

July 19, 2011



Ur-Energy Announces Start of 2011 Drilling Program

LITTLETON, COLORADO -- (MARKET WIRE) -- 07/19/11 -- Ur-Energy Inc. (TSX: URE) (NYSE AMEX: URG)("Ur-Energy" or the "Company") is pleased to announce the start of the 2011 drilling program at the Lost Creek Project (the "Project") as well as the continuation of its exploration efforts at its Lost Creek North property. The Company returned to the field with four drill rigs on July 18, 2011 to install wells and perform exploration drilling.

With Project permitting nearly complete, the Company is installing several wells which will be utilized to conduct hydrology testing on the KM horizon. This is in preparation of a future license/permit amendment to include the KM horizon as an approved mining formation. The remainder of the 2011 drilling program will be focused on exploring for uranium within a previously undrilled area of the Project and in the adjacent Lost Creek North property.

John Cash, Vice President of Regulatory Affairs, Exploration & Geology stated "The continued drilling at the Lost Creek Project and its adjacent properties reaffirms the Company's continued commitment to further develop its resources. Ur-Energy's position in the Great Divide Basin continues to be enhanced through our ongoing drilling and exploration programs."

About Ur-Energy

Ur-Energy is a junior uranium company currently completing mine planning and permitting activities to bring its Lost Creek Wyoming uranium deposit into production. Permitting also will allow the construction of a two-million-pounds-per-year in situ uranium processing facility. Engineering for the process facility is complete and mine planning is at an advanced stage for the first two mine units. Ur-Energy engages in the identification, acquisition and exploration of uranium properties in both Canada and the United States. Shares of Ur-Energy trade on the Toronto Stock Exchange under the symbol "URE" and on the NYSE Amex under the symbol "URG". 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.

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., receipt of (and related timing of) the final NRC Source and Byproduct Materials License, WDEQ Permit to Mine and all other necessary permits and regulatory authority related to Lost Creek; exploration results at the Lost Creek and Lost Creek North project) 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; 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; changes in exchange rates; fluctuations in commodity prices; delays in development and other factors. 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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