploration properties in the Thelon Basin, Northwest Territories, Canada.

Selected Information

The following table contains selected financial information as at December 31, 2009 and December 31, 2008.

	As at December 31, 2009 $	As at December 31, 2008 $
Total assets	81,702,205	101,533,965
Liabilities	(1,550,675)	(3,256,634)
Net assets	80,151,530	98,277,331
Capital stock and contributed surplus	157,725,036	157,118,019
Deficit	(77,573,506)	(58,840,688)
Shareholders' equity	80,151,530	98,277,331

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The following table contains selected financial information for the years ended December 31, 2009, 2008 and 2007 and cumulative information from inception of the Company on March 22, 2004 to December 31, 2009.

	Year Ended December 31, 2009 $	Year Ended December 31, 2008 $	Year Ended December 31, 2007 $	Cumulative from March 22, 2004 through December 31, 2009 $
Revenue	Nil	Nil	Nil	Nil
Total expenses (1)	(17,408,449)	(25,967,711)	(22,959,356)	(88,288,232)
Interest income	890,915	2,494,445	2,816,398	6,969,354
Loss from equity investment	(17,855)	-	-	(17,855)
Foreign exchange gain (loss)	(3,506,111)	5,656,319	(806,420)	2,062,128
Other income (loss)	940,237	(36,638)	-	903,599
Loss before income taxes	(19,101,263)	(17,853,585)	(20,949,378)	(78,371,006)
Recovery of future income taxes	368,445	-	429,055	797,500
Net loss for the period	(18,732,818)	(17,853,585)	(20,520,323)	(77,573,506)
(1) Stock based compensation included in total expenses	950,874	4,567,206	6,138,922	15,713,071
Loss per common share:				
Basic and diluted	(0.20)	(0.19)	(0.24)	
Cash dividends per common share	Nil	Nil	Nil	

The Company has not generated any revenue from its operating activities to date. The Company's expenses include general and administrative ("G&A") expense, exploration and evaluation expense, development expense and write-off of mineral property costs. Acquisition costs of mineral properties are capitalized. Exploration, evaluation and development expenditures, including annual maintenance and lease fees, are charged to earnings as incurred until the mineral property becomes commercially mineable.

No cash dividends have been paid by the Company. The Company has no present intention of paying cash dividends on its common shares as it anticipates that all presently available funds will be invested to finance new and existing exploration and development activities.

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Summary of Quarterly Financial Information

The following table contains summary quarterly financial information for each of the 8 most recently completed quarters.

	Quarter Ended							
	Dec. 31 2009	Sep. 30 2009	Jun. 30 2009	Mar. 31 2009	Dec. 31 2008	Sep. 30 2008	Jun. 30 2008	Mar. 31 2008
	$ (Unaudited)	$ (Unaudited)	$ (Unaudited)	$ (Unaudited)	$ (Unaudited)	$ (Unaudited)	$ (Unaudited)	$ (Unaudited)
Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total expenses	(3,419,379)	(5,336,536)	(3,616,032)	(5,036,502)	(7,947,470)	(9,186,720)	(5,502,306)	(3,331,215)
Interest income	141,016	130,519	218,637	400,743	531,148	573,608	600,409	789,280
Loss from equity investment	(4,365)	(13,490)	-	-	-	-	-	-
Foreign exchange gain (loss)	(1,393,136)	(814,255)	(1,933,051)	634,331	5,585,970	(425,801)	(156,296)	652,446
Other income (loss)	(34,878)	1,085,947	(117,332)	6,500	-	(18,203)	3,000	(11,685)
Loss before income taxes	(4,710,742)	(4,947,815)	(5,447,778)	(3,994,928)	(1,830,352)	(9,057,116)	(5,055,193)	(1,901,174)
Recovery of future income taxes	(429,055)	797,500	-	-	-	-	-	-
Net loss for the period	(5,139,797)	(4,150,315)	(5,447,778)	(3,994,928)	(1,830,352)	(9,057,116)	(5,055,193)	(1,901,174)
Loss per share – basic and diluted	(0.06)	(0.04)						