URANIUM ENERGY CORP
Form 424B3
June 30, 2008

PROSPECTUS

Filed pursuant to Rule 424(b)(3)
Registration No. 333-149173

URANIUM ENERGY CORP.

OFFERING OF 4,552,446 SHARES OF COMMON STOCK

This prospectus relates to the offering, from time to time, of 1,800,000 shares of our common stock by the selling stockholders (each a "Selling Stockholder") named in this prospectus under the heading "Selling Stockholders". In addition, this prospectus relates to the offering, from time to time, of 2,752,446 shares issuable upon the exercise of certain outstanding warrants to acquire shares of our common stock by the Selling Stockholders. These shares include the following shares, all as described in this prospectus under "Selling Stockholders":

1. the resale by certain Selling Stockholders, and their transferees, donees or successors, of an aggregate of 1,800,000 shares of our common stock issued on December 12, 2007 pursuant to a private placement (the "December 2007 Private Placement");

2. the resale by certain Selling Stockholders, and their transferees, donees or successors, of an aggregate of 1,800,000 shares of our common stock issuable upon the exercise of 1,800,000 common stock purchase warrants (the "December 2007 Warrants") issued pursuant to the December 2007 Private Placement, and an aggregate of 202,446 shares of our common stock issuable upon exercise of 202,446 common stock purchase warrants (the "Penalty Warrants") issued to the Selling Stockholders as liquidated damages under the registration rights agreement relating to the December 2007 Private Placement; and

3. the resale by a certain Selling Stockholder, and their transferees, donees or successors, of an aggregate of 750,000 shares of our common stock issuable upon exercise of 750,000 common stock purchase warrants (the "May 2006 Warrants") issued pursuant to a private placement on May 11, 2006 (the "May 2006 Private Placement").

We will not receive any proceeds from the sale of shares by the Selling Stockholders. However, we will receive proceeds upon the exercise of any common stock purchase warrants that may be exercised by the Selling Stockholders. If all of the warrants are exercised we will receive proceeds in an amount of $10,385,395.

Our common stock is registered under Section 12(g) of the United States *Securities Exchange Act of 1934*, as amended, and is listed for trading on the American Stock Exchange ("Amex") under the symbol "UEC". The last reported sales price per share of our common stock as reported by Amex on June 20, 2008 was $2.28.

The purchase of the securities offered through this prospectus involves a high degree of risk. You should carefully read and consider the section of this prospectus titled "Risk Factors" beginning on page 8 before buying any of our shares of common stock.

The information in this prospectus is not complete and may be changed. The Selling Stockholders may not sell or offer these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

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

The date of this prospectus is June 27, 2008.

The following table of contents has been designed to help you find important information contained in this prospectus. We encourage you to read the entire prospectus.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission. The registration statement containing this prospectus, including the exhibits to the registration statement, also contains additional information about Uranium Energy Corp. and the securities offered under this prospectus. That registration statement can be read at the Securities and Exchange Commission's website (located at www.sec.gov) or at the Securities and Exchange Commission's Public Reference Room mentioned under the heading "Where You Can Find More Information" of this prospectus.

You should rely only on the information contained in this document or to which we have referred you. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document. Our business, financial condition or results of operations may have changed since that date.

REFERENCES

As used in this prospectus: (i) the terms "we", "us", "our", "Uranium Energy" and the "Company" mean Uranium Energy Corp.; (ii) "SEC" refers to the Securities and Exchange Commission; (iii) "Securities Act" refers to the United States *Securities Act of 1933*, as amended; (iv) "Exchange Act" refers to the United States *Securities Exchange Act of 1934*, as amended; and (v) all dollar amounts refer to United States dollars unless otherwise indicated.

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PROSPECTUS SUMMARY

The following summary highlights selected information contained in this prospectus. This summary does not contain all the information you should consider before investing in the securities. Before making an investment decision, you should read the entire prospectus carefully, including the "Risk Factors" section, the financial statements and the notes to the financial statements.

The Company

We are a natural resource exploration company engaged in the exploration of properties that may contain uranium minerals in the United States. Our strategy is to acquire properties that are prospective for uranium exploration, and have undergone some degree of uranium exploration but have not yet been mined. To date we have acquired interests in 82,365.09 gross acres of leased or staked mineral properties, consisting of claim blocks located in the States of Arizona, Colorado, New Mexico, Texas, Utah and Wyoming. In 2008 we have plans to acquire further acres of mineral properties subject to adequate funding being completed. Other mineral property acquisitions are contemplated in states of interest that include Arizona, Colorado, New Mexico, Texas, Utah and Wyoming. These potential acquisition properties have not yet been specifically identified. Our ability to complete these acquisitions will be subject to our obtaining sufficient financing and our being able to conclude agreements with the property owners on terms that are acceptable to us.

As of the date of this prospectus we have interests in an aggregate of 82,365.09 gross acres (72,956.85 net mineral acres) of properties that have been either leased or staked, which we intend to explore for economic deposits of uranium. Some of these leases are subject to varying net royalty interests. These properties consist of claim blocks located in the States of Arizona, Colorado, New Mexico, Texas, Utah and Wyoming. Each of these properties has been the subject of historical exploration by other mining companies, and provide indications that further exploration for uranium is warranted.

Our properties do not have any reserves. We plan to conduct exploration programs on these properties with the objective of ascertaining whether any of our properties contain economic concentrations of uranium that are prospective for mining. As such, we are considered an exploration, or exploratory stage company. Since we are an exploration stage company, there is no assurance that a commercially viable mineral deposit exists on any of our properties, and a great deal of further exploration will be required before a final evaluation as to the economic and legal feasibility for our future exploration is determined. We have no known reserves of uranium or any other type of mineral. Since inception we have not established any proven or probable reserves on our mineral property interests.

We have received an updated technical report in accordance with the provisions of National Instrument 43-101, Standards of Disclosure for Mineral Projects, of the Canadian Securities Administrators for our Goliad Project located in Goliad County, Texas. For more information, see "Description of Business and Properties - General -Goliad Project Technical Report."

We were incorporated under the laws of the State of Nevada on May 16, 2003 under the name "Carlin Gold Inc." During 2004, we changed our business operations and focus from precious metals exploration in the State of Nevada to the exploration for economic reserves of uranium throughout the United States. On January 24, 2005, we filed an amendment to our articles of incorporation changing our name to "Uranium Energy Corp.".

On January 24, 2004, we completed a reverse stock split of our shares of common stock on the basis of one share for two outstanding shares. Effective February 28, 2006, we completed a forward split of our shares of common stock on the basis of 1.5 shares for each outstanding share to increase liquidity for our shares of common stock. Effective February 28, 2006, we amended our Articles of Incorporation with the Nevada Secretary of State and increased our authorized capital stock from 75,000,000 shares of common stock at $0.001 par value to 750,000,000 shares of common stock par value $0.001.

Our executive offices are located at 9801 Anderson Mill Road, Suite 230, Austin, Texas, U.S.A., 78750, and our telephone number is (512) 828-6980.

The Offering

The Issuer:	Uranium Energy Corp.
The Selling Stockholders:	The selling stockholders (each a "Selling Stockholder") are comprised of our existing shareholders who acquired units comprised of shares of our common stock and common stock purchase warrants from us pursuant to the December 2007 Private Placement, as well as a shareholder that acquired common stock purchase warrants from us pursuant to the May 2006 Private Placement. The Selling Stockholders are named in this prospectus under "Selling Stockholders".
Shares Offered by the Selling Stockholders:	The Selling Stockholders are offering up to an aggregate of 4,552,446 shares of our common stock comprised of: • the resale by certain Selling Stockholders, and their transferees, donees or successors, of an aggregate of 1,800,000 shares of our common stock issued on December 12, 2007 pursuant to the December 2007 Private Placement; • the resale by certain Selling Stockholders, and their transferees, donees or successors, of an aggregate of 1,800,000 shares of our common stock issuable upon the exercise of the December 2007 Warrants issued pursuant to the December 2007 Private Placement, as well as 202,446 shares of our common stock issuable upon exercise of the Penalty Warrants we issued to the Selling Stockholders as liquidated damages under the registration rights agreement relating to the December 2007 Private Placement; and • the resale by a certain Selling Stockholder, and its transferees, donees or successors, of an aggregate of 750,000 shares of our common stock issuable upon exercise of the May 2006 Warrants issued on May 11, 2006 pursuant to the May 2006 Private Placement. See "Selling Stockholders".
Offering Price:	The Selling Stockholders may sell all or a portion of the shares of common stock beneficially owned by them and offered hereby from time to time directly or through one or more underwriters, broker-dealers or agents. If the shares of common stock are sold through underwriters or broker-dealers, the Selling Stockholders will be responsible for underwriting discounts or commissions or agent's commissions. The

	shares of common stock may be sold on any national securities exchange or quotation service on which the securities may be listed or quoted at the time of sale, in the over-the-counter market or in transactions otherwise than on these exchanges or systems or in the over-the-counter market and in one or more transactions at fixed prices, at prevailing market prices at the time of the sale, at varying prices determined at the time of sale, or at negotiated prices. These sales may be effected in transactions, which may involve crosses or block transactions. See "Plan of Distribution".
Use of Proceeds:	We will not receive any of the proceeds from the sale of shares by the Selling Stockholders. However, we will receive proceeds upon the exercise of any common stock purchase warrants that may be exercised by the Selling Stockholders. If all of the warrants are exercised we will receive proceeds in an amount of $10,385,395. The proceeds, if any, would be used for general corporate purposes including, in order of priority, acquisition costs, exploration expenses and working capital.

Market for our Common Stock:	Our common stock is quoted on Amex under the symbol "UEC". The last reported sales price for our shares on Amex on June 20, 2008 was $2.29 per share.
Outstanding Shares of Common Stock:	There were 39,841,823 shares of our common stock issued and outstanding as at June 20, 2008. If all warrants offered hereby are exercised, then there would be 42,594,269 shares of our common stock issued and outstanding.
Risk Factors:	See "Risk Factors" and the other information in this prospectus for a discussion of the factors you should consider before deciding to invest in our securities.

Summary of Financial Data

The following financial data has been derived from and should be read in conjunction with (i) our audited financial statements for the years ended December 31, 2006, 2005, 2004 and 2003, together with the notes to these financial statements; (ii) our audited financial statements for the seven-month period ended July 31, 2007, together with the notes to these financial statements; (iii) our unaudited interim financial statements for the nine-month periods ended April 30, 2008 and 2007, together with the notes to these financial statements; and (iv) the sections of this prospectus entitled "Description of Business and Properties" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", included elsewhere herein or filed with the SEC.

In June 2007, we determined to change our fiscal year end from December 31 to July 31. Accordingly, on October 29, 2007, we filed a Transition Report on Form 10-KSB for the fiscal period ended July 31, 2007, as subsequently amended, with the SEC and commenced a new reporting period.

We were incorporated under the laws of the State of Nevada on May 16, 2003. During 2004, we changed our business operations focus from precious metals exploration in the State of Nevada to the exploration for economic reserves of uranium throughout the United States. Since then, we have been acquiring mineral property interests in the United States. In addition, we amended our audited financial statements for the fiscal period ended July 31, 2007 to include a note explaining a reclassification of mineral property acquisition costs from the years ended December 31, 2006, 2005 and 2004, which had no impact on the reported loss for these periods. Accordingly, the financial information presented below may not be comparable from period to period.

Balance Sheet Data

	As at April 30,	As at July 31,	As at December 31, (As Restated)			
	2008	2007	2006	2005	2004	2003
Cash and cash equivalents	$2,654,677	$9,083,453	$13,581,377	$107,160	$406,270	$346
Working capital (deficiency)	2,419,585	9,593,649	13,460,648	(215,828)	371,469	24,486
Total assets	18,537,322	22,525,727	18,048,453	748,035	427,085	732
Total liabilities	825,945	379,157	532,043	323,288	36,414	24,864
Total stockholders' equity (deficit)	17,711,377	22,146,570	17,516,410	424,747	390,671	(24,132)

Statement of Operations Data

Nine Months Ended April 30,		Seven Months Ended July 31,	Fiscal Year Ended December 31, (As Restated)			
2008	2007	2007	2006	2005	2004	2003

Revenues	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Expenses	14,460,579	11,217,440	8,571,200	12,078,099	1,377,432	109,322	24,132
Loss from operations	(14,460,579)	(11,217,440)	(8,571,200)	(12,078,099)	(1,377,432)	(109,322)	(24,132)
Net loss	(14,446,327)	(10,568,809)	(8,044,743)	(11,608,135)	(1,377,432)	(109,322)	(24,132)
Basic and diluted loss per share	(0.37)	(0.33)	(0.22)	(0.44)	(0.08)	(0.10)	-

Risk Factors

An investment in our common stock involves a number of very significant risks. You should carefully consider the following risks and uncertainties in addition to other information in this prospectus in evaluating our company and its business before purchasing shares of our common stock. Our business, operating results and financial condition could be seriously harmed due to any of the following risks. The risks described below may not be all of the risks facing our company. Additional risks not presently known to us or that we currently consider immaterial may also impair our business operations. You could lose all or part of your investment due to any of these risks.

Risks Related to Our Business

We will require significant additional financing in order to continue our exploration activities and our assessment of the commercial viability of our mineral properties.

We will need to raise additional financing to complete further exploration of our mineral properties. Furthermore, if the costs of our planned exploration programs are greater than anticipated, we may have to seek additional funds through public or private share offerings or arrangements with corporate partners. There can be no assurance that we will be successful in our efforts to raise these require funds, or on terms satisfactory to us. The continued exploration of our mineral properties and the development of our business will depend upon our ability to establish the commercial viability of our mineral properties and to ultimately develop cash flow from operations and reach profitable operations. We currently are in the exploration stage and we have no revenue from operations and we are experiencing significant negative cash flow. Accordingly, the only other sources of funds presently available to us are through the sale of equity. We presently believe that debt financing will not be an alternative to us as all of our properties are in the exploration stage. Alternatively, we may finance our business by offering an interest in our mineral properties to be earned by another party or parties carrying out further exploration thereof or to obtain project or operating financing from financial institutions, neither of which is presently intended. If we are unable to obtain this additional financing, we will not be able to continue our exploration activities and our assessment of the commercial viability of our mineral properties.

As our mineral properties do not contain any reserves or any known body of economic mineralization, we may not discover commercially exploitable quantities of ore on our mineral properties that would enable us to enter into commercial production, achieve revenues and recover the money we spends on exploration.

Our properties do not contain reserves in accordance with the definitions adopted by the SEC and there is no assurance that any exploration programs that we carry out will establish reserves. All of our mineral properties are in the exploration stage as opposed to the development stage and have no known body of economic mineralization. The known mineralization at these projects has not yet been determined to be economic ore, and may never be determined to be economic. We plan to conduct further exploration activities on our mineral properties, which future exploration may include the completion of feasibility studies necessary to evaluate whether a commercial mineable orebody exists on any of our mineral properties. There is a substantial risk that these exploration activities will not result in discoveries of commercially recoverable quantities of ore. Any determination that our properties contain commercially recoverable quantities of ore may not be reached until such time that final comprehensive feasibility studies have been concluded that establish that a potential mine is likely to be economic. There is a substantial risk that any preliminary or final feasibility studies carried out by us will not result in a positive determination that our mineral properties can be commercially developed.

Our exploration activities on our mineral properties may not be successful, which could lead us to abandon our plans to develop the property and its investments in exploration.

We are an exploration stage company and have not as yet established any reserves on our properties. Our long-term success depends on our ability to establish commercially recoverable quantities of ore on our mineral properties that can then be developed into commercially viable mining operations. Mineral exploration is highly speculative in nature, involves many risks and is frequently non-productive. These risks include unusual or unexpected geologic formations, and the inability to obtain suitable or adequate machinery, equipment or labor. The success of uranium exploration is determined in part by the following factors:

- identification of potential uranium mineralization based on superficial analysis;
- availability of government-granted exploration permits;
- the quality of management and geological and technical expertise; and
- the capital available for exploration.

Substantial expenditures are required to establish proven and probable reserves through drilling and analysis, to develop metallurgical processes to extract metal, and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Whether a mineral deposit will be established or determined to be commercially viable depends on a number of factors, which include, without limitation, the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices, which fluctuate widely; and government regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. We may invest significant capital and resources in exploration activities and abandon such investments if we are unable to identify commercially exploitable mineral reserves. The decision to abandon a project may reduce the trading price of our common stock and impair our ability to raise future financing. We cannot provide any assurance to investors that we will discover any mineralized material in sufficient quantities on any of our properties to justify commercial operations. Further, we will not be able to recover the funds that we spend on exploration if we are not able to establish commercially recoverable quantities of ore on our mineral properties.

Our business is difficult to evaluate because we have a limited operating history.

In considering whether to invest in our common stock, you should consider that our inception was May 16, 2003 and, as a result, there is only limited historical financial and operating information available on which to base your evaluation of our performance.

We have a history of operating losses and there can be no assurances we will be profitable in the future.

We have a history of operating losses, expect to continue to incur losses, and may never be profitable, and we must be considered to be in the exploration stage. Further, we have been dependent on sales of our equity securities and debt financing to meet our cash requirements. We have incurred losses totaling approximately $35,610,091 from May 16, 2003 (inception) to April 30, 2008. As of April 30, 2008, we had an accumulated deficit of $35,610,091 and incurred net losses totaling approximately $14,446,327 in the nine months ended April 30, 2008, $11,608,135 during the fiscal year ended December 31, 2006 and $8,239,914 during the seven months ended July 31, 2007. Further, we do not expect positive cash flow from operations in the near term. There is no assurance that actual cash requirements will not exceed our estimates. In particular, additional capital may be required in the event that: (i) the costs to acquire additional uranium exploration claims are more than we currently anticipate; (ii) exploration costs for additional claims increase beyond our expectations; or (iii) we encounter greater costs associated with general and administrative expenses or offering costs.

Our participation in an increasingly larger number of uranium minerals exploration prospects has required and will continue to require substantial capital expenditures. The uncertainty and factors described throughout this section may impede our ability to economically discover uranium prospects. As a result, we may not be able to achieve or sustain profitability or positive cash flows from operating activities in the future.

We will require additional funding in the future.

Based upon our historical losses from operations, we will require additional funding in the future. If we cannot obtain capital through financings or otherwise, our ability to execute our exploration programs will be greatly limited. Our current plans require us to make capital expenditures for the exploration of our minerals exploration properties. Historically, we have funded our operations through the issuance of equity and short-term debt financing arrangements. We may not be able to obtain additional financing on favorable terms, if at all. Our future cash flows and the availability of financing will be subject to a number of variables, including the market prices of uranium. Further, debt financing could lead to a diversion of cash flow to satisfy debt-servicing obligations and create restrictions on business operations. If we are unable to raise additional funds, it would have a material adverse effect upon our operations.

As part of our growth strategy, we intend to acquire additional minerals exploration properties.

Such acquisitions may pose substantial risks to our business, financial condition, and results of operations. In pursuing acquisitions, we will compete with other companies, many of which have greater financial and other resources to acquire attractive properties. Even if we are successful in acquiring additional properties, some of the properties may not produce positive results of exploration, or we may not complete exploration of such prospects within specified time periods may cause the forfeiture of the lease in that prospect. There can be no assurance that we will be able to successfully integrate acquired properties, which could result in substantial costs and delays or other operational, technical, or financial problems. Further, acquisitions could disrupt ongoing business operations. If any of these events occur, it would have a material adverse effect upon our operations and results from operations.

We are a new entrant into the uranium minerals exploration industry without profitable operating history.

Since inception, our activities have been limited to organizational efforts, obtaining working capital and acquiring and exploring a very limited number of properties. As a result, there is limited information upon which to base our future success.

The business of minerals exploration is subject to many risks and uncertainties, including those described in this section, and if uranium is found in economic quantities, the profitability of future uranium mining ventures depends upon factors beyond our control. The profitability of mining uranium properties if economic quantities of Uranium are found is dependent upon many factors and risks beyond our control, including, but not limited to: (i) unanticipated ground and water conditions and adverse claims to water rights; (ii) geological problems; (iii) metallurgical and other processing problems; (iv) the occurrence of unusual weather or operating conditions and other force majeure events; (v) lower than expected ore grades; (vi) accidents; (vii) delays in the receipt of or failure to receive necessary government permits; (viii) delays in transportation; (ix) labor disputes; (x) government permit restrictions and regulation restrictions; (xi) unavailability of materials and equipment; and (xii) the failure of equipment or processes to operate in accordance with specifications or expectations.

The risks associated with exploration and, if applicable, mining could cause personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability.

We are not currently engaged in mining operations because we are in the exploration phase and have not yet any proved uranium reserves. We carry some property and liability insurance. Cost effective insurance contains exclusions and limitations on coverage and may be unavailable in some circumstances.

The uranium exploration industry is highly competitive and there is no assurance that we will be successful in acquiring the leases.

The uranium exploration industry is intensely competitive, and we compete with other companies that have greater resources. Many of these companies not only explore for and produce uranium, but also market uranium and other products on a regional, national or worldwide basis. These companies may be able to pay more for productive uranium properties and exploratory prospects or define, evaluate, bid for and purchase a greater number of properties and prospects than our financial or human resources permit. In addition, these companies may have a greater ability to continue exploration activities during periods of low uranium market prices. Our larger competitors may be able to absorb the burden of present and future federal, state, local and other laws and regulations more easily than we can, which would adversely affect our competitive position. Our ability to acquire additional properties and to explore them in the future will be dependent upon our ability to evaluate and select suitable properties and to consummate transactions in a highly competitive environment. In addition, because we have fewer financial and human resources than many companies in our industry, we may be at a disadvantage in bidding for exploratory prospects.

The marketability of natural resources will be affected by numerous factors beyond our control which may result in us not receiving an adequate return on invested capital to be profitable or viable.

The marketability of natural resources which may be acquired or discovered by us will be affected by numerous factors beyond our control. These factors include macroeconomic factors, market fluctuations in commodity pricing and demand, the proximity and capacity of natural resource markets and processing equipment, governmental regulations, land tenure, land use, regulation concerning the importing and exporting of uranium and environmental protection regulations. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in us not receiving an adequate return on invested capital to be profitable or viable.

Uranium mining operations are subject to comprehensive regulation, which may cause substantial delays or require capital outlays in excess of those anticipated, causing an adverse effect on our business operations.

If economic quantities of uranium are found on any lease owned by us in sufficient quantities to warrant uranium mining operations, such mining operations are subject to federal, state, and local laws relating to the protection of the environment, including laws regulating removal of natural resources from the ground and the discharge of materials into the environment. Uranium mining operations are also subject to federal, state, and local laws and regulations which seek to maintain health and safety standards by regulating the design and use of mining methods and equipment. Various permits from government bodies are required for mining operations to be conducted; no assurance can be given that such permits will be received. Environmental standards imposed by federal, provincial, or local authorities may be changed and any such changes may have material adverse effects on our activities. Moreover, compliance with such laws may cause substantial delays or require capital outlays in excess of those anticipated, thus resulting in an adverse effect on us. Additionally, we may be subject to liability for pollution or other environmental damages which we may elect not to insure against due to prohibitive premium costs and other reasons. To date we have not been required to spend material amounts on compliance with environmental regulations. However, we may be required to do so in future and this may affect our ability to expand or maintain our operations.

Uranium minerals exploration and development and mining activities are subject to certain environmental regulations, which may prevent or delay the commencement or continuance of our operations.

Uranium minerals exploration and development and future potential uranium mining operations are or will be subject to stringent federal, state, provincial, and local laws and regulations relating to improving or maintaining environmental quality. Environmental laws often require parties to pay for remedial action or to pay damages regardless of fault. Environmental laws also often impose liability with respect to divested or terminated operations, even if the operations were terminated or divested of many years ago.

Future potential uranium mining operations and current exploration activities are or will be subject to extensive laws and regulations governing prospecting, development, production, exports, taxes, labor standards, occupational health, waste disposal, protection and remediation of the environment, protection of endangered and protected species, mine safety, toxic substances and other matters. Uranium mining is also subject to risks and liabilities associated with pollution of the environment and disposal of waste products occurring as a result of mineral exploration and production. Compliance with these laws and regulations will impose substantial costs on us and will subject us to significant potential liabilities.

Costs associated with environmental liabilities and compliance are expected to increase with the increasing scale and scope of operations and we expect these costs may increase in the future.

We believe that our operations comply, in all material respects, with all applicable environmental regulations. However, we are not fully insured at the current date against possible environmental risks.

Any change in government regulation/administrative practices may have a negative impact on our ability to operate and our profitability.

The laws, regulations, policies or current administrative practices of any government body, organization or regulatory agency in the United States or any other applicable jurisdiction, may be changed, applied or interpreted in a manner which will fundamentally alter our ability to carry on business. The actions, policies or regulations, or changes thereto, of any government body or regulatory agency, or other special interest groups, may have a detrimental effect on us. Any or all of these situations may have a negative impact on our ability to operate and/or our profitably.

We may be unable to retain key employees or consultants or recruit additional qualified personnel.

Our extremely limited personnel means that we would be required to spend significant sums of money to locate and train new employees in the event any of our employees resign or terminate their employment with us for any reason. Due to our limited operating history and financial resources, we are entirely dependent on the continued service of Amir Adnani, our President, Chief Executive Officer, Principal Executive Officer and a director, and Harry Anthony, our Chief Operating Officer and a director. Further, we do not have key man life insurance on any of these individuals. We may not have the financial resources to hire a replacement if any of our officers were to die. The loss of service of any of these employees could therefore significantly and adversely affect our operations.

Our officers and directors may be subject to conflicts of interest.

Some of our officers and directors serve only part time and may be subject to conflicts of interest. Each may devote part of his working time to other business endeavors, including consulting relationships with other corporate entities, and may have responsibilities to these other entities. Such conflicts may include deciding how much time to devote to our affairs, as well as what business opportunities should be presented to us. Because of these relationships, some of our officers and directors may be subject to conflicts of interest.

Nevada law and our articles of incorporation may protect our directors from certain types of lawsuits.

Nevada law provides that our officers and directors will not be liable to us or our stockholders for monetary damages for all but certain types of conduct as officers and directors. Our Bylaws permit us broad indemnification powers to all persons against all damages incurred in connection with our business to the fullest extent provided or allowed by law. The exculpation provisions may have the effect of preventing stockholders from recovering damages against our officers and directors caused by their negligence, poor judgment or other circumstances. The indemnification provisions may require us to use our limited assets to defend our officers and directors against claims, including claims arising out of their negligence, poor judgment, or other circumstances.

Risks Related to Our Common Stock

Sales of a substantial number of shares of our common stock into the public market by certain stockholders may result in significant downward pressure on the price of our common stock and could affect your ability to realize the current trading price of our common stock.

Sales of a substantial number of shares of our common stock in the public market by certain stockholders could cause a reduction in the market price of our common stock. As of the date of this prospectus, we have 39,841,823 shares of common stock issued and outstanding. Of the total number of issued and outstanding shares of common stock, certain stockholders are able to resell up to 5,091,000 shares and 8,100,000 shares of our common stock pursuant to registration statements declared effective on October 20, 2006 and June 15, 2007, respectively. As a result of these registration statements, 13,191,000 shares of our common stock were issued and are available for immediate resale which could have an adverse effect on the price of our common stock. In addition, this prospectus relates to the resale of an aggregate of 4,552,446 shares of our common stock.

As of the date of this prospectus, there are 16,847,538 outstanding shares of our common stock that are restricted securities as that term is defined in Rule 144 under the Securities Act. Although the Securities Act and Rule 144 place certain prohibitions on the sale of restricted securities, restricted securities may be sold into the public market under certain conditions. Further, as of the date of this prospectus, there are an aggregate of 5,412,500 stock options outstanding and an aggregate of 5,964,203 share purchase warrants outstanding.

Any significant downward pressure on the price of our common stock as the selling stockholders sell their shares of our common stock could encourage short sales by the selling stockholders or others. Any such short sales could place

further downward pressure on the price of our common stock.

The trading price of our common stock on the American Stock Exchange and previously on the OTC Bulletin Board has been and may continue to fluctuate significantly and stockholders may have difficulty reselling their shares.

Our common stock commenced trading on September 28, 2007 on Amex, and previously traded on the OTCBB, and the trading price has fluctuated. In addition to volatility associated with Bulletin Board securities in general, the value of your investment could decline due to the impact of any of the following factors upon the market price of our common stock: (i) disappointing results from our discovery or development efforts; (ii) failure to meet our revenue or profit goals or operating budget; (iii) decline in demand for our common stock; (iv) downward revisions in securities analysts' estimates or changes in general market conditions; (v) technological innovations by competitors or in competing technologies; (vi) lack of funding generated for operations; (vii) investor perception of our industry or our prospects; and (viii) general economic trends.

In addition, stock markets have experienced price and volume fluctuations and the market prices of securities have been highly volatile. These fluctuations are often unrelated to operating performance and may adversely affect the market price of our common stock. As a result, investors may be unable to sell their shares at a fair price and you may lose all or part of your investment.

Certain of our shareholders may exercise voting power of more than 11.0% of our common stock.

As of the date of this prospectus, Morgan Stanley & Co. ("Morgan Stanley") beneficially owns 5,454,183 shares of our common stock, or approximately 13.22% of our outstanding common stock, and Westcliff Capital Management LLC ("Westcliff") beneficially owns 4,587,626 shares of our common stock, or approximately 11.17% of our outstanding common stock. Due to its stock ownership, Morgan Stanley or Westcliff may be in a viable position to affect the election of the Board of Directors and, therefore, to affect the control our business and affairs including certain significant corporate actions such as acquisitions, the sale or purchase of assets, and the issuance and sale of our securities. Further, Morgan Stanley or Westcliff may be able to affect the prevention of or cause a change in control. We also may be prevented from entering into transactions that could be beneficial to us without Morgan Stanley's or Westcliff's consent. The interest of our largest shareholders may differ from the interests of other shareholders.

Additional issuances of equity securities may result in dilution to our existing stockholders. Our Articles of Incorporation authorize the issuance of 750,000,000 shares of common stock.

The Board of Directors has the authority to issue additional shares of our capital stock to provide additional financing in the future and the issuance of any such shares may result in a reduction of the book value or market price of the outstanding shares of our common stock. If we do issue any such additional shares, such issuance also will cause a reduction in the proportionate ownership and voting power of all other stockholders. As a result of such dilution, if you acquire shares of our common stock, your proportionate ownership interest and voting power could be decreased. Further, any such issuances could result in a change of control.

Our common stock is classified as a "penny stock" under SEC rules which limits the market for our common stock.

Because the market price of the common stock has fluctuated and may trade at times at less than $5 per share, the common stock may be classified as a "penny stock." SEC Rule 15g-9 under the Exchange Act imposes additional sales practice requirements on broker-dealers that recommend the purchase or sale of penny stocks to persons other than those who qualify as an "established customer" or an "accredited investor." This includes the requirement that a broker-dealer must make a determination that investments in penny stocks are suitable for the customer and must

make special disclosures to the customers concerning the risk of penny stocks. Many broker-dealers decline to participate in penny stock transactions because of the extra requirements imposed on penny stock transactions. Application of the penny stock rules to our common stock reduces the market liquidity of our shares, which in turn affects the ability of holders of our common stock to resell the shares they purchase, and they may not be able to resell at prices at or above the prices they paid.

A decline in the price of our common stock could affect our ability to raise further working capital and adversely impact our operations.

A decline in the price of our common stock could result in a reduction in the liquidity of our common stock and a reduction in our ability to raise additional capital for our operations. Because our operations to date have been principally financed through the sale of equity securities, a decline in the price of our common stock could have an adverse effect upon our liquidity and our continued operations. A reduction in our ability to raise equity capital in the future would have a material adverse effect upon our business plan and operations, including our ability to continue our current operations. If our stock price declines, we may not be able to raise additional capital or generate funds from operations sufficient to meet our obligations.

A majority of our directors and officers are outside the United States, with the result that it may be difficult for investors to enforce within the United States any judgments obtained against us or any of our directors or officers.

A majority of our directors and officers are nationals and/or residents of countries other than the United States, and all or a substantial portion of such persons' assets are located outside the United States. As a result, it may be difficult for investors to effect service of process on our directors or officers, or enforce within the United States or Canada any judgments obtained against us or our officers or directors, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state thereof. Consequently, you may be effectively prevented from pursuing remedies under U.S. federal securities laws against them. In addition, investors may not be able to commence an action in a Canadian court predicated upon the civil liability provisions of the securities laws of the United States. The foregoing risks also apply to those experts identified in this prospectus that are not residents of the United States.

FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that involve risks and uncertainties. Forward-looking statements in this prospectus include, among others, statements regarding our capital needs, business plans and expectations. Such forward-looking statements involve assumptions, risks and uncertainties regarding, among others, the success of our business plan, availability of funds, government regulations, operating costs, our ability to achieve significant revenues, our business model and products and other factors. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may", "will", "should", "expect", "plan", "intend", "anticipate", "believe", "estimate", "predict", "potential" or "continue", the negative of such terms or other comparable terminology. In evaluating these statements, you should consider various factors, including the assumptions, risks and uncertainties outlined in this prospectus under "Risk Factors". These factors or any of them may cause our actual results to differ materially from any forward-looking statement made in this prospectus. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding future events, our actual results will likely vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein. The forward-looking statements in this prospectus are made as of the date of this prospectus and we do not intend or undertake to update any of the forward-looking statements to conform these statements to actual results, except as required by applicable law, including the securities laws of the United States.

USE OF PROCEEDS

We will not receive any of the proceeds from the sale of the shares of common stock offered by the Selling Stockholders under this prospectus. We would receive gross proceeds in the approximate amount of $10,385,395 assuming the exercise of all warrants of which the underlying common stock are being offered hereby.

All proceeds from the sale of the shares will be for the account of the Selling Stockholders, and they will pay any and all expenses incurred by them for brokerage, accounting or tax services or any other expenses incurred by them in disposing of their shares. We will, however, incur substantially all of the costs associated with the filing of this prospectus and the registration statement of which it forms a part.

SELLING STOCKHOLDERS

The Selling Stockholders named in this prospectus are offering, from time to time, the 4,552,446 shares of common stock under this prospectus.

On December 12, 2007 we issued an aggregate of 1,800,000 units (the "December 2007 Units"), at a price of $3.75 per December 2007 Unit, with each December 2007 Unit consisting of one share of common stock and one December 2007 Warrant, to certain of the Selling Stockholders named herein by way of the December 2007 Private Placement. Each December 2007 Warrant entitles the holder to purchase one share of common stock at an exercise price of $4.25 per share for a period of one year from the date of issuance.

In the event that the registration statement of which this prospectus forms a part is not declared effective by the SEC on or before April 12, 2008, on that date and for each 30 calendar day period (or partial period thereof) until the registration statement is declared effective, we agreed to issue to each of the Selling Stockholders one one-hundredth of a warrant to acquire shares of our common stock for each $1.00 in aggregate funds paid by the Selling Stockholders for our securities, exercisable at a price of $4.25 per share, expiring two years from the date of issuance thereof. As a result, we have issued to the Selling Stockholders Penalty Warrants to acquire up to 202,446 shares of our common stock.

Accordingly, the common stock registered includes the 1,800,000 shares of common stock issued in connection with the issuance of the December 2007 Units, the 1,800,000 shares of common stock issuable upon exercise of the December 2007 Warrants and the 202,446 shares of our common stock issuable upon exercise of the Penalty Warrants. We agreed to file a registration statement with the SEC in accordance with the requirements of the Securities Act in order to register the resale by the Selling Stockholders of the shares issued and the shares issuable upon exercise of the December 2007 Warrants in the December 2007 Private Placement, and the shares issuable upon exercise of the Penalty Warrants.

On May 11, 2006, we issued an aggregate of 1,500,000 units (the "May 2006 Units") to a Selling Stockholder, with each May 2006 Unit comprised of one share of common stock and one-half of one non-transferable warrant, with each full May 2006 Warrant entitling the holder to purchase one share of common stock at a price of $2.50 per share until April 20, 2007. The shares and shares underlying the May 2006 Warrants issued pursuant to the May 2006 Private Placement were registered with the SEC pursuant to a registration statement on Form SB-2 filed October 4, 2006 and declared effective October 23, 2006. We subsequently extended the expiry period of the May 2006 Warrants from April 20, 2007 to September 30, 2008. We agreed to include the shares underlying the May 2006 Warrants in a registration statement filed by us to register any of our securities. The common stock registered includes the 750,000 shares of common stock issuable upon exercise of the May 2006 Warrants.

The private placement transactions were completed in reliance on Rule 506 of Regulation D of the Securities Act, with respect to investors in the United States, and in reliance on Rule 903 of Regulation S of the Securities Act, with respect to those investors who were not "U.S. Persons", within the meaning of Regulation S, and who were otherwise outside of the United States. Sales to United States investors pursuant to Rule 506 of Regulation D were limited to investors who qualified as "accredited investors" within the meaning of Rule 501(a) of Regulation D.

The following table sets forth information as of June 20, 2008 regarding the ownership of the shares of common stock to be sold by the Selling Stockholders. The number of shares indicated for each Selling Stockholder includes both the shares issued in the private placement transactions and the shares issuable to the Selling Stockholders upon exercise of the warrants.

Information with respect to ownership is based upon information obtained from the Selling Stockholders. Information with respect to "Shares Owned Prior to this Offering" includes the shares issuable upon exercise of the warrants held by the Selling Stockholders even though some of these warrants are not exercisable within 60 days of June 20, 2008. The "Number of Shares Being Offered" includes the shares acquired by the Selling Stockholders in the private placement transactions described above and the shares that are issuable upon exercise of the warrants acquired by the Selling Stockholders. Information with respect to "Shares Owned After this Offering" assumes the sale of all of the shares offered by this prospectus and no other purchases or sales of our common stock by the Selling Stockholders. Except as described below and to our knowledge, the named Selling Stockholders own and have sole voting and investment power over all shares or rights to these shares. Except for their ownership of common stock described below, none of the Selling Stockholders had or have any material relationship with us. The Selling Stockholders may have sold or transferred, in transactions exempt from the registration requirements of the Securities Act, some or all of the common stock held by them since the date as of which information is presented below.

	Shares Owned Prior To This Offering		Number of Shares Being Offered	Shares Owned After This Offering	
	Number	Percentage			Percentage
Name of Selling Stockholder (1)		(2)	Number	Number	(2)
December 2007 Private Placement (3)					
Jayvee & Co.(4)	1,636,868	4.02%	1,636,868	Nil	Nil
NBCN Inc.(5)	827,560	2.07%	827,560	Nil	Nil
BMO Nesbitt Burns Inc.(6)	353,637	*	353,637	Nil	Nil
Delaware Street Capital Master Fund LP(7)	422,500	1.05%	422,500	Nil	Nil
Encompass Fund (8)	21,125	*	21,125	Nil	Nil
	19,644	*	19,644	Nil	Nil

D. Agard & L. McConlogue, Agard-McConlogue Family Revocable Trust[9]					
R. Amado & A. Amado Ttee, Amado Family Trust[10]	16,900	*	16,900	Nil	Nil
E. Ammirati & J. Ammirati, The John & Erika Ammirati 2000 Trust [11]	14,153	*	14,153	Nil	Nil
Jim Bogios	16,900	*	16,900	Nil	Nil
B. Bunshoft & S. Bunshoft Ttee, Bunshoft Family Revocable Trust[12]	16,900	*	16,900	Nil	Nil
Rae Lyn Burke & Regis Baker Kelly Community Property[13]	11,194	*	11,194	Nil	Nil

	Shares Owned Prior To This Offering		Number of Shares Being Offered	Shares Owned After This Offering	
Name of Selling Stockholder	Number (1)	Percentage (2)	Number	Number	Percentage (2)
William J. & Lori L. Burkett Rev Liv Trust[14]	14,153	*	14,153	Nil	Nil
Sandra Lee Chen Ttee, Sidney & Sandra Lee Chen Trust[15]	19,644	*	19,644	Nil	Nil
Charlene B. Christo Ttee, Charlene B. Christo Trust[16]	16,900	*	16,900	Nil	Nil
David Lynn Bryson	16,900	*	16,900	Nil	Nil

Roswitha M. Dibernardo	11,194	*	11,194	Nil	Nil
Dennis Michael Dougherty	11,194	*	11,194	Nil	Nil
Sharon Fertitta Ttee, Sharon Fertitta Rev Inter Trust [17]	11,194	*	11,194	Nil	Nil
S. Frankel & J. Reid Ttee, SH Frankel & JE Reid Revocable Trust[18]	22,391	*	22,391	Nil	Nil
Ginger H. Creevy	5,703	*	5,703	Nil	Nil
J. Cohen & M. Gissen Ttee, Malcolm Gissen/Judith Cohen 2003 Trust[19]	22,391	*	22,391	Nil	Nil
Carol Anne Gross	11,194	*	11,194	Nil	Nil
Keith A. Hanson	14,153	*	14,153	Nil	Nil
David Arthur Immergluck	19,644	*	19,644	Nil	Nil
Mari Mayeda	14,153	*	14,153	Nil	Nil
R. McKee & B. McKee Ttee, The McKee Family 2005 Trust[20]	14,153	*	14,153	Nil	Nil
A. Mendelsohn & J. Mendelsohn Ttee, Andrew J and Judith A Mendelsohn Trust[21]	23,236	*	23,236	Nil	Nil
Paolo Morante & Brigid Doherty Joint Tenants[22]	11,194	*	11,194	Nil	Nil
Joe F. Neal & Janet B. Neal Ttee, Neal Revocable Trust[23]	11,194	*	11,194	Nil	Nil
M. Ogus & R. Ogus Ttee, Ogus Family Trust[24]	11,194	*	11,194	Nil	Nil
Sudha M. Pennathur & Edward P. Messerly Joint Tenants[25]	11,194	*	11,194	Nil	Nil
Robert B. Viener Ttee, Robert B. Viener Trust[26]	11,194	*	11,194	Nil	Nil

J. Viener & R. Viener, Joan E. Viener Revocable Trust[27]	11,194	*	11,194	Nil	Nil
Wayne and Christine Richards Ttee, WL & CM Richards Rev Inter Vivos Trust[28]	8,450	*	8,450	Nil	Nil

Name of Selling Stockholder	Shares Owned Prior To This Offering		Number of Shares Being Offered	Shares Owned After This Offering	
	Number (1)	Percentage (2)	Number	Number	Percentage (2)
E. Blackburn & J. Sedat Ttee, Sedat Family Revocable Trust[29]	8,280	*	8,280	Nil	Nil
Glenn B. Stoller Ttee, Glenn B. Stoller Inter Vivos Trust[30]	14,153	*	14,153	Nil	Nil
Noah Stroe Ttee, U/W Mara Stroe, FBO Anthony Stroe Trust[31]	14,153	*	14,153	Nil	Nil
Susan P. Tom Ttee, Susan P. Tom Revocable Trust[32]	11,194	*	11,194	Nil	Nil
Howard J. Toner	14,153	*	14,153	Nil	Nil
Dan J. Vickrey	16,900	*	16,900	Nil	Nil
P. Walter and P. Caldera-Munoz TTE, Walter 1997 Trust[33]	14,153	*	14,153	Nil	Nil
Joyce Wesolowski	11,194	*	11,194	Nil	Nil
	16,900	*	16,900	Nil	Nil

Arnold B. Wolfe M.D. Ttee, The Arnold and Nancy Wolfe Living Trust[34]					
May 2006 Private Placement					
[35]					
Sprott Asset Management Inc.[36]	1,418,600	3.49%	750,000	668,600	1.69%
Total:	5,221,046		4,552,446		

* Less than one percent.

(1) Includes shares of common stock currently held by the Selling Stockholder and shares issuable upon exercise of all warrants owned by the Selling Stockholder, even though some of these warrants are not exercisable within 60 days of June 20, 2008.

(2) The applicable percentage of ownership is based on 39,841,823 shares of common stock outstanding as of June 20, 2008, plus the number of shares of common stock that would be outstanding if all of the warrants held by such Selling Stockholder were exercised.

(3) Comprised of the shares underlying the December 2007 Units and shares underlying the Penalty Warrants. On December 12, 2007, we issued an aggregate of 1,800,000 December 2007 Units, at a price of $3.75 per December 2007 Unit, with each December 2007 Unit consisting of one share of common stock and one December 2007 Warrant, to certain of the Selling Stockholders named in the table above by way of the December 2007 Private Placement. The common stock registered represents the 1,800,000 shares of common stock issued in connection with the issuance of the December 2007 Units and also represents the 1,800,000 shares of common stock issuable upon exercise of the December 2007 Warrants. Each December 2007 Warrant entitles the holder to purchase one share of common stock at an exercise price of $4.25 per share. The December 2007 Warrants are exercisable for a period of one year from the date of issuance.

In the event that the registration statement of which this prospectus forms a part is not declared effective by the SEC on or before April 12, 2008, for each 30 calendar day period (or partial period thereof) until the registration statement is declared effective, we agree to issue to each of the Selling Stockholders one one-hundredth of a warrant to acquire shares of our common stock for each $1.00 in aggregate funds paid by the Selling Stockholders for our securities, exercisable at a price of $4.25 per share, expiring two years from the date of issuance thereof. Accordingly, the common stock registered also represents the 202,446 shares of our common stock issuable upon exercise of the Penalty Warrants.

(4) Craig Porter, portfolio manager for Front Street Investment Management Inc., on behalf of Jayvee & Co., has discretionary authority to purchase, vote and dispose of the securities on behalf of its client. Mr. Porter disclaims beneficial ownership as to such securities except to the extent of his pecuniary interests therein.

(5) Craig Porter, portfolio manager for Front Street Investment Management Inc., on behalf of NBCN Inc., has discretionary authority to purchase, vote and dispose of the securities on behalf of its client. Mr. Porter disclaims beneficial ownership as to such securities except to the extent of his pecuniary interests therein.

(6) Craig Porter, portfolio manager for Front Street Investment Management Inc., on behalf of BMO Nesbitt Burns Inc., has discretionary authority to purchase, vote and dispose of the securities on behalf of its client. Mr. Porter disclaims beneficial ownership as to such securities except to the extent of his pecuniary interests therein.

(7) Andrew G. Bluhm, principal of DSC Advisors, LP, as investment manager for Delaware Street Capital Master Fund LP, has discretionary authority to purchase, vote and dispose of the securities on behalf of its client. Mr. Bluhm disclaims beneficial ownership as to such securities except to the extent of his pecuniary interests therein.

(8) Malcolm H. Gissen, as President of Malcolm H. Gissen & Associates Inc., portfolio manager on behalf of Encompass Fund, has discretionary authority to purchase, vote and dispose of the securities on behalf of its client. Mr. Gissen disclaims beneficial ownership as to such securities except to the extent of his pecuniary interests therein.

(9) David Agard and Lisa McConlogue, as trustees for Agard-McConlogue Family Revocable Trust, have discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Mr. Agard and Ms. McConlogue disclaim beneficial ownership as to such securities except to the extent of their pecuniary interests therein.

(10) Robert Amado and Ada Amado, as trustees for Amado Family Trust, have discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Mr. Amado and Ms. Amado disclaim beneficial ownership as to such securities except to the extent of their pecuniary interests therein.

(11) Erika Ammirati and John Ammirati, as trustees for The John & Erika Ammirati 2000 Trust, have discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Ms. Ammirati and Mr. Ammirati disclaim beneficial ownership as to such securities except to the extent of their pecuniary interests therein.

(12) Barry Bunshoft and Sylvia Bunshoft, as trustees for Bunshoft Family Revocable Trust, have discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Mr. Bunshoft and Ms. Bunshoft disclaim beneficial ownership as to such securities except to the extent of their pecuniary interests therein.

(13) Rae Lyn Burke and Regis Kelly have authority to purchase, vote and dispose of the securities as their community property.

(14) William Burkett and Lori Burkett, as trustees for William J. & Lori L. Burkett Rev Liv Trust, have discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Mr. Burkett and Ms. Burkett disclaim beneficial ownership as to such securities except to the extent of their pecuniary interests therein.

(15) Sandra Chen and Sidney Chen, as trustees for Sidney & Sandra Lee Chen Trust, have discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Mr. Chen and Ms. Chen disclaim beneficial ownership as to such securities except to the extent of their pecuniary interests therein.

(16) Charlene B. Cristo, as trustee for Charlene B. Cristo Trust, has discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Ms. Cristo disclaims beneficial ownership as to such securities except to the extent of her pecuniary interests therein.

(17) Sharon Fertitta, as trustee for Sharon Fertitta Rev Inter Trust, has discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Ms Fertitta disclaims beneficial ownership as to such securities except to the extent of her pecuniary interests therein.

(18) Steven Frankel and Joan Reid, as trustees for SH Frankel & JE Reid Revocable Trust, have discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Mr. Frankel and Ms. Reid disclaim beneficial ownership as to such securities except to the extent of their pecuniary interests therein.

(19) Judith Cohen and Malcolm Gissen, as trustees for Malcolm Gissen/Judith Cohen 2003 Trust, have discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Ms. Cohen and Mr. Gissen disclaim beneficial ownership as to such securities except to the extent of their pecuniary interests therein.

(20) Richard McKee and Beverley McKee, as trustees for The McKee Family 2005 Trust, have discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Mr. McKee and Ms. McKee disclaim beneficial ownership as to such securities except to the extent of their pecuniary interests therein.

(21) Andrew Mendelsohn and Judith Mendelsohn, as trustees for Andrew J. and Judith A. Mendelsohn Trust, have discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Mr. Mendelsohn and Ms. Mendelsohn disclaim beneficial ownership as to such securities except to the extent of their pecuniary interests therein.

(22) Paolo Morante & Brigid Doherty, as joint tenants, have authority to purchase, vote and dispose of the securities.

(23) Joe Neal and Janet Neal, as trustees for Neal Revocable Trust, have discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Mr. Neal and Ms. Neal disclaim beneficial ownership as to such securities except to the extent of their pecuniary interests therein.

(24) Margo Ogus and Roy Ogus, as trustees for Ogus Family Trust, have discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Ms. Ogus and Mr. Ogus disclaim beneficial ownership as to such securities except to the extent of their pecuniary interests therein.

(25) Sudha M. Pennathur and Edward P. Messerly, as joint tenants, have authority to purchase, vote and dispose of the securities.

(26) Robert B. Viener, as trustee for Robert B. Viener Trust, has discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Mr. Viener disclaims beneficial ownership as to such securities except to the extent of his pecuniary interests therein.

(27) Joan Viener and Robert Viener, as trustees for Joan E. Viener Revocable Trust, have discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Ms. Viener and Mr. Viener disclaim beneficial ownership as to such securities except to the extent of their pecuniary interests therein.

(28) Wayne Richards and Christine Richards, as trustees for WL & CM Richards Rev Inter Vivos Trust, have discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Mr. Richards and Ms. Richards disclaim beneficial ownership as to such securities except to the extent of their pecuniary interests therein.

(29) Elizabeth Blackburn and John Sedat, as trustees for Sedat Family Revocable Trust, have discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Ms. Blackburn and Mr. Sedat disclaim beneficial ownership as to such securities except to the extent of their pecuniary interests therein.

(30) Glenn B. Stoller, as trustee for Glenn B. Stoller Inter Vivos Trust, has discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Mr. Stoller disclaims beneficial ownership as to such securities except to the extent of his pecuniary interests therein.

(31) Noah Stroe, as trustee for U/W Mara Stroe, FBO Anthony Stroe Trust, has discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Mr. Stroe disclaims beneficial ownership as to such securities except to the extent of his pecuniary interests therein.

(32) Susan P. Tom, as trustee for Susan P. Tom Revocable Trust, has discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Ms. Tom disclaims beneficial ownership as to such securities except to the extent of her pecuniary interests therein.

(33) Peter Walter and Patricia Caldera-Munoz, as trustees for the Walter 1997 Trust, have discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Mr. Walter and Ms. Caldera-Munoz disclaim beneficial ownership as to such securities except to the extent of their pecuniary interests therein.

(34) Arnold B. Wolfe, as trustee for The Arnold and Nancy Wolfe Living Trust, has discretionary authority to purchase, vote and dispose of the securities on behalf of the trust. Mr. Wolfe disclaims beneficial ownership as to such securities except to the extent of his pecuniary interests therein.

(35) On May 11, 2006, we issued an aggregate of 1,500,000 May 2006 Units to a Selling Stockholder, with each unit comprised of one share of common stock and one-half of one non-transferable warrant, with each full May 2006 Warrant entitling the holder to purchase one share of common stock at a price of $2.50 per share until April 20, 2007. The shares and shares underlying the May 2006 Warrants issued pursuant to the May 2006 Private Placement were registered with the SEC pursuant to a registration statement on Form SB-2 filed October 4, 2006 and declared effective October 23, 2006. We subsequently extended the expiry period of the May 2006 Warrants from April 20, 2007 to September 30, 2008. We agreed to include the shares underlying the May 2006 Warrants in a registration statement filed by us to register any of our securities. The common stock registered represents the 750,000 shares of common stock issuable upon exercise of the May 2006 Warrants.

(36) To our knowledge, Eric Sprott, as portfolio manager, presently exercises dispositive and voting power with respect to the shares of common stock owned by Sprott Asset Management Inc.; and this Selling Stockholder has no known relationship with our Company. To our knowledge, Sprott Asset Management Inc. acquired our securities as a portfolio manager in the ordinary course of business for their own account without any view or intention to distribute their securities and that, at the time of purchase, they had no agreements or understandings, directly or indirectly, with the Company or with any other party to distribute the securities.

The Selling Stockholders identified above, and certain of their transferees, may, from time to time and as set forth in this prospectus, offer and sell common stock pursuant to this prospectus. Prior to any use of this prospectus in connection with an offering of the common stock by any transferee of the common stock, this prospectus will be amended or supplemented, and the registration statement of which this prospectus forms a part will be amended by a post-effective amendment, if required, to set forth the name and aggregate amount of common stock beneficially owned by the transferee intending to sell such common stock and the amount of common stock to be offered.

Because a Selling Stockholder may offer by this prospectus all or some part of the common stock which it holds, no estimate can be given as of the date hereof as to the number of shares of common stock actually to be offered for sale by a Selling Stockholder or as to the number of shares of common stock that will be held by a Selling Stockholder upon the termination of such offering.

PLAN OF DISTRIBUTION

The Selling Stockholders may, from time to time, sell any or all of their shares of common stock on any stock exchange, market or trading facility on which the shares are traded or in private transactions. These sales may be at

fixed or negotiated prices. The Selling Stockholders may use any one or more of the following methods when selling shares:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- short sales;
- broker-dealers may agree with the Selling Stockholders to sell a specified number of such shares at a stipulated price per share;
- a combination of any such methods of sale; and
- any other method permitted pursuant to applicable law.

The Selling Stockholders may also sell shares under Rule 144 or Regulation S under the Securities Act, if available, rather than under this prospectus.

The Selling Stockholders may also engage in short sales against the box, puts and calls and other transactions in our securities or derivatives of our securities and may sell or deliver shares in connection with these trades.

Broker-dealers engaged by the Selling Stockholders may arrange for other brokers-dealers to participate in sales. Broker-dealers may receive commissions or discounts from the Selling Stockholders (or, if any broker-dealer acts as agent for the purchaser of shares, from the purchaser) in amounts to be negotiated. The Selling Stockholders do not expect these commissions and discounts to exceed what is customary in the types of transactions involved. Any profits on the resale of shares of common stock by a broker-dealer acting as principal might be deemed to be underwriting discounts or commissions under the Securities Act. Discounts, concessions, commissions and similar selling expenses, if any, attributable to the sale of shares will be borne by a Selling Stockholder. The Selling Stockholders may agree to indemnify any agent, dealer or broker-dealer that participates in transactions involving sales of the shares if liabilities are imposed on that person under the Securities Act.

The Selling Stockholders may from time to time pledge or grant a security interest in some or all of the shares of common stock owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the shares of common stock from time to time under this prospectus after we have filed an amendment to this prospectus under the applicable provisions of the Securities Act amending the list of Selling Stockholders to include the pledgee, transferee or other successors in interest as Selling Stockholders under this prospectus.

The Selling Stockholders also may transfer the shares of common stock in other circumstances, in which case the transferees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus and may sell the shares of common stock from time to time under this prospectus after we have filed an

amendment to this prospectus under the applicable provisions of the Securities Act amending the list of Selling Stockholders to include the pledgee, transferee or other successors in interest as Selling Stockholders under this prospectus.

The Selling Stockholders and any broker-dealers or agents that are involved in selling the shares of common stock may be deemed to be "underwriters" within the meaning of the Securities Act in connection with such sales. In such event, any commissions received by such broker-dealers or agents and any profit on the resale of the shares of common stock purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act.

We are required to pay all fees and expenses incident to the registration of the shares of common stock, including the reasonable fees and disbursements of counsel to the Selling Stockholders. We have agreed to indemnify the Selling Stockholders against certain losses, claims, damages and liabilities, including liabilities under the Securities Act.

The Selling Stockholders have advised us that they have not entered into any agreements, understandings or arrangements with any underwriters or broker-dealers regarding the sale of their shares of common stock, nor is there an underwriter or coordinating broker acting in connection with a proposed sale of shares of common stock by any selling stockholder. If we are notified by any selling stockholder that any material arrangement has been entered into with a broker-dealer for the sale of shares of common stock, if required, we will file a supplement to this prospectus. If the Selling Stockholders use this prospectus for any sale of the shares of common stock, they will be subject to the prospectus delivery requirements of the Securities Act.

The anti-manipulation rules of Regulation M under the Securities Exchange Act of 1934 may apply to sales of our common stock and activities of the Selling Stockholders.

LEGAL PROCEEDINGS

We are not a party to any material legal proceedings nor are we aware of any legal proceedings pending or threatened against us or our properties, except as follows:

Goliad County Notice

As disclosed in our Current Report on Form 8-K filed on March 20, 2008 with the SEC, a lawsuit has been filed in U.S. District Court by Goliad County, Texas and an individual landowner alleging infractions of the United States Safe Drinking Water Act of 1974 in connection with our exploration activities in Goliad County. We believe this claim regarding our exploration activities to be completely without merit and will be vigorously defended by us. The responsible state agency with sole jurisdiction over our exploration activities previously thoroughly investigated a similar claim by the County and found us to be in compliance with all applicable regulatory and environmental requirements.

Specifically, as the agency noted in an April 2007 letter to the County's attorney, the state agency hydrologist "concluded from the available information that no ground-water contamination has occurred as a result of the drilling activities." The state agency concluded its letter by noting that "[t]o date, the Commission's investigation of your complaint has not revealed any practice or activity within the approved permit area that has adversely affected the wells identified in your complaint or the related aquifer, or is out of compliance with the Texas Uranium Mining Regulations...". Later in a September 2007 letter to the Goliad groundwater district, the agency reiterated its findings stating the agency's "investigation of your complaint has not revealed any practice or activity at UEC's Uranium Exploration Permit No. 123 that is out of compliance... We consider this investigation to be closed."

Our Goliad Project has been inspected on a monthly basis since the close of the investigation, and no violations have been noted. In fact, an inspection report from November of 2007 observed that "prompt attention" to site restoration during exploration was apparent and "the area inspected looked very good". We are dedicated to full compliance with all aspects of the state regulatory process and will continue to focus our attention and efforts on obtaining all necessary authorizations for our Goliad Project.

The lawsuit, which was commenced by the filing of the plaintiffs' Original Complaint on or about March 17, 2008, follows on a notice of intent to file litigation issued by counsel for Goliad County which was disclosed in the Company's current report filed with the SEC on Form 8-K on March 3, 2008. The plaintiffs have requested that the Court grant the following relief: (a) that the Court exercise jurisdiction over the lawsuit; (b) an order enjoining the Company from further exploration activities in the Weesatche Project in Goliad County; (c) an order requiring the Company to clean up the alleged contamination of the aquifer; (d) an order enjoining initiation of the aquifer exemption process until the Company has cleaned up the alleged contamination; (e) an order prohibiting the Company from using any water quality data for purposes of establishing baseline water quality if such data was collected after initiation of mining activity (although the Company has not commenced any mining activity); (f) an order granting Goliad County payment of its expert fees incurred in the prosecution of the lawsuit; (g) an order granting Goliad County payment of its attorney fees; and (h) such additional relief as the Court may deem just, proper and equitable, including an award of reasonable attorneys' fees, expenses and costs.

Claim for Legal Fees

We were also informed that we have been named as a defendant in a claim filed in the United States District Court for the Eastern District of New York for $33,000 in legal fees in connection with our prior amicable settlement of a short-swing profit matter under Section 16(b) of the Exchange Act by a non-management shareholder of our Company. The plaintiff acted as counsel for the shareholder. We believe that the legal fees sought were highly unreasonable for the work performed by the plaintiff and subsequently settled the claim for $13,000, and consider the matter concluded.

DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS

Our directors and executive officers and their respective ages as of June 20, 2008 are as follows:

Name	Age	Position with the Company
Amir Adnani	30	President, Chief Executive Officer, Principal Executive Officer and a director
Alan P. Lindsay	57	Chairman and a director
Harry L. Anthony	60	Chief Operating Officer and a director
Pat Obara	52	Secretary, Treasurer, Chief Financial Officer and Principal Accounting Officer
Ivan Obolensky	82	Director
Erik Essiger	42	Director

Vincent Della Volpe	65	Director

The following describes the business experience of each of our directors and executive officers, including other directorships held in reporting companies:

Amir Adnani

. Mr. Amir Adnani has been our President, Chief Executive Officer, Principal Executive Officer and a director since January 24, 2005. Mr. Adnani is an entrepreneur with an extensive background in business development and marketing. In September 2004, he founded and was the sole shareholder, a director and President of, Blender Media Inc., a Vancouver based company that provides strategic marketing and financial communications services to public companies and investors in mineral exploration, mining, and energy sectors. Effective October 1, 2006, Mr. Adnani is no longer a director, officer or shareholder of Blender Media Inc. In June 2001, Mr. Adnani co-founded, and from June 2001 to September 2004, was a director and officer of Fort Sun Investments Inc, a strategic marketing and financial communications services company for public companies. Mr. Adnani holds a Bachelor of Science degree from the University of British Columbia. Mr. Adnani is not a director or officer of any other U.S. reporting company.

Alan P. Lindsay

. Mr. Alan P. Lindsay has been our Chairman and a director since May 16, 2003. Mr. Lindsay has extensive experience and expertise in the mining and biomedical fields. From 2000 to the present, he has been the Chairman, President and Chief Executive Officer of MIV Therapeutics, Inc., a publicly-listed biomedical company focused on biocompatible coating technology for stents and medical devices, and was also a co-founder of GeneMax Pharmaceuticals, a biotech company with a novel cancer treatment technology discovered at the University of British Columbia. Mr. Lindsay was the founder of Azco Mining Inc. and served as Chairman, President and CEO of Azco from 1992 to 2000. During his term, Azco obtained listings on both the Toronto and American Stock Exchanges. Azco developed the Sanchez copper deposit and Piedras Verdes copper deposits with a combined SX-EW oxide copper resource of 3.25 billion pounds of copper. Mr. Lindsay negotiated a business transaction with Phelps Dodge Corporation that led to the sale of the Sanchez deposit for $55 million and a joint venture on the Piedras Verdes deposit. Mr. Lindsay is not a director or officer of any other U.S. reporting company.

Harry L. Anthony

. Mr. Harry L. Anthony has been our Chief Operating Officer since July 2007 and a director since February 2005. He was our Chief Operating Officer from February 2005 to July 2007. Mr. Anthony has over thirty years of experience in the uranium mining industry. From approximately 1997 to present, Mr. Anthony has been a consultant through Anthony Engineering Services for several major uranium companies and international agencies, which duties generally include project evaluation, operations "trouble shooter" and technical and financial expert. From approximately 1990 through 1997, Mr. Anthony was a senior vice president of Uranium Resources, Inc., where he managed all facets of operations and technical support to achieve production goals, drilling, ion exchange, reverse osmosis, software development and equipment design. His duties also included oversight of construction, technical aspects, and daily operations of plants and wellfields, budget planning and forecasting, property evaluations and reserve estimations. Mr. Anthony also previously served as the vice-president of engineering/engineering manager of Uranium Resources, Inc., and a project superintendent and project engineer for Union Carbide Corp. Mr. Anthony was on the board of directors of Uranium Resources, Inc. from 1984 through 1994. He is the author of several publications and the recipient of the awards "Distinguished Member of the South Texas Mineral Section of AIME -1987" and "1999 Outstanding Citizen of the Year - Kingsville Chamber of Commerce". Mr. Anthony received an M.S. in Engineering Mechanics in 1973 and a B.S. in Engineering Mechanics in 1969 from Pennsylvania State University. Mr. Anthony is not a director or officer of any other U.S. reporting company.

Pat Obara

. Mr. Obara became our Secretary, Treasurer, Chief Financial Officer and Principal Accounting Officer on August 23, 2006. During the past five years Mr. Obara has worked as a consultant to several private and publicly listed companies providing various consulting services in the areas of corporate finance and administration. From March of 2003 to present Mr. Obara has provided various administrative consulting services to private companies involved in business activities in Asia and North America. Prior to April of 2004 Mr. Obara served as the Chief Financial Officer and a director of two public companies listed on the TSX Venture Exchange. Mr. Obara was involved in the restructuring, organizing and management of these early stage companies which were involved in the resource and technology sectors. Mr. Obara is not a director or officer of any other U.S. reporting company.

Erik Essiger

. Mr. Essiger became a director of our company and a member of our Audit Committee on August 23, 2006. During the past five years Mr. Essiger has been: the Managing Director and the founder of Precisetech GmbH, a corporate finance advisory company focused on international M&A transactions (from October 2004 to present); a member of the Supervisory Board of Corix Capital AG (from December 2003 to present); the Senior Manager, Transaction Services Strategy Group, with PricewaterhouseCoopers AG, heading up the commercial and due diligence practice of that group in Germany which provided services mainly to private equity clients of the firm (from April 2003 to September 2004); and a member of the Executive Board (Vorstand) of MultiMedia Technologies AG, a producer of set-top-boxes and a company operating in the fields of interactive digital television and the streaming media market (from July 2000 to July 2002) Mr. Essiger also has extensive international experience in corporate restructuring; especially in Germany, Russia, Hong Kong and Switzerland; and he was a member of the German-Russian co-operation council.

Ivan Obolensky

. Mr. Obolensky has 40 years experience in the investment banking business as a financial analyst, with specific expertise in the defense aerospace, oil and gas, nuclear power, metals and minerals, publishing and high technology industries. He has been an executive of several investment banks, including Sterling Grace & Co., Jesup, Josephthal & Co., Dominick and Dominick, Inc., Middendorf Colgate, and CB Richard Ellis Mosley Hallgarten. Since November 1990 to date, Mr. Obolensky has been Vice President of Shields & Company, an Investment Bank and Member of the New York Stock Exchange. Ivan Obolensky is a Registered Investment Advisor and a member of the New York Society of Security Analysts. He has made frequent appearances as a guest on CNBC, CNNfn, and Bloomberg TV. Mr. Obolensky is also a member of various foundations and philanthropic organizations, and serves as Chairman and CEO of the Soldiers' Sailors' Marines' and Airmen's Club in New York. He is a graduate of Yale University and a retired Lieutenant (Junior Grade) in the U.S. Naval Air Corps.

Vincent Della Volpe

. Mr. Della Volpe has served as a professional money manager for over 35 years, including as a senior portfolio manager of pension funds for Honeywell Corporation and senior vice president of the YMCA Retirement fund in New York. Throughout his career Mr. Della Volpe has particularly focused on the management of energy and utility equity portfolios, and he also has experience managing venture capital investments. Mr. Della Volpe holds a Bachelor of Arts in Accounting and an MBA in finance, both from Seton Hall University. Since September 2006, Mr. Della Volpe has served as a director of Gold Canyon Resources, Inc., a junior natural resources company incorporated in British Columbia, Canada, that is listed on the TSX Venture Exchange. Mr. Della Volpe has been retired since March 2003. During the prior 11 years he was employed by the YMCA Retirement Fund. In addition to his position as director of the Company, he has been a director of Gold Canyon Resources since Sept 2006.

Advisory Board

We have also established an Advisory Board currently comprised of Mr. Craig Holmes, Mr. Jon Indall, Mr. Edward Brezinski and Mr. George Carey. The purpose of the Advisory Board is to provide support in our search and acquisition of uranium properties, and for the design, permitting and reclamation of our uranium properties.

Craig Holmes

, age 57, has extensive experience in uranium mine permitting in the United States which traces back to the advent of ISR uranium mining in the United States in 1976. Mr. Holmes is the founding partner of Eggleston Holmes and Associate (EHA) and served as a General Partner in the firm from 1983 to December 2006. During his tenure with EHA, Mr. Holmes served a major part in conducting numerous environmental assessments related to uranium mining and processing. Mr. Holmes continues to work full time as a regulatory consultant to the uranium industry in Texas and Wyoming. Mr. Holmes devotes a significant amount of his time to us in the areas of permitting and technical services, and in legislative efforts pertaining to rules governing the uranium industry.

His 30-year career has been dedicated to the permitting of uranium projects spanning 26 different projects in Texas, Wyoming and New Mexico. He was involved in the baseline and environmental impact analyses in support of permits and a radioactive material licenses for the Highlands In-Situ Recovery Project in Wyoming. Additionally, he participated in technical evaluations regarding waste disposal and radiological assessments for the Smith Ranch In-Situ Recovery Project for Rio Algom Mining Corporation. More recently, Mr. Holmes acted as Project Manager and Advisor to Mesteña Uranium, LLC, a private uranium-producing company based in south Texas. In this role, he was responsible for preparing all required baseline studies, writing the applications for the mine permit, the production area authorizations, and the radioactive material license. He was also responsible for preparing all data needed for an air permit exemption, and the EPA aquifer exemption. As a result of his deep involvement with regulatory matters, Mr. Holmes has made a significant contribution to the formulation of the rules and regulations that govern the ISR permitting process today. He received his BSc and MSc from the University of Pittsburgh.

Jon Indall

, age 57, is a prominent attorney, and an acknowledged expert in representing uranium industry interests in the United States. Mr. Indall currently is and has been a partner at the law firm of Comeau, Maldegen, Templeman & Indall in Santa Fe, New Mexico for over 25 years. Mr. Indall's career in the law and as an authoritative lobbyist spans over 30 years, with specialization in natural resources and environmental law, and with a special focus on the uranium mining industry. Mr. Indall has represented the Uranium Producers of America - a trade association of domestic uranium producers - since its inception in 1985. He drafted and successfully assisted in lobbying Title X of the Energy Policy Act of 1992 which has provided over $500 million of federal reimbursements for costs related to reclamation of uranium and thorium mill tailings sites. He was also instrumental in the revitalization of the UPA in 2005, and has been active in negotiations with the US Department of Energy regarding sales of the their excess uranium inventories. In court, Mr. Indall has represented senior mining companies including Homestake Mining, Kerr-McGee, Kennecott Corp, and Pennzoil Corp. He has also represented uranium mining and development companies Cameco, Uranium Resources Inc, United Nuclear Corporation, Strathmore Resources and many others. Mr. Indall received his BA from the University of Kansas, and his Juris Doctorate from the University of Kansas Law School. He is currently a member of the American Bar Association (Natural Resources Section), the State Bar of New Mexico (Natural Resources Section), and First Judicial District Bar Association.

Edward Brezinski

, age 53, career spans over 20 years working for utility companies and with nuclear fuel traders and brokers. His experience has been focused on marketing, trading and brokerage of uranium and related products, market analysis, inventory management, procurement and contracting for nuclear fuel, fuel services and other vital nuclear power plant services. While at Northeast Utilities, he acted as lead purchaser of uranium concentrates, and conversion, enrichment and fabrication services. He also worked in a similar lead trader or broker capacity for UG USA, Nukem Inc, and NYNCO trading and brokerage companies. Mr. Brezinski currently serves as the Vice President of Nuclear Fuel Supply for Utah-based Energy Solutions. Mr. Brezinski has a Bachelor of Science in Radiological Health Physics, and an MBA in Finance and International Business.

George Cavey

, age 53, is a consulting geologist with 35 years experience. Since 1982, he has been the president of OreQuest Consultants, a company providing geological consulting services to resource companies, both public and private. Mr. Cavey has been responsible for the examination and evaluation of properties in North, Central and South America and Africa; implementation and management of all aspects of exploration programs including research, geophysical surveys, diamond drilling, reserve definition and underground development. He has authorized or been involved in the writing of more than 300 geological reports for Canadian junior resource companies. He is a past president of the Canadian Council of Professional Geoscientists. Mr. Cavey has served on the Canadian Securities Administrators Mining Technical Monitoring and Advisory Committee and still acts as a consultant to the BCSC with respect to NI43-101 issues. Mr. Cavey is an officer and/or director of six public companies.

Term of Office

All of our directors hold office until the next annual general meeting of the shareholders or until their successors are elected and qualified. Our officers are appointed by our board of directors and hold office until their earlier death, retirement, resignation or removal.

Significant Employees

There are no significant employees other than our executive officers.

Audit Committee

Our board of directors has established an Audit Committee, comprised of Vincent Della Volpe, Erik Essiger and Ivan Obolensky. The Audit Committee operates pursuant to a charter adopted by the board.

Vincent Della Volpe, Erik Essiger and Ivan Obolensky are "independent" directors of the Company as that term is defined in Rule 121 of the American Stock Exchange listing standards.

Family Relationships

Alan Lindsay is the father-in-law of Amir Adnani.

Involvement in Certain Legal Proceedings

None of our directors, executive officers, advisory board members or control persons have been involved in any of the events prescribed by Item 401(f) of Regulation S-K during the past five years, including:

1. any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;

2. any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offenses);

3. being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities; or

4. being found by a court of competent jurisdiction (in a civil action), the Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information with respect to the beneficial ownership of our common stock by each stockholder known by us to be the beneficial owner of more than 5% of our common stock and by each of our current directors and executive officers. Each person has sole voting and investment power with respect to the shares of common stock, except as otherwise indicated. Beneficial ownership consists of a direct interest in the shares of common stock, except as otherwise indicated. As of June 20, 2008, there are 39,841,823 shares of common stock issued and outstanding.

Name and Address of Beneficial Owner (1)	Amount and Nature of Beneficial Ownership (1)	Percentage of Beneficial Ownership
Directors and Officers:		
Amir Adnani 320 - 1111 West Hastings Street Vancouver, B. C., Canada, V6E 2J3	2,410,701(2)	5.95%
Alan P. Lindsay 2701 - 1500 Hornby Street Vancouver, B. C., Canada, V6Z 2R1	2,319,787(3)	5.70%
Harry L. Anthony P.O. Box 1328 Kingsville, TX, U.S.A., 78364	1,622,500(4)	3.99%
Pat Obara 2791 West 35th Avenue Vancouver, B. C., Canada, V6N 2M1	350,000(5)	*
Erik Essiger P.O. Box 37491, Dubai, UAE	150,000(6)	*

Ivan Obolensky 425 East 79th Street New York, NY, U.S.A., 10021	116,000[7]	*
Vincent Della Volpe 32 Evergreen Drive, Lincoln Park, NJ, U.S.A., 07035	150,000[8]	*
All executive officers and directors as a group (7 persons)	7,118,988[9]	16.57%
Major Shareholders:		
Isaiah Capital Trust 28 - 30 The Parade St. Heller, Jersey, Channel Islands, JE4 8XY	2,735,000[10]	6.86%
Morgan Stanley & Co. fbo Passport Global Master Fund SPC Ltd. And Passport Materials Master Fund, LP 30 Hotaling Place, Ste 300 San Francisco, CA, U.S.A., 94111	5,454,183[11] [12]	13.22%
Westcliff Capital Management, LLC 200 - 7th Avenue, Suite 105 Santa Cruz, CA, U.S.A., 95062	4,587,626[13]	11.17%

* Less than one percent.

(1) Under Rule 13d-3, a beneficial owner of a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares: (i) voting power, which includes the power to vote, or to direct the voting of shares; and (ii) investment power, which includes the power to dispose or direct the disposition of shares. Certain shares may be deemed to be beneficially owned by more than one person (if, for example, persons share the power to vote or the power to dispose of the shares). In addition, shares are deemed to be beneficially owned by a person if the person has the right to acquire the shares (for example, upon exercise of an option) within 60 days of the date as of which the information is provided. In computing the percentage ownership of any person, the amount of shares outstanding is deemed to include the amount of shares beneficially owned by such person (and only such person) by reason of these acquisition rights. As a result, the percentage of outstanding shares of any person as shown in this table does not necessarily reflect the person's actual ownership or voting power with respect to the number of shares of common stock actually outstanding as of the date of this prospectus. As of the date of this prospectus, there were 39,841,823 shares issued and outstanding.

(2) This figure includes (i) 1,730,201 shares of common stock, (ii) 3,000 shares of common stock held of record by Amir Adnani's wife, (iii) stock options to purchase 202,500 shares of our common stock at an exercise price of $0.33 per share expiring on December 20, 2015, (iv) stock options to purchase 225,000 shares of our common stock at $3.30 per share expiring on January 2, 2017, and (v) stock options to purchase 250,000 shares of common stock at $2.50 per

share expiring April 7, 2018.

(3) This figure includes (i) 1,306,287 shares of common stock, (ii) 163,500 shares of common stock held of record by Alan P. Lindsay's wife, (iii) stock options to purchase 600,000 shares of our common stock at an exercise price of $0.33 per share expiring on December 20, 2015, and (iv) stock options to purchase 250,000 shares of common stock at $2.50 per share expiring April 7, 2018. Mr. Lindsay is the father-in-law of Amir Adnani.

(4) This figure includes (i) 772,500 shares of common stock, (ii) stock options to purchase 202,500 shares of our common stock at an exercise price of $0.33 per share expiring on December 20, 2015, (iii) stock options to purchase 172,500 shares of our common stock at $0.33 per share expiring on February 14, 2016, (iii) stock options to purchase 225,000 shares of our common stock at $3.30 per share expiring on January 3, 2017, and (iv) stock options to purchase 250,000 shares of common stock at $2.50 per share expiring April 7, 2018.

(5) This figure represents (i) stock options to purchase 200,000 shares of our common stock at $1.30 per share expiring on October 10, 2016; (ii) stock options to purchase 25,000 shares of our common stock at $3.30 per share expiring on January 2, 2017, and (iii) stock options to purchase 125,000 shares of common stock at $2.50 per share expiring April 7, 2018.

(6) This figure represents (i) stock options to purchase 100,000 shares of our common stock at $1.30 per share expiring on October 10, 2016, and (ii) stock options to purchase 50,000 shares of common stock at $2.50 per share expiring April 7, 2018.

(7) This figure represents (i) 16,000 shares of common stock, and (ii) stock options to purchase 100,000 shares of our common stock at an exercise price of $2.50 per share expiring on April 7, 2018.

(8) This figure represents (i) stock options to purchase 100,000 shares of our common stock at $3.80 per share expiring on November 1, 2017, and (ii) stock options to purchase 50,000 shares of common stock at $2.50 per share expiring April 7, 2018.

(9) This figure includes (i) 3,991,488 shares of common stock, and (ii) stock options to purchase 3,127,500 shares of our common stock at exercise prices ranging from $0.33 to $5.70 per share.

(10) Isaiah Capital Trust is a trust organized under the laws of Jersey, Channel Islands. The trustee of Isaiah Capital Trust is Equity Trust (Jersey) Limited.

(11) This figure includes (i) 4,054,183 shares of common stock and (ii) warrants to purchase up to 1,400,000 shares of our common stock at an exercise price of $3.00 per share expiring June 13, 2008. Passport Capital, LLC, a Delaware limited liability company ("Passport Capital") is the managing member of Passport Management and of Passport Holdings LLC. John Burbank, a natural person, is the sole managing member of Passport Capital. As a result, each of Passport Management LLC, Passport Holdings LLC, Passport Capital and John Burbank may be considered to indirectly beneficially own these securities.

(12) Pursuant to Rule 16a-1(a)(2)(ii)(B) under the Exchange Act, Mr. Burbank is deemed to be a beneficial owner of these securities only to the extent of the greater of his respective direct or indirect interest in the profits or capital account of the holders.

(13) This figure includes (i) 3,361,963 shares of common stock and (ii) warrants to purchase 1,225,663 shares of our common stock at an exercise price of $3.00 expiring June 22, 2008. Richard S. Spencer, as managing member of Westcliff Capital Management LLC ("Westcliff"), has discretionary authority to purchase, vote and dispose of the securities on behalf of its clients. Westcliff and Mr. Spencer disclaim beneficial ownership as to such securities except to the extent of their respective pecuniary interests therein.

Changes in Control

We are unaware of any contract, or other arrangement or provision, the operation of which may at a subsequent date result in a change of control of our company.

DESCRIPTION OF SECURITIES

Our authorized capital stock consists of 750,000,000 shares of common stock with a par value of $0.001 per share. As of June 20, 2008, there were 39,841,823 shares of our common stock issued and outstanding.

Upon liquidation, dissolution or winding up of our company, the holders of common stock are entitled to share rateably in all net assets available for distribution to common stockholders after payment to secured convertible promissory note holders and creditors. The common stock is not convertible or redeemable and has no pre-emptive, subscription or conversion rights. Each outstanding share of common stock is entitled to one vote on all matters submitted to a vote of stockholders. There are no cumulative voting rights. The holders of outstanding shares of common stock are entitled to receive dividends out of assets legally available therefore at such times and in such amounts as our Board of Directors may from time to time determine. In the event of a merger or consolidation all holders of common stock will be entitled to receive the same per share consideration.

An aggregate of 2,752,446 shares of our common stock issuable upon exercise of outstanding warrants to acquire shares of our common stock by the Selling Stockholders are offered by this prospectus. Warrants to acquire an aggregate of 1,800,000 shares of our common stock are exercisable at a price of $4.25 per share for a period of one year from the date of issuance on December 12, 2007. Warrants to acquire an aggregate of 202,446 shares of our common stock are exercisable at a price of $4.25 per share until April 12, 2010. Warrants to acquire up to 750,000 shares of our common stock are exercisable at a price of $2.50 per share until September 30, 2008. The purchase price and number of shares to be issued upon exercise of the warrants is subject to adjustment in certain cases, including, among others, in the event of a share reorganization, capital reorganization or other related transaction.

LEGAL MATTERS

Lang Michener LLP, our independent legal counsel, has provided an opinion on the validity of the shares of our common stock that are the subject of this prospectus.

EXPERTS

The audited financial statements included in this prospectus and the registration statement of which it forms a part: (i) for the seven-month period ended July 31, 2007 have been audited by Ernst & Young LLP, Chartered Accountants; and (ii) for the years ended December 31, 2006, 2005 and 2004 have been audited by Dale Matheson Carr-Hilton LaBonte LLP, Chartered Accountants, each of which is an independent registered public accounting firm, as set forth in their respective reports thereon appearing elsewhere herein and are included in reliance upon such reports given on the authority of such firms as experts in auditing and accounting.

INTERESTS OF NAMED EXPERTS AND COUNSEL

No expert or counsel named in this prospectus as having prepared or certified any part of this prospectus or having given an opinion upon the validity of the securities being registered or upon other legal matters in connection with the registration or offering of the common stock offered hereby was employed on a contingency basis, or had, or is to receive, in connection with such offering, a substantial interest, direct or indirect, in the Company, nor was any such person connected with the Company as a promoter, managing or principal underwriter, voting trustee, director,

officer, or employee.

DISCLOSURE OF SEC POSITION ON INDEMNIFICATION FOR SECURITIES ACT LIABILITIES

Our directors and officers are indemnified as provided by the *Nevada Revised Statutes*, our Articles of Incorporation and our Bylaws.

We have been advised that, in the opinion of the SEC, indemnification for liabilities arising under the Securities Act is against public policy as expressed in the Securities Act, and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities is asserted by one of our directors, officers, or controlling persons in connection with the securities being registered, we will, unless in the opinion of our legal counsel the matter has been settled by controlling precedent, submit the question of whether such indemnification is against public policy to a court of appropriate jurisdiction. We will then be governed by the court's decision.

DESCRIPTION OF BUSINESS AND PROPERTIES

Corporate Organization

Our company was incorporated under the laws of the State of Nevada on May 16, 2003 under the name "Carlin Gold Inc." During 2004 we changed our business operations and focus from precious metals exploration in the State of Nevada to the exploration for economic reserves of uranium throughout the United States. On January 24, 2005, we filed an amendment to our Articles of Incorporation changing our name to "Uranium Energy Corp.". On December 31, 2007, we incorporated a wholly-owned subsidiary under the laws of the Province of British Columbia, Canada, UEC Resources Ltd.

On January 24, 2004, we completed a reverse stock split of our shares of common stock on the basis of one share for each two outstanding shares. Effective February 28, 2006, we completed a forward split of our shares of common stock on the basis of 1.5 shares for each outstanding share to increase liquidity for our shares of common stock. Effective February 28, 2006, we amended our Articles of Incorporation with the Nevada Secretary of State increasing our authorized capital stock from 75,000,000 shares of common stock, with a $0.001 par value, to 750,000,000 shares of common stock with a similar par value.

Our principal offices are located at 9801 Anderson Mill Road, Suite 230, Austin Texas, U.S.A., 78750, and our telephone number is (512) 828-6980.

General

We are a natural resource exploration company engaged in the exploration of properties that may contain uranium minerals in the United States. Our strategy is to acquire properties that are prospective for uranium exploration, and have undergone some degree of uranium exploration but have not yet been mined. To date we have acquired interests in 82,365.09 gross acres of leased or staked mineral properties, consisting of claim blocks located in the States of Arizona, Colorado, New Mexico, Texas, Utah and Wyoming. In 2008, we have plans to acquire further acres of mineral properties subject to adequate funding being completed. Other mineral property acquisitions are contemplated in states of interest that include Arizona, Colorado, New Mexico, Texas, Utah and Wyoming. These potential acquisition properties have not yet been specifically identified. Our ability to complete these acquisitions will be subject to our obtaining sufficient financing and our being able to conclude agreements with the property owners on terms that are acceptable to us.

As of the date of this prospectus we have interests in an aggregate of 82,365.09 gross acres (72,956.85 net mineral acres) of properties that have been either leased or staked, which we intend to explore for economic deposits of uranium. Some of these leases are subject to 5.0% to 15.25% net royalty interests. These properties consist of claim blocks located in the States of Arizona, Colorado, New Mexico, Texas, Utah and Wyoming. Most of these properties have been the subject of historical exploration by other mining companies, and provide indications that further exploration for uranium is warranted.

Our properties do not have any reserves. We plan to conduct exploration programs on these properties with the objective of ascertaining whether any of our properties contain economic concentrations of uranium that are prospective for mining. As such, we are considered an exploration, or exploratory stage company. Since we are an exploration stage company, there is no assurance that a commercially viable mineral deposit exists on any of our properties, and a great deal of further exploration will be required before a final evaluation as to the economic and legal feasibility for our future exploration is determined. We have no known reserves of uranium or any other type of mineral. Since inception we have not established any proven or probable reserves on our mineral property interests.

Goliad Project Technical Report

On March 4, 2008, we issued a news release entitled "Uranium Energy Corp Reports Independent NI 43-101 Resource Estimate at Goliad Project." This news release is attached as Exhibit 99.1 to our Current Report on Form 8-K filed with the SEC on the same day.

As described in more detail in the news release, we have received an updated technical report (the "Technical Report") in accordance with the provisions of National Instrument 43-101, Standards of Disclosure for Mineral Projects ("NI 43-101"), of the Canadian Securities Administrators for our Goliad Project located in Goliad County, Texas. The complete Technical Report is expected to be filed under our company's profile on the Canadian Securities Administrators public disclosure website, at

www.sedar.com, within 45 days of the date the news release was disseminated. The Technical Report is authored by Thomas A. Carothers, P.Geo., a qualified person as defined in NI 43-101, who has over 30 years of uranium experience, substantially in the South Texas Uranium trend. His experience includes working directly for two operating ISR mining companies in South Texas, US Steel and Tenneco Uranium, during the 1970s and 1980s.

As required by NI 43-101, the Technical Report contains certain disclosure relating to measured, indicated and inferred mineral resource estimates for the Company's Goliad Project. Such mineral resources have been estimated in accordance with the definition standards on mineral resources of the Canadian Institute of Mining, Metallurgy and Petroleum referred to in NI 43-101. Measured mineral resources, indicated mineral resources and inferred mineral resources, while recognized and required by Canadian regulations, are not defined terms under the SEC's Industry Guide 7, and are normally not permitted to be used in reports and registration statements filed with the SEC. Accordingly, we have not reported them in this prospectus or otherwise in the United States.

Investors are cautioned not to assume that any part or all of the mineral resources in these categories will ever be converted into mineral reserves. These terms have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. In particular, it should be noted that mineral resources which are not mineral reserves do not have demonstrated economic viability It cannot be assumed that all or any part of measured mineral resources, indicated mineral resources or inferred mineral resources discussed in the news release and Technical Report will ever be upgraded to a higher category. In accordance with Canadian rules, estimates of inferred mineral resources cannot form the basis of feasibility or other economic studies. Investors are cautioned not to assume that any part of the reported measured mineral resources, indicated mineral resources or inferred mineral resources referred to in this news release and in the Technical Report are economically or legally mineable.

Background

The United States is the largest consumer of uranium in the world and consumed approximately 55 million pounds of uranium in 2006. Production of uranium in the United States in 2006 was approximately four million pounds. Nuclear power supplied approximately 20% of the electricity consumed in the United States in 2006.

The price for uranium is generally determined by supply and demand. Over the past five years the price for uranium has been gradually increasing and, on December 28, 2007, the spot price for uranium was approximately $90 per pound. We believe that there is potential for further increases in the price for uranium based upon an expected decrease in the available supply for uranium in 2008 and 2009.

Between 1960 and 1985 a significant amount of exploration work was conducted in the United States for uranium. A large number of these exploration projects were not pursued, however, these projects accumulated a significant amount of exploration data.

We have acquired a significant amount of this exploration data and have acquired interests in properties that we believe warrant further exploration for uranium based upon the exploration data we have acquired. Our properties do not have any reserves. We plan to conduct exploration programs on these properties with the objective of ascertaining whether any of our properties contain economic concentrations of uranium that are prospective for mining. We are also reviewing the exploration data we have acquired to determine other properties that we believe warrant further exploration for uranium and plan to acquire interests in such properties. We have identified a number of low grade projects that we believe we can fast-track to production by conducting a number of different exploration and permitting activities at that same time, particularly in the State of Texas. Currently, most of our exploration activity is focused in the State of Texas. Subject to many factors outside the control of the Company and including, without limitation, further exploration and development work and the completion of an acceptable feasibility study, we are currently targeting the third or fourth quarter of 2009 to begin production. However, there can be no assurance that we will achieve our objectives in this regard within the time frames targeted or at all.

We plan to utilize the in-situ recovery method ("ISR") when mining for uranium, which is an alternative to conventional mining. We believe that this method of mining requires lower capital expenditures and has less impact on the environment, as well as a shorter lead time than conventional mining with respect to beginning production. ISR mining of uranium involves pumping oxidized water through an underground uranium deposit, dissolving it and then pumping it to surface for further processing. Monitor wells on sides of the deposit assure none of the uranium-rich waters leak away from the production zone.

According to a survey by the U.S. Department of Energy, in 1979 there were over 20,000 people employed in the uranium mining industry, compared to just over 400 people in 2004. We believe that there is a shortage of human resources in the uranium mining industry currently which acts as a barrier in respect of the exploration for uranium. We employ a team of 35 highly experienced uranium mining professionals, comprised primarily of geologists, engineers, technicians, field personnel, administrative and support staff, which we believe is a competitive advantage for our company. These persons are involved in the review of the historical exploration data we have acquired in order to determine projects that warrant pursuing, as well as the exploration of our properties.

Our Database

We have acquired historical exploration data that may provide indications of locations that warrant further exploration for uranium. This prior exploration data consists of management information and work product derived from various reports, drill hole assay results, drill hole logs, studies, maps, radioactive rock samples, exploratory drill logs, state organization reports, consultants, geological study and other exploratory information.

The following provides information relating to our database:

Tronox Worldwide

Effective February 20, 2008, we acquired from Tronox Worldwide LLC certain assets, consisting of certain maps, data, exploration results and other information pertaining to lands within the United States (excluding New Mexico and Wyoming), Canada and Australia, and specifically including the former uranium exploration projects by Kerr McGee Corporation.

We have exclusive ownership of this database.

Jebsen

The Jebsen database covers territory in Wyoming and New Mexico, including some of our existing properties. The database belonged to a pioneering uranium developer and represents work conducted from the 1950s through to the present.

This database adds over 500 drill holes and over 500,000 feet of drilling data results to the Company's existing library of 4.6 million feet. Other than logs, the data set consists of volumes of maps, lithographic logs, geologic reports, and feasibility studies, and many other essential tools for uranium exploration and development.

Our geologists have linked contents of the database to some of our existing properties, specifically pertaining to our projects in the Shirley Basin and Powder River Basin of Wyoming, and in the Grants Uranium District of New Mexico.

We have exclusive ownership of this database.

Paul Pierce

The Paul Pierce database covers the 6,700 acre Cebolleta property located in the Grants Mineral District, New Mexico, and consists of 601,486 feet of drill logs from 996 holes, drill hole location maps, geological and mine planning maps, various geological and mining reports, and surface and underground mine facility designs that were related to the past-producing JJ Number 1/L-Bar uranium mining and milling complex. The locations of multiple pre-existing mine shafts and underground access ways to uranium mineralized zones are also detailed.

This database was complied by the Standard Oil Company of Ohio ("SOHIO") during the course of their development and production at JJ Number 1/L-Bar. We acquired the database from Paul Pierce, the Company's Manager of Mine Production. Mr. Pierce was employed by SOHIO from 1981 to 1986 as Senior Mining Engineer and Resource Development Specialist at the L-Bar operations.

We, and our joint venture partner of Cibola Resources, LLC ("Cibola Resources") share exclusive ownership of this database.

Halterman

The Halterman database consists of exploratory and development work compiled during the 1970s and 80s, including extensive data on significant prospects and projects in the following known uranium districts in the States of Colorado, New Mexico and Utah: Grants, San Juan Basin, Chama Basin, Moab, Lisbon Valley, Dove Creek, Slick Rock and Uravan.

This database includes drilling and logging data from over 200,000 feet of uranium exploration and development drilling, resource evaluations and calculations, drill-hole locations and grade thickness maps, competitor activity maps as well as several dozen geological and project evaluation reports covering uranium projects in New Mexico, Colorado, Utah, Texas and California. These reports will be used by our geologists to assess uranium potential in various districts and to identify key land parcels for acquisition.

We have exclusive ownership of this database.

Brenniman

The Brenniman database includes drilling and logging data from over 2 million feet of uranium exploration and development drilling, resource calculation reports and various other geological reports, drill hole location maps and other mapping. This database includes approximately 142 drill hole gamma and E-logs. The data was originally compiled from 1972 to 1981 by various exploration companies, and covers over 100 uranium prospects in 15 southern US states. This library will be used by our technical personnel to determine locations of where drill-indicated uranium may exist.

We have exclusive ownership of this database.

Nueces

We have acquired copies of uranium drill logs from previous uranium exploration drilling projects covering a large area in the South Texas uranium trend. The data consists of approximately 150,000 feet of drill logs from 366 drill holes. This drill data provides regional geologic information and will be used to locate possible mineralized zones within the area of the South Texas uranium trend.

The data was acquired from Nueces Minerals Company, a privately-held oil and gas production company which owns the mineral rights to 72,000 contiguous acres covering portions of four counties in south Texas.

We do not have ownership or exclusive rights to this data.

Kirkwood

We acquired a database of uranium exploration results covering an area of approximately 13,000 acres within the uranium zone known as the Poison Spider area, in central Wyoming. The area covered includes property already held by us, as well as by other publicly-traded uranium exploration companies. The database was compiled by William Kirkwood of North American Mining and Minerals Company ("NAMMCO"), a significant participant in the uranium, coal, gold and oil and gas industries in the western United States since the 1960s. The data acquired was generated from exploration originally conducted by companies such as Homestake Mining, Kennecott Corp, Rampart Exploration, as well as Kirkwood Oil and Gas, largely between 1969 and 1982. The database consists of drill hole assay logs for 470 holes, including 75,200 feet of drilling, 22,000 feet of gamma logs, drill hole location maps, cross sections, geological maps, geological reports, and other assay data and will be used to locate possible mineralized zones in the Poison Spider area in central Wyoming.

We have exclusive ownership of this database.

Knupke

We acquired the exclusive rights to a uranium database consisting of 40 years worth of uranium exploration results, gathered largely from the South Texas uranium trend, where we have already been actively acquiring interests in land on the basis of the data, and will be used to locate possible mineralized zones.

The rights to this exploration database were provided to the Company by James A. Knupke, Consulting Geologist of Corpus Christi, Texas. Under terms of an agreement Mr. Knupke provided consulting services to the Company, which included the review of his database. Upon review of the database we acquired several prospective properties. We have terminated the agreement as we had substantially exhausted our review of Mr. Knupke's data.

We do not own or have exclusive rights to this database.

Odell

We acquired the rights to a database containing over 50 years of uranium exploration data for the State of Wyoming.

This database consists of 315,000 feet of drill logs, over 400 maps, copies of all US geological survey uranium publications dating back to 1954, and geological reports on uranium ore bodies throughout Wyoming. The database will be used to locate possible mineralized zones. The database is made available to the Company by Robert Odell, the compiler and publisher of the Rocky Mountain Uranium Minerals Scout since 1974.

We have not acquired ownership of this database, but rather the exclusive use of it as long as the owner remains our employee. Should he resign we would be required to negotiate an agreement to acquire ownership of this database.

Moore

We acquired a database of US uranium exploration results from Moore Energy Corporation ("Moore Energy"), a private Oklahoma-based uranium exploration company.

The Moore Energy US uranium database consists of over 30 years of uranium exploration information in the States of Texas, New Mexico and Wyoming, originally conducted during the 1970s, 80s and 90s. It includes results of over 10,000 drill holes, plus primary maps, and geological reports. It covers approximately one million acres of prospective uranium claims, in the South Texas uranium trend, New Mexico, and Powder River Basin, Wyoming, as well as zones in Texas, and will be used to locate possible mineralized zones.

The database also provides the Company with exploration data about its Goliad Project in south Texas, including 250,000 feet of drill logs and further delineates zones of potential uranium mineralization. It also contains drilling results from properties that are being developed by other uranium exploration companies, and also widespread regional data from throughout the South Texas uranium trend.

We have exclusive ownership of this database.

Our Plan of Operations

Our plan of operations for the next 12 months is to conduct further exploratory drilling at the Goliad Project in Goliad County, Texas, as described under "Plan of Exploration - 2007/2008" under the discussion relating to the Goliad Project below.

We may also plan to undertake the exploration work programs described below under "Mineral Exploration Properties" in the next 12 months.

We also plan to acquire further acres of mineral properties in the states of interest that include Arizona, Colorado, New Mexico, Texas, Utah and Wyoming. Our ability to complete these acquisitions will be subject to obtaining sufficient financing and being able to conclude agreements with the property owners on terms that are acceptable to us.

Our Principal Mineral Properties

The Goliad Project in Goliad County, Texas, and the Cebolleta Project, in Cibola County, New Mexico, are our principal mineral properties.

None of our other properties are currently considered material properties, however, we may plan to conduct further exploration to determine if economic deposits of mineralization exist on these properties.

The following provides information relating to our principal mineral properties:

Goliad Project, Goliad County, Texas

Property Description and Location

The Goliad Project property is located in south Texas near the northeast end of the extensive South Texas Uranium trend. The Goliad Project consists of multiple contiguous leases that would allow the mining of uranium by ISR methods while utilizing the land surface (with variable conditions) as needed, for mining wells and aboveground facilities for fluid processing and ore capture during the mining and groundwater restoration phases of the project. The UEC Goliad Project area is about 14 miles north of the town of Goliad and is located on the east side of US route 77A/183 (Figure 4-1), a primary highway that intersects with US 59 in Goliad and IH-10 to the north. The approximate center of the project area is 28 d 52' 7" N latitude, 97 d 20 36" W longitude. Site drilling roads are mostly gravel based and allow reasonable weather access for trucks and cars. Four-wheel drive vehicles may be needed during high rainfall periods.

all mining in Texas is on private lands with leases negotiated with each individual landowner/mineral owner. Moore Energy obtained leases for exploration work in the project area in the early 1980s and completed an extensive drilling program resulting in a historic uranium mineral estimate in 1985. We obtained mining leases by assignment from a private entity in 2006.

The current leases range in size from 14 acres to 331.98 acres. Most of the leases have starting dates in 2005 or 2006 with term periods of five years with a five-year renewal option (Figure 4-2). The various lease fees and royalty conditions are negotiated with individual lessors and conditions may vary from lease to lease. Because the leases are negotiated with individual private land and/or mineral owners and none of the properties are located on government land, the details of the lease information and terms are considered confidential.

No historic uranium mining is known to have occurred on any of the Goliad Project lease properties and only state permitted uranium exploration drilling has taken place. There are believed to be no existing environmental liabilities at the property leases. Prior to any mining activity at the Goliad Project, we are required to obtain a Radioactive Materials License, a large area Underground Injection Control ("UIC") Mine permit and a Production Area Authorization (PAA) permit for each wellfield developed for mining within the Mine Permit area. In addition, a waste disposal well will, if needed, require a separate UIC Permit. These permits will be issued by Texas regulatory agencies. The current drilling and abandonment of uranium exploration holes on any of the leases is permitted by the Texas Railroad Commission. Potential future environmental liability as a result of the mining must be addressed by the permit holder jointly with the permit granting agency. Most permits now have bonding requirements for ensuring that the restoration of groundwater, the land surface and any ancillary facility structures or equipment is properly completed.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Goliad Project area is situated in the interior portion of the Gulf Coastal Plain physiographic province. The area is characterized by rolling topography with parallel to sub-parallel ridges and valleys. There is about 130 feet of relief at the site with ground surface elevations ranging from a low of 150 to a high of 280 feet above mean sea level. The leased property for the Goliad Project is used mostly for livestock grazing pasture and woodland. The overall property

area is shown as having a Post Oak Woods, Forest, and Grassland Mosaic vegetation/cover type.

The site property is accessed from combined route US 77A / 183 that trends north-south to the west of the property. Highway FM 1961 intersects with 77A-183 at the crossroad town of Weser. Highway FM 1961 to the east of the intersection trends along the south side of the property. Access from either of these roads into the property is via vehicular traffic on private gravel roads.

The property is in a rural setting at the north end of Goliad County. The nearest population centers are Goliad (14 miles south), Cuero (18 miles north) and Victoria (about 30 miles east). While Goliad and Cuero are relatively small towns, they provide basic needs for food and lodging and some supplies. Victoria is a much larger city and provides a well-developed infrastructure that has resulted from being a regional center to support oil and gas exploration and production. The Goliad Project site area has generally very good accessibility for light to heavy equipment. There is an excellent network of county, state and federal highways that serve the region and the moderate topography, with dominantly sandy, well-drained soils, provides good construction conditions for building gravel site roads necessary for site access.

The climate in Goliad County is mild with hot summers and cool to warm winters. The moderate temperatures and precipitation result in excellent conditions for developing an ISR mine. Periods of freezing temperatures are generally very brief and infrequent. Tropical weather from the Gulf of Mexico can occur during the hurricane season and may affect the site area with large rain storms. The periodic freezing weather and abnormally large rainfalls are the primary conditions that can cause temporary shutdowns. Otherwise there is not a regular non-operating season.

The necessary rights for constructing needed surface processing facilities are in-place on selected lease agreements. Sufficient electric power is believed to be available in the area, however, new lines may be needed to bring additional service to the plant site and wellfields. We believe that within a 30 mile radius of the planned Goliad Project facility there is located sufficient population to supply the necessary number of suitable mining personnel.

History

Ownership History of the Property

The Goliad Project site is located in the north-central portion of Goliad County to the east and north of the intersection of U.S. Routes 77A/183 and Farm to Market Route 1961. There has been a long history of oil and gas exploration and production in the area and oil and gas is still a primary part of the economy for the relatively lightly populated county. In the period from October 1979 to June 1980, as a part of a large oil, gas and other minerals lease holding (approximately 55,000 acres), Coastal Uranium utilized the opportunity to drill several widely spaced exploration holes in the region. There were reported to be eight holes drilled at or near the Goliad Project area.

In the early 1980s Moore Energy obtained access to review some of the Coastal States wide-spaced drilling exploration data. The review resulted in Moore Energy obtaining several leases from Coastal Uranium, including several of the current Goliad Project leases. During the period from March 1983 through August 1984, Moore Energy conducted an exploration program in the Goliad Project area.

No further drilling was done at the Goliad Project area until we obtained the leases through assignment from a private entity. During the period from May 2006 to present we began and are continuing an extended drilling program at the site.

Exploration and Development Work Undertaken

This description of previous exploration and development work undertaken at the Goliad Project is based primarily on electric logs and maps produced by Moore Energy during the period 1983 to 1984. Moore Energy completed 479 borings on various leases. Eight widespread exploration borings were completed by Coastal Uranium in 1980. We obtained leases from a private entity in 2006 and began confirmation drilling in May 2006. As of December 20, 2007, approximately 591 confirmation-delineation holes totaling 191,775 feet have been drilled by us to confirm and expand the mineralization base at the Goliad Project with the intention of permitting the project as an ISR mining and recovery facility.

All of the exploration holes (Coastal Uranium, Moore Energy and the Company) have been drilled using truck-mounted drilling rigs contracted with various drilling companies. The holes were drilled by conventional rotary drilling methods using drilling mud fluids. All known uranium exploration or confirmation drilling at the Goliad property has been by way of vertical holes. Drill cuttings were typically collected from the drilling fluid returns circulating up the annulus of the borehole. These samples were generally taken at 10-foot intervals and laid out on the ground in rows (10 cuttings piles per 100 feet of drilling) by the driller for review and description by a geologist. At completion the holes were logged for gamma ray, self potential and resistance by contract logging companies. The logging companies utilized by both Coastal Uranium and Moore Energy provided and primarily analog data. No down-hole deviation tool was available at the time. In contrast, the Company has utilized a company (Century Geophysical) that has provided digital log data along with downhole deviation. In an effort to be cost effective we have recently purchased and had built our own logging truck.

Historical Mineral Estimates and Their Reliability

Historical mineral estimates were prepared by Moore Energy from 1983 through 1985. For each drill hole, a grade thickness (GT) was determined. GT is the product of the average equivalent uranium mineral grade, as determined by eU3O8 gamma ray readings, and the thickness of the mineralized zone. An outline contouring all of the drill holes with intercepts meeting these criteria was produced and the area within the outline was determined using a planimeter. The average GT of the holes within the contoured outline was then used to estimate the mineralization meeting the specified criteria.

During the field investigation by Moore Energy a prompt fission neutron ("PFN") specialty logging unit was used to determine the disequilibrium factor ("DEF") in the four different mineralized zones identified at the site. The logging unit was designed to determine the grade of uranium only while excluding the daughter products that develop over time from the half-life decay rates. The unit utilized by Moore Energy was provided by Princeton Gamma Technologies ("PGT"). A total of 30 boreholes were logged with the PFN unit by Moore Energy during the field investigation. The log output data is on a printout with one-foot values for the logged mineralized intercepts. Numerical values of the PGT uranium were assayed in $\%U_3O_8$, the gross gamma equivalent $e\%U_3O_8$, and the unit calculated the DEF. The log header contains logging unit factors and location and hole identification data. The log output also provides a calculation of the thickness, average grade, starting depth, grade thickness and DEF. A review of the historic data and discussion with the Moore Energy geologist shows that DEF data from PGT logged holes were sorted by intervals according to what zone that interval was situated. The DEF values from each zone were then averaged if there were enough values and those values used to adjust the historical estimate of Moore Energy.

Geological Setting

Regional Geology

The Goliad Project area is situated in the Texas Gulf Coastal Plain physiographic province that is geologically characterized by sedimentary deposits that typically dip and thicken toward the Gulf of Mexico from the northwest source areas. Additionally, the regional dip generally increases with distance in the down dip direction as the overall thickness of sediments increase. The sedimentary units are dominantly continental clastic deposits with some near shore and shallow marine facies. The uranium-bearing units are virtually all sands and sandstones in Tertiary formations ranging in age from Eocene (oldest) to Upper Miocene (youngest).

Local and Property Geology

The surface of the property is all within the outcrop area of the Goliad Formation (Figure 4-3). The mineralized units are sands and sandstone within the Goliad Formation and are designated by us as the A through D sands from younger (upper) to older (lower), respectively. The sand units are generally fine to medium grained sands with silt and varying amounts of secondary calcite. The sand units vary in color depending upon the degree of oxidation-reduction and could be from light brown-tan to grays. The sands units are generally separated from each other by silty clay or clayey silts that serve as confining units between the sand units.

The Goliad Formation at the project site occurs from the surface to a depth of about 500 feet. Depending upon the land surface elevation, groundwater occurs in the sands of the formation below depths of about 30 to 60 feet. The four sand/sandstone zones (A-D) designated as containing uranium mineralization at the site are all considered to be a part of the Gulf Coast Aquifer on a regional basis. At the project area, however, each zone is a hydrogeologic unit with similar but variable characteristics. The A zone is the uppermost unit and based on resistance logs, groundwater in this unit may be unconfined over portions of the site. The three deeper zones are confined units with confining clays and silts above and below the water-bearing unit.

Groundwater from sands of the Goliad Formation is used for water supplies over much of the northern portion of Goliad County. Water quality in the Goliad Formation is variable and wells typically can yield small to moderate amounts of water.. Data indicates an approximate average hydraulic conductivity of the water-bearing zones of the Goliad Formation in Goliad County is 100 gallons per day per square foot. Based on this value, a 20 foot sand unit would have an approximate transmissivity of 2,000 gallons per day. With sufficient available drawdown properly completed ISR wells could have average yields in the range of 25 to 50 gallons per minute.

The hydrogeologic characteristics of the water-bearing sands at the Goliad Project have not been determined yet, but aquifer tests are required prior to submitting a mining permit application. Hydrogeologic tests will determine the hydraulic character of the sands and the confining beds separating the individual sand zones.

The site area structures include two faults that intersect and offset the mineralized units. These faults are normal, with one downthrown toward the coast and one downthrown toward the northwest. The fault throws range from about 40 to 80 feet.

Project Type

The Goliad uranium project is characteristic of other known Goliad sand / sandstone deposits in south Texas. The mineralization occurs within fluvial sands and silts as roll front deposits that are typically a "C" or cutoff "C" shape. The roll fronts are generally associated with an extended oxidation-reduction boundary or front.

The other Goliad projects in the region include the Mt. Lucas mine at Lake Corpus Christi, the Kingsville Dome mine southeast of Kingsville, the Rosita mine west of Alice and the Mestena mine in Brooks County. These mines are all located south of the Goliad Project from about 60 to 160 miles. The average tons and uranium grade information for these mines is not known, but all these ISR projects mining Goliad Formation sand units have been very successful with the following characteristics in common: excellent leaching characteristics rate, favorable hydraulic conductivity of host sands, mineral resources have DEF mostly above 1.0 and mineral resource mining recoveries of 80-100 percent.

At the Goliad Project there are four (A-D) stacked mineralized sand horizons that are separated vertically by zones of finer sand, silt and clay. Deposition and concentration of uranium in the Goliad Formation likely resulted due to a combination of leaching of uranium from volcanic tuff or ash deposits within the Goliad Formation or erosion of uranium-bearing materials from older Oakville deposits. The leaching process occurred near the outcrop area where recharge of oxidizing groundwater increased the solubility of uranium minerals in the interstices and coating sand grains in the sediments. Subsequent downgradient migration of the soluble uranium within the oxygenated groundwater continued until the geochemical conditions became reducing and uranium minerals were deposited in roll front or tabular bodies due to varying stratigraphic or structural conditions.

There are at least two northeast-southwest trending faults at the Goliad property that are likely related to the formation of the Goliad Project mineralization. The northwesterly fault is a typical Gulf Coast normal fault, downthrown toward the coast, while the southeastern fault is downthrown to the northwest, forming a graben structure. Both faults are normal faults. Throw on the northwest fault is about 75 feet and the southeast fault has about 50 feet of throw. The presence of these faults is likely related to the increased mineralization at the site. The faulting has probably served as a conduit for reducing waters-gases to migrate from deeper horizons as well as altering the groundwater flow system in the uranium-bearing sands.

Mineralization

The Goliad Project uranium-bearing units occur as multiple roll-front type structures in vertically stacked sands and sandstones. Groundwater flowing from northwest to southeast in the Goliad sands likely contained low concentrations of dissolved uranium resulting from oxidizing conditions and the relatively short distance from the recharge area. The geochemical conditions in the sands near our property changed from oxidizing to reducing due to an influx of reductants. Hydrogen sulfide and/or methane dissolved in groundwater are likely sources of creating a reduction-oxidation boundary in the area with consequent precipitation and concentration of uranium mineralization.

Specific identification of the uranium minerals has not been done at the Goliad Project. The very fine uranium minerals found coating quartz grains and within the interstices in most south Texas sand and sandstone roll-front deposits has generally been found to be dominantly uraninite. No uraninite has been identified on the Goliad Project and the presence of uraninite on other properties does not mean that such mineralization will be found on the Goliad Project. Detailed petrographic examination of disseminated uranium mineralization within sands/sandstones is generally not suitable for identification of the specific uranium minerals. Laboratory equipment such as x-ray diffraction units may be used to identify the minerals, however the specific mineral species typically found in reduced sands are generally similar in south Texas ISR projects and leaching characteristics are also similar. Based on the experience of the ISR mines throughout south Texas, the use of gamma-ray logging with a calibrated logging probe has become the standard method to determine the thickness and estimated grade of uranium bearing minerals.

At the project site the Goliad Formation is exposed at the surface and extends to depths exceeding 500 feet. Uranium mineralization occurs in four sand/sandstone units that are all below the saturated zone. The zones are designated A to D from the top to the bottom of the sequence. The sands are fluvial-deltaic in origin, and thicken and thin across the project site. Each Zone is hydrologically separated by 10 to 50 feet or more of clay or silty clay. The uranium deposits are tabular in nature and can range from about one foot to over 45 feet in thickness. The "C"-shaped configuration is typically convex in a downdip direction with leading edge tails on the upper end. Most of the exploration and delineation holes with elevated gamma ray log anomalies are situated within a southwest-northeast trending graben and most of the gamma ray anomaly holes are situated along the northernmost of the two faults comprising the graben. This northernmost fault is downthrown to the southeast, which is typical for the majority of faults along the Texas coastal area.

The A and B gamma ray anomaly zones are continuous, tabular bodies which extend for over 2000 feet along trend. The A Zone mineralized body ranges from about 100 feet to over 600 feet in width and the B Zone ranges from about 50 feet to over 300 feet in width. The D Zone gamma ray anomaly extends for over 5,000 feet along trend and appears to be comprised of extensive, isolated pods of high grade gamma anomalies which range from 50 feet to over 500 feet in width. Confirmation drilling, however, has shown high-grade gamma ray anomaly connections between some of the pods. The C Zone is the least extensive of the four gamma anomaly zones.

Exploration

A review of the available records for the Goliad Project indicated that approximately eight holes were drilled by Coastal Uranium on or near the current Goliad Project leases. This original exploration program resulted in the original find of gamma ray logging responses indicating potential low grade uranium as a part of a very wide spaced preliminary exploration program by Coastal Uranium during the period from October 1979 through June 1980.

Records indicate that Moore Energy obtained leases from Coastal Uranium for properties in the current Goliad Project area and conducted a thorough exploration program that consisted of drilling 479 exploration holes from March 1983 to August 1984. The program utilized gamma ray, resistance and self-potential logging of each hole and a geologic description of the lithology from five to 10-foot interval drill cuttings. In addition to gamma logs, several holes were also logged with a Princeton Gamma Tech Geophysical Services PFN type tool. This logging tool was used to differentiate gamma radiation from uranium and daughter products, and determine a DEF for the mineralization intervals. The Moore Energy exploration program provided the geological basis for the Goliad Project.

Current (2006-2007) drilling at the property has been to confirm the geological details of the uranium mineralization at the property. The Goliad property work by our geologists is not exploration but confirmation-verification drilling. Additionally, our staff has continued peripheral as well as internal drilling to expand the historical mineralization.

Drilling

Drilling for the Goliad Project has been conducted by truck-mounted rigs drilling vertical holes ranging from about four to six inches in diameter. After reaching the designated total depth, the hole is circulated from bottom to clear the heavy cuttings from the hole and condition the hole for logging with a specialized calibrated tool that recorded resistance, spontaneous potential and gamma ray. The gamma ray probe on each logging truck working on uranium drilling projects has to maintain calibration by regular cross checking the probe at a US Department of Energy test pit near George West, Texas. The pit is set up for logging units to calibrate the gamma probe with a known radioactive source. This method has been successfully used in Texas since at least the mid-1970s. The available data indicate that the logging companies contracted for this project have maintained industry standard calibration procedures for their probes.

Based on a review of drilling records and discussions with former Moore Energy and our current employees, previous drilling on the property was conducted using rotary mud drilling and truck-mounted drilling rigs. Cuttings are typically taken at 10-foot intervals and placed in piles on the ground for a geologist to review for lithology and alteration. The drill holes were completed at various depths depending on which of the four sand units may have been mineralized in the vicinity location. Once completed, the drill holes were logged by a contract logger using a probe with gamma ray, self-potential and single point resistance capability. Drift tools for bottom hole deviation were not used by Coastal Uranium nor for the vast majority of Moore Energy holes. We have utilized the digital logging capability of Century Geophysical Corp. and have downhole deviation records for these holes. The drill hole collar location was used to position the hole location for map locations of individual holes. Although several boreholes had no deviation records, all drilling to date has been set up to be vertical drilling. At the depth range (300-500 ft) of most Goliad Project drilling, measured bottom hole deviations from vertical are generally less than 10 feet.

Initial exploration drilling in the general areas was conducted by Coastal Uranium in 1980. Some scattered low level gamma ray anomalies were noted in the geophysical logs that indicated potential low grade uranium mineralization was possible in three of the eight Coastal drill holes. Moore Energy established leases in the area in 1982 and began an exploration program in early 1983. Between 1983 and August 1984 Moore Energy completed 479 borings by mud rotary methods on several of their leases. We obtained leases at the property by assignment from a private entity in 2006 and began confirmation drilling in May 2006. 360 holes have been completed by us so far.

At the time when we received a report of data for this disclosure, the report indicated that we had drilled a total of 888 confirmation holes. Of the total 888 holes, 61 were strongly mineralized**.**

All uranium grades have been determined from evaluation (manual calculations or computerized logging equipment) of gamma logs of the drill holes. The resulting grades are designated as equivalent percent uranium that have not been corrected or verified by chemical assay. Because there has not been sufficient verification of the gamma log and PFN log data to arrive at a validated resource or reserve classification, the following data in Table 2 cannot be used to define a resource at this time.

Table 1. Representative Thickness and Grade by Zone

A - A'

Hole #	30892-62	30892-116	32202-64	32202-117	32202-108
Depth to Top (ft)	81	68	58	50	48
Depth to Base (ft)	144	130	120	116	108
Mineral Thickness (ft)	23.0	7.5	40.0	23.0	8.5
Grade (%U_3O_8)	0.05	0.03	0.04	0.05	0.03
Operator	Moore Energy	UEC	Moore Energy	UEC	UEC
Date Completed	27-Oct-83	3-Nov-06	31-Oct-83	15-Nov-06	8-Nov-06
Probe Used	414-1B	9055C-238	414-1B	9055C-82	9055C-238

B - B'

Hole #	32201-N105	32201-N103	32201-N114	32201-N85	32201-N86
Depth to Top (ft)	160	160	160	153	155
Depth to Base (ft)	206	207	207	206	202
Mineral Thickness (ft)	7.0	14.0	14.5	10.5	10.0
Grade (%U_3O_8)	0.04	0.10	0.11	0.03	0.04

Operator	UEC	UEC	UEC	UEC	UEC
Date Completed	7-Mar-07	7-Mar-07	8-Mar-07	14-Feb-07	14-Feb-07
Probe Used	9056C-33	9056C-33	9056C-33	9056C-33	9056C-33

C - C'

Hole #	30898-2	32201-N6	32201-N10	32201-N47	32201-N51
Depth to Top (ft)	160	226	220	214	219
Depth to Base (ft)	230	292	286	279	294
Mineral Thickness (ft)	11.0	15.0	22.0	8.5	6.0
Grade (%U_3O_8)	0.06	0.04	0.05	0.04	0.03
Operator	Moore Energy	UEC	UEC	UEC	UEC
Date Completed	27-Sep-83	7-Dec-06	7-Dec-06	22-Mar-07	9-Jan-07
Probe Used	414-1B	9055C-238	9055C-238	9056C-33	9056C-33

D - D'

Hole #	30898-10	30892-13	30892-111	30892-37	32202-108
Depth to Top (ft)	265	268	342	330	330
Depth to Base (ft)	348	350	420	418	423
Mineral Thickness (ft)	23.5	12.0	7.5	5.5	13.0
Grade (%U_3O_8)	0.11	0.09	0.03	0.04	0.03
Operator	Moore Energy	Moore Energy	UEC	Moore Energy	UEC

Date Completed	30-Sep-83	21-Jul-83	25-Oct-06	26-Aug-83	8-Nov-06
Probe Used	414-1B	SPB-01	9055C-82	SPB-01	9055C-238

Disequilibrium

Uranium disequilibrium can be defined as the ratio of chemical uranium (cU_3O_8) over gamma-ray equivalent uranium (eU_3O_8). The first determination is made in a laboratory, as described below, whereas the second determination is typically a field measurement, from which an indirect or equivalent estimate of uranium content can be made. The ratio, or disequilibrium, between "chemical" laboratory techniques and "equivalent" field techniques exists because of the ongoing radioactive decay of uranium over time. A positive DEF of 1.0 or greater indicates the presence of more chemical uranium than equivalent uranium.

During exploration of the Goliad property in the early 1980s, Moore Energy utilized the prompt fission neutron (PFN) downhole logging technology of the Princeton Gamma-Tech Corporation (PGT) to identify disequilibrium. A review of available logs identified 30 Moore Energy drill holes on which PGT's PFN downhole logging tool was used to develop DEFs for the four mineralized zones on the project. Approximately 2,000 feet of hole was logged by PGT, which included all four of the mineralized zones. Both chemical (PFN direct reading) and equivalent (gamma log) U_3O_8 readings were obtained for each foot of logged hole.

The DEF for each of the four zones at the Goliad Project were estimated by Moore Energy during the 1982-85 field investigation. There were 30 borings during the Moore work that were logged with the PGT PFN tool to provide a direct comparison of the PGT uranium assay (%U3O8) with the gross gamma equivalent (eU3O8) from the radiometric signature of the material being logged. The A zone was the most logged unit, with about 14 PGT logs of mineralized zones. The average DEF for these logs was approximately 1.7. The B zone was penetrated by four PGT logs. The B zone DEF was thus conservatively designated as 1.439. The D zone was PGT logged at 6 holes had an average DEF of 1.435. No PGT logs were obtained of the C zone during the field program, due to the more limited areal extent of this unit and the limited time periods the PGT logger was at the project site. Because of the geologic similarity of the C zone sand with the B and D zones sands, Moore Energy assigned a DEF of 1.4 to the C zone to be consistent with the B and D zone sands. Although the PFN derived DEFs are believed to be reliable based on the operator's experience and knowledge of the technology utilized, direct chemical assays were not done to verify the technique when this work was done..

Modern day field logging continues to use the PFN tool as an effective direct assay technique to assess the disequilibrium between standard gamma ray logging results and the actual grade of uranium in the borehole. However, in order to verify the values obtained by historical or current PFN logging, a suitable verification program that uses laboratory chemical assays of core and/or definitive calibration testing by the equipment manufacturer or at certified test facilities would be needed.

Drill Cuttings

Drill cuttings are important sources of information for distinguishing and mapping alteration fronts and for use in correlating geophysical logs for lithology. Field geologists will review the drill cuttings in the field and describe the sediments encountered in the boring in terms of color, grain size, and other distinguishing characteristics. An important aspect of the lithology logs is to provide the level of the sediment alteration as an indication of reduction and oxidation conditions. This information is important to locate the reduction-oxidation front/boundary. Cutting samples are generally not used for chemical assay or other laboratory testing due to dilution and contamination with drilling mud. Lithology logs are present for all of the drill holes, but they were not reviewed in full detail during this study.

Our policy has been to take samples of drill cuttings at 10-foot intervals from the surface to total depth. Once the cuttings have been observed and the lithologic logs prepared, the cuttings are discarded back into the mud pit. After allowing some drying time, the mud in the pit and the cuttings are eventually covered with soil that has been stored from the excavation of the pits.

Probe Truck and Calibration

Contract logging companies were utilized by Moore Energy and UEC for logging of drill holes. The contract logging companies maintained scheduled calibration of the gamma probes on each of their trucks against standards in a US Department of Energy maintained and monitored test pit facility outside George West, Texas. Probe truck and calibration information records were kept by the logging companies. We recently purchased two logging trucks and began using them on the Goliad Project in early June 2007, and January 2008.

Core Samples

We have taken three-inch core samples from eight drill holes representative of the occurrence of uranium mineralization at the site. The core holes are as follows: 30892-74C, 30892-85C, 30892-86C, 30892-102C, 30892-111C, 30892-118AC 30892-120C, and 32201-N100C) (Figure 13-1). The cores have included samples from all mineralized zones but the C zone. Samples have been used for the purpose of moisture content, total metals (U and Mo), cU_3O_8 for disequilibrium evaluations, leachability tests, density analyses and X-ray diffraction for mineral identification. Selected intervals were put in bags, labeled and placed in core boxes for transport to the respective laboratories for analyses. The remaining core is locked in a storage shed on the project site. All of the analyses except density determinations were conducted by Energy Labs in Casper, Wyoming. The laboratory has been in business since 1952, is fully certified, but not ISO certified. Certifications include the US Environmental Protection Agency, US Nuclear Regulatory Commission, and the following US states: AZ, CA, CO, FL, ID, NV, OR, SD, TX, UT and WA. The density analyses were conducted by Professional Service Industries in Austin, Texas.

Borehole Remediation and Abandonment

The Texas Railroad Commission requires exploration companies to obtain exploration permits before conducting drilling in any area. The permits include standards for the abandonment and remediation of test bore holes. The standards include the cementing of test bore holes, the filling and abandonment of mud pits, and the marking of bore holes at the surface. Remediation requirements are sometimes specific to the area of exploration and may include segregation, storage, and re-covering with topsoil, regrading, and revegetation. The Railroad Commission conducts monthly remediation inspections of the Goliad Project site. Our Goliad Project site is in compliance with Railroad Commission remediation requirements.

Data Verification

Most of the historic logs were run with analog equipment except for some run by Century Geophysical with digital equipment, while our holes have all been logged with digital equipment. Century Geophysical initially logged, and continues to log the drill holes when required. In June 2007 and January 2008 we obtained new logging units and have logged with these units since that time in conjunction with Century Geophysical.

The use of selected core analyses by an analytical laboratory and field logging selected borings with a specialized logging tool that distinguishes uranium from its daughter products (such as delayed fission neutron or prompt fission neutron) will allow the operator to determine the average DEF of the project and utilize that and assay data to adjust (if necessary) the gamma-ray grade and thickness data.

The radiometric data from the gamma ray logging of each hole has provided the primary tool to determine the approximate grade of uranium in the subsurface. Additionally, some individual cores with chemical assays that verified the occurrence of cU_3O_8 have been collected and analyzed during our drilling program. Primary verification that uranium mineralization is present at the site is from the large number of exploration/confirmation boreholes and the geophysical logs that document the presence of eU_3O_8 with the gamma logs and lithology with the resistance logs. An independent geologist has reviewed core intervals representative of mineralization and, based on his review and evaluation of the historic and our current files and procedures, he determined that the records and files from the drilling programs have been well conducted and the information is suitable for estimated historical mineralization determination in a manner consistent with accepted practices in the ISR uranium mining industry.

For partial verification of the historic DEFs the Company contracted from Energy Labs of Casper, Wyoming, laboratory analyses on samples from three A Zone cores and one B Zone core. For the A Zone cores the analyses consisted of the determination of total chemical uranium and radiometric uranium from 28 selected one foot mineralized core intervals. This consisted of 15 intervals from core hole 30892-111C, eight intervals from core hole 30893-85C and five intervals from core hole 30893-118AC. From the B Zone, 30 continuous one foot samples were taken from core hole 32201-N100C.

Samples for chemical and radiometric gamma analysis are dried in a convection oven followed by grinding to -100 mesh. A 200 g sample is taken for the gamma analysis, placed in a tin and sealed with tape. A minimum 15 day period is required to establish equilibrium between ^{226}Ra and the daughter ^{214}Bi. The principal behind the gamma analysis is that in a particular uranium occurrence, ^{238}U and ^{226}Ra will be in equilibrium. Since ^{238}U is the only source of ^{226}Ra, one can assume that ideally, measuring the activity of ^{214}Bi can be used to indirectly determine the total uranium concentration. Accuracy is determined by using certified ^{226}Ra standards. The chemical analysis uses a one-gram sample digested in a nitric acid-hydrogen peroxide mixture and measured by Inductively Coupled Argon Plasma (ICP) emission spectroscopy using certified standards for control.

Assay results indicate average DEFs for the A Sand core holes of 1.71, 1.15, and 0.16 for core holes 30892-111C, 85C, and 118AC, respectively. The 1.71 value was derived from the average of 15 one-foot sample intervals and the 1.15 value from eight one-foot sample intervals. The five one-foot intervals from the third core suggest a thin interval where the average eU_3O_8 values exceed the chemical values. Such intervals are common, even in core holes with high overall DEFs, but their presence in a limited sample group such as the present one will skew the results in a negative fashion. The 1.71 value from the larger 15 sample group in core hole 30892-111C is consistent with the average 1.7 value derived from historic PGT logging by Moore Energy and is considered to be representative of the A Zone. The 30 one-foot sample intervals from the B Sand core hole had an average DEF of 1.26; a value similar in magnitude to the 1.439 PGT value determined by Moore Energy. Again, the PGT value was established from a larger sample grouping and may be considered more representative of the B Sand than that derived from the smaller sample group.

The development and refinement of the PFN and similar specialty logging methods over the past 30 years has resulted in a tool that provides an accurate field determination of potential uranium grade and infrequent need for laboratory assays of core. In order to maintain a consistent analysis of the disequilibrium factors throughout the mineral bodies, we are purchasing a PFN logging tool which will be used in conjunction with standard gamma ray logging on the Goliad project. Use of the PFN technology will assist in developing more concise future mineralization estimates, but still requires a level of verification with the accepted laboratory assay of core and/or calibration testing.

Additional verification of select historical Moore Energy drilling-and our current logging data was done by comparing sets of gamma logs from a Moore hole and a recent hole we drilled that was located in close proximity. The log pairs were located and then data tabulated for each pair to compare thickness of zone, equivalent U3O8 grade, GT. A positive correlation indicated the drill hole sets were comparable in character regarding the potential mineral grade and thickness and representative of the same general portion of the project.

Adjacent Properties

There has been no uranium exploration or mining activity on adjacent properties to our Goliad Project. The nearest known uranium mining from the Goliad Formation was the Everest Mount Lucas ISR mine near Lake Corpus Christi. URI has been mining from the Goliad Formation in Kleberg County, southeast of Kingsville, for several years at the Kingsville Dome ISR mine and at the Rosita ISR mine in Duval County west of Alice, Texas. With the large concentration of uranium mining and exploration properties in the Goliad, Oakville, Catahoula and Jackson formations throughout the South Texas uranium trend, it is likely that additional uranium target areas could be developed in the vicinity of our Goliad Project in the future. The current or historic ISR operations mining from the Goliad Formation range from about 60 to 160 miles south and on strike of the Goliad Project.

Several historic ISR and open pit operations mining from the Oakville and Jackson Formations are located within about 50 miles west of the property

Leach Amenability

Mineral processing or metallurgical testing was not reported as being conducted on any of the samples drilled or recovered during the Moore Energy exploration in the mid-1980s. We submitted selected core samples from our core hole # 30892-111C to Energy Laboratories, Inc. in Casper, Wyoming, in January 2007. These samples from the Goliad Project were sent to the laboratory for leach amenability studies intended to demonstrate that uranium mineralization at the property was capable of being leached using conventional in situ leach chemistry. The tests do not approximate other in-situ variables (permeability, porosity, and pressure) but provide an indication of a sample's reaction rate and the potential chemical recovery.

Split sections of core were placed in laboratory containers and a lixiviate solution with 2.0 grams per liter HCO_3 ($NaHCO_3$) and either 0.50 or 0.25 g/L of H_2O_2 (hydrogen peroxide) was added to each test container. The containers were then rotated at 30 rpm for 16 hours. The lixiviate was then extracted from each test container and analyzed for uranium, molybdenum, sodium, sulfate, alkalinity (bicarbonate, carbonate), pH and conductance. A clean charge of lixiviate was added and the container rotated another 16 hours. Each sample rotation and lixiviate charge cycle was representative of 5 pore volumes with chemical analyses after each cycle. The cycle was repeated for a total of 6 cycles or the equivalent of 30 pore volumes.

The four core samples subjected to the leach amenability tests were determined to contain from 0.04% to 0.08% cU_3O_8 before testing. Leach tests conducted on the core samples from the A Zone indicate leach efficiencies of 60 to 80% U_3O_8 extraction, while the tails analyses indicate efficiencies of 87-89%. The differences between the two calculations involve the loss of solid clay based materials during multiple filtrations. Based on post leach solids analysis, the core intervals were leachable to a very favorable 86 to 89%. After tests the tails were reanalyzed for uranium concentration to determine the recovery, which ranged on the 4 samples using 2 methods from 60% to 89%.

Laboratory amenability testing of the cores samples indicated the uranium (dissolved elemental U) recoveries ranged from 86.4% to 88.9% in the four tests. These results show that the mineralized intervals at the Goliad Project are very amenable to ISR mining even when exposed to only one-half of the oxidant concentration normally used in the Leach Amenability test. Based on the Company's experience with ISR mining of Catahoula and Oakville uranium deposits, as well as discussions with other Goliad deposit mining personnel, the geologically younger deposits in Texas (Goliad formation) have been the most amenable to in situ leaching. The uranium recovery is generally more complete (% recovery) and occurs in a shorter time period. Both of these factors are important for ISR mine development economics.

Based on the amenability test results, the size of the mineral resource at the Goliad Project, the geologic setting and the current and projected future demand and price of uranium, the most feasible and cost effective mining method for the Goliad property uranium is by ISR. This method is most suitable for the size and grade of the deposits in sands that are below the water table and situated at depths that would be prohibitive for open pit or underground mining.

The amenability testing described above was conducted on core recovered from four depth intervals from one boring. While this was a limited sampling for this property, the samples are believed to be generally representative of the characteristics of the mineralized intervals and the determined recovery ranges for these intervals is considered to be reliable. Two of the four samples tested contained approximately 0.08% cU_3O_8 and two contained lower grades of uranium (~0.04% cU_3O_8). Energy Laboratories, Inc. in Casper, Wyoming, conducted the laboratory testing for this project. The laboratory has been in business since 1952, is fully certified, but not ISO certified. Certifications include the US Environmental Protection Agency, US Nuclear Regulatory Commission and the following US states: AZ, CA, CO, FL, ID, NV, OR, SD, TX, UT and WA.

X-Ray Diffraction

Representative samples from three core holes were selected for analysis by x-ray diffraction ("XRD") in an attempt to assess uranium mineralogy. The samples selected were from the following cores: 30892-111C (A Zone), 32201-N100C (B Zone) and 30892-74C (D Zone). The cores were submitted to Energy Laboratories, Inc. of Casper, Wyoming, for analysis as follows. A representative portion of each sample was ground to approximately -400 mesh in a steel swing mill, packed into a well-type plastic holder and scanned with the diffractometer over the range, 3-61^{o}

2 using Cu-Ka radiation. The results of the scans are summarized as approximate mineral weight percent concentrations. Estimates of mineral concentrations were made using our XRF-determined elemental compositions and the relative peak heights/areas on the XRD scans. The detection limit for an average mineral in theses samples is ~1-3% and the analytical reproducibility is approximately equal to the square root of the amount. . Since all uranium grades at the Goliad Project are generally less than 1% as evidenced by gamma-ray probing, it is highly unlikely that any specific uranium mineral could be determined by XRD techniques.

ISR Considerations

The Goliad Project appears to be most suitable for mining as an ISR (in-situ recovery) project. Although leach and permeability tests are still being conducted, south Texas uranium deposits in permeable sands situated below the groundwater table are generally favorable to ISR production.

Environmental Considerations

We have completed the majority of required environmental baseline studies for the various permits needed for production. The Mine Permit application was submitted to the Texas Commission on Environmental Quality (TCEQ) in mid August and is currently undergoing technical review. The Radioactive Material License application is nearing completion and is scheduled for submittal to the TCEQ in early February, 2008. Studies completed to compile this document include: cultural resources (including archaeology), socioeconomic impact and soils mapping, baseline gamma survey, baseline soil/sediment/surface water/vegetation, baseline radon, and gamma exposure rates. The cultural resources study found no adverse impacts to the site and socioeconomic impacts are projected to be positive for the community. The Waste Disposal Well feasibility study is complete and the application is being assembled for submittal in early March, 2008 to the TCEQ. The initial Production Permit Area (PAA-1) is nearly complete and monitor well drilling will commence in January to begin the process of collecting the required information for this final permit application.

Engineering Studies

The geotechnical engineering study for the proposed plant site has been completed and mine planning, including engineering design for the proposed plant site, is in progress. 20 Regional Baseline water quality wells have been installed for monitoring the aquifer within the mineralized zones and pump tests on the aquifer are planned. Laboratory testing has indicated 86-89% leach ability of tested core samples and the results indicate that the mineralization is amenable to in situ leaching with an oxygenated bicarbonate lixiviant.

Soils in the upper 25 feet at the proposed site are variable with dominantly brown to light brown sandy silty clay in the upper 4 to 6 feet. Soils grade to tan sandy clayey silt that is generally present to depth of the investigation (25 feet). The shallow clayey soils have relatively high plasticity indices (PI) with lower PIs in the silty soils below. Groundwater was not encountered while drilling the borings.

The primary recommendation in the report is to construct a reinforced concrete mat type foundation sized for a uniform allowable loading of 2,000 pounds per square foot.

The report and recommendations indicates there are no apparent problem soils and the recommended slab and foundation should be suitable for the intended use of the slab.

Goliad Project Plan of Exploration - 2008/2009

Our company successfully completed the planned 2007 two-phase drilling program which consisted of support to the ongoing environmental permitting, coring for agitation leach studies, and an exploration program designed to explore additional acreage acquired during our company's 2006-2007 leasing program. All 2007 drilling at the Goliad Project was carried out under our approved Texas Railroad Commission Exploration Permit No. 123 dated February 3, 2006. The Permit has been extended until February 3, 2009.

The 2008-2009 exploratory program at the Goliad Project will be designed to explore additional acreage acquired during our company's 2007 - 2008 leasing program. It is anticipated that at least 500 exploratory holes will be required to adequately define the presence or absence of mineralization on the newly acquired acreage. The 500 holes will account for an approximate total of 227,250 feet of drilling and cost $1,500,000. This drilling program should be initiated during the second quarter of 2008 and extend into the first quarter of 2009.

In regards to the environmental permitting at the Goliad Project, geologists and engineers performing work at the Goliad Project have developed a timetable of forecasted workflow, which includes the forecasted completion dates of various tasks which have been assigned to various personnel. The workflow has been broken down into two broad categories, which have then been further broken down into individual tasks, many of which can be performed contemporaneously. The two major categories of work relate to radioactive materials licenses and mine permits.

Within these two broad categories of work are included the following tasks, many of which are required by the regulatory bodies to whom the Company is subject to oversight for its exploration activities. The forecasted dates of completion of these tasks is also indicated. These are internal forecasts only, and the actual dates of the beginning or completion of these tasks may differ materially from the forecasts:

Radioactive Materials License

Archeology/History study	Q2 2006 - Q4 2006

Ecology study	Q1 2007 - Q4 2007
Soils/Sediments/Gamma testing	Q1 2007 - Q3 2007
Gamma/Radon-222 testing	Q1 2007 - Q2 2008
Socioeconomic study	Q1 2007 - Q3 2007
Radiological assessment	Q1 2007 - Q4 2008
MILDOS survey	Q1 2007 - Q2 2008
Scoping Study	Q3 2008 - Q4 2008
Agency review and approval	Q3 2008 - Q2 2009

Mine Permit

Area groundwater baseline study	Q2 2007 - Q2 2008
Geology/Hydrology study	Q2 2007 - Q4 2007
Deep disposal well study	Q1 2007 - Q3 2007
Mine permit review and draft permit approval	Q3 2007 - Q2 2008
Disposal well review and approval	Q3 2008 - Q2 2009
Air exemption permit	Q4 2008 - Q1 2009
EPA aquifer exemption	Q4 2008 - Q1 2009
PAA review and approval	Q3 2008 - Q1 2009

Upon the satisfactory completion of these tasks, and with approval of all applicable regulatory agencies involved in these tasks, the Company may then proceed with uranium extraction, provided that this exploration property can establish economic uranium reserves.

Permitting

The permitting process is well underway and the Company has accomplished the following key elements to that end:

(a) quality assurance and quality control measures have been completed on water well samples;

(b) Holt Engineering has been engaged by the Company to perform geotechnical studies;

(c) a qualified soil scientist has completed a draft map of the entire project site, as part of the soils and sediments study;

(d) progress has been made on the economic impact study and the ecological study;

(e) progress has been made on the mine plan and process facility designs, with the first full drafts anticipated to be completed by month-end;

(f) established a regional baseline, or background, water quality conditions within the area to be mined. As part of the establishment of baseline water quality conditions within the planned permit area, the TCEQ required that 20 regional water quality wells be installed within the proposed permit area. The purpose of the wells is to assess the pre-mining water quality of the four mineralized sands (A, B, C and D). Also included in the establishment of regional baseline water quality conditions is the sampling and analysis of private water wells within a one-kilometer radius of the permit area. This action has been completed; and

(g) the Cultural Resource Survey and Assessment has been completed and concluded that the Goliad Project will not have any impact on cultural resources in the permit area, and that no further work is required on this matter by the Company. The assessment will undergo a review by the Texas Historical Commission.

(h) Texas Parks and Wildlife have reviewed our proposal mine plan and have concluded that no significant impact to wildlife, May - 2008.

(i) The Corp. of Army Engineers have also received our mine plan and presently are reviewing its impact on wetlands. The company believes that the Corp will also sign off and approve the mine plan as detailed.

Cebolleta Project, Cibola County, New Mexico

Property Description and Location

The Cebolleta Project is situated in the eastern-most portion of Cibola County, New Mexico. It is located approximately 45 air miles (72 kilometers) west-northwest of the City of Albuquerque, and approximately 10 miles (16 kilometers) north of the town of Laguna. Three small villages, Bibo, Moquino and Seboyeta, are located a short distance west and northwest of the project area.

Nuclear Energy Inc ("NEI"), the manager of Cibola Resources, obtained a lease from the Board of Trustees of the Cebolleta Land Grant Board for an area of the land grant covering approximately 6,700 acres (2,994 hectares) of mineral rights. The majority of the leased mineral rights are covered by the surface estate held by the Cebolleta Land Grant, and surface use and access rights are included as provisions of the lease. A portion of the leased mineral rights are covered by surface rights held by a third party, and are not leased by NEI. NEI has assigned the lease to Cibola Resources, of which, Uranium Energy owns 49% of the shares.

The leased lands are part of a land grant that was made to certain individuals by the King of Spain prior to the inclusion of the State of New Mexico as part of the United States.

When the territory of New Mexico was acquired by the United States, the rights and title first conveyed by the creation of the Cebolleta Land Grant were honored by the United States Senate through the ratification of the Treaty of Guadalupe Hidalgo. Although the area of the Cebolleta Land Grant, including a portion of the Cebolleta project, was never surveyed into the US Section-Township-Range system, the property has been legally surveyed by a registered land surveyor and the appropriate monuments have been put in place.

Cibola Resources has accepted assignment of the Cebolleta Land Grant mineral lease from NEI. The lease, which has an initial term of ten years, may be extended beyond the initial term by Cibola Resources by undertaking mineral exploration, mine development and mining and/or mineral processing activities. The lease agreement requires Cibola Resources to make periodic (annual) advance royalty payments to the Cebolleta Land Grant, pay a sliding scale

production royalty (based upon the sales price of U3O8) on any mine production from the property and provide employment opportunities and job training programs for the members of the Cebolleta Land Grant. Cibola Resources is required to complete an independent "third-party" feasibility study within six years of the effective date of the lease, and make a "reserve bonus" payment of US$1 per pound of U3O8, within the "Measured" or "Proven" reserve category and determined to be recoverable by a feasibility study. All annual payments made to the Cebolleta Land Grant prior to the completion of a feasibility study are to be deducted from the "reserve bonus" payment. The lease agreement conveys the rights to explore for, mine and process uranium deposits present on the leased lands. A "Short Form Memorandum of Uranium Mining Lease and Agreement" has been filed and recorded with the offices of the County Clerk and Recorder for Cibola County, New Mexico.

A portion of the leased properties are subject to a pre-existing 1/48th (2.08%) royalty on a "Uranium Value". This third-party royalty is deductible from production royalties payable to the Cebolleta Land Grant, and does not represent a further economic burden to Cibola Resources or the project.

The leased property was formerly the site of several underground uranium and open pit mines and processing plant (uranium mill). Open pit and underground mines in the St. Anthony area of the Cebolleta Land Grant lease are currently being reclaimed by the former operators of those mines, UNC Resources (a subsidiary of General Electric). The L-Bar mine and uranium mill were reclaimed by the successor to Sohio Western Mining Company ("Sohio"), Kennecott Energy Company ("Kennecott"), and the mill site has been transferred to the US Department of Energy for long-term monitoring and management. The former L-Bar mill site is not a part the lease from Cebolleta Land Grant. An examination of the files of the State of New Mexico Environment Department and the New Mexico Energy and Minerals Department indicates that Kennecott has some limited reclamation obligations relating to subsidence associated with several ventilation holes for the former JJ #1 underground mine. UNC Resources has obligations to reclaim portions of the former St. Anthony mine area, and they are currently undertaking a comprehensive restoration program in accordance with the directives of the State of New Mexico. Cibola Resources and its members, NEI and Uranium Energy, have not assumed any reclamation liabilities for the properties.

As with all drilling projects proposed in the State of New Mexico, Cibola Resources will be required to obtain permits from the New Mexico Energy, Minerals and Natural Resources Department. Cibola Resources is currently preparing an application for drilling on the project. Mining and milling operations will require additional permits from the New Mexico Energy, Minerals, and Natural Resources Department, the New Mexico Environment Department, as well as the US Environmental Protection Agency and the US Nuclear Regulatory Commission. At this time Cibola Resources does not hold permits for any activities for the Cebolleta project.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Cebolleta project is situated on the southern margin of the San Juan Basin of west-central and northwestern New Mexico. The project area adjoins Mesa Chivato, a broad volcanic capped mesa that surrounds Mount Taylor, a dormant volcano that is a prominent landmark. Elevations within the project area range from 6,400 feet to 7,100 feet above sea level (1,950 meters to 2,164 meters). Topography is typical of the mesa-and-canyon landforms that dominate this portion of New Mexico, with sharp local variations in elevation, on the order of 200 to 400 feet (61 meters to 122 meters) over short distances. A series of rounded hills, raising 200 to 300 feet (61 to 91 meters) above the surrounding landscape, are present in the vicinity of the former L-Bar uranium mine (in the western part of the project area). A prominent canyon, developed along Meyer Draw and Arroyo Pedro Padilla, cuts the southern part of the project area.

In spite of these local variations in topography, access to nearly all of the project area is good. Access to the project is over a paved state-maintained highway to the village of Seboyeta (a distance of approximately 10 miles, or 16 kilometers). One all-weather graded gravel road, maintained by Cibola County, and several private roads of varying quality, cross the project lands and provide access to nearly all parts of the project area. Rail service is available from the BNSF Railroad at the towns of Grants and Milan, and scheduled air service is available in Albuquerque.

The area is populated with sparse mixed grasses, with very limited stands of mesquite and pinion pine trees, typical of a semi-arid high desert climate. Temperatures at Grants (the nearest town with meaningful weather records) range from lows of approximately 50° to 80° Fahrenheit (9.9° to 26.6° Celsius) in the summer season, and 10° to 40° F (-12.2° to 4.4° Celsius) in the winter. The area receives approximately 11 inches (279 millimeters) of precipitation annually. Much of this precipitation comes in the form of afternoon thundershowers during the months of July and August, and as much as 13 inches (330 millimeters) of snow during the winter months. Winter snows and summer thunderstorms may create temporary muddy ground conditions that interrupt access for short periods of time. Other than these short periods of muddy ground conditions, mineral exploration and mining activities normally can be conducted without interruption throughout the year.

The project area has sufficient surface resources to support mining and processing operations, tailings ponds, and mine waste dumps. There are numerous sources of water, electricity, and fuel in the area. Personnel experienced in open pit and underground mining, construction and mineral processing are available in Grants (40 miles, or 64 kilometers, to the southwest of the project area) and at the town of Laguna. Two high voltage electrical transmission lines cross the region several miles north of the project area, and electrical lines have been constructed to the sites of the former Sohio L-Bar uranium mine.

History

The Cebolleta project is located in the northern portion of the Laguna mining district, the eastern-most portion of the Grants mineral belt. The first discovery of uranium mineralization in the Laguna district was made by geologists and engineers of the Anaconda Copper Company in late 1951. The identification of strong uranium mineralization resulted in the discovery of the Jackpile-Paguate uranium mine. Anaconda also undertook an exploration program on the nearby Evans Ranch, located northeast of the Jackpile mine, in 1955 and this program continued until 1957. During this period of exploration more than 350 holes were drilled in the area of the Cebolleta project by Anaconda.

Climax Uranium, a subsidiary of American Metals Climax, obtained a lease from the Cebolleta Land Grant for the St. Anthony area and subsequently discovered several uranium deposits on the leased properties. Climax operated a series of small-scale open pit and underground mines, commencing in 1953 and ending in 1960, when the lease was acquired by United Nuclear Corporation (later to become UNC Resources, now a subsidiary of General Electric). During the period of Climax's operations the company produced 320,942 pounds of U3O8. UNC's mining activities are reported to have commenced in 1977. Production rates for the last two years of production at St. Anthony (1979 and 1980) were 1.134 million pounds of U3O8 from stockpiles at the mine site.

Reserve Oil and Minerals, a publicly-traded resource development company, purchased the Evans Ranch (surface and mineral rights) in 1968. Reserve sold an undivided 50 percent interest in the ranch, including the mineral rights, to Sohio (then a subsidiary of the Standard Oil Company of Ohio) in 1969 and formed a joint venture to explore for and develop uranium deposits on the Evans Ranch. Sohio operated the joint venture and discovered extensive uranium mineralization on the property prior to the construction of an underground mine and uranium mill complex (the L-Bar mine and mill). Sohio acquired Reserve's interests in the property in 1982, and subsequently deeded their property interests in the area to the Cebolleta Land Grant in 1989.

Areas I and II were considered to be open pit development targets by Sohio, while the remaining deposits were considered to be underground mining targets only.

Mining at the Cebolleta project removed, prior to shut-down of mining operations due to depressed commodity prices, only a portion of the previously identified mineral resources in place at the project.

This work verified earlier studies by Sohio, based upon 150 core samples, that the deposits were generally in radiometric equilibrium.

The staff of Sohio Western Mining Company updated the historical resources periodically based upon mine production, cut-off grade changes, additional drilling results, underground long-hole drilling and underground sampling of mine workings and muck-piles. Underground sampling was undertaken with the aid of underground probes for muck-pile sampling, while grades of hauled muck were determined by the use of a scanner, with both methods yielding radiometric assays (%eU3O8). Sohio based the 1981 estimate, along with the 1982 and 1984 updates on the following criteria:

(a) Surface Resources: The maximum area of influence assigned to each hole is a 50 foot (15.24 meters) radius. Base elevations for mineralization were evaluated in developing the mineralized outlines. Once the final mineralized outline was established, the surface area of each mineralized block was determined by planimeter. The average thickness of the mineralized interval and the grade was calculated from drill hole data. Tonnages were computed using a tonnage factor of 16 cubic feet per short ton;

(b) Underground Long-hole Resources: The area of influence for long-hole mineralization was 25 feet (7.6 meters) or one-half the distance to the nearest "waste" intercept. Tonnages and grades were calculated in the same manner as surface resources; and

(c) Development Resources: This category of mineralization was calculated before the mining phase commenced. Average grades were calculated from muck-pile sampling (radiometric and chemical assaying). "Back-ore" and "floor-ore" were calculated from jackleg long-hole drilling data (radiometric assays). Pillar mineralization thickness was based upon the average height of underground drifts.

Geological Setting

The Cebolleta project is situated at the eastern end of the prolific Grants mineral belt, which is located on the southern and south-eastern margins of the San Juan Basin and the northern margin of the ancestral Mogollan Highland. The geology of the region is dominated by a thick sequence of sedimentary rocks ranging from Triassic to Late Cretaceous in age. This sedimentary sequence is overlain by volcanic rocks (basalt) that were erupted from the Mount Taylor volcanic center, which is located a short distance to the northwest of the project area. Additionally, isolated basalt plugs and diabase dikes have been intruded into Cretaceous-aged rocks immediately north and southwest of the project area.

Stratigraphy

A thick sequence of sedimentary rocks, ranging in age from Triassic through upper Cretaceous is present within the immediate project area. Of particular importance is the Jurassic-aged Morrison Formation, which is the host unit for nearly all of the significant uranium deposits in the Grants mineral belt. The Morrison Formation has been subdivided by various workers into three principal units (in ascending order) in the southern portion of the San Juan Basin: the Recapture unit, the overlying Westwater Canyon Member, and the upper-most Brushy Basin Member. The Morrison Formation is unconformably overlain by the Cretaceous-aged Dakota Sandstone, which in turn is overlain by the Mancos Shale.

Regionally, the Recapture Member of the Morrison Formation ranges from 50 to 600 feet (15 to 183 meters) in thickness, and is about 50 feet (15 meters) thick in the project area. It is comprised of interbedded mudstones, siltstone, sandstones, and occasional limestone. Historic reports indicated that the unit was normally greyish-red on

surface exposures, while fresh exposures of the various lithologies were grey (limestone), greyish-green (mudstone), or greyish-yellow (sandstone).

The Westwater Canyon Member ranges from 10 to 90 feet (three to 27 meters) in thickness in the project area. While the Westwater Canyon conformably overlies the Recapture Member there is evidence, on a local scale, for Westwater Canyon channels having "scoured" into the uppermost parts of the underlying Recapture Member. The Westwater Canyon, which is the principal host for uranium mineralization throughout the Grants mineral belt, is a greyish-yellow to pale orange sandstone. The sandstones are poorly sorted, range from fine to coarse-grained, and are sub-arkosic to arkosic in composition. In the Marquez Canyon area, approximately 15 miles (24 kilometers) north of the project area, the Westwater is comprised of several sandstone lenses that are separated by thin lenses of mudstone and siltstone.

The uppermost unit of the Morrison Formation is the Brushy Basin Member, a thick unit comprised primarily of variegated mudstones and claystones, which range in thickness from 220 to 300 feet (67 to 91 meters) in the vicinity of the project. The mudstone and claystone units are greyish-red, greyish-green to greenish-grey in color and form distinctive rounded outcrops. Several sandstone beds are present within the Brushy Basin throughout the Grants mineral belt, and certain of these sandstones have economic significance for hosting uranium deposits. Several of the sandstone units are similar in character to the Westwater Canyon sandstone.

The Jackpile sandstone is a distinct, yet local, unit that is in the uppermost part of the Brushy Basin Member. This unit is the host for the significant uranium deposits at the Jackpile - Paguate, St. Anthony, and L-Bar mines. The Jackpile sandstone extends in a north-easterly-trending belt that may be as much as 13 miles (21 kilometers) wide and more than 65 miles (105 kilometers) long. The unit may achieve a thickness of 200 feet (61 meters). In the St. Anthony mine complex the Jackpile ranges from 80 to 120 feet (24 to 37 meters), while at the adjoining L-Bar mine it ranges from 80 to 100 feet (24 to 30 meters) in thickness.

Thick, essentially uninterrupted, sequences of sandstone are characteristic of the Jackpile. Shale or mudstone beds are not totally absent but they are reported to be rare. The unit is a fine to medium-grained feldspathic sandstone, which is often cemented with clay. It is composed of 60 to 90% quartz, with clay and feldspar making up the remainder. Rock fragments are present, but are minor constituents. Clays occur as kaolinite, and more importantly, montmorillonite, and often serves as cement in the sandstone. Locally, the Jackpile has also been cemented with calcite.

The Dakota Sandstone, of Cretaceous age, unconformably overlies the Brushy Basin Member of the Morrison Formation throughout the project area. It is tan, orange, and white, well cemented sandstone that has minor interbeds of black shale. It averages about 50 feet (15 meters) in the project area. The Mancos Shale, also of Cretaceous age conformably overlies the Dakota Sandstone and is the uppermost sedimentary rock unit in the project area. It attains a thickness of approximately 400 feet (122 meters) in the area. It is comprised of grey to black friable shale with various interbedded sandstones that range from five to 30 feet (1.5 to nine meters) in thickness (Schlee and Moench, 1963).

Structure

Sedimentary rocks in the project area dip gently to the northwest, into the San Juan Basin, at less than two degrees. Several small scale dip-slip faults, generally down-dropped to the west, have been mapped on the surface several miles north of the project, and two similar structures, down-dropped to the east, have been mapped northeast and southwest of the immediate project area. No major faulting has been recognized in the area.

Several small-scale high-angle faults were observed in the workings of the JJ #1 underground mine, but these structures do not appear to have disrupted uranium mineralization in the mine and do not appear to have influenced the localization of mineralization.

Ground Water

Throughout the Grants mineral belt sandstones of the Morrison Formation, particularly the Westwater Canyon, and the Dakota Sandstone are aquifers. Various reports for the L-Bar mine, groundwater inflows from the Jackpile sandstone member of the Morrison Formation range from 25 to 100 gallons per minute (113 to 454 liters). Water wells capable of producing between 25 and 35 gallons per minute (113 and 159 liters) were completed into the Jackpile sandstone at L-Bar, and wells capable of producing between 35 and 50 gallons per minute (159 and 227 liters) from the Westwater Canyon Member of the Morrison Formation (Geo-Management, 1972). Although pumping data is not available to determine the ability of either aquifer to provide sustained water supplies considerable water is known to exist in the Westwater Canyon in the vicinity of the Cebolleta project.

Deposit Types

The mineralization at the Cebolleta project is classified as tabular sandstone-hosted uranium deposits. The St. Anthony and L-Bar uranium occurrences were formed by the mobilization of uranium from either granitic rocks of the ancestral Mogollon Highlands, located south of the Cebolleta project area, or from the devitrification of tuffaceous rocks and tuffaceous material contained in the host sandstones and in the Brushy Basin Member. The uranium was transported from its "source" area to current locations by alkaline ground waters. Uranium minerals were deposited in the host sandstones, where humic acids derived from decayed vegetal material and transported by ground water "scavenged" uranium from the active ground water system.

At the L-Bar deposits carbonaceous material, which was the reductant for the precipitation of uranium occurs in two forms, as detritus, and as humate. No significant uranium mineralization occurs where carbonaceous material is absent.

As previously noted, the uranium mineralization is hosted (primarily) in porous and permeable sandstones within the Jackpile unit of the Brushy Basin Member of the Morrison Formation. This type of uranium deposit generally occurs at several different levels in the host, and a group of deposits may extend along an ill-defined "trend", which may reflect channel facies of the host, for a distance of several miles. This style of uranium deposit is very well known in the Grants mineral belt where it is the dominant mode of uranium occurrence.

Uranium minerals at the Cebolleta project are reported to be Coffinite [U(SiO4)1-x(OH04x)], Uraninite [UO2], organo-uranium complexes, and unidentified oxidized uranium complexes.

Mineralization

There are several uranium prospects located on the Cebolleta project. The L-Bar portion of the project includes four distinct zones of mineralization, known as Area I, Area II, Area VI, and Area V. Mining operations undertaken by Sohio were limited to the Area II and Area III deposits, but based upon historical resources data prepared by Sohio after the closure of the L-Bar mine substantial mineralization remains in both deposits. The Area I deposit, located in the southern part of the L-Bar complex (and was never mined), extends south of the former property boundary onto the former St. Anthony area, and additional uranium mineralization is present in the St. Anthony area adjacent to the St. Anthony open pit and the Willie P. underground mine.

The six known uranium prospects located on the Cebolleta project share a common set of geological controls;

(d) all are hosted in medium to coarse-grained sandstones that exhibit a high degree of large-scale tabular cross-stratification;

(e) near the margins of the prospects the mineralization thins appreciably, although halos of low-grade mineralization exist surrounding the deposits;

(f) higher grade mineralization usually occurs in the core of the mineralized zones;

(g) strong mineralization appears to be concentrated in the lowermost portions of the Jackpile, although anomalous concentrations of uranium are present throughout the vertical extent of the unit;

(h) most of the mineralization appears to be "reduced", with only isolated small pods, especially in the Willie P area, of discontinuous mineralization exhibiting oxidation;

(i) extensive chemical and radiometric analyses on core holes by Sohio demonstrated that the mineralization is generally within equilibrium;

(j) individual prospects do not show a preferred orientation or trend, and do not fully reflect the orientation of the main Jackpile sandstone channel trend;

(k) nearly all of the prospects show a strong spatial relationship with carbonaceous material; and

(l) the prospects range in depth from approximately 200 feet (61 meters) in the south, at the St. Anthony area, to approximately 700 feet (213 meters) in the vicinity of the Area II and Area III deposits at L-Bar.

At the L-Bar complex, mineralization occurs in tabular bodies that may be more than 1,000 feet (305 meters) in length, and attain thicknesses of 6 to 12 feet (1.8 to 3.7 meters). The upper and lower boundaries of these mineralized bodies are generally quite abrupt. There is some tendency for individual prospects to develop in clusters. Locally, these clusters may be related to the coalescence of separate channel sandstone bodies. In this instance, mineralization is often thicker and higher grade than adjoining areas.

Exploration

During 2007 through first quarter 2008, Cibola Resources has not undertaken any exploration on the properties covered by this report, other than a review and analysis of available historical and published information, modeling of the known uranium mineralization, and planning for a drill program during the second half of 2008.

Drilling

Cibola Resources has not carried out any drilling on the subject properties.

The drilling data that served as the basis for the historical mineral resources for the Cebolleta project includes more than 1,500 conventional (open-hole) rotary and core holes (totaling in excess of 600,000 feet [182,880 meters]) that were drilled between the late 1950's and the early 1980's. All drill holes were logged with truck mounted surface recording gamma/Self-Potential/single point resistivity logging units, which is a standard method of determining the presence and magnitude of subsurface uranium mineralization. This method of "sampling" provided a continuous record of the intensity of uranium mineralization in each drill hole. Cibola Resources has a significant number of the gamma/S-P/resistivity logs for holes at the Cebolleta project, and this data effectively defines the nature and extent not only of the subsurface uranium mineralization in the project areas, but also the thickness and lateral extent of the host rocks within the areas of drilling.

Drill holes were generally drilled on a square grid pattern, with holes spaced at 100 feet (30.48 meters), although some drilling at the "Area III" uranium deposit was spaced at 200 foot (60.96 meters) intervals. All drill holes were drilled vertically (-90 degrees) and intersected the generally flat-lying host rocks in a manner that gave an accurate depiction of the true thicknesses of the host rocks and the mineralized horizons.

Samples collected from the conventional rotary and core holes have not been available for examination, and likely no longer exist.

Sample Preparation, Analysis, and Security

All of the historical drill holes drilled at the Cebolleta project were logged with truck-mounted continuous surface recording natural gamma-ray/S-P/resistivity probe units. This process provided a continuous reading of gamma radioactivity through the entire length of the drill hole. Gamma-ray log values were then used to calculate radiometric grades from all of the mineralized holes. Most of the gamma logging was done by Dalton Well Logging and Geoscience Associates, Inc., both of whom were competent, experienced and independent geophysical logging contractors, on behalf of Reserve Oil and Minerals, Sohio and United Nuclear/UNC Resources. The gamma logging equipment was periodically calibrated at "test pits" of the US Atomic Energy Commission (now US Department of Energy) near Grants, New Mexico and Grand Junction, Colorado, in accordance with the standard operating procedures utilized in the industry at the time.

Radiometric assays, calculated from gamma ray logging of the exploration drill holes at the Cebolleta project, were checked by the then project operators, Sohio and United Nuclear, by drilling core holes at selected locations. Sohio collected more than 150 samples that were analyzed by chemical and radiometric assay methods. Samples were collected from drill holes in several areas of the project area. Analytical results tabulated by Geo-Management show minor differences between radiometric and chemical assays, with general pattern of chemical assays being slightly higher than radiometric assays, especially at grades in excess of 0.20% U_3O_8.

Cibola Resources has no information regarding the preparation of samples for chemical assay, methods of determination of the uranium content of these samples or the security of those samples. The methods of sampling of the uranium prospects at the Cebolleta project were standard operating procedures utilized throughout the US uranium industry during the time that the project was active.

Adjacent Properties

The Cebolleta project is situated in the Laguna mining district, and adjoins the former Jackpile-Paguate open pit and underground uranium operations of Anaconda. At one time the Jackpile-Paguate mine was the largest uranium mine in the United States, and is reported to have produced more than 80 million pounds of U_3O_8 prior to its shut-down in the early 1980's.

We are not aware of any current uranium mining or exploration on properties adjoining the Cebolleta project.

Mineral Processing and Metallurgical Testing

Cibola Resources has not carried out any metallurgical test work on the mineral deposits at the Cebolleta project. An audit of several former uranium mills, including the former Sohio L-Bar processing facility, outlines the general process design for the mill. The mill included conventional SAG mill grinding, CCD liquid/solid separation and an acid leach-solvent extraction process. The mill operated from late 1976 through mid-1981 and processed approximately 2.5 million short tons of feed material.

Cibola Resources has not examined any metallurgical test work that led to the development of process design criteria or any mill performance and recovery data.

Mineral Exploration Properties

We are participating in our mineral properties in the States of Arizona, New Mexico, Utah, Wyoming and Colorado by way of mining claims and mineral leases. The mining claim properties were staked and claimed by us and registered with the US Bureau of Land Management ("BLM"). There are claim blocks acquired in this manner in Arizona, Colorado, New Mexico, Utah and Wyoming,. We have surface access and complete mineral rights to an unlimited depth below surface. The claims are in effect for an indefinite period provided the claims are kept in good standing with the BLM and the counties. The claims were entered into between November 4, 2004 and May 2008. Annual maintenance fees to be paid to the BLM are relatively nominal. We will also be required to remediate the land upon release of the claim - bringing the land back into the state it was originally in prior to the commencement of our exploration activities. These costs are determined by the BLM and bonded accordingly.

In the States of New Mexico, Texas and Utah we are participating in our mineral properties by way of property lease directly from the owners of the land/mineral rights. As of this date we have executed leases in New Mexico, Texas and Utah. These leases give us similar access and privileges as described above, however with some important differences. Although we will have access to the surface, the mineral rights below surface are restricted to uranium and associated fissionable minerals only, with any other minerals and hydro carbons, including, for example, petroleum, retained by the lessor. The lease terms are for five years, and include five-year renewal periods. After the expiration of the second five-year term the leases will be either held by production or the leases will be terminated. Royalty payments must be made to the lessor in event that we extract uranium ore from the properties. Royalty payments vary based on a sliding scale tied to the price of uranium. All royalties are based on the gross sales revenue less certain charges and fees.

We have the following gross and net acre mineral property interests in states indicated below under lease:

	Gross Acres	Net Acres (1)
Arizona	3,991.28	3,991.28
Colorado	5,329.95	5,329.95
New Mexico ***	34,532.22	25,966.73
Texas	10,323.41	9,480.66
Utah	7,229.17	7,229.17
Wyoming **	20,959.06	20,959.06
	82,365.09	72,956.85

(1) Certain of our interests in our mineral properties in New Mexico and Texas are less than 100%. Accordingly, we have presented the acreage of our mineral properties on a net acre basis.

(2) Does not include the AB claim Group (847 acres) in the State of Wyoming as the related lease agreement has been terminated.

(3) Does not include the Lola Claims (413.20 acres) in the State of New Mexico, as this claim block rental was allowed to lapse.

We plan to conduct exploration programs on these properties with the objective of determining the existence of any economic concentrations of uranium.

Since inception we have not established any proven or probable reserves on our mineral property interests.

On October 11, 2005, we entered into a Mineral Asset Option Agreement (the "Option") with Brad A. Moore giving us the option to acquire certain uranium leases from Mr. Moore in the State of Texas. In consideration for the Option we have paid Mr. Moore a cash payment of $50,000 and issued 1,000,000 shares of our restricted common stock. The Option, which was exercised, required the further issuance of 2,000,000 restricted shares of common stock in varying share installments over the three, six month intervals following the effective date of the Option Agreement (October 11, 2005). A further payment of $150,000 was paid under the Option on February 1, 2006. Title to the properties transferred upon payment of all remaining stock required under the Option. During the Option term we had the right as operator to conduct or otherwise direct all the exploration on the properties to be acquired. As of this date all cash consideration and share issuances required pursuant to the terms of the Option have been completed.

On May 1, 2007, we entered into a joint venture with Neutron Energy Inc. ("NEI"), a Wyoming corporation, in connection with the exploration of a property covering approximately 6,700 acres located in Cibola County, New Mexico, for uranium resources. In connection with the joint venture, Cibola Resources, a limited liability company under the laws of the State of Delaware, was formed to undertake the exploration activities contemplated by the parties. NEI acquired the mining lease to the property from La Merced del Pueblo de Cebolleta ("Ceboletta"), a private entity that has the authority over the natural resources of the property, pursuant to a letter agreement between Cebolleta and NEI dated January 27, 2007, and has contributed the lease to Cibola Resources. In connection with the acquisition of the lease, NEI has made cash payments to Cebolleta of $3,000,000 to date. The Company has reimbursed an aggregate of $1,470,000 to NEI to date. As a result, NEI and the Company hold a 51% and 49% interest, respectively, in Cibola Resources.

Arizona

All of our Arizona claims were previously the subject of exploration drilling for the incidence of uranium by companies such as Noranda, Inc., Uranerz Energy Corp., Homestake Mining Co. and Oklahoma Public Services. We have acquired a 1979 Oklahoma Public Services ("OPS") geologic report contiguous to our claims (Artillery Peak) that indicates the possibility of incidence of uranium. OPS drilling continued on to our claims as evidenced by drill holes verified on the ground, and such drill cuttings were found to be radioactive. Close spaced developmental drilling is indicated on our claims located at Artillery Peak.

Other claims staked by us (Esther Basin, Crow Canyon and Dry Mountain) in Arizona were staked on known uranium occurrences as shown on Arizona State publication, "Occurrences of Uranium in Miscellaneous Sedimentary Formations, Diatremes and Pipes and Veins". Additionally, these claims were previously drilled by companies including Homestake Mining Co., Uranerz Energy Corp. and Noranda, Inc. in the 1970's uranium boom. Our

management has confirmed prior claim ownership as verified with the US Department of Interior - BLM. In addition, ground surveys completed by us have located various previous drill locations and radioactive anomalies as evidenced in ground and drill cuttings.

On November 1, 2007 we entered into a binding letter Agreement to Purchase Assets with Melvin O. Stairs, Jr. ("Mr. Stairs"), for a mineral exploration claim and related database information located in Maricopa County, Arizona. Under the terms of the agreement, the Company will pay total consideration of $1,200,000 including i) a $10,000 deposit upon execution (paid), ii) installments of $95,000 cash on January 10, 2008 (paid) and August 15, 2008, and iii) installments totaling $100,000 on January 10 and August 15 of each year for the period from January 10, 2009 through August 15, 2013. Additionally, the Company has granted the seller security interest on the acquired assets until the agreement is paid in full.

We confirm that as of this date our Arizona located claims contain no uranium reserves, and require extensive exploration by us.

The following provides information relating to such claims:

Property	Number of Claims or Leases Held	Gross Acres	Net Acres
Artillery Peak 1	19 claims	392.54	392.54
Artillery Peak 2	31 claims	640.46	640.46
Coyote Ranch	1 lease	1,120.00	1,120.00
Dry Mountain	28 claims	578.48	578.48
Esther Basin	10 claims	206.60	206.60
Gunsight Canyon 1	11 claims	227.26	227.26
Gunsight Canyon 2	9 claims	185.94	185.94
New River	1 lease	640.00	640.00

Colorado

Claims acquired by us in Colorado have historical production tonnages and grades published in the Colorado Geological Survey, Bulletin 40 - "Radioactive Mineral Occurrences of Colorado". Additionally, a third party consulting miner/engineer was utilized by us for his first hand knowledge of the Colorado properties acquired. Also, our Chief Geologist previously evaluated and acquired a portion of the claims currently owned by us (the Carnotite Mine) while consulting for another company, International Texas Industries, Inc. We confirm that at the current date, our Colorado located claims contain no uranium reserves and require extensive exploration by us.

The following provides information relating to such claims:

Property	Number of Claims or Leases Held	Gross Acres	Net Acres
Carnotite	18 claims	371.88	371.88
Holley Group	158 claims	3,264.28	3,264.28
Raven	22 claims	454.52	454.52
Squaw Point	1 lease	288.91	288.91
Taco	34 claims	702.44	702.44
Triangulation	12 claims	247.92	247.92

New Mexico

The West Ranch Project consists of approximately 7,000 acres made up of lode mining claims and private leases in northwestern New Mexico, on the northwest end of the historically uraniferous Ambrosia Lake trend of the Grants Uranium District. The property was drilled by United Nuclear Corporation and, more recently, by Kerr McGee. Historical wide-spaced drilling across the property indicates the presence of several northwest-southeast trending uranium mineralized zones within the Morrison Formation at average depths of 800 feet.

Our Laguna Trend Project consists of approximately 800 acres of lode claims on Bureau of Land Management land in northwestern New Mexico. The claim block is on-trend and several miles northeast of the historically-producing St. Anthony, Jackpile Paguate, and L-Bar uranium deposits, mined by Anaconda Minerals and Sohio. Northeast of the Company's claim block is Kerr McGee's (now Anadarko Petroleum's) uranium deposit, Rio Puerco, and Conoco's Bernabe uranium deposit. Both of these deposits are yet to be developed.

Acquisition of the Laguna Trend claim block by Uranium Energy was driven by intense analysis of the Morrison Nuclear database, which includes drilling data indicating significant uranium mineralization in the Westwater Canyon Member of the Morrison Formation. This property was most recently held by Kerr McGee. We will initiate exploration permitting during the fourth quarter of 2007.

We have recently acquired 479 claims, covering 13 sections within the Ambrosia Lake Valley. These claims encompass a total 9,896.14 acres, and include such historic mines as the Ann Lee and Sandstone. These claims are located in Township 14 North, and Ranges 9 West and 10 West, which encompasses the heart of the Ambrosia Lake Mining District, and is home to the mines of the district historically operated by Kerr McGee, Homestake, United Nuclear, Phillips and Dysart. This claim block which may be acquired by our company is contiguous to the current mineral resource holdings of BHP Billiton.

We confirm that at the current date, our New Mexico located claims contain no uranium reserves and require extensive exploration by us.

Property	Number of Claims or Leases Held	Gross Acres	Net Acres

Ambrosia Lake	474 claims	9,792.84	9,792.84
Cebolleta	1 federal grant	6,717.00	3,291.33
Grants Ridge	1 lease	320.00	320.00
Laguna Trend	40 claims	826.40	826.40
Red Basin	169 claims	3,380.00	3,380.00
Rick Claims	62 claims	1,063.46	1,063.46
San Mateo Mesa	66 claims	1,363.56	1,363.56
Todilto	208 claims	4,028.04	4,028.04
West Ranch	62 claims, 33 leases and 6 mineral deeds	7,040.92	1,901.10

Texas

We currently own nine leases located in a South Texas uranium trend that have been the subject of substantial historical exploration by Wold Nuclear Corporation ("Wold Nuclear") in the 1970s and 1980s, and constitute some of our most prospective exploration targets. Wold Nuclear was a private uranium exploration company based in Casper, Wyoming, and owned by former Wyoming U.S. Congressman, John S. Wold. Wold Nuclear discovered a number of large uranium deposits in Wyoming which were later acquired and put into production by major uranium production companies. Wold Nuclear's Texas operations were a joint exploration venture with Cotter Corporation. Our Chief Geologist was employed by Wold Nuclear as district and chief geologist of its Texas based operations.

Wold Nuclear's previous work conducted on and around our exploration targets located in South Texas (Zavala County) is in a certain formation that was not the focus of uranium exploration in previous uranium booms (the "New Formation"). The New Formation represents a new "out of traditional trend" host rock for possible uranium mineralization. We have acquired a number of drill hole gamma logs, as well as one drill core, whose chemical analysis supports the indication of uranium, along with lease and drill hole location maps. Insufficient drilling in past exploration programs did not quantify any reserves for Wold Nuclear.

The expected mineralized area comprising the New Formation has been defined in the geological area by our own work product. The New Formation host rock is up to 250 feet thick and has the potential for uranium mineralization similar to Wyoming's Powder River Basin. As of this date we have acquired two leases (473.06 gross acres) in an area where previous drilling and coring indicated uranium mineralization.

The following provides information relating to such leases:

Property	Number of Claims or Leases Held	Gross Acres	Net Acres

Carrizo	14 leases	1,482.67	1,253.09
Devillier	18 leases	654.85	402.27
Goehring	4 leases	214.44	214.44
Goliad	22 leases	2,606.96	2,302.76
Maetze	3 leases	166.83	158.47
Martella	3 leases	124.25	124.25
Martin	1 lease	3,180.00	3,180.00
Nichols	8 leases	1,893.41	1,845.38

Utah

Our Utah properties (Crain Lease) were the subject of prior exploration drilling conducted by Pioneer-Uravan, Inc. and Truchas Limited in the 1970s to search for uranium indications. We have acquired gamma drill log interpretation worksheets from work previously conducted by Pioneer-Uravan, Inc. In addition, drill hole location maps have been obtained from work conducted for Pioneer-Uravan, Inc. and Truchas Limited. Further assay reports on core samples from exploration drilling previously conducted by Pioneer-Uravan, Inc., as verified by that company's commissioned assay report, have also been obtained, as well as certain drill indicated uranium findings that provide the basis for preliminary mineralization information as previously conducted and defined in a Truchas Limited summary and report (1979). As at this date our Utah located claims contain no uranium reserves that we have independently verified, and require extensive exploration by us.

The following provides information relating to such claims and leases:

Property	Number of Claims or Leases Held	Gross Acres	Net Acres
Crain	1 lease	640.00	640
Montezuma Canyon	21 claims and 2 leases	5,002.23	5,002.23
Monument Canyon	2 leases	1,586.94	1,586.94

Wyoming

Our five Wyoming uranium mineral property areas total 17,278.29 acres. Wyoming led the nation's uranium production in 2006 with 4,100,000 pounds of U_3O_8.

The Granite Mountain Thrust ("GMT") property includes 4,686 acres of mining claims north of, and adjacent to, the Rio Tinto (Kennecott) uranium property, which has been drilled extensively since the 1960s by several entities. Our GMT property geology host rock is 2,000 to 3,000 feet thick in the early Eocene Age Battle Springs Formation - partly equivalent to the Wasatch and Wind River formations in other Wyoming Basins. We have assessed previous seismic exploration shot line data and confirmed Battle Springs Formation projections to the GMT area. We plan to

drill six uranium exploration drill holes during 2008. The property is situated approximately eight miles east of the Crooks Gap uranium mining district, which produced about 10,000,000 pounds of U_3O_8 from 1953 through 1982 by open pit mining.

The Burnt Wagon project, located 35 miles west of Casper, Wyoming, was acquired from NAMMCO (Kirkwood) in 2006. The 200 mining claims and 3 state leases total about 4,000 acres. Current staking work will not be complete until November 2007. Previous operations defined shallow uranium mineralization in the Wind River formation of early Eocene age, at 50 to 200 foot depths, from 500 drill holes and 16,000 feet of electric logging data.

Situated in the Lower Eocene Wasatch formation of the southwest Powder River Basin, our Powder River Basin LO-Herma uranium property exploration data was acquired from H. Brenniman as a part of the Pioneer Nuclear, Inc., package in 2006. The 305 mining claims total 5,948.76 acres and are contiguous to the Energy Metals Corp. (Uranium One) property.

Our North Shirley Basin area, "Mud Springs" project, is planned for approximately 16,000 feet of drilling on the 3,014.48 acre property in 2008, and we expect to acquire about 700 more acres by the staking of 34 mining claims. The property, situated in North Shirley Basin, is located 30 miles south of Casper, along a U

$_3O_8$ mineralized Wind River Formation trend northwest of the major Shirley Basin deposits mined in the 1960-70s.

Our DL, 1,275 acre, property is being reassessed by using Pioneer Nuclear, Inc., 1970 uranium exploration data from the H. Brenniman database.

We confirm that at the current date, our Wyoming located claims contain no uranium reserves and require extensive exploration by us.

Wyoming Property	Number of Claims or Leases Held	Gross Acres	Net Acres
Burnt Wagon	157 claims and 3 leases	4,768.47	4,768.47
DL Prospect	1 lease	1,274.98	1,274.98
East Poison Spyder	2 leases	1,280.00	1,280.00
Granite Mountain	236 claims	4,686.43	4,686.43
LO-Herma	305 claims	5,934.70	5,934.70
Mud Springs	120 claims and 1 lease	3,014.48	3,014.48

Exploration Work Programs

Our Vice President of Exploration, Clyde Yancey, a Certified Professional Geologist, based on historical data previously outlined and our own work product, has developed exploration programs unique to each state and claim block with the intent of proving or disproving the existence of uranium on these prospects. In order to carry out these exploration programs, approximately $7,500,000 over the next twelve months will be required, according to the exploration budget and schedule recommended by our Vice President of Exploration. The exploration programs will be conducted in two separate phases as described below. Additional capital for possible future uranium exploration property related acquisitions will be funded through additional offerings of debt and equity on an as required basis.

The total cost of expected Phase II exploration on all mineral properties contemplated at this time is equal to $2,000,000 inclusive of a contingency cost allowance. Additional costs for Phase II exploration work and for further lease and land acquisitions are expected to be funded by future financings from debt and equity sources.

Phase I Work Programs -New Mexico Utah, Arizona and Colorado

The Phase I work program that was proposed, was competed during 2007 through the first quarter of 2008, and formal exploration permits have been submitted in New Mexico (1), Utah (1) and Colorado (2). Also, drilling budgets have been developed for implementation during the second half of 2008. It is anticipated that an exploration permit will be developed for our company's leading Arizona project and submitted during the second half of 2008. The submittal of the exploration permits were based on intensive analysis of our company's claim blocks in the four states noted above.

During Phase I work programs on these particular mineral claims we reviewed and analyzed all historical exploration data available to us in our current possession, acquire additional acreage as available, obtain exploration permits through state and federal agencies and to probe existing drill holes with gamma probes, with a strategy that attempts to confirm historical drill results. Costs have been estimated at $14,500 per claim block.

Phase I Work Programs - South Texas Leases

Based on exploration databases acquired during 2006 and 2007 we were able to establish six separate lease positions within the South Texas uranium trend. Four of these lease positions are within Goliad County and would compliment our existing Goliad project. One of the positions was heavily drilled by Mobil Oil during the 1970s and 1980s. The three remaining Goliad County lease positions are highly encouraging prospects that we plan to drill during 2008 to prove or disprove the occurrence of uranium resources. The fifth lease position is within Duval County and falls within the Catahoula Formation, an historic uranium host formation of South Texas. The sixth lease position is with Karnes County and covers a property heavily drilled by Conoco Petroleum in the 1970s. As previously stated, these lease position were developed by the Company during 2006 from historic databases. Land acquisition costs for these five prospects total $381,000 excluding the value of any stock based expenditures, and drilling costs are approximated to be $562,000.

The exploration databases used to develop the lease positions described above were obtained during the acquisition of the Moore Energy information, the acquisition of the Knupke database, and the Kerr McGee database in Q1 of 2008. These databases consist primarily of numerous geophysical logs with corresponding maps, field reports and regional maps. The Moore Energy database was developed over a period of approximately 10 years and consists of a compilation of their exploration projects and prospects and is quite reliable. This database will be used to guide in the development of the Goliad Project and to develop additional projects and prospects. It is exclusively used by the Company. The Knupke database was developed by an individual over a period of approximately 20 years and consists of past project information, map and logs and potential prospects developed through analysis of regional geology. This database was used exclusively by the Company during 2006. The Kerr McGee database consists of geologic data specifically related to uranium exploration throughout the US, Canada and Australia. This database was developed over a period of nearly 30 years and is quite extensive.

During the Phase I work program geologic information pertinent to the six lease positions noted above will be gathered and analyzed by Company geologists in order to develop additional lease plays, setup drilling programs and develop exploration drilling permits.

Phase II Work Programs

The purpose of Phase I exploration work in the Colorado Plateau, Uravan mining district in Colorado and Utah, as well as the Grants uranium district in New Mexico, and the South Texas trend, on both claim blocks and leases, is chiefly to determine which areas require new drilling. The Phase II work programs will consist of focused exploratory drilling programs.

The total cost of Phase II exploration on all mineral properties contemplated at this time is equal to $2,000,000 including contingency cost allowance. Additional costs for Phase II exploration work and for further lease and land acquisitions are expected to be funded by future financings from debt and equity sources. We expect minimal effect on our ability to proceed with Phase II exploration should they be required in conjunction with further lease and land acquisitions as the amounts projected for Phase II exploration costs are not substantial in relation to budgeted total annual capital and operating expense expenditures. If, however, additional land and lease expenditures during the next twelve months create a lack of capital for Phase II exploration costs beyond that anticipated in relation to available capital, we may not be in a financial position to conduct Phase II exploration if required.

In all cases, results from Phase I of exploration on our properties will determine whether we proceed to Phase II of the exploration program or discontinue exploration on a particular property. Phase II costs, if any, will be incurred in the subsequent 12-month period, and would require additional financing.

We have acquired a second dual wheel truck on which we have installed logging equipment. We took delivery on a PFN assay tool for the logging truck in December of 2007. Total aggregate costs of approximately $294,000, net of taxes and applicable fees was budgeted for the aforementioned. A PFN logging truck now enables Company geologists to directly read uranium values in a borehole under "real time" conditions. A standard logging truck, running a gamma ray probe, reads all radioactive emitting elements in the hole and does not discriminate uranium. In the past a core sample would need to be collected and sent to a laboratory for analysis of uranium before a geologist would know the exact uranium concentration in a bore hole. A PFN logging truck provides this information in the field and saves considerable time and money. We received the PFN assay tool in December 2007 and delivery of the second logging truck in January 2008.

Our operational business plan calls for the acquisition of further uranium exploration properties in Arizona, Colorado, New Mexico, Texas, Utah and Wyoming. We have developed detailed exploration programs for each claim block area of interest based on historical data derived from past uranium exploration by other companies with a mandate to prove or disprove the existence of uranium resources.

Competition

We operate in a highly competitive industry, competing with other mining and exploration companies, and institutional and individual investors, which are actively seeking uranium minerals exploration properties throughout the world together with the equipment, labor and materials required to exploit such properties. Many of our competitors have financial resources, staff and facilities substantially greater than ours. The principal area of competition is encountered in the financial ability to cost effectively acquire prime minerals exploration prospects and then exploit such prospects. Competition for the acquisition of uranium minerals exploration properties is intense, with many properties available in a competitive bidding process in which we may lack technological information or expertise available to other bidders. Therefore, we may not be successful in acquiring, exploring and developing profitable properties in the face of this competition. No assurance can be given that a sufficient number of suitable uranium minerals exploration properties will be available for acquisition, exploration and development.

Minerals Exploration Regulation

Our minerals exploration activities are, or will be, subject to extensive laws and regulations governing prospecting, development, production, exports, taxes, labor standards, occupational health, waste disposal, protection and remediation of the environment, protection of endangered and protected species, mine safety, toxic substances and other matters. Minerals exploration is also subject to risks and liabilities associated with pollution of the environment and disposal of waste products occurring as a result of mineral exploration and production. Compliance with these laws and regulations may impose substantial costs on us and will subject us to significant potential liabilities. Changes in these regulations could require us to expend significant resources to comply with new laws or regulations or changes to current requirements and could have a material adverse effect on our business operations.

Exploration and production activities are subject to certain environmental regulations which may prevent or delay the commencement or continuance of our operations. In general, our exploration and production activities are subject to certain federal, state and local laws and regulations relating to environmental quality and pollution control. Such laws and regulations increase the costs of these activities and may prevent or delay the commencement or continuance of a given operation. Compliance with these laws and regulations has not had a material effect on our operations or financial condition to date. Specifically, we are subject to legislation regarding emissions into the environment, water discharges and storage and disposition of hazardous wastes. In addition, legislation has been enacted which requires well and facility sites to be abandoned and reclaimed to the satisfaction of state authorities. However, such laws and regulations are frequently changed and we are unable to predict the ultimate cost of compliance. Generally, environmental requirements do not appear to affect us any differently or to any greater or lesser extent than other companies in the industry and our current operations have not expanded to a point where either compliance or cost of compliance with environmental regulation is a significant issue for us. Costs have been incurred to date with respect to compliance with environmental laws, primarily relating to the posting of a performance bond, and costs are only expected to increase with the increasing scale and scope of exploration operations, especially with the advent of Phase II exploration costs.

Minerals exploration operations are subject to comprehensive regulation which may cause substantial delays or require capital outlays in excess of those anticipated causing an adverse effect on our business operations. Minerals exploration operations are subject to federal, state, and local laws relating to the protection of the environment, including laws regulating removal of natural resources from the ground and the discharge of materials into the environment. Minerals exploration operations are also subject to federal, state, and local laws and regulations which seek to maintain health and safety standards by regulating the design and use of drilling methods and equipment. Various permits from government bodies are required for drilling operations to be conducted; no assurance can be given that such permits will be received. Environmental standards imposed by federal, state, or local authorities may be changed and any such changes may have material adverse effects on our activities. Moreover, compliance with such laws may cause substantial delays or require capital outlays in excess of those anticipated, thus causing an adverse effect on us. Additionally, we may be subject to liability for pollution or other environmental damages which we may elect not to insure against due to prohibitive premium costs and other reasons. As of the date of this prospectus, other than with respect to the posting of a performance bond, we have not been required to spend material amounts on compliance with environmental regulations. However, we may be required to do so in future and this may affect our ability to expand or maintain our operations. Environmental regulation is discussed in further detail in the following section.

Environmental Regulation

Our activities will be subject to existing federal, state and local laws and regulations governing environmental quality and pollution control. Our operations will be subject to stringent environmental regulation by state and federal authorities including the Environmental Protection Agency ("EPA"). Such regulation can increase the cost of such activities. In most instances, the regulatory requirements relate to water and air pollution control measures.

Waste Disposal

The Resource Conservation and Recovery Act ("RCRA"), and comparable state statutes, affect minerals exploration and production activities by imposing regulations on the generation, transportation, treatment, storage, disposal and cleanup of "hazardous wastes" and on the disposal of non-hazardous wastes. Under the auspices of the EPA, the individual states administer some or all of the provisions of RCRA, sometimes in conjunction with their own, more stringent requirements.

CERCLA

The federal Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") imposes joint and several liability for costs of investigation and remediation and for natural resource damages, without regard to fault or the legality of the original conduct, on certain classes of persons with respect to the release into the environment of substances designated under CERCLA as hazardous substances ("Hazardous Substances"). These classes of persons or potentially responsible parties include the current and certain past owners and operators of a facility or property where there is or has been a release or threat of release of a Hazardous Substance and persons who disposed of or arranged for the disposal of the Hazardous Substances found at such a facility. CERCLA also authorizes the EPA and, in some cases, third parties to take actions in response to threats to the public health or the environment and to seek to recover the costs of such action. We may also in the future become an owner of facilities on which Hazardous Substances have been released by previous owners or operators. We may in the future be responsible under CERCLA for all or part of the costs to clean up facilities or property at which such substances have been released and for natural resource damages.

Air Emissions

Our operations are subject to local, state and federal regulations for the control of emissions of air pollution. Major sources of air pollutants are subject to more stringent, federally imposed permitting requirements. Administrative enforcement actions for failure to comply strictly with air pollution regulations or permits are generally resolved by payment of monetary fines and correction of any identified deficiencies. Alternatively, regulatory agencies could require us to forego construction, modification or operation of certain air emission sources.

Clean Water Act

The Clean Water Act ("CWA") imposes restrictions and strict controls regarding the discharge of wastes, including mineral processing wastes, into waters of the United States, a term broadly defined. Permits must be obtained to discharge pollutants into federal waters. The CWA provides for civil, criminal and administrative penalties for unauthorized discharges of hazardous substances and other pollutants. It imposes substantial potential liability for the costs of removal or remediation associated with discharges of oil or hazardous substances. State laws governing discharges to water also provide varying civil, criminal and administrative penalties and impose liabilities in the case of a discharge of petroleum or it derivatives, or other hazardous substances, into state waters. In addition, the EPA has promulgated regulations that may require us to obtain permits to discharge storm water runoff. In the event of an unauthorized discharge of wastes, we may be liable for penalties and costs. Management believes that we are in substantial compliance with current applicable environmental laws and regulations.

Research and Development Activities

No research and development expenditures have been incurred, either on our account or sponsored by customers for the past three years.

Employees

Amir Adnani is our President and Chief Executive Officer, Pat Obara is our Chief Financial Officer, and Harry Anthony is our Chief Operating Officer. These individuals are primarily responsible for all our day-to-day operations. Other services are provided by outsourcing and consultant and special purpose contracts. We currently employ approximately 40 persons on a full time basis and contract with approximately 13 individuals on a full time basis for ongoing services provided to the Company.

Properties

We own 15.19 acres of real estate located in Goliad county, Texas. Our registered office is located at 9801 Anderson Mill Road, Suite 230, Austin Texas 78750. We have entered into office rental and service agreements as follows:

(m) we have a one year lease at $2,948 per month for our Texas corporate office at 9801 Anderson Mill Road, Suite 230, Austin, Texas 78750, which expired on April 30, 2008;

(n) we have a one year lease at $450 per month for our Goliad project office at 104 East Franklin, Suite 142, Goliad, Texas 77963, which expires on June 1, 2008;

(o) we have a one year lease at $1,500 per month for our Texas exploration office at 100 East Kleberg Street, Suite 210, Kingsville, Texas 78364, which expires on January 31, 2008;

(p) we have a two year lease at $3,778 per month for our New Mexico exploration office at 6100 Indian School NE, Suite 225, Albuquerque, New Mexico 87110, which expires on March 1, 2010;

(q) we have a two year lease at $946 per month for our Wyoming exploration office at 232 East 2nd Street, Suite 203, Casper, Wyoming 82601, which expires on May 31, 2009;

(r) we have a two year lease at $1,154 per month for our Texas district office at 400 Mann Street, Suite 900, Corpus Christi, Texas 78401, which expires on July 31, 2009; and

(s) we rent office space at 1111 West Hasting Street, Suite 320, Vancouver, B.C., Canada V6E 2J3, for our corporate administration office. There is no lease commitment and rent and expenses are paid on a month to month basis.

SELECTED FINANCIAL DATA

The following selected financial data has been derived from and should be read in conjunction with (i) our audited financial statements for the years ended December 31, 2006, 2005, 2004 and 2003, together with the notes to these financial statements, (ii) our restated audited financial statements for the seven-month period ended July 31, 2007, together with the notes to these financial statements, (iii) our interim unaudited financial statements for the nine-month periods ended April 30, 2008 and 2007, together with the notes to these financial statements and (iv) the sections of this prospectus entitled "Description of Business and Properties" and "Management's Discussion and Analysis of Financial Condition and Results of Operations".

On June 29, 2007, our board of directors approved the change of our fiscal year end from December 31 to July 31. On October 29, 2007, we filed a Transition Report on Form 10-KSB for the fiscal period ended July 31, 2007, as subsequently amended, with the SEC and commenced a new reporting period.

We were incorporated under the laws of the State of Nevada on May 16, 2003. During 2004, we changed our business operations focus from precious metals exploration in the State of Nevada to the exploration for economic reserves of uranium throughout the United States. Since then, we have been acquiring mineral property interests in the United States. In addition, we amended our audited financial statements for the fiscal period ended July 31, 2007 to include a note explaining a reclassification of mineral property acquisition costs from the years ended December 31, 2006, 2005 and 2004, which had no impact on the reported loss for these periods. Accordingly, the financial information presented below may not be comparable from period to period.

Balance Sheet Data

	As at April 30,	As at July 31,	As at December 31, (As Restated)			
	2008	2007	2006	2005	2004	2003
Cash and cash equivalents	$2,654,677	$9,083,453	$13,581,377	$107,160	$406,270	$346
Working capital (deficiency)	2,419,585	9,593,649	13,460,648	(215,828)	371,469	24,486
Total assets	18,537,322	22,525,727	18,048,453	748,035	427,085	732
Total liabilities	825,945	379,157	532,043	323,288	36,414	24,864
Total stockholders' equity (deficit)	17,711,377	22,146,570	17,516,410	424,747	390,671	(24,132)

Statement of Operations Data

Nine Months Ended April 30,	Seven Months Ended July 31,	Fiscal Year Ended December 31, (As Restated)			

	2008	2007	2007	2006	2005	2004	2003
Revenues	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Expenses	14,460,579	11,217,440	8,571,200	12,078,099	1,377,432	109,322	24,132
Loss from operations	(14,460,579)	(11,217,440)	(8,571,200)	(12,078,099)	(1,377,432)	(109,322)	(24,132)
Net loss	(14,446,327)	(10,568,809)	(8,044,743)	(11,608,135)	(1,377,432)	(109,322)	(24,132)
Basic and diluted loss per share	(0.37)	(0.33)	(0.22)	(0.44)	(0.08)	(0.10)	-

Selected Quarterly Financial Data

	Quarter Ended (As Restated)				
	March 31, 2007	June 30, 2007	October 31, 2007	January 31, 2008	April 30, 2008
Revenues	$Nil	$Nil	$Nil	$Nil	$Nil
Expenses	4,588,104	2,870,569	3,817,975	4,511,886	6,130,718
Loss from operations	(4,588,104)	(2,870,569)	(3,817,975)	(4,511,886)	(6,130,718)
Net loss	(4,431,298)	(2,733,060)	(3,767,357)	(4,538,601)	(6,140,369)
Basic and diluted loss per share	(0.13)	(0.07)	(0.10)	(0.12)	(0.15)

	Quarter Ended (As Restated)			
	March 31, 2006	June 30, 2006	September 30, 2006	December 31, 2006
Revenues	$Nil	$Nil	$Nil	$Nil
Expenses	1,083,591	4,938,588	2,401,190	3,654,730
Loss from operations	(1,083,591)	(4,938,588)	(2,401,190)	(3,654,730)
Net loss	(1,083,591)	(4,925,416)	(1,994,660)	(3,604,468)
	(0.05)	(0.19)	(0.07)	(0.11)

Basic and diluted loss per share	

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with (i) our audited financial statements as at and for the years ended December 31, 2006, 2005 and 2004 and the related notes; (ii) our audited financial statements as at and for the seven-month period ended July 31, 2007 and the related notes, as restated; (iii) our unaudited interim financial statements for the nine-month periods ended April 30, 2008 and 2007 and the related notes; and (iv) the section of this prospectus entitled "Description of Business and Properties" that appear elsewhere in this prospectus. The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below and elsewhere in this prospectus, particularly in the section entitled "Risk Factors". Our financial statements are stated in United States Dollars and are prepared in accordance with United States Generally Accepted Accounting Principles.

In June 2007, we determined to change our fiscal year end from December 31 to July 31. Accordingly, on October 29, 2007, we filed a Transition Report on Form 10-KSB for the period year ended July 31, 2007, as subsequently amended, with the SEC and commenced a new reporting period.

We were incorporated under the laws of the State of Nevada on May 16, 2003. During 2004, we changed our business operations focus from precious metals exploration in the State of Nevada to the exploration for economic reserves of uranium throughout the United States. Since then, we have been acquiring mineral property interests in the United States. In addition, we restated our audited financial statements for the fiscal period ended July 31, 2007 and fis