December 7, 2015

Ur-Energy Has Second 2015 Increase to Mineral Resources for Lost Creek Property

Combined 2015 Updates Add 4.6M/lbs M&I and 1.7M/lbs Inferred

LITTLETON, Colo., Dec. 7, 2015 /PRNewswire/ -- Ur-Energy Inc. **(NYSE MKT:URG, TSX:URE)** (the "Company" or "Ur-Energy") is pleased to announce a new and increased mineral resource estimate for the Lost Creek Property, Sweetwater County, Wyoming. This second increase during 2015 is the result of an updated resource estimation from wellfield development drilling in Mine Unit 2 (MU2) and the results of the second phase of the 2015 Lost Creek Property exploration drilling program. In addition, all previously-identified Lost Creek Property resources were revised using a 0.20 grade-thickness (GT) cut-off. The incorporation of this new, lower GT cut-off is the result of better-than-expected uranium recoveries from mining operations, as reported in the June 17, 2015 National Instrument 43-101 (NI 43-101) technical report authored by TREC, Inc., titled *"Technical Report for the Lost Creek Property, Sweetwater County, Wyoming."*

The current mineral resource estimate for all of the Lost Creek Property, at a 0.20 GT cut-off, after subtraction of 1.358 million pounds of Mine Unit (MU1) production (through September 30, 2015), is 13.25 million pounds eU_3O_8 in the Measured and Indicated categories, and 6.44 million pounds eU_3O_8 in the Inferred category. This revised resource estimate represents a net increase to the Lost Creek Property (all projects) of 3.15 million pounds eU_3O_8 in the Measured and Indicated categories and 1.40 million pounds eU_3O_8 in the Inferred category when compared to the previous estimate in the June 17, 2015 Technical Report. The following table shows the resulting increase to Lost Creek Property resources due to this further evaluation:

	Measured Resource (Pounds X 1000)	Indicated Resource (Pounds X 1000)	Inferred Resource (Pounds X 1000)
June 2015 Technical Report	6,196	3,909	5,037
Revised Resource Estimate	8,028	5,223	6,439
Percent Increase	30%	33%	28%

Resources are classified as Measured, Indicated and Inferred as defined in Section 1.2 of Canadian NI 43-101 Standards of Disclosure for Mineral Projects and the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards for Mineral Resources and Mineral Reserves (May 2014).

Steve Hatten, Vice President Operations commented, "This current resource increase, which is based on the production experience gained at Lost Creek and our exploration drilling this year, continues to exceed our initial expectations and provides further proof that the Lost Creek Property has the ability to be a long-term profit center for Ur-Energy."

The Lost Creek Property consists of six contiguous project areas totaling approximately 42,000 acres. The Lost Creek Project is the fully-permitted and licensed project where uranium production operations began in 2013. The updated resource estimate for the Lost Creek Property, by project, is summarized here:

Lost Creek Property – Resource Summary

	Measured			Indicated			Inferred		
Project	AVG GRADE % eU_3O_8	SHORT TONS (X 1000)	POUNDS (X 1000)	AVG GRADE % eU_3O_8	SHORT TONS (X 1000)	POUNDS (X 1000)	AVG GRADE % eU_3O_8	SHORT TONS (X 1000)	POUNDS (X 1000)
LOST CREEK	0.048	8,339	**7,937**	0.046	3,831	**3,491**	0.046	3,116	**2,844**
MU1 Production through 09/30/2015	*0.048*	*-1,415*	***-1,358***						
LC EAST	0.052	1,392	**1,449**	0.041	1,891	**1,567**	0.042	2,954	**2,484**
LC NORTH	-----	-----	-----	-----	-----	**-----**	0.045	645	**581**
LC SOUTH	-----	-----	-----	0.037	220	**165**	0.039	637	**496**
LC WEST	-----	-----	-----	-----	-----	-----	0.109	16	**34**
EN	-----	-----	-----	-----	-----	-----	-----	-----	-----
GRAND TOTAL	**0.048**	**8,316**	**8,028**	**0.044**	**5,942**	**5,223**	**0.044**	**7,368**	**6,439**
			MEASURED & INDICATED =		**14,258**	**13,251**			

1. Sum of Measured and Indicated tons and pounds may not add to the reported total due to rounding.
2. % eU3O8 is a measure of gamma intensity from a decay product of uranium and is not a direct measurement of uranium. Numerous comparisons of eU3O8 and chemical assays of Lost Creek rock samples indicate that eU3O8 is a reasonable indicator of the chemical concentration of uranium.
3. Resources based on grade cut-off of 0.02 percent eU_3O_8 and a grade x thickness cut-off of 0.20 GT.
4. Measured, Indicated, and Inferred Mineral Resources as defined in Section 1.2 of NI

43-101 (the CIM Definition Standards (CIM Council, May 2014)).
5. Production through September 30, 2015 is reported; resources are reported through October 15, 2015.
6. All reported resources occur below the static water table.

The revised resource total for the Lost Creek Property is derived from the following three areas:

Lost Creek Project MU2 Resource Estimate

The Company has been operating the Lost Creek Mine since August 2013 and, to date, all production has come from MU1. In anticipation of commencing production in MU2 in 2016, wellfield drilling for this mine unit was initiated in July 2015. The revised MU2 resource estimate is based on drilling results from 138 close-spaced pattern wells, 20 monitor wells and 22 delineation drill holes. This resource re-estimation for MU2, based on increased drill hole density and the lower 0.20 GT cut-off, resulted in an increase of 682,000 pounds eU_3O_8 of Measured and Indicated resource and 185,000 pounds eU_3O_8 of Inferred resource. Since the June 17, 2015 Technical Report, this represents a 41% increase and a 58% increase, respectively.

Resources Estimated from Phase 2, 2015 Exploration Drill Program

A 150-hole exploration drilling program was conducted in 2015 immediately south and east of MU1. The primary goal of this program was to characterize three previously-identified mineralized sand units (FG, HJ, and KM). The exploration program was conducted in two phases, with the first phase completed during Q1 2015, and previously reported as a part of the June 17, 2015 Technical Report. Ninety-one exploratory holes were drilled in Phase 1 (total, 51,535 ft). Phase 1 successfully extended several mineralization trends and increased resources within three mineralized horizons by 121,000 pounds eU_3O_8 of Measured and Indicated resources and 296,000 pounds eU_3O_8 of Inferred resources. In Q3 2015, the second phase of the exploration program, consisting of 59 drill holes (total, 24,760 ft), was completed. An additional 18,000 pounds eU_3O_8 of resources in the Measured and Indicated categories and 202,000 pounds eU_3O_8 of resources in the Inferred category were added.

The combined increase in mineral resource as a result of the 150-hole program is 139,000 pounds eU_3O_8 of new Measured and Indicated uranium resources and 498,000 pounds eU_3O_8 of Inferred resources. The cost of this exploration program was approximately $500,000.

Resources Re-Estimated from All Lost Creek Property, Using 0.20 GT cut-off

The June 17, 2015 Technical Report reported resources for MU1 and Phase 1 of the 2015 exploration program at a revised 0.20 GT cut-off, based upon information gained through production operations. In that report, resources from the remainder of the Lost Creek Property were reported at the original 0.30 GT cut-off, with the recommendation to update these resources at the lower GT cut-off. Company geologists have completed this re-estimation, which involved the re-mapping of all mineralized trends within all host sand horizons for the Lost Creek, LC East, LC South, LC North and LC West Projects. Using the lower GT cut-off value in the resource estimation process, there was a net increase of 2.446 million pounds eU_3O_8 in the Measured and Indicated categories, and 1.015 million pounds eU_3O_8 in the Inferred category. There was a slight decrease in average grades of most

resource areas because of the lowered GT cut-off value.

Combined 2015 Resource Growth at Lost Creek Property

Together with the resource update reflected earlier this year in the June 17, 2015 Technical Report, the Lost Creek Property resources have seen combined 2015 net increases of 4.596 million pounds in the Measured and Indicated resource categories, and 1.699 million pounds in the Inferred resource category. These figures represent combined, net increases of 53% for Measured and Indicated categories of resource and 36% of Inferred resources.

"One of our objectives for 2015 was to demonstrate the scalability of the Lost Creek Property resources and, thanks to the efforts of our geologic team, led by Jim Bonner, Vice President Geology, we have done just that!" Jeff Klenda, Executive Director of the Company said, further observing, "The two updates to our Lost Creek resource estimates this year, and the collective increase in all categories of resources, represents more than an eight-fold multiple of our production thus far this year."

The combined resource estimate increases for the year 2015, are set forth here:

	MEASURED			INDICATED			INFERRED		
LOST CREEK PROPERTY (ALL SIX PROJECTS)	AVG GRADE % eU_3O_8	SHORT TONS (X 1000)	POUNDS (X 1000)	AVG GRADE % eU_3O_8	SHORT TONS (X 1000)	POUNDS (X 1000)	AVG GRADE % eU_3O_8	SHORT TONS (X 1000)	POUNDS (X 1000)
GRAND TOTAL DECEMBER 2013 PEA	**0.057**	**4,292**	**4,850**	**0.048**	**4,039**	**3,805**	**0.051**	**4,718**	**4,740**
		MEASURED & INDICATED =			**8,332**	**8,655**			
GRAND TOTAL JUNE 2015 TECHNICAL REPORT	**0.049**	**6,269**	**6,196**	**0.047**	**4,181**	**3,909**	**0.049**	**5,150**	**5,037**
		MEASURED & INDICATED =			**10,450**	**10,105**			
GRAND TOTAL DECEMBER 2015 RESOURCE UDPATE	**0.048**	**8,316**	**8,028**	**0.044**	**5,942**	**5,223**	**0.044**	**7,368**	**6,439**
		MEASURED & INDICATED =			**14,258**	**13,251**			

An updated NI 43-101 technical report, the purpose for which is to update the Lost Creek Property resource estimate and economic analysis, will be filed on SEDAR within 45 days. Mr. James Bonner, VP Geology with Ur-Energy, C.P.G., American Institute of Professional Geologists, and a Qualified Person as defined by NI 43-101, has reviewed and approved the technical disclosure contained in this news release. Mr. Bonner has verified the sampling, analytical and test data underlying the mineral resource estimate disclosed here.

About Ur-Energy

Ur-Energy is a 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 design capacity. Shirley Basin, our newest project, is one of the Pathfinder Mines assets we acquired in 2013. Baseline studies necessary for permitting and licensing of the project are complete, and permit applications are expected to be filed Q4 2015. Ur-Energy is engaged in uranium mining, recovery and processing activities, including the acquisition, exploration, development and operation of uranium mineral properties in the United States. Shares of Ur-Energy trade on the NYSE MKT under the symbol "URG" and

on the Toronto Stock Exchange under the symbol "URE." 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.,* the ability to continue to continue to return successful exploration and development projects at the Lost Creek Property, to further increase the mineral resources; further development of the resources to be a part of production at Lost Creek; the minability and scalability of the project on a continuing, sustained basis) 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; changes in exchange rates; 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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To view the original version on PR Newswire, visit:http://www.prnewswire.com/news-releases/ur-energy-has-second-2015-increase-to-mineral-resources-for-lost-creek-property-300189197.html

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