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Ur-Energy Completes Shirley Basin Confirmation Drill Program

LITTLETON, Colo., May 28, 2014 /PRNewswire/ -- **Ur-Energy Inc. (TSX:URE, NYSE MKT:URG)** ("Ur-Energy" or the "Company") is pleased to announce the successful completion of a 14-hole confirmation drilling and coring program at its Shirley Basin Project in central, southeast Wyoming. The Company acquired the Shirley Basin Project as part of the acquisition of Pathfinder Mines Corporation ("Pathfinder") from an AREVA affiliate in December 2013.

Jim Bonner, Vice President of Geology, stated, *"This year's confirmation drilling program on the Shirley Basin Project was a great success. The Shirley Basin Mining District is well known for its high-grade uranium deposits and it is exciting to drill, sample and confirm the presence of this high-grade uranium mineralization on Ur-Energy's property. The grades of uranium encountered, along with favorable hydrological characteristics of the host sandstones, combine to make this project an excellent candidate for in-situ recovery. In fact, the Shirley Basin Mining District was the site of this country's first commercial solution mining operation – dating back to 1963."*

The Shirley Basin Project drilling program consisted of fourteen (14) rotary drill holes including two (2) core holes completed in the FAB and Area 5 resource areas. The program had the following objectives:

1. Confirmation of the location and nature of uranium mineralization;
2. Stratigraphic investigation to confirm lithology, as well as overlying and underlying hydrological confinement of the host sandstones; and
3. Collection of core for uranium and trace metal analyses, mineralogy, leach testing, disequilibrium analyses, permeability, porosity and density.

The drilling program provided a total of thirteen (13) intercepts containing mineralization meeting or exceeding the "ore grade" criteria established by the Company (Grade x Thickness (GT) ≥ 0.3 with average grade ≥ 0.020% eU_3O_8). Seven (7) of the highest intercepts had GTs ranging from 2.0 – 4.0 and an average grade of 0.24% $_eU_3O_8$. Within these well-mineralized intercepts, there are several intervals of notably high-grade uranium

(i.e., 2.5 ft. of 1.02% $_eU_3O_8$ (FAB-002), 2.5 ft. of 0.74%$_eU_3O_8$ (FAB-004) and 2.5 ft. of 0.67% $_eU_3O_8$ (FAB-005)).

The following table presents summary data from all mineralized intercepts that met the Company's "ore grade" criteria.

Hole No.	Depth (ft)	Thickness (ft)	Grade (eU_3O_8[(1)])	GT
A5-002	427.5	9.5	0.067%	0.64
A5 -004	403.0	6.5	0.147%	0.96
A5-004	415.0	6.5	0.059%	0.39
A5-004	528.5	11.0	0.039%	0.43
FAB-002	311.5	8.0	0.502%	4.02
FAB-004	223.5	6.0	0.056%	0.34
FAB-004	255.0	12.0	0.230%	2.76
FAB-005	242.0	12.5	0.321%	4.01
FAB-006	331.0	19.0	0.160%	3.04
FAB-007	312.0	9.0	0.224%	2.02
FAB-007	322.0	7.0	0.076%	0.53
FAB-008C	242.0	13.0	0.225%	2.93
FAB-009C	331.0	19.0	0.189%	3.59

(1) - % eU_3O_8 is a measure of gamma intensity from a decay product of uranium and is not a direct measurement of uranium. Numerous comparisons of eU_3O_8 and chemical assays of Shirley Basin core samples, along with historical mining experience indicate that eU_3O_8 is a reasonable indicator of the chemical concentration of uranium.

The rotary drill holes provided valuable information on distribution and character of the "Main" and "Lower" Eocene-age Wind River Formation host sandstones, as well as mapping the underlying Cretaceous sediments in both resource areas. Geophysical logs (including gamma) were run on all holes. The Company also conducted Prompt Fission Neutron (PFN) logging of seven (7) of the drill holes. PFN logging provides a direct measurement of chemical uranium. The result yielded an average disequilibrium factor of 1.03, indicating chemical equilibrium. Gamma and PFN logging verified the presence of uranium mineralization in locations identified by historic Pathfinder drill hole data and exhibited similar grade and thickness values to these historic holes.

The core holes provided thirty-three (33) 1-ft samples of uranium mineralization which were sent to a laboratory for chemical analyses and testing of physical properties. Disequilibrium ratios for this mineralization will be determined by these chemical analyses, along with "closed can" analyses for eU_3O_8 values on the same samples. Historically, disequilibrium was not an issue in the Pathfinder mines at Shirley Basin.

Ur-Energy is presently preparing a National Instrument 43-101 Technical Report on the Shirley Basin Project. The above-described drilling and coring results will be incorporated into this document. Cal VanHolland, Chief Geologist and a Qualified Person as defined by National Instrument 43-101, supervised the preparation of and reviewed the technical information contained in this release.

About Shirley Basin

The Shirley Basin Project is located within the historic Shirley Basin Uranium Mining District, which is the second largest uranium producing district in Wyoming. Over 51 million pounds of U_3O_8 were produced from this district from 1959 to 1992, including over 28 million pounds produced from the Pathfinder Property.

When open pit mining operations were terminated in 1992, Pathfinder had delineated considerable resources to support future mining operations. The majority of these delineated resources are contained in two areas – the FAB Trend and Area 5. The FAB Trend is the primary resource area and is described as a connection of multiple high-grade, mineralized trends (roll fronts) between historic open pit mines. The Pit 2/8 Complex, on the west end of the FAB Trend produced approximately 18 million pounds of U_3O_8 and Pit 3, on the east end, produced approximately 7 million pounds of U_3O_8. The length of the FAB Trend is approximately two miles and portions of this resource area had been pre-stripped at the time of production shut-down. The Area 5 Resource Area is located approximately two miles northwest of the FAB Trend in an area with no historic mining. However, Pathfinder had conducted a Solution Mining Study for this area in 1981, which included detailed plans and designs for ISR permitting and development. The plan was not implemented due to weak market conditions at the time. Nearly all resources from both resource areas are situated on patented lands owned by the Company.

Pathfinder had completed over 3200 drill holes (1.2 million feet of drilling) in the delineation of the resource areas being evaluated, resulting in a 100-ft grid of drill holes throughout. In several portions of the resource area, the spacing is as close as 25-ft to 50-ft between drill holes. Ur-Energy holds original electric and gamma logs, survey data, drill hole intercept maps and core data from this historic delineation drilling.

About Ur-Energy

Ur-Energy is a junior uranium mining company operating the Lost Creek in-situ recovery uranium facility in south-central Wyoming. The Lost Creek processing facility has a two million pounds per year nameplate capacity. Ur-Energy engages in the identification, acquisition, exploration development, and operation of uranium projects in the United States and Canada. Shares of Ur-Energy trade on the Toronto Stock Exchange under the symbol "URE" and on the NYSE MKT under the symbol "URG". All currency figures in this announcement are in US dollars unless otherwise stated. Ur-Energy's corporate office is located in Littleton, Colorado; its registered office is in Ottawa, Ontario. Ur-Energy's website is www.ur-energy.com.

FOR FURTHER INFORMATION, PLEASE CONTACT

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Cautionary Note Regarding Forward-Looking Information

This release may contain "forward-looking statements" within the meaning of applicable securities laws regarding events or conditions that may occur in the future (*e.g.,* timing and ability to develop Shirley Basin, including its status as an in situ recovery facility; whether further drilling and development will continue to confirm earlier analyses of the resource areas at Shirley Basin)) and are based on current expectations that, while considered reasonable by management at this time, inherently involve a number of significant business, economic and competitive risks, uncertainties and contingencies. Factors that could cause actual results to differ materially from any forward-looking statements include, but are not limited to, capital and other costs varying significantly from estimates; failure to establish estimated resources and reserves; the grade and recovery of ore which is mined varying from estimates; production rates, methods and amounts varying from estimates; delays in

obtaining or failures to obtain required governmental, environmental or other project approvals; inflation; fluctuations in commodity prices; delays in development and other factors described in the public filings made by the Company at www.sedar.com and www.sec.gov. Readers should not place undue reliance on forward-looking statements. The forward-looking statements contained herein are based on the beliefs, expectations and opinions of management as of the date hereof and Ur-Energy disclaims any intent or obligation to update them or revise them to reflect any change in circumstances or in management's beliefs, expectations or opinions that occur in the future.

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