

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

FORM 10-Q

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

For the quarterly period ended **October 31, 2023**

or

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

For the transition period from _____ to _____

Commission File Number: **001-33706**

URANIUM ENERGY CORP.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation of organization)

500 North Shoreline, Ste. 800, Corpus Christi, Texas, U.S.A.

(U.S. corporate headquarters)

1830 – 1188 West Georgia Street
Vancouver, British Columbia, Canada

(Canadian corporate headquarters)

(Address of principal executive offices)

(361) 888-8235

(Registrant's telephone number, including area code)

Not applicable

(Former name, former address and former fiscal year, if
changed since last report)

98-0399476

(I.R.S. Employer Identification No.)

78401

(Zip Code)

V6E 4A2

(Zip Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class

Common Stock

Trading Symbol(s)

UEC

Name of each exchange on which registered

NYSE American

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

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer”, “accelerated filer”, “smaller reporting company”, and “emerging growth company” in Rule 12b-2 of the Exchange Act.

☒ Large accelerated filer ☐ Accelerated filer
☐ Non-accelerated filer ☐ Smaller reporting company
☐ Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date: 392,979,724 shares of common stock outstanding as of December 8, 2023.

URANIUM ENERGY CORP.

TABLE OF CONTENTS

PART I – FINANCIAL INFORMATION	4
Item 1. Financial Statements	4
Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations	25
Item 3. Quantitative and Qualitative Disclosures About Market Risk	33
Item 4. Controls and Procedures	33
PART II – OTHER INFORMATION	35
Item 1. Legal Proceedings	35
Item 1A. Risk Factors	35
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	47
Item 3. Defaults Upon Senior Securities	47
Item 4. Mine Safety Disclosures	47
Item 5. Other Information	47
Item 6. Exhibits	47
SIGNATURES	49

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

URANIUM ENERGY CORP.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED OCTOBER 31, 2023

(Unaudited – Expressed in thousands of U.S. Dollars unless otherwise stated)

URANIUM ENERGY CORP.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited – Expressed in thousands of U.S. dollars)

	Notes	October 31, 2023	July 31, 2023
CURRENT ASSETS			
Cash and cash equivalents		\$ 50,240	\$ 45,614
Inventories	3	42,939	6,207
Prepaid expenses and deposits		10,449	2,682
Accounts and other receivables		542	702
TOTAL CURRENT ASSETS		104,170	55,205
MINERAL RIGHTS AND PROPERTIES			
PROPERTY, PLANT AND EQUIPMENT	4	556,423	565,560
RESTRICTED CASH	5	20,062	19,728
EQUITY-ACCOUNTED INVESTMENTS	6	7,251	7,251
INVESTMENT IN EQUITY SECURITIES	7	53,364	48,110
OTHER NON-CURRENT ASSETS	8	53,347	38,656
TOTAL ASSETS		\$ 798,129	\$ 737,589
CURRENT LIABILITIES			
Accounts payable and accrued liabilities		\$ 17,581	\$ 10,525
Asset retirement obligations - current	9	1,515	1,515
Derivative liabilities	10	11,214	-
Other current liabilities		292	154
TOTAL CURRENT LIABILITIES		30,602	12,194
ASSET RETIREMENT OBLIGATIONS			
OTHER NON-CURRENT LIABILITIES	9	17,394	17,155
DERIVATIVE LIABILITIES	10	1,509	1,020
DEFERRED TAX LIABILITIES		-	4,313
TOTAL LIABILITIES		66,419	71,080
STOCKHOLDERS' EQUITY			
Capital stock			
Common stock \$0.001 par value: 750,000,000 shares authorized, 389,668,725 shares issued and outstanding (July 31, 2023 - 378,452,864)	11	390	378
Additional paid-in capital		982,831	924,737
Accumulated deficit		(286,359)	(289,680)
Accumulated other comprehensive loss		(14,657)	(3,608)
TOTAL EQUITY		682,205	631,827
TOTAL LIABILITIES AND EQUITY		\$ 798,129	\$ 737,589
SUBSEQUENT EVENTS			
	11		

The accompanying notes are an integral part of these condensed consolidated financial statements.

URANIUM ENERGY CORP.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited – Expressed in thousands of U.S. dollars, except share and per share data)

	Notes	Three Months Ended October 31,	
		2023	2022
SALES AND SERVICE REVENUE	13	\$ 108	\$ 57,292
COST OF SALES AND SERVICES	13	(90)	(43,434)
GROSS PROFIT		18	13,858
OPERATING COSTS			
Mineral property expenditures		5,686	4,051
General and administrative		5,200	5,722
Depreciation, amortization and accretion	4,5,9	517	492
TOTAL OPERATING COSTS		11,403	10,265
INCOME (LOSS) FROM OPERATIONS		(11,385)	3,593
OTHER INCOME (EXPENSES)			
Interest expenses and finance costs		(201)	(196)
Income from equity-accounted investments	7	1,459	31
Gain on disposition of assets		1	-
Gain (loss) on revaluation of equity securities	8	17,313	(3,466)
Loss on revaluation of derivative liabilities	10	(6,901)	(2,625)
Other income (expenses)		229	(1,122)
OTHER INCOME (EXPENSES)		11,900	(7,378)
INCOME (LOSS) BEFORE INCOME TAXES		515	(3,785)
DEFERRED TAX RECOVERY		2,806	29
NET INCOME (LOSS) FOR THE PERIOD		3,321	(3,756)
OTHER COMPREHENSIVE LOSS			
Translation loss		(11,049)	(10,768)
TOTAL OTHER COMPREHENSIVE LOSS		(11,049)	(10,768)
TOTAL COMPREHENSIVE LOSS		\$ (7,728)	\$ (14,524)
NET INCOME (LOSS) PER SHARE	14		
Basic		\$ 0.01	\$ (0.01)
Diluted		\$ 0.01	\$ (0.01)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING,			
Basic		382,380,679	336,790,726
Diluted		391,423,178	336,790,726

The accompanying notes are an integral part of these condensed consolidated financial statements.

URANIUM ENERGY CORP.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited – Expressed in thousands U.S. dollars)

	Notes	Three Months Ended October 31,	
		2023	2022
NET CASH PROVIDED BY (USED IN):			
OPERATING ACTIVITIES			
Net income (loss) for the period		\$ 3,321	\$ (3,756)
Adjustments to reconcile net loss to cash flows in operating activities			
Stock-based compensation	12	1,572	1,821
Depreciation, amortization and accretion	4,5,9	517	492
Income from equity-accounted investment	7	(1,459)	(31)
Loss (gain) on revaluation of equity securities	8	(17,313)	3,466
Gain on revaluation of derivative liabilities	10	6,901	2,625
Deferred tax recovery		(2,807)	(29)
Changes in operating assets and liabilities			
Inventories		(36,732)	37,405
Prepaid expenses and deposits		(7,587)	(87)
Other current assets		148	(139)
Accounts payable and accrued liabilities		7,691	(5,229)
Other liabilities		21	(7)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		(45,727)	36,531
FINANCING ACTIVITIES			
Proceeds from share issuances, net of issuance costs	11	56,534	28,060
Repayments of other loans		-	(49)
Cash paid for withholding amounts on option exercise		(667)	(147)
NET CASH PROVIDED BY FINANCING ACTIVITIES		55,867	27,864
INVESTING ACTIVITIES			
Acquisition of UEX, net of cash acquired		-	4,369
Acquisition of Roughrider		-	(80,000)
Investment in mineral rights and properties		(1,160)	-
Capital contribution to equity-accounted investment	7	(653)	-
Purchase of additional interest in equity-accounted investment	7	(5,676)	-
Investment in equity securities	8	(811)	-
Proceeds from sale of equity securities	8	3,427	-
Purchase of property, plant and equipment		(609)	(152)
NET CASH USED IN INVESTING ACTIVITIES		(5,482)	(75,783)
NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH		4,658	(11,388)
FOREIGN EXCHANGE DIFFERENCE ON CASH		(32)	(183)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF PERIOD		52,865	39,787
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, END OF PERIOD		\$ 57,491	\$ 28,216

The accompanying notes are an integral part of these condensed consolidated financial statements.

URANIUM ENERGY CORP.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Expressed in thousands of U.S. dollars, except share data)

	Common Stock		Additional Paid-in Capital	Share Issuance Obligation	Accumulated Deficit	Accumulated Other Comprehensive Loss	Stockholders' Equity
	Shares	Amount					
Balance, July 31, 2023	378,452,864	\$ 378	\$ 924,737	\$ -	\$ (289,680)	\$ (3,608)	\$ 631,827
Common stock							
Issued under ATM offerings, net of issuance costs	10,770,000	11	56,259	-	-	-	56,270
Issued upon exercise of stock options	445,861	1	263	-	-	-	264
Stock-based compensation							
Amortization of stock-based compensation	-	-	1,572	-	-	-	1,572
Net income for the period	-	-	-	-	3,321	-	3,321
Other comprehensive loss	-	-	-	-	-	(11,049)	(11,049)
Balance, October 31, 2023	389,668,725	\$ 390	\$ 982,831	\$ -	\$ (286,359)	\$ (14,657)	\$ 682,205

The accompanying notes are an integral part of these condensed consolidated financial statements.

URANIUM ENERGY CORP.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Expressed in thousands of U.S. dollars, except share data)

	Common Stock		Additional Paid-in Capital	Share Issuance Obligation	Accumulated Deficit	Accumulated Other Comprehensive Loss	Stockholders' Equity
	Shares	Amount					
Balance, July 31, 2022	289,638,307	\$ 289	\$ 613,179	\$ -	\$ (286,373)	\$ (186)	\$ 326,909
Common stock							
Issued for acquisition of UEX and Roughrider	66,324,560	66	235,306	-	-	-	235,372
Issued under ATM offerings, net of issuance costs	5,218,890	5	21,709	-	-	-	21,714
Issued upon exercise of stock options	1,404,601	2	58	-	-	-	60
Issued upon exercise of warrants	3,410,898	4	6,136	-	-	-	6,140
Stock-based compensation							
Common stock issued for consulting services	4,179	-	17	-	-	-	17
Common stock issued under Stock Incentive Plan	73,618	-	299	-	-	-	299
Amortization of stock-based compensation	-	-	1,426	-	-	-	1,426
Replacement options issued for acquisition of UEX	-	-	4,026	-	-	-	4,026
Net loss for the period	-	-	-	-	(3,756)	-	(3,756)
Other comprehensive loss	-	-	-	-	-	(10,768)	(10,768)
Balance, October 31, 2022	366,075,053	\$ 366	\$ 882,156	\$ -	\$ (290,129)	\$ (10,954)	\$ 581,439

The accompanying notes are an integral part of these condensed consolidated financial statements.

URANIUM ENERGY CORP.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2023
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)

NOTE 1: NATURE OF OPERATIONS

Uranium Energy Corp. was incorporated in the State of Nevada on May 16, 2003. Uranium Energy Corp. and its subsidiary companies and a controlled partnership (collectively, the “Company” or “we”) are engaged in uranium and titanium mining and related activities, including exploration, pre-extraction, extraction and processing of uranium concentrates and titanium minerals, on projects located in the United States, Canada and the Republic of Paraguay.

As at October 31, 2023, we had working capital (current assets less current liabilities) of \$73,568 including cash and cash equivalents of \$50,240 and purchased uranium inventories of \$42,549. We believe our existing cash resources and, if necessary, cash generated from the sale of the Company’s uranium inventories, will provide sufficient funds to carry out our planned operations for 12 months from the date that these interim condensed consolidated financial statements are issued. Our continuation as a going concern for a period beyond those 12 months will be dependent upon our ability to achieve consistent positive cash flow from the sale of our uranium concentrates and to obtain adequate additional financing, as our operations are capital intensive and future capital expenditures are expected to be substantial.

Historically, we have been reliant primarily on equity financings from the sale of our common stock and on debt financings in order to fund our operations, and this reliance is expected to continue for the foreseeable future. Our continued operations, including the recoverability of the carrying values of our assets, are dependent ultimately on our ability to achieve and maintain profitability and positive cash flow from our operations.

NOTE 2: SUMMARY OF SIGNIFICANT POLICIES

Basis of Presentation

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with United States (“U.S.”) generally accepted accounting principles (“U.S. GAAP”) for interim financial information and are presented in U.S. dollars. Accordingly, they do not include all of the information and footnotes required under U.S. GAAP for complete financial statements. These unaudited interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended July 31, 2023 (“Fiscal 2023”). In the opinion of management, all adjustments of a normal recurring nature and

considered necessary for a fair presentation have been made. Operating results for the three months ended October 31, 2023 are not necessarily indicative of the results that may be expected for the fiscal year ending July 31, 2024 ("Fiscal 2024").

Exploration Stage

We have established the existence of mineralized materials for certain uranium projects, including our Palangana Mine, Christensen Ranch Mine (collectively, the "ISR Mines"), Roughrider and Christie Lake Projects. We have not established proven or probable reserves, as defined by the United States Securities and Exchange Commission ("SEC") subpart 1300 of Regulation S-K ("S-K 1300"), through the completion of a "final" or "bankable" feasibility study for any of the uranium projects we operate, including our ISR Mines. Furthermore, we have no present plans to establish proven or probable reserves for any of our uranium projects for which we plan on utilizing in-situ recovery ("ISR") mining, such as our ISR Mines. As a result, and despite the fact that we commenced extraction of mineralized materials at our ISR Mines, we remain an Exploration Stage issuer, as defined by the SEC, and will continue to remain as an Exploration Stage issuer until such time proven or probable reserves have been established.

URANIUM ENERGY CORP.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2023
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)

Since we commenced extraction of mineralized materials at our ISR Mines without having established proven or probable reserves, any mineralized materials established or extracted from our ISR Mines should not in any way be associated with having established or produced from proven or probable reserves.

In accordance with U.S. GAAP, expenditures relating to the acquisition of mineral rights are initially capitalized as incurred while exploration and pre-extraction expenditures are expensed as incurred until such time as we exit the Exploration Stage by establishing proven or probable reserves. Expenditures relating to exploration activities, such as drill programs to establish mineralized materials, are expensed as incurred. Expenditures relating to pre-extraction activities, such as the construction of mine wellfields, ion exchange facilities and disposal wells, are expensed as incurred until such time proven or probable reserves are established for that project, after which expenditures relating to mine development activities for that particular project are capitalized as incurred.

Companies in the Production Stage, as defined by the SEC, having established proven and probable reserves and exited the Exploration Stage, typically capitalize expenditures relating to ongoing development activities, with corresponding depletion calculated over proven and probable reserves using the units-of-production method and allocated to future reporting periods to inventory and, as that inventory is sold, to cost of goods sold. We are in the Exploration Stage which has resulted in our Company reporting larger losses than if it had been in the Production Stage due to the expensing, instead of capitalization, of expenditures relating to ongoing mine development activities. Additionally, there would be no corresponding depletion allocated to future reporting periods of our Company since those costs would have been expensed previously, resulting in both lower inventory costs and cost of goods sold and results of operations with higher gross profits and lower losses than if we had been in the Production Stage. Any capitalized costs, such as expenditures relating to the acquisition of mineral rights, are depleted over the estimated extraction life using the straight-line method when the underlying property is converted to the Production Stage. As a result, our consolidated financial statements may not be directly comparable to the financial statements of companies in the Production Stage.

Accounting Pronouncements Not Yet Adopted

In November 2023, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. The ASU expands public entities' segment disclosures by requiring disclosure of significant segment expenses that are regularly provided to the chief operating decision maker and included within each reported measure of segment profit or loss, an amount and description of its composition for other segment items, and interim disclosures of a reportable segment's profit or loss and assets. All disclosure requirements under ASU 2023-07 are also required for public entities with a single reportable segment. The ASU is effective for the Company's Annual Report on Form 10-K for the fiscal year ended January 31, 2025, and subsequent interim periods, with early adoption permitted. The Company is currently evaluating the impact of adopting this ASU on its consolidated financial statements and disclosures.

NOTE 3: INVENTORIES

As at October 31, 2023, we held 866,000 (July 31, 2023: 171,000) pounds of purchased uranium concentrate inventory. Costs of inventories consist of the following:

	October 31, 2023	July 31, 2023
Material and supplies	\$ 212	\$ 228
Uranium concentrates from production	178	178
Purchased uranium inventories	42,549	5,801
	\$ 42,939	\$ 6,207

As of October 31, 2023, our uranium inventory purchase commitments for the next five fiscal years are as the follows:

	Purchase Commitments	Purchase Price
	in Pounds	
Fiscal 2024	600,000	\$ 32,730
Fiscal 2025	600,000	23,120
Fiscal 2026	100,000	3,620
Total	1,300,000	\$ 59,470

URANIUM ENERGY CORP.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2023
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)

NOTE 4: MINERAL RIGHTS AND PROPERTIES

Mineral Rights

As at October 31, 2023, we own mineral rights in the States of Arizona, New Mexico, Texas and Wyoming, in Canada and in the Republic of Paraguay. These mineral rights were acquired through staking, purchase or lease or option agreements and are subject to varying royalty interests, some of which are indexed to the sale price of uranium and titanium. As of October 31, 2023, annual maintenance payments of approximately \$6,546 will be required to maintain these mineral rights.

As at October 31, 2023, the carrying value of our mineral rights and properties were as follows:

Costs	United States		Canada		Paraguay		Total
Balance, July 31, 2023	\$	172,440	\$	384,607	\$	15,014	\$ 572,061
Additions		-		1,160		-	1,160
Foreign exchange difference		-		(10,297)		-	(10,297)
Balance, October 31, 2023		172,440		375,470		15,014	562,924
Accumulated Depletion and Amortization	United States		Canada		Paraguay		Total
Balance, July 31, 2023		(6,389)		(112)		-	(6,501)
Balance, October 31, 2023		(6,389)		(112)		-	(6,501)
Carrying Value							
Balance, July 31, 2023	\$	166,051	\$	384,495	\$	15,014	\$ 565,560
Balance, October 31, 2023	\$	166,051	\$	375,358	\$	15,014	\$ 556,423

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consists of the following:

	October 31, 2023			July 31, 2023		
	Cost	Accumulated Depreciation	Net Book Value	Cost	Accumulated Depreciation	Net Book Value
Plant and Processing Facilities	\$ 19,145	\$ (2,172)	\$ 16,973	\$ 19,145	\$ (1,998)	\$ 17,147
Mining Equipment	3,472	(2,502)	970	2,915	(2,478)	437
Logging Equipment and Vehicles	2,848	(2,056)	792	2,799	(1,989)	810
Computer Equipment	306	(284)	22	306	(280)	26
Furniture and Fixtures	201	(182)	19	198	(180)	18
Buildings	297	(91)	206	297	(87)	210
Land	1,080	-	1,080	1,080	-	1,080
	\$ 27,349	\$ (7,287)	\$ 20,062	\$ 26,740	\$ (7,012)	\$ 19,728

URANIUM ENERGY CORP.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2023
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)

NOTE 6: RESTRICTED CASH

Restricted cash includes cash and cash equivalents and money market funds as collateral for various bonds posted in favor of applicable state regulatory agencies in Arizona, Texas and Wyoming, and for estimated reclamation costs associated with our plants, processing facilities and various projects. Restricted cash will be released upon completion of reclamation of a mineral property or restructuring of a surety and collateral arrangement.

Restricted cash consisted of the following:

	October 31, 2023		July 31, 2023
Balance, beginning of year	\$	7,251	\$ 7,251
Balance, end of year	\$	7,251	\$ 7,251

Cash, cash equivalents and restricted cash are included in the following accounts:

	October 31, 2023		July 31, 2023
Cash and cash equivalents	\$	50,240	\$ 45,614
Restricted cash		7,251	7,251
Total cash, cash equivalents and restricted cash	\$	57,491	\$ 52,865

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash and cash equivalents and restricted cash. These assets include Canadian dollar and U.S. dollar denominated certificates of deposit, money market accounts and demand deposits. These instruments are maintained at financial institutions in Canada and the U.S. The maximum credit risk of these assets is the carrying amount less amount covered by the Canada Deposit Insurance Corporation, the Securities Investor Protection Corporation or the U.S. Federal Deposit Insurance Corporation, should the financial institutions with which these amounts are invested be rendered insolvent. The Company does not consider any of its financial assets to be impaired as of October 31, 2023.

URANIUM ENERGY CORP.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2023
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)

NOTE 7: EQUITY-ACCOUNTED INVESTMENTS

During the three months ended October 31, 2023, we participated in an equity financing and acquired an additional 1,930,750 common shares of URC at a price of \$2.94 per share for total consideration of \$5,676.

As at October 31, 2023, we owned 16,930,750 shares of Uranium Royalty Corp. (“URC”), representing a 15.1% (July 31, 2023: 14.9%) interest in URC. In addition, two of our officers are members of URC’s board of directors. Furthermore, one of these officers also holds an executive position within URC. As a consequence, our ability to exercise significant influence over URC’s operating and financing policies continued to exist during the three months ended October 31, 2023. Should URC’s outstanding options and warrants be fully exercised, the Company’s ownership interest would decrease from 15.1% to 13.0%. URC is a public company listed on the Toronto Stock Exchange with the trading symbol “URC” and on NASDAQ with the trading symbol “UROY”. As at October 31, 2023, the fair value of our investment in URC was approximately \$48.42 million (July 31, 2023: \$34.2 million).

As at October 31, 2023, we owned 50% of the outstanding shares of JCU (Canada) Exploration Company Limited (“JCU”) acquired through the UEX Acquisition completed on August 19, 2022. JCU is a private Canadian company engaged in the exploration and development of uranium assets in Canada. The Company’s 50% interest in JCU is a joint venture, which is accounted for using the equity method.

We incurred \$30 in exploration expenditures on behalf of JCU for the three months ended October 31, 2023. As at October 31, 2023, the amount receivable from JCU totaled \$9 (July 31, 2023: \$201).

During the three months ended October 31, 2023, the changes in carrying value of our equity-accounted investments are summarized as follows:

Balance, July 31, 2023	\$	48,110
Addition in URC		5,676
Capital contribution to JCU		653
Share of income from URC and JCU		1,038
Gain on dilution of ownership interest in URC		421
Foreign exchange difference		(2,534)
Balance, October 31, 2023	\$	53,364

For the three months ended October 31, 2023 and 2022, income (loss) from our equity-accounted investments consisted of the following:

	Three Months Ended October 31, 2023	
	2023	2022
Share of income (loss)	\$ 1,038	\$ (195)
Gain on dilution of ownership interest	421	226
Total	\$ 1,459	\$ 31

URANIUM ENERGY CORP.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2023
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)

NOTE 8: INVESTMENTS IN EQUITY SECURITIES

During the three months ended October 31, 2023, the changes in our investments in equity securities are summarized as follows:

Balance, July 31, 2023	\$	38,656
Dispositions		(3,427)
Additions		811
Gain on revaluation of equity securities		17,313
Foreign exchange difference		(6)
Balance, October 31, 2023	\$	53,347

The cumulative revaluation adjustment since acquisition of the equity securities held at October 31, 2023 is a gain of \$2,283.

NOTE 9: ASSET RETIREMENT OBLIGATIONS

Asset retirement obligations (“ARO”s) relate to future remediation and decommissioning activities for our plants, processing facilities and various projects, and are summarized as follows:

Balance, July 31, 2023	\$	18,670
Accretion		242
Liabilities settled in cash		(3)
Balance, October 31, 2023		18,909
Asset retirement obligations, current		1,515
Asset retirement obligations, non-current	\$	17,394

The estimated amounts and timing of cash flows and assumptions used for ARO estimates are as follows:

	October 31, 2023	July 31, 2023
Undiscounted amount of estimated cash flows	\$ 29,064	\$ 29,064
Payable in years	1 to 23	1 to 23
Inflation rate	1.56% to 5.32%	1.56% to 5.32%
Discount rate	3.72% to 6.35%	3.72% to 6.35%

URANIUM ENERGY CORP.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2023
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)

Our undiscounted amounts of estimated cash flows for the next five fiscal years and beyond are as follows:

Fiscal 2024	\$	1,515
Fiscal 2025		1,472
Fiscal 2026		2,489
Fiscal 2027		2,509
Fiscal 2028		1,990
Remaining balance		19,089
	\$	29,064

NOTE 10: DERIVATIVE LIABILITIES

On August 19, 2022, the Company issued Replacement Warrants in connection with the acquisition of UEX Corporation. The Replacement Warrants are accounted for as derivative liabilities as the exercise prices of the Replacement Warrants are denominated in Canadian dollars which differs from our functional currency.

As at October 31, 2023, the fair value of the Replacement Warrants was estimated using the Black-Scholes model with the following assumptions, which is level 2 of the fair value measurement hierarchy:

Exercise Price in U.S. dollars	\$2.32 to \$3.20
Exercise Price in Canadian dollars	CA\$3.22 to CA\$4.44
Expected Risk Free Interest Rate	5.40%
Expected Volatility	51.73%
Expected Life in Years	0.85
Expected Dividend Yield	0%

The movement in derivative liabilities during the period is as follows:

Balance, July 31, 2023	\$	4,313
Change in fair value during the period		6,901
Balance, October 31, 2023	\$	11,214

NOTE 11: CAPITAL STOCK

Equity Financing

On May 17, 2021, we filed a Form S-3 shelf registration statement under the United States Securities Act of 1933, as amended (the “Securities Act”), which was declared effective by the SEC on June 1, 2021, providing for the public offer and sale of certain securities of the Company from time to time, at our discretion, of up to an aggregate offering amount of \$200 million (the “2021 Shelf”), which included an at-the-market offering agreement prospectus (the “May 2021 ATM Offering”) covering the offering, issuance and sale of up to a maximum offering of \$100 million as part of the \$200 million under the 2021 Shelf.

URANIUM ENERGY CORP.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2023
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)

On May 14, 2021, we entered into an at-the-market offering agreement (the “2021 ATM Offering Agreement”) with H.C. Wainwright & Co., LLC and certain co-managers (collectively, the “2021 ATM Managers”) as set forth in the 2021 ATM Offering Agreement under which we may, from time to time, sell shares of our common stock having an aggregate offering price of up to \$100 million through the 2021 ATM Managers selected by us.

On November 26, 2021, we filed a prospectus supplement to our 2021 Shelf with respect to the continuation of the May 2021 ATM Offering Agreement with the 2021 ATM Managers under which we may, if eligible, from time to time, sell shares of our common stock having an aggregate offering price of up to an additional \$100 million for a total of \$200 million through the 2021 ATM Managers selected by us (the “November 2021 ATM Offering”; and, collectively with the May 2021 ATM Offering, the “2021 ATM Offering”).

On November 16, 2022, we filed a Form S-3 automatic shelf registration statement under the Securities Act, which became effective upon filing, providing for the public offer and sale of certain securities of the Company from time to time, at our discretion, of an undetermined dollar value of common stock, debt securities, warrants to purchase common stock or debt securities, subscription receipts for and units which include common stock, debt securities, warrants or any combination thereof (the “2022 Shelf”), which included an at-the-market offering agreement prospectus (the “2022 ATM Offering”; and, collectively, with the 2021 ATM Offering, the “ATM Offerings”) covering the offering, issuance and sale of up to a maximum offering of \$300 million under the 2022 Shelf.

On November 16, 2022, we also entered into an at-the-market offering agreement (the “2022 ATM Offering Agreement”) with H.C. Wainwright & Co., LLC and certain co-managers (collectively, the “2022 ATM Managers”) as set forth in the 2022 ATM Offering Agreement under which we may, from time to time, sell shares of our common stock having an aggregate offering price of up to \$300 million through the 2022 ATM Managers selected by us.

During the three months ended October 31, 2022, we issued 5,218,890 shares of the Company’s common stock under the ATM Offerings for net cash proceeds of \$21,714.

During the three months ended October 31, 2023, we issued 10,770,000 shares of the Company’s common stock under the ATM Offerings for net cash proceeds of \$56,270.

Subsequent to October 31, 2023, we issued a further 2,832,000 shares of the Company’s common stock under our ATM Offerings for net cash proceeds of \$17,458.

Share Purchase Warrants

A continuity schedule of our outstanding share purchase warrants for the three months ended October 31, 2023, is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, July 31, 2023	3,857,030	\$ 3.31
Balance, October 31, 2023	3,857,030	3.31

URANIUM ENERGY CORP.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2023
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)

A summary of our share purchase warrants outstanding and exercisable as of October 31, 2023, is as follows:

	Weighted Average Exercise Price	Number of Warrants Outstanding	Weighted Average Remaining Contractual Life (Years)	Expiry Date
\$	3.27	3,675,212	0.85	September 7, 2024
	4.13	181,818	2.43	April 5, 2026
\$	3.31	3,857,030	0.93	

During the three months ended October 31, 2023, we received cash proceeds totaling \$Nil from the exercise of share purchase warrants (three months ended October 31, 2022: \$6,140).

Subsequent to October 31, 2023, 236,358 warrants with an expiry date of September 7, 2024 were exercised and proceeds of \$554 were received.

NOTE 12: STOCK-BASED COMPENSATION

Stock Options

A continuity schedule of our outstanding stock options for the three months ended October 31, 2023, is as follows:

	Number of Stock Options	Weighted Average Exercise Price
Balance, July 31, 2023	8,326,983	\$ 1.92
Granted	17,500	5.04
Exercised	(608,182)	1.69
Cancelled/Forfeited	(191,259)	1.59
Expired	(27,000)	3.69
Balance, October 31, 2023	7,518,042	1.94

The table below sets forth the number of shares issued and cash received upon exercise of our stock options:

	Three Months Ended October 31,	
	2023	2022
Number of Options Exercised on Cash Basis	189,250	138,537
Number of Options Exercised on Forfeiture Basis	418,932	2,192,685
Total Number of Options Exercised	608,182	2,331,222
Number of Shares Issued on Cash Exercise	189,250	138,537
Number of Shares Issued on Forfeiture Basis	256,611	1,266,064
Total Number of Shares Issued Upon Exercise of Options	445,861	1,404,601
Cash Received from Exercise of Stock Options	\$ 264	\$ 206
Total Intrinsic Value of Options Exercised	\$ 2,030	\$ 5,595

URANIUM ENERGY CORP.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2023
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)

A continuity schedule of our outstanding unvested stock options as of October 31, 2023, and the changes during the period, is as follows:

	Number of Unvested Stock Options	Weighted Average Grant-Date Fair Value
Balance, July 31, 2023	1,803,265	\$ 2.28
Granted	17,500	3.36
Cancelled/Forfeited	(12,300)	2.37
Vested	(133,062)	2.18
Balance, October 31, 2023	1,675,403	2.29

As at October 31, 2023, the fair value of the stock options granted was estimated using the Black-Scholes model with the following assumptions, which is level 2 of the fair value measurement hierarchy:

Exercise Price	\$4.72 to \$5.20
Expected Risk Free Interest Rate	4.39% to 4.67%
Expected Volatility	79.42% to 79.53%
Expected Life in Years	5
Expected Dividend Yield	0.00%

As at October 31, 2023, the aggregate intrinsic value of all of our outstanding stock options was estimated at \$30,144 (vested: \$26,166 and unvested: \$3,978). As at October 31, 2023, our unrecognized compensation cost related to unvested stock options was \$2,156, which is expected to be recognized over 1.15 years.

A summary of our stock options outstanding and exercisable as of October 31, 2023, is as follows:

Range of Exercise Prices	Options Outstanding			Options Exercisable		
	Outstanding at October 31, 2023	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Exercisable at October 31, 2023	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)
\$0.80 to \$0.99	3,013,687	\$ 0.92	6.23	3,013,687	\$ 0.92	6.23
\$1.00 to \$1.99	1,390,500	1.11	6.47	1,390,500	1.11	6.47
\$2.00 to \$2.99	715,344	2.24	7.57	715,344	2.24	7.57
\$3.00 to \$3.99	2,376,011	3.60	8.84	720,608	3.70	8.27
\$4.00 to \$4.23	10,000	4.48	9.42	2,500	4.23	8.98
\$5.00 to \$5.20	12,500	5.16	9.91	-	-	-
	7,518,042	\$ 1.94	7.23	5,842,639	\$ 1.47	6.70

Restricted Stock Units

A summary of our outstanding and unvested restricted stock units ("RSU"s) as of October 31, 2023, is as follows:

Grant Date	Number of Restricted Stock Units	Grant Date Fair Value	Remaining Life (Years)	Aggregate Intrinsic Value
July 21, 2021	135,875	2.15	0.72	808
May 1, 2022	39,216	4.25	1.50	233
July 29, 2022	184,023	3.98	1.75	1,095
July 31, 2023	620,386	3.32	2.75	3,691
	979,500	\$ 3.32	2.23	\$ 5,827

During the three months ended October 31, 2023, our stock-based compensation related to RSUs was \$435 (three months ended October 31, 2022: \$293). As at October 31, 2023, our unrecognized compensation costs related to unvested RSUs totaled \$2,220 (July 31, 2023: \$2,656), which is expected to be recognized over a period of approximately 1.69 years.

URANIUM ENERGY CORP.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2023
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)

Performance Based Restricted Stock Units

During the three months ended October 31, 2023, stock-based compensation related to the amortization of target performance based restricted stock units (“PRSU”)s totaled \$176 (three months ended October 31, 2022: \$99). As at October 31, 2023, our outstanding unvested PRSUs were 1,286,505 (July 31, 2023: 1,286,505), and our unrecognized compensation costs relating to unvested PRSUs totaled \$1,331 (July 31, 2023: \$1,507), which is expected to be recognized over a period of approximately 2.25 years.

Stock-Based Compensation

A summary of our stock-based compensation expense as of October 31, 2023, is as follows:

	Three Months Ended October 31,	
	2023	2022
Stock-Based Compensation for Consultants		
Common stock issued to consultants	\$ -	\$ 148
Amortization of stock option expenses	121	228
	121	376
Stock-Based Compensation for Management		
Amortization of stock option expenses	208	133
Amortization of RSU and PRSU expenses	594	354
	802	487
Stock-Based Compensation for Employees		
Common stock issued to employees	-	247
Amortization of stock option expenses	632	673
Amortization of RSU expenses	17	38
	649	958
	\$ 1,572	\$ 1,821

URANIUM ENERGY CORP.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2023
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)

NOTE 13: SALES AND SERVICE REVENUE AND COST OF SALES AND SERVICES

The table below provides a breakdown of our sales and service revenue and cost of sales and service revenue:

	Three Months Ended October 31,	
	2023	2022
Sales of purchased uranium inventory	\$ -	\$ 57,209
Revenue from toll processing services	108	83
Total sales and service revenue	\$ 108	\$ 57,292
Cost of purchased uranium inventory	\$ -	\$ (43,365)
Cost of toll processing services	(90)	(69)
Total cost of sales and services	\$ (90)	\$ (43,434)

The table below provides a breakdown of major customers:

	Three Months Ended October 31,	
	2023	2022
Customer A	0%	9%
Customer B	0%	45%
Customer D	0%	8%
Customer F	0%	13%
Customer G	0%	9%
Others	100%	17%
	100%	100%

URANIUM ENERGY CORP.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2023
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)

NOTE 14: INCOME (LOSS) PER SHARE

The following table reconciles the weighted average number of shares used in the calculation of our basic and diluted income (loss) per share:

Numerator	Three Months Ended October 31,	
	2023	2022
Net Income (Loss) for the Period	\$ 3,321	\$ (3,756)
Denominator		
Basic Weighted Average Number of Shares	382,380,679	336,790,726
Dilutive Effect of Stock Awards and Warrants	9,042,499	-
Diluted Weighted Average Number of Shares	391,423,178	336,790,726
Net Income (Loss) Per Share - Basic	\$ 0.01	\$ (0.01)
Net Income (Loss) Per Share - Diluted	\$ 0.01	\$ (0.01)

For the three months ended October 31, 2022, all of our outstanding stock options, RSUs, PRSUs and share purchase warrants were excluded from the calculation of our diluted loss per share since their effects would be anti-dilutive.

NOTE 15: SEGMENTED INFORMATION

We currently operate in one reportable segment which is focused on uranium mining and related activities, including exploration, pre-extraction, extraction and processing of uranium concentrates.

The tables below provide a breakdown of the long-term assets by geographic area:

Balance Sheet Items	October 31, 2023			
	United States	Canada	Paraguay	Total
Mineral Rights and Properties	\$ 166,051	\$ 375,358	\$ 15,014	\$ 556,423
Property, Plant and Equipment	18,977	707	378	20,062
Restricted Cash	7,251	-	-	7,251
Equity-Accounted Investments	-	53,364	-	53,364
Investment in Equity Securities	-	53,347	-	53,347
Other Non-Current Assets	3,417	95	-	3,512
Total Long-Term Assets	\$ 195,696	\$ 482,871	\$ 15,392	\$ 693,959

URANIUM ENERGY CORP.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2023
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)

	July 31, 2023			
Balance Sheet Items	United States	Canada	Paraguay	Total
Mineral Rights and Properties	\$ 166,051	\$ 384,495	\$ 15,014	\$ 565,560
Property, Plant and Equipment	19,221	145	362	19,728
Restricted Cash	7,251	-	-	7,251
Equity-Accounted Investment	-	48,110	-	48,110
Investment in Equity Securities	-	38,656	-	38,656
Other Non-Current Assets	2,965	114	-	3,079
Total Long-Term Assets	\$ 195,488	\$ 471,520	\$ 15,376	\$ 682,384

The table below provides a breakdown of our operating results by geographic area. All intercompany transactions have been eliminated.

	Three Months Ended October 31, 2023			
Statement of Operations	United States	Canada	Paraguay	Total
Sales and service revenue	\$ 108	\$ -	\$ -	\$ 108
Cost of sales and services	(90)	-	-	(90)
Gross profit	18	-	-	18

Operating Costs:				
Mineral property expenditures	3,730	1,617	339	5,686
General and administrative	3,963	1,176	61	5,200
Depreciation, amortization and accretion	507	9	1	517
Total operating costs	8,200	2,802	401	11,403
Income (loss) from operations	(8,182)	(2,802)	(401)	(11,385)
Other income (expenses)	(191)	12,091	-	11,900
Income (loss) before income taxes	\$ (8,373)	\$ 9,289	\$ (401)	\$ 515

	For the Three Months Ended October 31, 2022			
Statement of Operations	United States	Canada	Paraguay	Total
Sales and service revenue	\$ 57,292	\$ -	\$ -	\$ 57,292
Cost of sales and services	(43,434)	-	-	(43,434)
Gross profit	13,858	-	-	13,858

Operating Costs:				
Mineral property expenditures	2,670	1,058	323	4,051
General and administrative	4,309	1,395	18	5,722
Depreciation, amortization and accretion	480	11	1	492
Total operating costs	7,459	2,464	342	10,265
Income (loss) from operations	6,399	(2,464)	(342)	3,593
Other income (expenses)	(3,995)	(3,384)	1	(7,378)
Income (loss) before income taxes	\$ 2,404	\$ (5,848)	\$ (341)	\$ (3,785)

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

(Expressed in thousands of U.S. dollars, except per share and per pound amounts)

The following management's discussion and analysis of the Company's financial condition and results of operations (the "MD&A") contain forward-looking statements that involve risks, uncertainties and assumptions including, among others, statements regarding our capital needs, business plans and expectations. In evaluating these statements you should consider various factors, including the risks, uncertainties and assumptions set forth in reports and other documents we have filed with or furnished to the SEC and, including, without limitation, this Form 10-Q Quarterly Report for the three months ended October 31, 2023, and our Form 10-K Annual Report for the fiscal year ended July 31, 2023, including the consolidated financial statements and related notes contained therein. These factors, or any one of them, may cause our actual results or actions in the future to differ materially from any forward-looking statement made in this Quarterly Report. Refer to "Cautionary Note Regarding Forward-looking Statements" as disclosed in our Form 10-K Annual Report for the fiscal year ended July 31, 2023, and Item 1A, Risk Factors, under Part II - Other Information, of this Quarterly Report.

Introduction

This MD&A is focused on material changes in our financial condition from July 31, 2023, our most recently completed year end, to October 31, 2023, and our results of operations for the three months ended October 31, 2023, and should be read in conjunction with Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, as contained in our Form 10-K Annual Report for Fiscal 2023.

Business

We are primarily engaged in uranium mining and related activities, including exploration, pre-extraction, extraction and processing, on uranium projects located in the United States, Canada and the Republic of Paraguay, as more fully described in our Form 10-K Annual Report for Fiscal 2023.

We utilize ISR mining where possible which we believe, when compared to conventional open pit or underground mining, requires lower capital and operating expenditures with a shorter lead time to extraction and a reduced impact on the environment. We have two ISR Mines which utilize ISR mining to extract U₃O₈ or yellowcake. We do not expect, however, to utilize ISR mining for all of our uranium projects in which case we would expect to rely on conventional open pit and/or underground mining techniques. We have one uranium mine located in the State of Texas, our Palangana Mine, which utilizes ISR mining and commenced extraction of U₃O₈, or yellowcake, in November 2010. We have one uranium processing facility located in the State of Texas, our Hobson Processing Facility, which processes material from our ISR Mines into drums of U₃O₈, our only sales product and source of revenue, for shipping to a third-party storage and sales facility. As at October 31, 2023, we had no uranium supply or "off-take" agreements in place. Future sales of U₃O₈ are therefore expected to generally occur through the uranium spot market, with any fluctuations in the market price continuing to have a direct impact on our revenues and cash flows.

In Texas, our fully-licensed and 100% owned Hobson Processing Facility forms the basis for our regional operating strategy in the State of Texas, specifically the South Texas Uranium Belt where we utilize ISR mining. We utilize a "hub-and-spoke" strategy whereby the Hobson Processing Facility, which has a physical capacity to process uranium-loaded resins up to a total of two million pounds of U₃O₈ annually and is licensed to process up to one million pounds of U₃O₈ annually, acts as the central processing site (the "hub") for our Palangana Mine, and future satellite uranium mining activities, such as our Burke Hollow and Goliad Projects, located within the South Texas Uranium Belt (the "spokes").

On August 19, 2022, we completed the acquisition of UEX Corporation (UEX) through a plan of arrangement (the UEX Acquisition). UEX is a Canadian uranium and cobalt exploration and development company involved with a portfolio of uranium projects. UEX's directly-owned portfolio of projects is located in the eastern, western and northern perimeters of the Athabasca Basin in Saskatchewan, Canada, one of the world's richest uranium regions. In addition to advancing its uranium development projects through its ownership interest in a joint venture entity, UEX is currently advancing several other uranium deposits in the Athabasca Basin which include the Paul Bay, Ken Pen and Örora deposits at the Christie Lake Project, the Kianna, Anne, Colette and 58B deposits at its currently 49.1%-owned Shea Creek Project, the Horseshoe and Raven deposits located on its 100%-owned Horseshoe-Raven Project and the West Bear Uranium Deposit located at its 100%-owned West Bear Project.

On October 14, 2022, we acquired, through UEC Resources (SK) Corp., Roughrider Mineral Holdings Inc., a Saskatchewan corporation and wholly-owned subsidiary of Rio Tinto Fer Et Titane Inc., which, in turn, owns all of the issued and outstanding shares of Roughrider Mineral Assets Inc., also a Saskatchewan corporation, that holds certain mineral leases totaling approximately 598 hectares in northern Saskatchewan that is commonly referred to as the "Roughrider Project" located in the Athabasca Basin in Saskatchewan, Canada.

[Table of Contents](#)

On August 4, 2023, we acquired a portfolio of exploration-stage projects in the Athabasca Basin for CAD\$1.5 million from Rio Tinto Exploration Canada Inc., a subsidiary of Rio Tinto Inc. With this transaction, we added an additional 44,444 acres of prospective ground in the Athabasca Basin to our existing portfolio.

We also hold certain mineral rights in various stages in the States of Arizona, New Mexico, Texas and Wyoming, and in Canada and in the Republic of Paraguay, many of which are located in historically successful mining areas and have been the subject of past exploration and pre-extraction activities by other mining companies. We do not expect, however, to utilize ISR mining for all of our mineral rights in which case we would expect to rely on conventional open pit and/or underground mining techniques.

Our operating and strategic framework is based on expanding our uranium extraction activities, which includes advancing certain uranium projects with established mineralized materials towards uranium extraction and establishing additional mineralized materials on our existing uranium projects or through acquisition of additional uranium projects.

Key Issues

Since commencing uranium extraction at our Palangana Mine in November 2010, we have been focused primarily on our South Texas uranium mining activities. Since the completion of the U1A Acquisition in December 2021, we expanded our footprints in Wyoming with our Wyoming hub-and-spoke operations. The acquisition of UEX in August 2022 and the acquisition of Roughrider Mineral Holdings Inc. in October 2022 further expanded our footprint in Canada and, in particular, the Athabasca Basin in Saskatchewan. In the meantime, we continue to establish additional uranium mines through exploration and pre-extraction activities and direct acquisitions in both the U.S. and Paraguay, all of which require us to manage numerous challenges, risks and uncertainties inherent in our business and operations as more fully described in Item 1A. Risk Factors herein.

Our operations are capital intensive, and we will require significant additional financing to continue with our exploration and pre-extraction activities and acquire additional uranium projects. Historically, we have been reliant primarily on equity financings from the sale of our common stock and, for Fiscal 2014 and Fiscal 2013, on debt financing, in order to fund our operations. We have also relied on cash flows generated from our mining activities during Fiscal 2015, Fiscal 2013 and Fiscal 2012 and have relied on cash flows generated from the sales of our purchased uranium inventories under our physical uranium program to fund our operations since Fiscal 2022. However, we have yet to achieve consistent profitability or develop consistent positive cash flow from operations. Our reliance on equity and debt financings is expected to continue for the foreseeable future, and their availability whenever such additional financing is required will be dependent on many factors beyond our control including, but not limited to, the market price of uranium, the continuing public support of nuclear power as a viable source of electricity generation, the volatility in the global financial markets affecting our stock price and the status of the worldwide economy, any one of which may cause significant challenges in our ability to access additional financing, including access to the equity and credit markets. We may also be required to seek other forms of financing, such as asset divestitures or additional joint venture arrangements, to continue advancing our uranium projects which would depend entirely on finding a suitable third party willing to enter into such an arrangement, typically involving an assignment of a percentage interest in the mineral project. However, there is no assurance that we will be successful in securing any form of additional financing when required and on terms favorable to us. Our inability to obtain additional financing would have a negative impact on our operations, including delays, curtailment or abandonment of any one or all of our uranium projects.

We have not established proven or probable reserves through the completion of a “final” or “bankable” feasibility study for any of the mineral projects we operate. We have established the existence of mineralized materials for certain uranium projects, including our ISR Mines. Since we commenced uranium extraction at our ISR Mines without having established proven or probable reserves, there may be greater inherent uncertainty as to whether or not any mineralized material can be economically extracted as originally planned and anticipated.

The Palangana Mine was our sole source to generate sales revenues from the sales of U₃O₈ during Fiscal 2015, Fiscal 2013 and Fiscal 2012. The economic viability of our mining activities, including the expected duration and profitability of our ISR Mines, of any future satellite ISR mines, such as our Burke Hollow and Goliad Projects, Ludeman, Antelope and Charlie Projects, and of our recently acquired traditional uranium mines in Athabasca Basin in Saskatchewan, Canada, has many risks and uncertainties. These include, but are not limited to: (i) a significant, prolonged decrease in the market price of uranium; (ii) difficulty in marketing and/or selling uranium concentrates; (iii) significantly higher than expected capital costs to construct a mine and/or processing plant; (iv) significantly higher than expected extraction costs; (v) significantly lower than expected uranium extraction; (vi) significant delays, reductions or stoppages of uranium extraction activities; and (vii) the introduction of significantly more stringent regulatory laws and regulations. Our mining activities may change as a result of any one or more of these risks and uncertainties and there is no assurance that any ore body that we extract mineralized materials from will result in achieving and maintaining profitability and developing positive cash flow.

As at October 31, 2023, we had no uranium supply or off-take agreements in place. Future sales of U₃O₈ are therefore expected to generally occur through the uranium spot market, with any fluctuations in the market price continuing to have a direct impact on our revenues and cash flows.

Uranium Market Developments

Over the past few years, global uranium market fundamentals have been improving as the market transitions from an inventory driven to a production driven market. The spot market bottomed out in November 2016 at about \$17.75 per pound U₃O₈ and stood at \$74.55 per pound on October 31, 2023 (UxC LLC Ux U₃O₈ Daily Price). Production dropped to a multi-year low in 2020 at about 122 million pounds but began to recover in 2021 and totaled about 129 million pounds in 2022, still well below reactor requirements (UxC 2023 Q3 Uranium Market Outlook). Global supply and demand projections show a structural deficit between production and utility requirements averaging about 40 million pounds a year over the next 10 years and increasing thereafter (UxC 2023 Q3 Uranium Market Outlook). The current gap is being filled with secondary market sources, including finite inventory that has been declining and is projected to decline further in coming years. As secondary supplies continue to diminish, and as existing mines deplete resources, new production will be needed to meet existing and future utility demand. This is expected to require higher prices to stimulate new mining investments.

Since 2022, uranium supply has become more complicated due to Russia's invasion of Ukraine as Russia is a significant supplier of nuclear fuel around the globe. Economic sanctions, transportation restrictions, pending legislation and buyer avoidance of Russian fuel is causing a fundamental change to the nuclear fuel markets. Additionally, the recent coup in Niger is underscoring jurisdictional risk with that country accounting for about 5% of global uranium production and about 25% of European Union supply in 2022 (World Nuclear Association / Reuters). The Company believes this is resulting in a bifurcation of the uranium market, increasing an already notable supply gap for western utilities. Secondary supply is also likely to be further reduced with western enrichers reversing operations from underfeeding to overfeeding that requires more uranium to increase the production of enrichment services. While these situations are still unfolding, new trends appear to be pointing towards U.S. and European utilities beginning to shift more focus to security of supply with production from areas of low geopolitical risk. Additional upside market pressure is also emerging as utilities continue their return to a longer-term contracting cycle to replace expiring contracts; something the market has not experienced for several years. Increasing demand has also occurred with financial entities and various producers purchasing significant quantities of drummed uranium inventory, further removing excess near term supplies.

On the demand side of the equation, the global nuclear energy industry continues robust growth, with 65 new reactors connected to the grid from 2014 to November 2023 and another 58 reactors were under construction as of November 2023. During 2023, four new reactors have been connected to the grid, two have restarted after suspended operations (Takahama 1&2) and five reactors have been permanently shut down, resulting in a total nuclear capacity of 371 GWe (International Atomic Energy Association Power Reactor Information System November 2023). In October 2023, the World Nuclear Association noted: “The Upper Scenario published in our recent Nuclear Fuel Report (Global Scenarios for Demand and Supply Availability 2023-2040), has 931 GWe of nuclear capacity already by 2040, other scenarios by IPCC, UNECE or NGFS project at least a tripling of nuclear capacity by 2050 to meet the Paris Agreement targets”.

Results of Operations

For the three months ended October 31, 2023 and 2022, we recorded sales and service revenue of \$108 and \$57,292 and realized gross profit of \$18 and \$13,858, respectively.

For the three months ended October 31, 2023 and 2022, we recorded a net income (loss) of \$3,321 (\$0.01 per share) and (\$3,756) (\$0.01 per share), and income (loss) from operations of (\$11,385) and \$3,593, respectively.

During the three months ended October 31, 2023, we continued with our strategic plan for reduced operations at our Palangana Mine, and we continued reduced operations at the Christensen Ranch Mine, to capture residual pounds of U₃O₈ only. Since the acquisition of UEX and Roughrider Mineral Holdings Inc., we have increased our exploration activities in Canada.

While we remain in a state of operational readiness, uranium extraction expenditures incurred at the Palangana Mine and the Christensen Ranch Mine, which are directly related to regulatory/mine permit compliance, lease maintenance obligations and maintaining a necessary labor force, are being charged to our consolidated statement of operations. As a result, no

uranium concentrate was extracted at our ISR Mines and processed at the Hobson and the Irigaray Processing Facilities during the period.

We established our physical uranium program in Fiscal 2021 (the “Physical Uranium Program”). As of October 31, 2023, we have 1,300,000 pounds of uranium inventory purchase commitments outstanding for a total purchase price of \$59,470. Various deliveries are scheduled to occur from Fiscal 2024 into Fiscal 2026 at a weighted average price of \$45.75 per pound of uranium.

During the three months ended October 31, 2023, as part of our Physical Uranium Program, we purchased 695,000 pounds of uranium concentrates with a total cost of \$36,628. As of October 31, 2023, the carrying value of our uranium concentrate inventories was \$42,549 (July 31, 2023: \$5,801).

Sales and Service Revenue

During the three months ended October 31, 2023, we recorded revenue from toll processing services of \$108, which was generated from processing uranium resins.

The table below provides a breakdown of our sales and service revenue and cost of sales and services:

	Three Months Ended October 31,	
	2023	2022
Sales of purchased uranium inventory	\$ -	\$ 57,209
Revenue from toll processing services	108	83
Total sales and service revenue	\$ 108	\$ 57,292
Cost of purchased uranium inventory	\$ -	\$ (43,365)
Cost of toll processing services	(90)	(69)
Total cost of sales and services	\$ (90)	\$ (43,434)

Operating Costs

Mineral Property Expenditures

Mineral property expenditures primarily consisted of costs relating to permitting, property maintenance, exploration and pre-extraction activities and other non-extraction related activities on our mineral projects.

The following table provides the nature of mineral property expenditures for the periods indicated:

	Three Months Ended October 31,	
	2023	2022
Permitting and compliance	\$ 883	\$ 53
Property maintenance	985	839
Exploration	2,402	2,002
Development	526	360
Production readiness	890	797
Total	\$ 5,686	\$ 4,051

During the three months ended October 31, 2023, the exploration expenditures, such as drilling and preliminary economic assessments, were primarily spent on the following projects:

- Burke Hollow Project: \$1,499 (October 31, 2022: \$1,111);
- Roughrider Project: \$1,298 (October 31, 2022: \$Nil); and
- Christensen Ranch Mine: \$965 (October 31, 2022: \$458).

During the three months ended October 31, 2023, the production readiness expenditures were primarily spent on the following projects:

- Christensen Ranch Mine: \$441 (October 31, 2022: \$376); and
- Palangana Mine: \$267 (October 31, 2022: \$205).

During the three months ended October 31, 2023, the property maintenance expenditures were primarily spent on the following projects:

- Buke Hollow Project: \$205 (October 31, 2022: \$144);
- Reno Creek Project: \$90 (October 31, 2022: \$93);
- Christensen Ranch Mine: \$86 (October 31, 2022: \$77);
- Ludeman Project: \$89 (October 31, 2022: \$84); and
- Allemand Ross Project: \$100 (October 31, 2022: \$104).

General and Administrative

During the three months ended October 31, 2023, general and administrative expenses ("G&A") totaled \$5,200, compared to \$5,722 for the three months ended October 31, 2022. G&A expenses were comprised of the following:

	Three Months Ended October 31,	
	2023	2022
Salaries and management fees	\$ 1,197	\$ 1,132
Office, IR, communication, insurance and travel	1,306	2,387
Foreign exchange loss	(48)	(82)
Professional fees	1,173	501
Sub-total	3,628	3,938
Stock-based compensation	1,572	1,784
Total general and administrative expenses	\$ 5,200	\$ 5,722

The following summary provides a discussion of our major expense categories including analyses of the factors that caused significant variances compared to the same period last year:

- for the three months ended October 31, 2023, office, insurance, filing and listing fees, investor relations, corporate development and travel expenses totaled \$1,306, which decreased compared to \$2,387 for the three months ended October 31, 2022, which was primarily the result of decreases in investor relations and corporate development expenses.
- professional fees are comprised primarily of legal services related to transactional activities, regulatory compliance and for audit, accounting and tax compliance services. For the three months ended October 31, 2023, professional fees totaled \$1,173, compared to \$501 for the three months ended October 31, 2022. The overall increasing trend in professional fees is due to the growth in business activities and the expansion of our operations. ; and

Income (Loss) from Equity-Accounted Investments

Income (loss) from equity-accounted investments was comprised of the following:

	Three Months Ended October 31, 2023	
	2023	2022
Share of income (loss)	\$ 1,038	\$ (195)
Gain on dilution of ownership interest	421	226
Total	\$ 1,459	\$ 31

During the three months ended October 31, 2023 and 2022, we recorded a gain on dilution of ownership interest in URC as a result of URC issuing more shares from its equity financing. We participated in URC's equity financing, which increased our ownership interest in URC to 15.1% at October 31, 2023, from 14.9% at July 31, 2023.

During the three months ended October 31, 2023, we recorded a share of URC's income of \$1,318. During the three months ended October 31, 2023, we also recorded a share of JCU (Canada) Exploration Company Limited ("JCU")'s loss of \$280.

Gain (Loss) on Revaluation of Equity Securities

As at October 31, 2023, our investments in certain equity securities were revalued using the market values at period end, which resulted in an unrealized gain of \$17,313 on revaluation of equity securities for the three months ended October 31, 2023.

Gain (Loss) on Revaluation of Derivative Liabilities

In connection with the UEX Acquisition, we issued Replacement Warrants, which are accounted for as derivative liabilities as the exercise prices of the UEX warrants are denominated in Canadian dollars, which differs from the functional currency of the Company. As at October 31, 2023, the Replacement Warrants were revalued, which resulted in a loss of \$6,901 for the three months ended October 31, 2023. Changes in fair value of derivative liabilities were primarily due to changes in our share price. During the three months ended October 31, 2022, we recorded a loss on revaluation of derivative liabilities of \$2,625.

Other income (expenses)

The following summary provides a discussion of the major categories of other income (expenses) including analyses of the factors that caused significant variances compared to the same period last year:

- during the three months ended October 31, 2022, we entered into an amendment to sales agreements with a third party whereby a uranium sales agreement and a uranium purchase agreement with this same party offset each other. We paid a net amount of \$1,186 to this party for the differences between the gross purchase price and gross sales price, which was recorded as other expenses on our condensed consolidated financial statements.

Summary of Quarterly Results

	For the Quarters Ended			
	October 31, 2023	July 31, 2023	April 30, 2023	January 31, 2023
Sales and service revenue	\$ 108	\$ 38,949	\$ 20,217	\$ 47,931
Gross profit	18	15,023	6,219	14,570
Net income (loss)	3,321	517	(10,960)	10,892
Total comprehensive income (loss)	(7,728)	6,835	(14,549)	15,509
Basic and diluted income (loss) per share	0.01	-	(0.03)	0.03
Total assets	798,129	737,589	722,148	733,315

	For the Quarters Ended			
	October 31, 2022	July 31, 2022	April 30, 2022	January 31, 2022
Sales and service revenue	\$ 57,292	\$ 78	\$ 9,892	\$ 13,191
Gross profit	13,858	13	3,337	3,943
Net income (loss)	(3,756)	5,455	7,344	(5,474)
Total comprehensive income (loss)	(14,524)	5,390	7,205	(6,092)
Basic and diluted loss per share	(0.01)	0.02	0.03	(0.02)
Total assets	695,487	354,247	330,793	302,217

Liquidity and Capital Resources

	October 31, 2023		July 31, 2023
Cash and cash equivalents	\$	50,240	\$ 45,614
Current assets		104,170	55,205
Current liabilities		30,602	12,194
Working capital		73,568	43,011

During the three months ended October 31, 2023, we received net proceeds of \$56,532 from our ATM Offerings, and from exercises of stock options and share purchase warrants. As at October 31, 2023, we had a working capital of \$73,568.

Subsequent to October 31, 2023, we received additional cash proceeds of \$17,458 under our ATM Offerings.

We have a history of operating losses resulting in an accumulated deficit balance since inception. Although we recorded net income in the three months ended October 31, 2023 and Fiscal 2022, we recorded net losses in Fiscal 2023 and all prior years, and we had an accumulated deficit balance of \$286,359 as at October 31, 2023. During the three months ended October 31, 2023, net cash used in operating activities totaled \$45,727, but we recorded negative operating cash flow in prior periods. Furthermore, we may not achieve and maintain profitability or develop positive cash flow from our operations in the near term.

Historically, we have been reliant primarily on equity financings from the sale of our common stock and on debt financing in order to fund our operations. We have yet to achieve consistent profitability or develop consistent positive cash flow from operations. Currently, we also rely on cash flows generated from the sales of our purchased uranium concentrates to fund our operations. Our reliance on equity and debt financings is expected to continue for the foreseeable future, and their availability whenever such additional financing is required will be dependent on many factors beyond our control and including, but not limited to, the market price of uranium, the continuing public support of nuclear power as a viable source of electricity generation, the volatility in the global financial markets affecting our stock price and the status of the worldwide economy, any one of which may cause significant challenges in our ability to access additional financing, including access to the equity and credit markets. We may also be required to seek other forms of financing, such as asset divestitures or joint venture arrangements, to continue advancing our uranium projects which would depend entirely on finding a suitable third party willing to enter into such an arrangement, typically involving an assignment of a percentage interest in the mineral project. However, there is no assurance that we will be successful in securing any form of additional financing when required and on terms favorable to us.

Our operations are capital intensive and future capital expenditures are expected to be substantial. We will require significant additional financing to fund our operations, including continuing with our exploration and pre-extraction activities and acquiring additional uranium projects. In the absence of such additional financing, we would not be able to fund our operations, including continuing with our exploration and pre-extraction activities, which may result in delays, curtailment or abandonment of any one or all of our uranium projects.

We hold mineral rights in the States of Arizona, New Mexico, Texas and Wyoming, in Canada and in the Republic of Paraguay, with annual land-related payments totaling \$5.8 million to maintain these rights in good standing.

Our anticipated operations, including exploration and pre-extraction activities, however, will be dependent on and may change as a result of our financial position, the market price of uranium and other considerations, and such change may include accelerating the pace or broadening the scope of reducing our operations. Our ability to secure adequate funding for these activities will be impacted by our operating performance, other uses of cash, the market price of uranium, the market price of our common stock and other factors which may be beyond our control. Specific examples of such factors include, but are not limited to:

- if the market price of uranium weakens;
- if the market price of our common stock weakens; and
- if a nuclear incident, such as the events that occurred in Japan in March 2011, were to occur, continuing public support of nuclear power as a viable source of electrical generation may be adversely affected, which may result in significant and adverse effects on both the nuclear and uranium industries.

We believe our existing cash resources and, if necessary, cash generated from the sale of the Company's liquid assets, will provide sufficient funds to carry out our planned operations for 12 months from the date that this Quarterly Report is issued. Our continuation as a going concern for a period beyond those 12 months will be dependent upon our ability to generate cash flow from the sales of our uranium inventories under our Physical Uranium Program and to obtain adequate additional financing, as our operations are capital intensive and future capital expenditures are expected to be substantial.

Our long-term success, including the recoverability of the carrying values of our assets and our ability to acquire additional uranium projects and continue with exploration and pre-extraction activities and mining activities on our existing uranium projects, will depend ultimately on our ability to achieve and maintain profitability and positive cash flow from our operations by establishing ore bodies that contain commercially recoverable uranium and to develop these into profitable mining activities.

Equity Financings

On May 17, 2021, we filed a Form S-3 shelf registration statement under the Securities Act which was declared effective by the SEC on June 1, 2021, providing for the public offer and sale of certain securities of the Company from time to time, at our discretion, of up to an aggregate offering amount of \$200 million (the "2021 Shelf"), which included an at-the-market offering agreement prospectus (the "May 2021 ATM Offering") covering the offering, issuance and sale of up to a maximum offering of \$100 million as part of the \$200 million under the 2021 Shelf.

On May 14, 2021, we entered into an at-the-market offering agreement (the "2021 ATM Offering Agreement") with H.C. Wainwright & Co., LLC and certain co-managers (collectively, the "2021 ATM Managers") as set forth in the 2021 ATM Offering Agreement under which we may, from time to time, sell shares of our common stock having an aggregate offering price of up to \$100 million through the 2021 ATM Managers selected by us.

On November 26, 2021, we filed a prospectus supplement to our 2021 Shelf with respect to the continuation of the May 2021 ATM Offering Agreement with the 2021 ATM Managers under which we may, if eligible, from time to time, sell shares of our common stock having an aggregate offering price of up to an additional \$100 million for a total of \$200 million through the 2021 ATM Managers selected by us (the "November 2021 ATM Offering"; and, collectively with the May 2021 ATM Offering, the "2021 ATM Offering").

On November 16, 2022, we filed a Form S-3 automatic shelf registration statement under the Securities Act, which became effective upon filing, providing for the public offer and sale of certain securities of the Company from time to time, at our discretion, of an undetermined dollar value of common stock, debt securities, warrants to purchase common stock or debt securities, subscription receipts for and units which include common stock, debt securities, warrants or any combination thereof (the "2022 Shelf"), which included an at-the-market offering agreement prospectus (the "2022 ATM Offering"; and, collectively, with the 2021 ATM Offering, the "ATM Offerings") covering the offering, issuance and sale of up to a maximum offering of \$300 million under the 2022 Shelf.

On November 16, 2022, we entered into an at-the-market offering agreement (the "2022 ATM Offering Agreement") with H.C. Wainwright & Co., LLC and certain co-managers (collectively, the "2022 ATM Managers") as set forth in the 2022 ATM Offering Agreement under which we may, from time to time, sell shares of our common stock having an aggregate offering price of up to \$300 million through the 2022 ATM Managers selected by us.

During the three months ended October 31, 2023, we issued 10,770,000 shares of the Company's common stock under our ATM Offerings for net cash proceeds of \$56,270.

Subsequent to October 31, 2023, we issued a further 2,832,000 shares of the Company's common stock under our ATM Offerings for net cash proceeds of \$17,458.

Operating Activities

During the three months ended October 31, 2023, net cash used in operating activities was \$45,727, of which \$36,732 was from the purchases of uranium concentrate inventory. During the three months ended October 31, 2022, net cash provided by operating activities was \$36,529, of which \$37,405 was for the change of uranium concentrate inventory. Other significant operating expenditures included mineral property expenditures and G&A expenses.

Financing Activities

During the three months ended October 31, 2023, net cash provided by financing activities totaled \$55,867, comprised primarily of net proceeds from equity financings. During the three months ended October 31, 2022, net cash provided by financing activities totaled \$27,864, comprised of net proceeds of \$21,714 from the 2021 ATM Offering and net proceeds of \$6,346 from the exercise of stock options and share purchase warrants, offset by \$147 for cash paid for withholding amounts on option exercises and \$49 in payments for a promissory note.

Investing Activities

During the three months ended October 31, 2023, net cash used in investing activities totaled \$5,482, comprised of cash used in the acquisition of the Henday, Milliken and Carswell projects of \$1,154, a capital contribution to JCU of \$653, cash used in purchase of additional interest in URC of \$5,676, cash used in investment in equity securities of \$811, proceeds from sale of equity securities of \$3,427 and cash used for investment in mineral properties and the purchase of equipment of \$615. During the three months ended October 31, 2022, net cash used in investing activities totaled \$75,783, comprised of net cash of \$4,369 received from the UEX Acquisition, offset by cash used in the Roughrider Acquisition of \$80,000, and cash used for the purchase of property, plant and equipment of \$152.

Stock Options and Warrants

As of October 31, 2023, we had in-the-money stock options outstanding representing 7,518,042 shares at a weighted-average exercise price of \$1.94 per share, and in-the-money share purchase warrants outstanding representing 3,857,030 shares at a weighted-average exercise price of \$3.31 per share. As of October 31, 2023, outstanding in-the-money stock options and warrants represented a total 11,375,072 shares issuable for gross proceeds of approximately \$27.4 million should these stock options and warrants be exercised in full on a cash basis. The exercise of stock options and warrants is at the discretion of their respective holders and, accordingly, there is no assurance that any of the stock options or warrants will be exercised in the future.

Transactions with Related Parties

We incurred \$30 in exploration expenditures on behalf of JCU for the three months ended October 31, 2023. As at October 31, 2023, the amount receivable from JCU totaled \$9 (July 31, 2023: \$201).

During the three months ended October 31, 2023, we incurred \$Nil, and during the three months ended October 31, 2022, \$78, in general and administrative costs, paid to Blender Media Inc. (Blender), a company controlled by Arash Adnani, a direct family member of our President and Chief Executive Officer, for various services, including information technology, financial subscriptions, corporate branding, media, website design, maintenance and hosting, provided by Blender to the Company. As at October 31, 2023, the amount owing to Blender was \$Nil (July 31, 2023: \$Nil).

Material Commitments

As at October 31, 2023, significant payment obligations of the Company over the next five years and beyond are as follows:

		Payment Due by Period				
		Total	Less Than 1 Year	1-3 Years	3-5 Years	More Than 5 Years
Contractual Obligations						
Asset Retirement Obligations	\$	29,064	\$ 1,515	\$ 3,962	\$ 4,498	\$ 19,089
Operating Lease Obligations		2,207	251	635	384	937
Uranium Inventory Purchase Obligations		59,470	32,730	26,740	-	-
Total	\$	90,741	\$ 34,496	\$ 31,337	\$ 4,882	\$ 20,026

As of October 31, 2023, we were renting or leasing office premises in Texas, Arizona and Wyoming, U.S.A., British Columbia and Saskatchewan, Canada, and Paraguay for total monthly payments of \$31. Office lease agreements for the U.S. and Canada expire between July 2026 and November 2028.

Commitments for Management Services

As at October 31, 2023, we were committed to paying our key executives a total of \$1,065 per year for management services.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Critical Accounting Policies

For a complete summary of all of our significant accounting policies refer to Note 2: Summary of Significant Accounting Policies of the Notes to the consolidated financial statements as presented under Item 8, Financial Statements and Supplementary Data, in our Annual Report on Form 10-K for Fiscal 2023.

Refer to “Critical Accounting Policies” under Item 7, Management’s Discussion and Analysis of Financial Condition and Results of Operations, in our Annual Report on Form 10-K for Fiscal 2023.

Subsequent Events

Subsequent to October 31, 2023, we received additional cash proceeds of \$17,458 under our ATM Offerings.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Refer to Item 7A., Quantitative and Qualitative Disclosures About Market Risk, in our Annual Report on Form 10-K for Fiscal 2023.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this Quarterly Report, with the participation of the Principal Executive Officer and the Principal Financial Officer, the Company evaluated the effectiveness of its disclosure controls and procedures, as such term is defined in Rule 13a-15(e) and Rule 15d-15(e) under the Securities Exchange Act of 1934 (the “Exchange Act”). Based on this evaluation, the Principal Executive Officer and the Principal Financial Officer have concluded that the Company’s disclosure controls and procedures are effective to ensure that information the Company is required to disclose in reports that are filed or submitted under the Exchange Act: (1) is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms; and (2) is accumulated and communicated to Company management, including the Principal Executive Officer and the Principal Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

It should be noted that any system of controls is based in part upon certain assumptions designed to obtain reasonable (not absolute) assurance as to its effectiveness, and there can be no assurance that any design will succeed in achieving its stated goals.

Changes in Internal Controls

There have been no changes in our internal controls over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during our quarter ended October 31, 2023, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

As of the date of this Quarterly Report, other than as disclosed below, there are no material pending legal proceedings, other than ordinary routine litigation incidental to our business, to which our Company or any of our subsidiaries is a party or of which any of their property is subject, and no director, officer, affiliate or record or beneficial owner of more than 5% of our common stock, or any associate or any such director, officer, affiliate or security holder, is: (i) a party adverse to us or any of our subsidiaries in any legal proceeding; or (ii) has an adverse interest to us or any of our subsidiaries in any legal proceeding. Other than as disclosed below, management is not aware of any other material legal proceedings pending or that have been threatened against us or our properties.

On or about March 9, 2011, the TCEQ granted our Company's applications for a Class III Injection Well Permit, PAA and AE for our Goliad Project. On or about December 4, 2012, the EPA concurred with the TCEQ issuance of the AE permit. With the receipt of this concurrence, the final authorization required for uranium extraction, our Goliad Project achieved fully-permitted status. On or about May 24, 2011, a group of petitioners, inclusive of Goliad County, appealed the TCEQ action to the 250th District Court in Travis County, Texas. A motion filed by our Company to intervene in this matter was granted. The petitioners' appeal lay dormant until on or about June 14, 2013, when the petitioners filed their initial brief in support of their position. On or about January 18, 2013, a different group of petitioners, exclusive of Goliad County, filed a petition for review with the Court of Appeals for the Fifth Circuit to appeal the EPA's decision. On or about March 5, 2013, a motion filed by our Company to intervene in this matter was granted. The parties attempted to resolve both appeals, to facilitate discussions and avoid further legal costs. The parties jointly agreed, through mediation initially conducted through the Fifth Circuit on or about August 8, 2013, to abate the proceedings in the State District Court. On or about August 21, 2013, the State District Court agreed to abate the proceedings. The EPA subsequently filed a motion to remand without vacatur with the Fifth Circuit wherein the EPA's stated purpose was to elicit additional public input and further explain its rationale for the approval. In requesting the remand without vacatur, which would allow the AE to remain in place during the review period, the EPA denied the existence of legal error and stated that it was unaware of any additional information that would merit reversal of the AE. We and the TCEQ filed a request to the Fifth Circuit for the motion to remand without vacatur, and if granted, to be limited to a 60-day review period. On December 9, 2013, by way of a procedural order from a three-judge panel of the Fifth Circuit, the Court granted the remand without vacatur and initially limited the review period to 60 days. In March of 2014, at the EPA's request, the Fifth Circuit extended the EPA's time period for review and additionally, during that same period, our Company conducted a joint groundwater survey of the site, the result of which reaffirmed our previously filed groundwater direction studies. On or about June 17, 2014, the EPA reaffirmed its earlier decision to uphold the granting of our existing AE, with the exception of a northwestern portion containing less than 10% of the uranium resource which was withdrawn, but not denied, from the AE area until additional information is provided in the normal course of mine development. On or about September 9, 2014, the petitioners filed a status report with the State District Court which included a request to remove the stay agreed to in August 2013 and to set a briefing schedule. In that Status Report the petitioners also stated that they had decided not to pursue their appeal at the Fifth Circuit. We continue to believe that the pending appeal is without merit and is continuing as planned towards uranium extraction at its fully-permitted Goliad Project.

A Class I renewal application for the Goliad Project disposal wells was received by the TCEQ on January 23, 2020 and declared administratively complete on April 27, 2020. The application went through technical review and, on September 13, 2022, the executive director of the TCEQ made a decision that the permit application met the requirements of the law. On or around October 4, 2022, petitioners in Goliad County requested a hearing and reconsideration on the renewal permits. The TCEQ considered the requests on December 14, 2022, during its open meeting, and denied the petitioner's request for reconsideration but granted its request for hearing. The TCEQ referred the application to the State Office of Administrative Hearing ("SOAH") to discuss three issues: 1) whether the permit application adequately characterizes the geology and identified and assessed faults in the vicinity of the proposed injections wells; 2) whether the draft permit provides for adequate monitoring of migration of injected fluids in the vicinity of the proposed injection wells; and 3) whether the location and design of the injection wells and pre-injection facilities are adequate. At this time, the petitioner's first set of interrogatories, requests for production and request for admission have been submitted. The hearing and SOAH decision is expected by March 31, 2024.

The Company has had communications and filings with the MOPC, the mining regulator in Paraguay, whereby the MOPC is taking the position that certain concessions forming part of the Company's Yuty and Alto Paraná Projects are not eligible for extension as to exploration or continuation to exploitation in their current stages. While we remain fully committed to our development path forward in Paraguay, we have filed certain applications and appeals in Paraguay to reverse the MOPC's position in order to protect the Company's continuing rights in those concessions.

Item 1A. Risk Factors

In addition to the information contained in our Annual Report on Form 10-K for Fiscal 2023, and this Quarterly Report on Form 10-Q, we have identified the following material risks and uncertainties which reflect our outlook and conditions known to us as of the date of this Quarterly Report. These material risks and uncertainties should be carefully reviewed by our stockholders and any potential investors in evaluating the Company, our business and the market value of our common stock. Furthermore, any one of these material risks and uncertainties has the potential to cause actual results, performance, achievements or events to be materially different from any future results, performance, achievements or events implied, suggested or expressed by any forward-looking statements made by us or by persons acting on our behalf. Refer to "Cautionary Note Regarding Forward-looking Statements" as disclosed in our Annual Report on Form 10-K for Fiscal 2023.

There is no assurance that we will be successful in preventing the material adverse effects that any one or more of the following material risks and uncertainties may cause on our business, prospects, financial condition and operating results, which may result in a significant decrease in the market price of our common stock. Furthermore, there is no assurance that these material risks and uncertainties represent a complete list of the material risks and uncertainties facing us. There may be additional risks and uncertainties of a material nature that, as of the date of this Quarterly Report, we are unaware of or that we consider immaterial that may become material in the future, any one or more of which may result in a material adverse effect on us. You could lose all or a significant portion of your investment due to any one of these material risks and uncertainties.

Risks Related to Our Company and Business

Evaluating our future performance may be difficult since we have a limited financial and operating history, with significant negative operating cash flow and an accumulated deficit to date. Our long-term success will depend ultimately on our ability to achieve and maintain profitability and to develop positive cash flow from our mining activities.

As more fully described under Item 1, Business, in our Annual Report on Form 10-K for Fiscal 2023, we were incorporated under the laws of the State of Nevada on May 16, 2003 and, since 2004, we have been primarily engaged in uranium mining and related activities, including exploration, pre-extraction, extraction and processing, on projects located in the United States, Canada and the Republic of Paraguay. In November 2010, we commenced uranium extraction for the first time at our Palangana Mine utilizing ISR methods and processed those materials at our Hobson Processing Facility into drums of U₃O₈. We also hold uranium projects in various stages of exploration and pre-extraction in the States of Arizona, Colorado, New Mexico, Texas and Wyoming, in Canada and the Republic of Paraguay. Since we completed the acquisition of our Alto Paraná Project located in the Republic of Paraguay in July 2017, we are also involved in mining and related activities, including exploration, pre-extraction, extraction and processing, of titanium minerals.

As more fully described under “Liquidity and Capital Resources” of Item 2, Management’s Discussion and Analysis of Financial Condition and Result of Operations, herein, we have a history of significant negative cash flow and net losses, with an accumulated deficit balance of \$286.4 million as of October 31, 2023. Historically, we have been reliant primarily on equity financings from the sale of our common stock and on debt financing in order to fund our operations. Although we generated revenues from sales of U₃O₈ we extracted during Fiscal 2015, Fiscal 2013 and Fiscal 2012 of \$3.1 million, \$9.0 million and \$13.8 million, respectively, and generated revenues from sales of purchased uranium inventory and toll processing services totaling \$0.1 million during the three months ended October 31, 2023 and \$164.4 million in Fiscal 2023, respectively, we have yet to achieve consistent profitability or develop consistent positive cash flow from our operations, and we do not expect to achieve consistent profitability or develop consistent positive cash flow from operations in the near term. As a result of our limited financial and operating history, including our significant negative cash flow from operations and net losses to date, it may be difficult to evaluate our future performance.

As of October 31, 2023, we had working capital (current assets less current liabilities) of \$73.6 million including cash and cash equivalents of \$50.2 million and uranium inventory holdings of \$42.9 million. Subsequent to October 31, 2023, we received additional cash proceeds of \$17.5 million under our ATM Offerings. We believe that our existing cash resources and, if necessary, cash generated from the sale of the Company’s liquid assets, will provide sufficient funds to carry out our planned operations for 12 months from the date of this Quarterly Report. Our continuation as a going concern for a period beyond those 12 months will be dependent upon our ability to obtain adequate additional financing, as our operations are capital intensive and future capital expenditures are expected to be substantial. Our continued operations, including the recoverability of the carrying values of our assets, are dependent ultimately on our ability to achieve and maintain profitability and positive cash flow from our operations.

Our reliance on equity and debt financings is expected to continue for the foreseeable future, and their availability whenever such additional financing is required will be dependent on many factors beyond our control including, but not limited to, the market price of uranium, the continuing public support of nuclear power as a viable source of electrical generation, the volatility in the global financial markets affecting our stock price and the status of the worldwide economy, any one of which may cause significant challenges in our ability to access additional financing, including access to the equity and credit markets. We may also be required to seek other forms of financing, such as asset divestitures or joint venture arrangements, to continue advancing our projects which would depend entirely on finding a suitable third party willing to enter into such an arrangement, typically involving an assignment of a percentage interest in the mineral project.

Our long-term success, including the recoverability of the carrying values of our assets and our ability to acquire additional uranium projects and continue with exploration and pre-extraction activities and mining activities on our existing uranium projects, will depend ultimately on our ability to achieve and maintain profitability and positive cash flow from our operations by establishing ore bodies that contain commercially recoverable uranium and to develop these into profitable mining activities. The economic viability of our mining activities, including the expected duration and profitability of our ISR Mines and of any future satellite ISR mines, such as our Burke Hollow and Goliad Projects located within the South Texas Uranium Belt, our Christensen Ranch Mine and Reno Creek Project located in the Powder River Basin, Wyoming, and our projects in Canada and in the Republic of Paraguay, have many risks and uncertainties. These include, but are not limited to: (i) a significant, prolonged decrease in the market price of uranium and titanium minerals; (ii) difficulty in marketing and/or selling uranium concentrates; (iii) significantly higher than expected capital costs to construct a mine and/or processing plant; (iv) significantly higher than expected extraction costs; (v) significantly lower than expected mineral extraction; (vi) significant delays, reductions or stoppages of uranium extraction activities; and (vii) the introduction of significantly more stringent regulatory laws and regulations. Our mining activities may change as a result of any one or more of these risks and uncertainties and there is no assurance that any ore body that we extract mineralized materials from will result in achieving and maintaining profitability and developing positive cash flow.

Our operations are capital intensive and we will require significant additional financing to acquire additional mineral projects and continue with our exploration and pre-extraction activities on our existing projects.

Our operations are capital intensive and future capital expenditures are expected to be substantial. We will require significant additional financing to fund our operations, including acquiring additional mineral projects and continuing with our exploration and pre-extraction activities which include assaying, drilling, geological and geochemical analysis and mine construction costs. In the absence of such additional financing we would not be able to fund our operations or continue with our exploration and pre-extraction activities, which may result in delays, curtailment or abandonment of any one or all of our projects.

Our uranium extraction and sales history is limited. Our ability to generate revenue is subject to a number of factors, any one or more of which may adversely affect our financial condition and operating results.

We have a limited history of uranium extraction and generating revenue. In November 2010, we commenced uranium extraction at our Palangana Mine, which has been our sole source of revenues from the sales of produced U_3O_8 during Fiscal 2015, Fiscal 2013 and Fiscal 2012, with no revenues from sales of produced U_3O_8 during the three months ended October 31, 2023, or any other fiscal years.

During the three months ended October 31, 2023, we continued to operate our ISR Mines at a reduced pace. This strategy has included the deferral of major pre-extraction expenditures and remaining in a state of operational readiness in anticipation of a recovery in uranium prices. Our ability to generate revenue from our Palangana and recently acquired Christensen Ranch Mines is subject to a number of factors which include, but are not limited to: (i) a significant, prolonged decrease in the market price of uranium; (ii) difficulty in marketing and/or selling uranium concentrates; (iii) significantly higher than expected extraction costs; (iv) significantly lower than expected uranium extraction; (v) significant delays, reductions or stoppages of uranium extraction activities; and (vi) the introduction of significantly more stringent regulatory laws and regulations. Furthermore, continued mining activities at our ISR Mines will eventually deplete the mines or cause such activities to become uneconomical, and if we are unable to directly acquire or develop existing uranium projects, such as our Moore Ranch, Reno Creek, Burke Hollow and Goliad Projects, into additional uranium mines from which we can commence uranium extraction, it will negatively impact our ability to generate revenues. Any one or more of these occurrences may adversely affect our financial condition and operating results.

Exploration and pre-extraction programs and mining activities are inherently subject to numerous significant risks and uncertainties, and actual results may differ significantly from expectations or anticipated amounts. Furthermore, exploration programs conducted on our projects may not result in the establishment of ore bodies that contain commercially recoverable uranium.

Exploration and pre-extraction programs and mining activities are inherently subject to numerous significant risks and uncertainties, with many beyond our control and including, but not limited to: (i) unanticipated ground and water conditions and adverse claims to water rights; (ii) unusual or unexpected geological formations; (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) industrial accidents; (vii) delays in the receipt of or failure to receive necessary government permits; (viii) delays in transportation; (ix) availability of contractors and labor; (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. These risks and uncertainties could result in: (i) delays, reductions or stoppages in our mining activities; (ii) increased capital and/or extraction costs; (iii) damage to, or destruction of, our mineral projects, extraction facilities or other properties; (iv) personal injuries; (v) environmental damage; (vi) monetary losses; and (vii) legal claims.

Success in mineral exploration is dependent on many factors including, without limitation, the experience and capabilities of a company's management, the availability of geological expertise and the availability of sufficient funds to conduct the exploration program. Even if an exploration program is successful and commercially recoverable material is established, it may take a number of years from the initial phases of drilling and identification of the mineralization until extraction is possible, during which time the economic feasibility of extraction may change such that the material ceases to be economically recoverable. Exploration is frequently non-productive due, for example, to poor exploration results or the inability to establish ore bodies that contain commercially recoverable material, in which case the project may be abandoned and written-off. Furthermore, we will not be able to benefit from our exploration efforts and recover the expenditures that we incur on our exploration programs if we do not establish ore bodies that contain commercially recoverable material and develop these projects into profitable mining activities, and there is no assurance that we will be successful in doing so for any of our projects.

Whether an ore body contains commercially recoverable material depends on many factors including, without limitation: (i) the particular attributes, including material changes to those attributes, of the ore body such as size, grade, recovery rates and proximity to infrastructure; (ii) the market price of uranium, which may be volatile; and (iii) government regulations and regulatory requirements including, without limitation, those relating to environmental protection, permitting and land use, taxes, land tenure and transportation.

We have not established proven or probable reserves through the completion of a "final" or "bankable" feasibility study for any of our projects, including our ISR Mines. Furthermore, we have no plans to establish proven or probable reserves for any of our uranium projects for which we plan on utilizing ISR mining, such as our ISR Mines. Since we commenced extraction of mineralized materials from our ISR Mines without having established proven or probable reserves, it may result in our mining activities at our ISR Mines, and at any future projects for which proven or probable reserves are not established, being inherently riskier than other mining activities for which proven or probable reserves have been established.

We have established the existence of mineralized materials for certain of our projects, including our ISR Mines. We have not established proven or probable reserves, as defined by the SEC, through the completion of a "final" or "bankable" feasibility study for any of our projects, including our ISR Mines. Furthermore, we have no present plans to establish proven or probable reserves for any of our projects for which we plan on utilizing ISR mining. Since we commenced the extraction of mineralized materials at our ISR Mines without having established proven or probable reserves, there may be greater inherent uncertainty as to whether or not any mineralized material can be economically extracted as originally planned and anticipated. Any mineralized materials established or extracted from our ISR Mines should not in any way be associated with having established or produced from proven or probable reserves.

On October 31, 2018, the SEC adopted the Modernization of Property Disclosures for Mining Registrants (the "New Rule"), introducing significant changes to the existing mining disclosure framework to better align it with international industry and regulatory practice, including NI 43-101. The New Rule became effective as of February 25, 2019, and issuers are required to comply with the New Rule as of the annual report for their first fiscal year beginning on or after January 1, 2021, and earlier in certain circumstances. The Company believes that it is presently in compliance with the New Rule.

Since we are in the Exploration Stage, pre-production expenditures including those related to pre-extraction activities are expensed as incurred, the effects of which may result in our consolidated financial statements not being directly comparable to the financial statements of companies in the Production Stage.

Despite the fact that we commenced uranium extraction at our ISR Mines, we remain in the Exploration Stage (as defined by the SEC) and will continue to remain in the Exploration Stage until such time as proven or probable reserves have been established, which may never occur. We prepare our consolidated financial statements in accordance with United States generally accepted accounting principles ("U.S. GAAP") under which acquisition costs of mineral rights are initially capitalized as incurred while pre-production expenditures are expensed as incurred until such time as we exit the Exploration Stage. Expenditures relating to exploration activities are expensed as incurred and expenditures relating to pre-extraction activities are expensed as incurred until such time as proven or probable reserves are established for that uranium project, after which subsequent expenditures relating to mine development activities for that particular project are capitalized as incurred.

We have neither established nor have any present plans to establish proven or probable reserves for our uranium projects for which we plan on utilizing ISR mining. Companies in the Production Stage (as defined by the SEC), having established proven and probable reserves and exited the Exploration Stage, typically capitalize expenditures relating to ongoing development activities, with corresponding depletion calculated over proven and probable reserves using the units-of-production method and allocated to inventory and, as that inventory is sold, to cost of goods sold. As we are in the Exploration Stage, it has resulted in us reporting larger losses than if we had been in the Production Stage due to the expensing, instead of capitalization, of expenditures relating to ongoing processing facility and mine pre-extraction activities. Additionally, there would be no corresponding amortization allocated to our future reporting periods since those costs would have been expensed previously, resulting in both lower inventory costs and cost of goods sold and results of operations with higher gross profits and lower losses than if we had been in the Production Stage. Any capitalized costs, such as acquisition costs of mineral rights, are depleted over the estimated extraction life using the straight-line method. As a result, our consolidated financial statements may not be directly comparable to the financial statements of companies in the Production Stage.

Estimated costs of future reclamation obligations may be significantly exceeded by actual costs incurred in the future. Furthermore, only a portion of the financial assurance required for the future reclamation obligations has been funded.

We are responsible for certain remediation and decommissioning activities in the future, primarily for our Hobson and Irigaray Processing Facilities, our ISR Mines and our recently acquired Roughrider Project, and have recorded a liability of \$18.9 million on our balance sheet at October 31, 2023, to recognize the present value of the estimated costs of such reclamation obligations. Should the actual costs to fulfill these future reclamation obligations materially exceed these estimated costs, it may have an adverse effect on our financial condition and operating results, including not having the financial resources required to fulfill such obligations when required to do so.

During Fiscal 2015, we secured \$5.6 million of surety bonds as an alternate source of financial assurance for the estimated costs of the reclamation obligations of our Hobson Processing Facility and Palangana Mine, of which we have \$1.7 million funded and held as restricted cash for collateral purposes as required by the surety. In connection with the U1A acquisition (the "U1A Acquisition"), we assumed \$13.7 million of restricted cash as surety bond collateral for total estimated reclamation costs of \$18.6 million for the Christensen Ranch Mine and Irigaray Processing Facility. During Fiscal 2022, \$8.6 million of surety bond collateral related to the Christensen Ranch Mine and Irigaray Processing Facility was released. We may be required at any time to fund the remaining \$17.4 million or any portion thereof for a number of reasons including, but not limited to, the following: (i) the terms of the surety bonds are amended, such as an increase in collateral requirements; (ii) we are in default with the terms of the surety bonds; (iii) the surety bonds are no longer acceptable as an alternate source of financial assurance by the regulatory authorities; or (iv) the surety encounters financial difficulties. Should any one or more of these events occur in the future, we may not have the financial resources to fund the remaining amount or any portion thereof when required to do so.

We cannot provide any assurance that our Physical Uranium Program involving the strategic acquisition of physical uranium will be successful, which may have an adverse effect on our results of operations.

We have used or allocated a large portion of our cash on hand in order to fund the acquisition of drummed uranium. This strategy will be subject to a number of risks and there is no assurance that the strategy will be successful. Future deliveries are subject to performance by other parties and there is a possibility of default by those parties, thus depriving us of potential benefits.

Due to the fluctuation of uranium prices, the price of uranium will fluctuate and we will be subject to losses should we ultimately determine to sell the uranium at prices lower than the acquisition cost. The primary risks associated with physical uranium will be the normal risks associated with supply and demand fundamentals affecting price movements.

We may be required to sell a portion or all of the physical uranium accumulated to fund our operations should other forms of financing not be available to meet our capital requirements.

Since there is no public market for uranium, selling the uranium may take extended periods of time and suitable purchasers may be difficult to find, which could have a material adverse effect on our financial condition and may have a material adverse effect on our securities.

There is no public market for the sale of uranium, although there are several trading and brokerage houses that serve the industry with bid and ask data as well as locations and quantities. The uranium futures market on the New York Mercantile Exchange does not provide for physical delivery of uranium, only cash on settlement, and that trading forum does not offer a formal market but rather facilitates the introduction of buyers to sellers.

The pool of potential purchasers and sellers is limited, and each transaction may require the negotiation of specific provisions. Accordingly, a sale may take several weeks or months to complete. If we determine to sell any physical uranium that we have acquired, we may likewise experience difficulties in finding purchasers that are able to accept a material quantity of physical uranium at a price and at a location that is compatible with our interests. The inability to sell on a timely basis in sufficient quantities and at a desired price and location could have a material adverse effect on our securities.

As part of our Physical Uranium Program, we have entered into commitments to purchase U_3O_8 and may purchase additional quantities. There is no certainty that any future purchases contemplated by us will be completed.

Storage arrangements, including the extension of storage arrangements, along with credit and operational risks of uranium storage facilities, may result in the loss or damage of our physical uranium which may not be covered by insurance or indemnity provisions and could have a material adverse effect on our financial condition.

Currently, the uranium we purchase is or will be stored at the licensed uranium conversion facilities of ConverDyn, located in Metropolis, Illinois, owned by Honeywell, and at Cameco Corporation's facilities, located in Ontario, Canada. There can be no assurance that storage arrangements that have been negotiated will be extended indefinitely, forcing actions or costs not currently contemplated. Failure to negotiate commercially reasonable storage terms for a subsequent storage period with ConverDyn may have a material adverse effect on our financial condition.

By holding our uranium inventory at the ConverDyn conversion facility we are exposed to the credit and operational risks of the facility. There is no guarantee that we can fully recover all of our investment in uranium held with the facility in the event of a disruptive event. Failure to recover all uranium holdings could have a material adverse effect on our financial condition. Any loss or damage of the uranium may not be fully covered or absolved by contractual arrangements with ConverDyn or our insurance arrangements, and we may be financially and legally responsible for losses and/or damages not covered by indemnity provisions or insurance. Such responsibility could have a material adverse effect on our financial condition.

The uranium industry is subject to influential political and regulatory factors which could have a material adverse effect on our business and financial condition.

The international uranium industry, including the supply of uranium concentrates, is relatively small, competitive and heavily regulated. Worldwide demand for uranium is directly tied to the demand for electricity produced by the nuclear power industry, which is also subject to extensive government regulation and policies. In addition, the international marketing and trade of uranium is subject to political changes in governmental policies, regulatory requirements and international trade restrictions (including trade agreements, customs, duties and/or taxes). International agreements, governmental policies and trade restrictions are beyond our control. Changes in regulatory requirements, customs, duties or taxes may affect the availability of uranium, which could have a material adverse effect on our business and financial condition.

We do not insure against all of the risks we face in our operations.

In general, where coverage is available and not prohibitively expensive relative to the perceived risk, we will maintain insurance against such risk, subject to exclusions and limitations. We currently maintain insurance against certain risks, including securities and general commercial liability claims and certain physical assets used in our operations, subject to exclusions and limitations, however, we do not maintain insurance to cover all of the potential risks and hazards associated with our operations. We may be subject to liability for environmental, pollution or other hazards associated with our exploration, pre-extraction and extraction activities, which we may not be insured against, which may exceed the limits of our insurance coverage or which we may elect not to insure against because of high premiums or other reasons. Furthermore, we cannot provide assurance that any insurance coverage we currently have will continue to be available at reasonable premiums or that such insurance will adequately cover any resulting liability.

Acquisitions that we may make from time to time could have an adverse impact on us.

In general, where coverage is available and not prohibitively expensive relative to the perceived risk, we will maintain insurance against such risk, subject to exclusions and limitations. We currently maintain insurance against certain risks, including securities and general commercial liability claims and certain physical assets used in our operations, subject to exclusions and limitations, however, we do not maintain insurance to cover all of the potential risks and hazards associated with our operations. We may be subject to liability for environmental, pollution or other hazards associated with our exploration, pre-extraction and extraction activities, which we may not be insured against, which may exceed the limits of our insurance coverage or which we may elect not to insure against because of high premiums or other reasons. Furthermore, we cannot provide assurance that any insurance coverage we currently have will continue to be available at reasonable premiums or that such insurance will adequately cover any resulting liability.

Acquisitions that we may make from time to time could have an adverse impact on us.

From time to time we examine opportunities to acquire additional mining assets and businesses. Any acquisition that we may choose to complete may be of a significant size, may change the scale of our business and operations and may expose us to new geographic, political, operating, financial and geological risks. Our success in our acquisition activities depends on our ability to identify suitable acquisition candidates, negotiate acceptable terms for any such acquisition and integrate the acquired operations successfully with those of our Company. Any acquisitions would be accompanied by risks which could have a material adverse effect on our business. For example: (i) there may be a significant change in commodity prices after we have committed to complete the transaction and established the purchase price or exchange ratio; (ii) a material ore body may prove to be below expectations; (iii) we may have difficulty integrating and assimilating the operations and personnel of any acquired companies, realizing anticipated synergies and maximizing the financial and strategic position of the combined enterprise and maintaining uniform standards, policies and controls across the organization; (iv) the integration of the acquired business or assets may disrupt our ongoing business and our relationships with employees, customers, suppliers and contractors; and (v) the acquired business or assets may have unknown liabilities which may be significant. In the event that we choose to raise debt capital to finance any such acquisition, our leverage will be increased. If we choose to use equity as consideration for such acquisition, existing shareholders may suffer dilution. Alternatively, we may choose to finance any such acquisition with our existing resources. There can be no assurance that we would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

The uranium and titanium industries are subject to numerous stringent laws, regulations and standards, including environmental protection laws and regulations. If any changes occur that would make these laws, regulations and standards more stringent, it may require capital outlays in excess of those anticipated or cause substantial delays, which would have a material adverse effect on our operations.

Uranium and titanium exploration and pre-extraction programs and mining activities are subject to numerous stringent laws, regulations and standards at the federal, state and local levels governing permitting, pre-extraction, extraction, exports, taxes, labor standards, occupational health, waste disposal, protection and reclamation of the environment, protection of endangered and protected species, mine safety, hazardous substances and other matters. Our compliance with these requirements requires significant financial and personnel resources.

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 change or be applied or interpreted in a manner which may also have a material adverse effect on our operations. The actions, policies or regulations, or changes thereto, of any government body or regulatory agency or special interest group may also have a material adverse effect on our operations.

Uranium and titanium exploration and pre-extraction programs and mining activities are subject to stringent environmental protection laws and regulations at the federal, state and local levels. These laws and regulations include permitting and reclamation requirements, regulate emissions, water storage and discharges and disposal of hazardous wastes. Uranium mining activities are also subject to laws and regulations which seek to maintain health and safety standards by regulating the design and use of mining methods. Various permits from governmental and regulatory bodies are required for mining to commence or continue, and no assurance can be provided that required permits will be received in a timely manner.

Our compliance costs, including the posting of surety bonds associated with environmental protection laws and regulations and health and safety standards, have been significant to date, and are expected to increase in scale and scope as we expand our operations in the future. Furthermore, environmental protection laws and regulations may become more stringent in the future, and compliance with such changes may require capital outlays in excess of those anticipated or cause substantial delays, which would have a material adverse effect on our operations.

While the very heart of our business – uranium extraction, which is the fuel for carbon-free, emission-free baseload nuclear power – and our recycling programs, help address global climate change and reduce air pollution, the world’s focus on addressing climate change will require the Company to continue to conduct all of its operations in a manner that minimizes the use of resources, including enhancing energy efficiency and reducing our reliance on fossil fuels, in order to continue to minimize air emissions at our facilities, which can also increase mine and facility, construction, development and operating costs. Regulatory and environmental standards may also change over time to address global climate change, which could further increase these costs.

To the best of our knowledge, our operations are in compliance, in all material respects, with all applicable laws, regulations and standards. If we become subject to liability for any violations, we may not be able or may elect not to insure against such risk due to high insurance premiums or other reasons. Where coverage is available and not prohibitively expensive relative to the perceived risk, we will maintain insurance against such risk, subject to exclusions and limitations. However, we cannot provide any assurance that such insurance will continue to be available at reasonable premiums or that such insurance will be adequate to cover any resulting liability.

We may not be able to obtain, maintain or amend rights, authorizations, licenses, permits or consents required for our operations.

Our exploration and mining activities are dependent upon the grant of appropriate rights, authorizations, licences, permits and consents, as well as continuation and amendment of these rights, authorizations, licences, permits and consents already granted, which may be granted for a defined period of time, or may not be granted or may be withdrawn or made subject to limitations. There can be no assurance that all necessary rights, authorizations, licences, permits and consents will be granted to us, or that authorizations, licences, permits and consents already granted will not be withdrawn or made subject to limitations.

Major nuclear and global market incidents may have adverse effects on the nuclear and uranium industries.

The nuclear incident that occurred in Japan in March 2011 had significant and adverse effects on both the nuclear and uranium industries. If another nuclear incident were to occur, it may have further adverse effects for both industries. Public opinion of nuclear power as a source of electrical generation may be adversely affected, which may cause governments of certain countries to further increase regulation for the nuclear industry, reduce or abandon current reliance on nuclear power or reduce or abandon existing plans for nuclear power expansion. Any one of these occurrences has the potential to reduce current and/or future demand for nuclear power, resulting in lower demand for uranium and lower market prices for uranium, adversely affecting the operations and prospects of our Company. Furthermore, the growth of the nuclear and uranium industries is dependent on continuing and growing public support of nuclear power as a viable source of electrical generation.

In March 2020 the COVID-19 pandemic resulted in a black swan event impacting about 50% of the world’s uranium production and has accelerated the market rebalancing. In 2020 significant production cuts were announced in response to the global COVID-19 pandemic, including uranium facilities in Canada, Kazakhstan and Namibia. In 2023, although most production impacted by COVID-19 has returned to an operating status, some production has continued to be affected. It is unknown at this time exactly how long all the impacts will last or how much uranium production will ultimately be removed from the market as a result of the COVID-19 pandemic. The Company also believes that a large degree of uncertainty exists in the market, primarily due to the size of mobile uranium inventories, transportation issues, premature reactor shutdowns in the U.S. and the length of time of any uranium mine, conversion or enrichment facility shutdowns.

The marketability of uranium concentrates will be affected by numerous factors beyond our control which may result in our inability to receive an adequate return on our invested capital.

The marketability of uranium concentrates extracted by us will be affected by numerous factors beyond our control. These factors include: (i) macroeconomic factors; (ii) fluctuations in the market price of uranium; (iii) governmental regulations; (iv) land tenure and use; (v) regulations concerning the importing and exporting of uranium; and (vi) environmental protection regulations. The future effects of these factors cannot be accurately predicted, but any one or a combination of these factors may result in our inability to receive an adequate return on our invested capital.

The titanium industry is affected by global economic factors, including risks associated with volatile economic conditions, and the market for many titanium products is cyclical and volatile, and we may experience depressed market conditions for such products.

Titanium is used in many “quality of life” products for which demand historically has been linked to global, regional and local GDP and discretionary spending, which can be negatively impacted by regional and world events or economic conditions. Such events are likely to cause a decrease in demand for products and, as a result, may have an adverse effect on our results of operations and financial condition. The timing and extent of any changes to currently prevailing market conditions is uncertain, and supply and demand may be unbalanced at any time. Uncertain economic conditions and market instability make it particularly difficult for us to forecast demand trends. As a consequence, we may not be able to accurately predict future economic conditions or the effect of such conditions on our financial condition or results of operations. We can give no assurances as to the timing, extent or duration of the current or future economic cycles impacting the industries in which we operate.

Historically, the market for large volume titanium applications, including coatings, paper and plastics, has experienced alternating periods of tight supply, causing prices and margins to increase, followed by periods of lower capacity utilization, resulting in declining prices and margins. The volatility this market experiences occurs as a result of significant changes in the demand for products as a consequence of global economic activity and changes in customers’ requirements. The supply-demand balance is also impacted by capacity additions or reductions that result in changes of utilization rates. In addition, titanium margins are impacted by significant changes in major input costs, such as energy and feedstock. Demand for titanium depends in part on the housing and construction industries. These industries are cyclical in nature and have historically been impacted by downturns in the economy. In addition, pricing may affect customer inventory levels as customers may from time to time accelerate purchases of titanium in advance of anticipated price increases or defer purchases of titanium in advance of anticipated price decreases. The cyclical and volatility of the titanium industry results in significant fluctuations in profits and cash flow from period to period and over the business cycle.

The uranium industry is highly competitive and we may not be successful in acquiring additional projects.

The uranium industry is highly competitive, and our competition includes larger, more established companies with longer operating histories that not only explore for and produce uranium, but also market uranium and other products on a regional, national or worldwide basis. Due to their greater financial and technical resources, we may not be able to acquire additional uranium projects in a competitive bidding process involving such companies. Additionally, these larger companies have greater resources to continue with their operations during periods of depressed market conditions.

The titanium industry is concentrated and highly competitive, and we may not be able to compete effectively with our competitors that have greater financial resources or those that are vertically integrated, which could have a material adverse effect on our business, results of operations and financial condition.

The global titanium market is highly competitive, with the top six producers accounting for approximately 60% of the world’s production capacity. Competition is based on a number of factors, such as price, product quality and service. Among our competitors are companies that are vertically-integrated (those that have their own raw material resources). Changes in the competitive landscape could make it difficult for us to retain our competitive position in various products and markets throughout the world. Our competitors with their own raw material resources may have a competitive advantage during periods of higher raw material prices. In addition, some of the companies with whom we compete may be able to produce products more economically than we can. Furthermore, some of our competitors have greater financial resources, which may enable them to invest significant capital into their businesses, including expenditures for research and development.

We hold mineral rights in foreign jurisdictions which could be subject to additional risks due to political, taxation, economic and cultural factors.

We hold certain mineral rights located in the Republic of Paraguay through Piedra Rica Mining S.A., Transandes Paraguay S.A., Trier S.A. and Metalicos Y No Metalicos Paraguay S.R.L., which are incorporated in Paraguay. Operations in foreign jurisdictions outside of the United States and Canada, especially in developing countries, may be subject to additional risks as they may have different political, regulatory, taxation, economic and cultural environments that may adversely affect the value or continued viability of our rights. These additional risks include, but are not limited to: (i) changes in governments or senior government officials; (ii) changes to existing laws or policies on foreign investments, environmental protection, mining and ownership of mineral interests; (iii) renegotiation, cancellation, expropriation and nationalization of existing permits or contracts; (iv) foreign currency controls and fluctuations; and (v) civil disturbances, terrorism and war.

In the event of a dispute arising at our foreign operations in Paraguay, we may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of the courts in the United States or Canada. We may also be hindered or prevented from enforcing our rights with respect to a government entity or instrumentality because of the doctrine of sovereign immunity. Any adverse or arbitrary decision of a foreign court may have a material and adverse impact on our business, prospects, financial condition and results of operations.

The title to our mineral property interests may be challenged.

Although we have taken reasonable measures to ensure proper title to our interests in mineral properties and other assets, there is no guarantee that the title to any of such interests will not be challenged. No assurance can be given that we will be able to secure the grant or the renewal of existing mineral rights and tenures on terms satisfactory to us, or that governments in the jurisdictions in which we operate will not revoke or significantly alter such rights or tenures or that such rights or tenures will not be challenged or impugned by third parties, including local governments, aboriginal peoples or other claimants. The Company has had communications and filings with the MOPC, whereby the MOPC is taking the position that certain concessions forming part of the Company's Yuty and Alto Paraná Projects are not eligible for extension as to exploration or continuation to exploitation in their current stages. While we remain fully committed to our development path forward in Paraguay, we have filed certain applications and appeals in Paraguay to reverse the MOPC's position in order to protect the Company's continuing rights in those concessions. Our mineral properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects. A successful challenge to the precise area and location of our claims could result in us being unable to operate on our properties as permitted or being unable to enforce our rights with respect to our properties.

Due to the nature of our business, we may be subject to legal proceedings which may divert management's time and attention from our business and result in substantial damage awards.

Due to the nature of our business, we may be subject to numerous regulatory investigations, securities claims, civil claims, lawsuits and other proceedings in the ordinary course of our business including those described under Item 3. Legal Proceedings herein. The outcome of these lawsuits is uncertain and subject to inherent uncertainties, and the actual costs to be incurred will depend upon many unknown factors. We may be forced to expend significant resources in the defense of these suits, and we may not prevail. Defending against these and other lawsuits in the future may not only require us to incur significant legal fees and expenses, but may become time-consuming for us and detract from our ability to fully focus our internal resources on our business activities. The results of any legal proceeding cannot be predicted with certainty due to the uncertainty inherent in litigation, the difficulty of predicting decisions of regulators, judges and juries and the possibility that decisions may be reversed on appeal. There can be no assurances that these matters will not have a material adverse effect on our business, financial position or operating results.

We depend on certain key personnel, and our success will depend on our continued ability to retain and attract such qualified personnel.

Our success is dependent on the efforts, abilities and continued service of certain senior officers and key employees and consultants. A number of our key employees and consultants have significant experience in the uranium industry. A loss of service from any one of these individuals may adversely affect our operations, and we may have difficulty or may not be able to locate and hire a suitable replacement.

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

The majority of our directors and officers are involved in other business ventures including similar capacities with other private or publicly-traded companies. Such individuals may have significant responsibilities to these other business ventures, including consulting relationships, which may require significant amounts of their available time. Conflicts of interest may include decisions on how much time to devote to our business affairs and what business opportunities should be presented to us. Our Code of Conduct and Ethics provides for guidance on conflicts of interest.

The laws of the State of Nevada and our Articles of Incorporation may protect our directors and officers from certain types of lawsuits.

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

Several of our directors and officers are residents outside of the United States, and it may be difficult for stockholders to enforce within the United States any judgments obtained against such directors or officers.

Several 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 of the United States. As a result, it may be difficult for investors to effect service of process on such directors and officers, or enforce within the United States any judgments obtained against such directors and officers, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state thereof. Consequently, stockholders may be effectively prevented from pursuing remedies against such directors and officers under United States federal securities laws. In addition, stockholders may not be able to commence an action in a Canadian court predicated upon the civil liability provisions under United States federal securities laws. The foregoing risks also apply to those experts identified in this document that are not residents of the United States.

Disclosure controls and procedures and internal control over financial reporting, no matter how well designed and operated, are designed to obtain reasonable, and not absolute, assurance as to its reliability and effectiveness.

Management's evaluation on the effectiveness of disclosure controls and procedures is designed to ensure that information required for disclosure in our public filings is recorded, processed, summarized and reported on a timely basis to our senior management, as appropriate, to allow timely decisions regarding required disclosure. Management's report on internal control over financial reporting is designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use and transactions are properly recorded and reported. However, any system of controls, no matter how well designed and operated, is based in part upon certain assumptions designed to obtain reasonable, and not absolute, assurance as to its reliability and effectiveness. Any failure to maintain effective disclosure controls and procedures in the future may result in our inability to continue meeting our reporting obligations in a timely manner, qualified audit opinions or restatements of our financial reports, any one of which may affect the market price for our common stock and our ability to access the capital markets.

Proposed and new legislation in the U.S. Congress, including changes in U.S. tax law, may adversely impact the Company and the value of shares of our common stock.

Changes to U.S. tax laws (which changes may have retroactive application) could adversely affect the Company or holders of shares of our common stock. In recent years, many changes to U.S. federal income tax laws have been proposed and made, and additional changes to U.S. federal income tax laws are likely to continue to occur in the future.

The U.S. Congress has recently passed and is currently considering numerous items of legislation which may be enacted prospectively or with retroactive effect, and which legislation could adversely impact the Company's financial performance and the value of shares of our common stock. In particular, we understand that new legislation known as the "Build Back Better Act" has been passed by both houses of the U.S. Congress. The legislation includes, without limitation, new corporate minimum income taxes. We understand that the proposals would be effective for 2022 or later years.

In addition, the *Inflation Reduction Act of 2022* was recently signed into law and includes provisions that will impact the U.S. federal income taxation of corporations. Among other items, this legislation includes provisions that will impose a minimum tax on the book income of certain large corporations and an excise tax on certain corporate stock repurchases that would be imposed on the corporation repurchasing such stock. It is unclear how this legislation will be implemented by the U.S. Department of the Treasury and the Company cannot predict how this legislation or any future changes in tax laws might affect the Company or purchasers of our common stock.

Risks Related to Our Common Stock

Historically, the market price of our common stock has been and may continue to fluctuate significantly.

On September 28, 2007, our common stock commenced trading on the NYSE American (formerly known as the American Stock Exchange, the NYSE Amex Equities Exchange and the NYSE MKT) and prior to that, traded on the OTC Bulletin Board.

The global markets have experienced significant and increased volatility in the past, and have been impacted by the effects of mass sub-prime mortgage defaults and liquidity problems of the asset-backed commercial paper market, resulting in a number of large financial institutions requiring government bailouts or filing for bankruptcy. The effects of these past events and any similar events in the future may continue to or further affect the global markets, which may directly affect the market price of our common stock and our accessibility for additional financing. Although this volatility may be unrelated to specific company performance, it can have an adverse effect on the market price of our shares which, historically, has fluctuated significantly and may continue to do so in the future.

In addition to the volatility associated with general economic trends and market conditions, the market price of our common stock could decline significantly due to the impact of any one or more events including, but not limited to, the following: (i) volatility in the uranium market; (ii) occurrence of a major nuclear incident such as the events in Japan in March 2011; (iii) changes in the outlook for the nuclear power and uranium industries; (iv) failure to meet market expectations on our exploration, pre-extraction or extraction activities, including abandonment of key uranium projects; (v) sales of a large number of our shares held by certain stockholders including institutions and insiders; (vi) downward revisions to previous estimates on us by analysts; (vii) removal from market indices; (viii) legal claims brought forth against us; and (ix) introduction of technological innovations by competitors or in competing technologies.

A prolonged decline in the market price of our common stock could affect our ability to obtain additional financing which would adversely affect our operations

Historically, we have relied on equity financing and, more recently, on debt financing, as primary sources of financing. A prolonged decline in the market price of our common stock or a reduction in our accessibility to the global markets may result in our inability to secure additional financing which would have an adverse effect on our operations.

Additional issuances of our common stock may result in significant dilution to our existing shareholders and reduce the market value of their investment.

We are authorized to issue 750,000,000 shares of common stock of which 389,668,725 shares were issued and outstanding as of October 31, 2023. Future issuances for financings, mergers and acquisitions, exercise of stock options and share purchase warrants and for other reasons may result in significant dilution to and be issued at prices substantially below the price paid for our shares held by our existing stockholders. Significant dilution would reduce the proportionate ownership and voting power held by our existing stockholders and may result in a decrease in the market price of our shares.

We are subject to the Continued Listing Criteria of the NYSE American and our failure to satisfy these criteria may result in delisting of our common stock.

Our common stock is currently listed on the NYSE American. In order to maintain this listing, we must maintain certain share prices, financial and share distribution targets, including maintaining a minimum amount of shareholders' equity and a minimum number of public shareholders. In addition to these objective standards, the NYSE American may delist the securities of any issuer: (i) if in its opinion, the issuer's financial condition and/or operating results appear unsatisfactory; (ii) if it appears that the extent of public distribution or the aggregate market value of the security has become so reduced as to make continued listing on the NYSE American inadvisable; (iii) if the issuer sells or disposes of principal operating assets or ceases to be an operating company; (iv) if an issuer fails to comply with the NYSE American's listing requirements; (v) if an issuer's common stock sells at what the NYSE American considers a "low selling price" and the issuer fails to correct this via a reverse split of shares after notification by the NYSE American; or (vi) if any other event occurs or any condition exists which makes continued listing on the NYSE American, in its opinion, inadvisable.

If the NYSE American delists our common stock, investors may face material adverse consequences including, but not limited to, a lack of trading market for our securities, reduced liquidity, decreased analyst coverage of our securities, and an inability for us to obtain additional financing to fund our operations.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Pursuant to Section 1503(a) of the *Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010*, issuers that are operators, or that have a subsidiary that is an operator, of a coal or other mine in the United States, and that is subject to regulation by the *Federal Mine Safety and Health Administration under the Mine Safety and Health Act of 1977* (the "Mine Safety Act"), are required to disclose in their periodic reports filed with the SEC information regarding specified health and safety violations, orders and citations, related assessments and legal actions, and mining-related fatalities. During the quarter ended October 31, 2023, our ISR Mines were not subject to regulation by the Federal Mine Safety and Health Administration under the Mine Safety Act.

Item 5. Other Information

None.

Item 6. Exhibits

The following exhibits are included with this Quarterly Report:

Exhibit	Description of Exhibit
31.1	Certification of Chief Executive Officer pursuant to the Securities Exchange Act of 1934 Rule 13a-14(a) or 15d-14(a).
31.2	Certification of Chief Financial Officer pursuant to the Securities Exchange Act of 1934 Rule 13a-14(a) or 15d-14(a).
32.1	Certifications pursuant to the Securities Exchange Act of 1934 Rule 13a-14(b) or 15d-14(b) and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definitions Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Quarterly Report to be signed on its behalf by the undersigned thereunto duly authorized.

URANIUM ENERGY CORP.

By: /s/ Amir Adnani
Amir Adnani
President, Chief Executive Officer (Principal Executive Officer)
and director
Date: December 8, 2023

By: /s/ Pat Obara
Pat Obara
Chief Financial Officer (Principal Financial Officer)
Date: December 8, 2023

CERTIFICATION

I, Amir Adnani, certify that:

- (1) I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended October 31, 2023 of Uranium Energy Corp.;
- (2) Based on my knowledge, this Quarterly Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Quarterly Report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this Quarterly Report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this Quarterly Report;
- (4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Quarterly Report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this Quarterly Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Quarterly Report based on such evaluation; and
 - (d) Disclosed in this Quarterly Report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- (5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of the internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 8, 2023.

/s/ Amir Adnani

By: **Amir Adnani**

Title: President, Chief Executive Officer (Principal Executive Officer) and director

CERTIFICATION

I, Pat Obara, certify that:

- (1) I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended October 31, 2023 of Uranium Energy Corp.;
- (2) Based on my knowledge, this Quarterly Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Quarterly Report;
- (3) Based on my knowledge, the financial statements, and other financial information included in this Quarterly Report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this Quarterly Report;
- (4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Quarterly Report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this Quarterly Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Quarterly Report based on such evaluation; and
 - (d) Disclosed in this Quarterly Report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- (5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of the internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 8, 2023.

/s/ Pat Obara

By: **Pat Obara**

Title: Chief Financial Officer (Principal Financial Officer)

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
AND CHIEF FINANCIAL OFFICER**

**PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

The undersigned, Amir Adnani, the Chief Executive Officer of Uranium Energy Corp., and Pat Obara, the Chief Financial Officer of Uranium Energy Corp., each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to their knowledge, the Quarterly Report on Form 10-Q of Uranium Energy Corp., for the quarterly period ended October 31, 2023 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and that the information contained in the Quarterly Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of Uranium Energy Corp.

Date: December 8, 2023.

/s/ Amir Adnani

Amir Adnani

President, Chief Executive Officer (Principal Executive Officer) and Director

/s/ Pat Obara

Pat Obara

Chief Financial Officer (Principal Financial Officer)

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signatures that appear in typed form within the electronic version of this written statement required by Section 906, has been provided to Uranium Energy Corp. and will be retained by Uranium Energy Corp. and furnished to the Securities and Exchange Commission or its staff upon request.