UEX CORPORATION

CONDENSED INTERIM FINANCIAL STATEMENTS

September 30, 2017

(Unaudited – Prepared by Management)

Suite 1700 – 750 West Pender Street, Vancouver, B.C. V6C 2T8
PH: (604) 669-2349 FAX: (604) 669-1240 uex@uex-corporation.com

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

UEX CORPORATION

Condensed Interim Balance Sheets
(Unaudited – Prepared by Management)

	Notes	September 30 2017	December 31 2016
Assets			
Current assets			
Cash and cash equivalents	3	$ 4,960,676	$ 4,136,636
Amounts receivable	4	84,727	106,036
Prepaid expenses	5	102,252	142,357
Investments – current portion	9, 15	-	144
		5,147,655	4,385,173
Non-current assets			
Deposits	6	50,536	44,377
Equipment	7	270,317	267,184
Mineral properties	8	9,232,665	9,233,565
Investments	9, 15	14,000	21,000
Total assets		$ 14,715,173	$ 13,951,299
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable and other liabilities	10	$ 476,282	$ 532,975
Total liabilities		476,282	532,975
Shareholders' equity			
Share capital	12(b)	191,942,568	186,603,862
Share-based payments reserve	12(c)	2,444,234	3,231,238
Accumulated other comprehensive income		7,000	14,000
Deficit		(180,154,911)	(176,430,776)
		14,238,891	13,418,324
Total liabilities and shareholders' equity		$ 14,715,173	$ 13,951,299
Nature and continuance of operations	1		
Commitments	8(vii), 12(d), 13		

See accompanying notes to the unaudited condensed interim financial statements.

Approved on behalf of the Board and authorized for issue on November 13, 2017.

"signed"	Director	*"signed"*	Director
Roger M. Lemaitre		*Emmet A. McGrath*	

UEX CORPORATION

Condensed Interim Statements of Operations and Comprehensive Loss
(Unaudited – Prepared by Management)

	Notes	Three-month period ended September 30 2017	Three-month period ended September 30 2016	Nine-month period ended September 30 2017	Nine-month period ended September 30 2016
Revenue					
Interest income	12(d)	$ 18,518	$ 30,663	$ 51,234	$ 68,623
Expenses					
Bank charges and interest		936	745	3,356	3,046
Depreciation		7,322	7,467	22,396	22,344
Exploration and evaluation expenditures	17	1,336,971	1,740,778	3,919,769	3,880,421
Filing fees and stock exchange		3,757	3,554	102,317	74,132
Legal and audit		18,690	34,387	82,576	116,059
Loss on disposal of equipment		5,435	278	5,435	278
Maintenance		300	865	4,158	13,205
Office expenses	18	95,928	37,399	204,063	142,504
Project investigation		2,250	-	4,782	-
Rent		35,330	35,260	106,018	103,952
Salaries	19	50,735	56,527	395,995	348,273
Share-based compensation	12(c)	78,416	79,043	392,411	307,228
Travel and promotion		16,972	35,632	120,729	98,131
Unrealized fair value loss (gain) on held-for-trading financial assets	9, 15	-	(119)	144	(395)
Unrealized fair value loss (gain) on available-for-sale financial assets	9, 15	-	(10,500)	-	(21,000)
Write-down of mineral properties		900	-	900	-
		1,653,942	2,021,316	5,365,049	5,088,178
Loss before income taxes		(1,635,424)	(1,990,653)	(5,313,815)	(5,019,555)
Deferred income tax recovery	11	-	-	236,680	151,252
Loss for the period		(1,635,424)	(1,990,653)	(5,077,135)	(4,868,303)
Other comprehensive income (loss)					
Available-for-sale financial assets net change in fair value	9, 15	3,500	-	(7,000)	-
Comprehensive loss for the period		$ (1,631,924)	$ (1,990,653)	$ (5,084,135)	$ (4,868,303)
Basic and diluted loss per share		(0.005)	(0.007)	(0.016)	(0.017)
Basic and diluted weighted-average number of shares outstanding		319,238,873	268,866,227	314,499,314	279,817,120

See accompanying notes to the unaudited condensed interim financial statements.

UEX CORPORATION

Condensed Interim Statements of Changes in Equity
(Unaudited – Prepared by Management)

	Number of common shares	Share capital	Share-based payments reserve	Accumulated other comprehensive income	Deficit	Total
Balance, December 31, 2015	*246,015,069*	$ 178,279,744	$ 3,067,912	$ -	$ (170,692,913)	$ 10,654,743
Loss for the period					(4,868,303)	(4,868,303)
Issued pursuant to private placements	*50,523,810*	9,250,000				9,250,000
Share issuance costs		(505,882)				(505,882)
Value attributed to flow-through premium on issuance		(420,000)				(420,000)
Other comprehensive income (loss) *Fair value change in AFS financial assets*				7,000		7,000
Share-based payment transactions			337,577			337,577
Balance, September 30, 2016	*296,538,879*	186,603,862	3,405,489	7,000	(175,561,216)	14,455,135
Loss for the period					(1,112,795)	(1,112,795)
Other comprehensive income (loss) *Fair value change in AFS financial assets*				7,000		7,000
Share-based payment transactions			68,984			68,984
Transfer to deficit on expiry and cancellation of share purchase options			(243,235)		243,235	-
Balance, December 31, 2016	*296,538,879*	186,603,862	3,231,238	14,000	(176,430,776)	13,418,324
Loss for the period					(5,077,135)	(5,077,135)
Issued pursuant to private placements	*22,699,994*	6,009,999				6,009,999
Share issuance costs		(671,293)	105,754			(565,539)
Other comprehensive income (loss) *Fair value change in AFS financial assets*				(7,000)		(7,000)
Share-based payment transactions			460,242			460,242
Transfer to deficit on expiry and cancellation of share purchase options			(1,353,000)		1,353,000	-
Balance, September 30, 2017	*319,238,873*	$ 191,942,568	$ 2,444,234	$ 7,000	$ (180,154,911)	$ 14,238,891

See accompanying notes to the unaudited condensed interim financial statements.

UEX CORPORATION
Condensed Interim Statements of Cash Flows
(Unaudited – Prepared by Management)

	Notes	Three-month period ended September 30 2017	Three-month period ended September 30 2016	Nine-month period ended September 30 2017	Nine-month period ended September 30 2016
Cash provided by (used for):					
Operating activities					
Loss for the period		$ (1,635,424)	$ (1,990,653)	$ (5,077,135)	$ (4,868,303)
Adjustments for:					
Depreciation		25,063	21,520	74,191	61,674
Deferred income tax recovery		-	-	(236,680)	(151,252)
Interest income		(18,518)	(30,663)	(51,234)	(68,623)
Loss on disposal of equipment		5,435	278	5,435	278
Part XII.6 tax	12(d)	36	-	4,249	(2,043)
Share-based compensation		95,763	87,184	460,242	337,577
Unrealized fair value loss (gain) on held-for-trading financial assets		-	(10,619)	144	(21,395)
Write-down of mineral properties		900	-	900	-
Changes in non-cash operating working capital					
Amounts receivable		(21,284)	(32,590)	(16,650)	(59,496)
Prepaid expenses and deposits		23,508	26,166	33,946	(51,507)
Accounts payable and other liabilities		(16,988)	(425,055)	179,987	594,608
		(1,588,525)	(1,504,321)	(4,622,605)	(4,228,482)
Investing activities					
Interest received		13,842	1,940	84,944	74,693
Investment in exploration and evaluation assets		-	-	-	(1,750,000)
Proceeds on sale of equipment		4,300	276	4,300	276
Purchase of equipment		(44,008)	(13,251)	(87,059)	(57,735)
		(25,866)	(11,035)	2,185	(1,732,766)
Financing activities					
Proceeds from common shares issued	12(b)	-	-	6,009,999	9,250,000
Share issuance costs	12(b)	-	-	(565,539)	(505,882)
		-	-	5,444,460	8,744,118
Increase (decrease) in cash and/or cash equivalents during the period		(1,614,391)	(1,515,356)	824,040	2,782,870
Cash and cash equivalents, beginning of period		6,575,067	9,438,040	4,136,636	5,139,814
Cash and cash equivalents, end of period		$ 4,960,676	$ 7,922,684	$ 4,960,676	$ 7,922,684
Supplementary information					
Non-cash transactions					
Decrease in other liabilities due to extinguishment of flow-through premium on renouncement		-	-	(236,680)	(151,252)
Non-cash share-based compensation included in exploration and evaluation expenditures		17,347	8,141	67,831	30,349
Depreciation included in exploration and evaluation expenditures		17,741	14,053	51,795	39,330
Non-cash share issuance costs – brokers warrants		-	-	105,754	-

See accompanying notes to the unaudited condensed interim financial statements.

1. Nature and continuance of operations

UEX Corporation (the "Company") was incorporated under the Canada Business Corporations Act on October 2, 2001. The Company entered into an agreement with Pioneer Metals Corporation ("Pioneer") and Cameco Corporation ("Cameco") to establish the Company as a public uranium exploration company. On July 17, 2002, under a plan of arrangement with Pioneer, Pioneer transferred to the Company its uranium exploration properties and all related assets, including the Riou Lake and Black Lake projects. On the same date, Cameco transferred its Hidden Bay uranium exploration property and certain related assets, in exchange for shares of the Company.

The Company is currently engaged in the exploration and development of its mineral properties located in the province of Saskatchewan. The Company's shares are listed on the Toronto Stock Exchange under the symbol UEX. The head office and principal address is located at 750 West Pender Street, Suite 1700, Vancouver, British Columbia, Canada V6C 2T8. The Company's registered office is 885 West Georgia Street, 19th Floor, Vancouver, British Columbia, Canada V6C 3H4.

The Company is exploring and developing its mineral properties and has not yet determined whether its mineral properties contain mineral resources that are economically recoverable. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable mineral resources, the ability of the Company to obtain the necessary financing to complete exploration and development and upon future profitable production or proceeds from the disposition of its mineral properties.

The Company performed an evaluation of impairment indicators under IFRS 6(20) for its exploration and evaluation assets as at September 30, 2017 and has concluded that there are no indicators of impairment.

The Company has sufficient financial resources to fund exploration, evaluation and administrative costs. From time to time, the Company will require additional financing and although the Company has been successful in the past, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be available on acceptable terms.

2. Basis of preparation and significant accounting policies

(a) Statement of compliance

These unaudited condensed interim financial statements, including comparative figures, have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB") and do not include all of the information required for full annual financial statements. These unaudited condensed interim financial statements should be read in conjunction with the Company's annual 2016 audited financial statements which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). These unaudited condensed interim financial statements were approved by the Board of Directors for issue on November 13, 2017.

2. Basis of preparation and significant accounting policies (continued)

(b) Estimates

The preparation of unaudited interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these unaudited condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Company's financial statements as at and for the year ended December 31, 2016.

(c) Significant accounting policies

The accounting policies applied by the Company in these condensed unaudited interim financial statements are the same as those applied by the Company in its financial statements as at and for the year ended December 31, 2016.

(d) Recent accounting announcements

The International Accounting Standards Board has issued IFRS 9 *Financial Instruments* ("IFRS 9") to replace IAS 39 *Financial Instruments*, which is intended to reduce the complexity in the measurement and classification of financial instruments. The current version of IFRS 9 has a mandatory effective date of January 1, 2018 and is available for early adoption. The Company does not expect IFRS 9 to have a material impact on the financial statements. The classification and measurement of the Company's financial assets is not expected to change under IFRS 9 because of the nature of the Company's operations and the types of financial assets that it holds.

In January of 2016, the IASB issued IFRS 16 *Leases* ("IFRS 16") which replaces the existing leasing standard, IAS 17 *Leases*. The new standard effectively eliminates the distinction between operating and finance leases for lessees, while lessor accounting remains largely unchanged with the distinction between operating and finance leases retained. IFRS 16 takes effect on January 1, 2019, with earlier application permitted. The Company has not yet evaluated the impact of adopting this standard and does not intend to early adopt.

3. Cash and cash equivalents

	September 30 2017	December 31 2016
Cash	$ 210,801	$ 290,603
Short-term deposits	4,749,875	3,846,033
	$ 4,960,676	$ 4,136,636

4. Amounts receivable

	September 30 2017	December 31 2016
Interest receivable	$ 24,103	$ 53,564
Other receivables	60,624	52,472
	$ 84,727	$ 106,036

Interest receivable reflects interest earned on short-term deposits. Other receivables include $60,624 of Goods and Services Tax (GST) receivable as at September 30, 2017 (December 31, 2016 - $51,826).

5. Prepaid expenses

	September 30 2017	December 31 2016
Advances to vendors	$ 50,000	$ 50,000
Prepaid expenses	52,252	92,357
	$ 102,252	$ 142,357

6. Deposits

	September 30 2017	December 31 2016
Deposits	$ 50,536	$ 44,377

The Company has paid deposits relating to operating leases for its premises. The leases expire between July 31, 2018 and February 29, 2024 (see Note 13).

7. Equipment

	Exploration camp	Exploration equipment	Computing equipment	Furniture and fixtures	Total
Cost					
Balance at December 31, 2015	$ 99,327	$ 394,864	$ 302,631	$ 95,332	$ 892,154
Additions	-	31,358	12,754	14,625	58,737
Disposals	-	(3,811)	(1,311)	(7,422)	(12,544)
Balance at December 31, 2016	99,327	422,411	314,074	102,535	938,347
Additions	-	76,771	9,265	1,023	87,059
Disposals	-	(20,861)	-	-	(20,861)
Balance at September 30, 2017	$ 99,327	$ 478,321	$ 323,339	$ 103,558	$ 1,004,545
Accumulated depreciation					
Balance at December 31, 2015	$ 55,994	$ 326,950	$ 203,836	$ 13,172	$ 599,952
Depreciation charge for the year	7,883	23,822	30,004	19,969	81,678
Disposals	-	(2,288)	(1,311)	(6,868)	(10,467)
Balance at December 31, 2016	63,877	348,484	232,529	26,273	671,163
Depreciation charge for the period	5,746	26,428	26,737	15,280	74,191
Disposals	-	(11,126)	-	-	(11,126)
Balance at September 30, 2017	$ 69,623	$ 363,786	$ 259,266	$ 41,553	$ 734,228
Net book value					
Balance at December 31, 2015	$ 43,333	$ 67,914	$ 98,795	$ 82,160	$ 292,202
Balance at December 31, 2016	$ 35,450	$ 73,927	$ 81,545	$ 76,262	$ 267,184
Balance at September 30, 2017	$ 29,704	$ 114,535	$ 64,073	$ 62,005	$ 270,317

8. Mineral properties

Exploration and evaluation assets – acquisition costs

	Hidden Bay (i) (ii)	Western Athabasca (iv)	Black Lake (v)	Christie Lake (vii)	Total
Balance at December 31, 2015	$ 4,475,680	$ -	$ 759,385	$ 250,000	$ 5,485,065
Additions	-	-	-	3,750,000	3,750,000
Impairment charge for the year	(1,500)	-	-	-	(1,500)
Balance at December 31, 2016	4,474,180	-	759,385	4,000,000	9,233,565
Additions	-	-	-	-	-
Impairment charge for the period	(900)	-	-	-	(900)
Balance at September 30, 2017	$ 4,473,280	$ -	$ 759,385	$ 4,000,000	$ 9,232,665

8. Mineral properties (continued)

Exploration and evaluation assets (continued)

The Company's mineral property interests include 100% owned projects as well as joint operations in which the Company has less than 100% ownership. The joint operations are governed by contractual arrangements but have not been organized into separate legal entities or vehicles.

The joint arrangements that the Company is party to in some cases entitle the Company to a right of first refusal on the projects should one of the partners choose to sell their interest. The joint arrangements are governed by a management committee which sets the annual exploration budgets for these projects. Should the Company be unable to, or choose not to, fund its required contributions as outlined in the agreement, there is a risk that the Company's ownership interest could be diluted. As a result of decisions to fund exploration programs for the joint arrangements, the Company may choose to complete further equity issuances or fund these amounts through the Company's general working capital.

100% owned projects

(i) Hidden Bay Project

The Company's 100% owned Hidden Bay Project includes the West Bear Deposit and exploration areas Tent Seal, Telephone-Shamus, Rabbit West, Wolf Lake, Rhino, Dwyer-Mitchell, and Umpherville River and is located in the eastern Athabasca Basin of northern Saskatchewan, Canada.

The Umpherville River mineral claims that are included as part of the Hidden Bay Project are subject to a 2% NSR royalty on 20% of the project for each mineral produced (equivalent to a 0.4% NSR on the total project) with the NSR on uranium capped at $10 million.

(ii) Horseshoe-Raven Project

The Company's 100% owned Horseshoe-Raven Project includes the Horseshoe and Raven Deposits and is located in the eastern Athabasca Basin of northern Saskatchewan, Canada.

(iii) Riou Lake Project

The Company holds a 100% interest in the Riou Lake Project located in the northern Athabasca Basin. Mineral property acquisition costs associated with the Riou Lake Project were written off in 2014 due to a lack of ongoing exploration activity. UEX continues to maintain several Riou Lake claims in good standing.

Joint operations

(iv) Western Athabasca Projects

The Western Athabasca Projects (the "Projects"), located in the western Athabasca Basin, which include the Kianna, Anne, Colette and 58B Deposits located at the Shea Creek Project, are eight joint ventures with the Company holding an approximate 49.1% interest and AREVA Resources Canada Inc. ("AREVA") holding an approximate 50.9% interest in all projects as at September 30, 2017 and December 31, 2016, except for the Laurie Project, where the Company has an approximate 42.2% interest and the Mirror River Project, where the Company has an approximate 41.9% interest. The Company is in the process of negotiating joint-venture agreements with AREVA.

8. Mineral properties (continued)

Exploration and evaluation assets (continued)

Joint operations (continued)

(iv) Western Athabasca Projects (continued)

The Kianna, Anne and Colette deposits are subject to a royalty of US$0.212 per pound of U_3O_8 sold to a maximum royalty of US$10,000,000.

In 2016, UEX decided not to fund its share of the 2016 geophysical program at the Mirror River Project. UEX's interest in this project dropped from a 49.1% interest to approximately 41.9%. This dilution only applied to UEX's interest in the Mirror River Project.

In 2017, AREVA proposed budgets of $0.5 million each on Uchrich and Nikita and $1.3 million each on Laurie and Mirror River, of which UEX has decided not to fund. Interests on these projects are anticipated to drop as follows, should AREVA complete the approved programs. This decision does not impact the ownership interest in the Shea Creek, Erica, Brander, or Alexandra Projects.

	December 31, 2016			Projected interest, December 31, 2017		
Ownership interest (%)	**UEX**	**AREVA**	**Total**	**UEX**	**AREVA**	**Total**
Uchrich	49.0975	50.9025	100.000	25.8546	74.1454	100.000
Nikita	49.0975	50.9025	100.000	40.0992	59.9008	100.000
Laurie	42.1827	57.8173	100.000	31.0372	68.9628	100.000
Mirror River	41.9475	58.0525	100.000	31.8912	68.1088	100.000

On April 10, 2013, an agreement was signed with AREVA which grants UEX the option to increase its ownership interest in the Western Athabasca Projects, which includes the Shea Creek Project, by 0.9% to a maximum interest of 49.9% by spending $18.0 million on exploration over the six-year period ending December 31, 2018. UEX is under no obligation to propose a budget in any year of the agreement. The Company does not anticipate that it will incur any further expenditures om this option before its expiry on December 31, 2018 and will likely allow the option to expire.

(v) Black Lake Project

The Black Lake Project ("Black Lake"), located in the northern Athabasca Basin, is a joint venture with the Company holding a 90.92% interest and AREVA holding a 9.08% interest as at September 30, 2017 and December 31, 2016.

Uracan Resources Ltd. ("Uracan") had an option to earn into the Black Lake Project, but did not meet the exploration expenditures required under the amended Black Lake Project earn-in agreement by December 31, 2016 and UEX did not extend the funding deadline. On January 20, 2017, UEX terminated the earn-in agreement with Uracan, with Uracan earning no interest in the Black Lake Project.

8. Mineral properties (continued)

Exploration and evaluation assets (continued)

Joint operations (continued)

(v) Black Lake Project (continued)

On April 6, 2017, ALX Uranium Corp. (“ALX”) entered into a letter of intent (“LOI”) with UEX to complete a due diligence review of the Black Lake Project. On July 26, 2017, ALX informed the Company that they had completed their review and wished to proceed with an option to acquire up to a 75% interest in the Project.

On September 6, 2017, ALX and UEX entered into an Option Agreement, under which ALX will have the right to earn a 75% interest in three stages as follows:

- Stage 1 - By completing $1,000,000 in exploration work on the project and issuing to UEX a total of 5,000,000 shares of ALX to earn an initial 40% interest in the project by September 5, 2018;
- Stage 2 - By completing an additional $2,000,000 (for a cumulative total of $3,000,000) in exploration work and issuing a further 4,000,000 shares of ALX to the Company (for a cumulative total of 9,000,000 ALX shares) to earn an additional 11% interest in the project (cumulative interest of 51%) by February 5, 2020;
- Stage 3 - By completing an additional $3,000,000 (for a cumulative total of $6,000,000) in exploration work and issuing a further 3,000,000 shares of ALX to the Company (for a cumulative total of 12,000,000 ALX shares) to earn an additional 24% interest in the project (cumulative interest of 75%) by September 5, 2021.

Upon signing of the LOI, ALX paid $25,000 to UEX and were permitted to conduct up to $100,000 in exploration work. ALX completed $87,000 of exploration work that will be credited towards the Stage 1 exploration work commitment. Upon vesting any interest, ALX will become a party to the Black Lake Joint Venture.

ALX will be earning its interest in the Black Lake Project exclusively from UEX’s 90.92% interest in the Joint Venture. AREVA has agreed to waive their first right of refusal on the transfer of any of UEX’s ownership interest to ALX.

(vi) Beatty River Project

The Company has a 25% interest in the Beatty River Project, which is located in the western Athabasca Basin. AREVA is the operator of this project.

8. Mineral properties (continued)

Exploration and evaluation assets (continued)

Joint operations (continued)

(vii) Christie Lake Project

The Company has earned a 30% interest in the Christie Lake Project by making $4 million in cash payments and completing $2.5 million in exploration work. The Project is located in the eastern Athabasca Basin and JCU (Canada) Exploration Company Limited ("JCU") holds a 70% interest. UEX is the operator of this project and has an option to earn up to a 70% interest in the project by making a total of $7 million in cash payments and completing $15 million in exploration on the property. A summary of cash payments and exploration expenditures made to date and commitments remaining is summarized in the table below.

	Cash payments	Exploration work	UEX Cumulative Interest Earned
Completed:			
As at September 30, 2017	4,000,000	7,753,512 (1)(2)	30.00 %
To be completed:			
Before January 1, 2018	1,000,000	- (2)	45.00
Before January 1, 2019	1,000,000	2,246,488 (2)	60.00
Before January 1, 2020	1,000,000	5,000,000	70.00
	3,000,000	7,246,488	
Total	$ 7,000,000	$ 15,000,000	70.00 %

(1) Cumulative exploration work completed does not include $88,784 of share based compensation relating to the Christie Lake Project, which is not an eligible earn-in expenditure.

(2) Exploration work completed in excess of the minimum yearly commitment is applied to future years' commitments. Exploration work commitments per the earn-in agreement are as follows:

- $2,500,000 before January 1, 2017 (completed)
- $2,500,000 before January 1, 2018 (completed),
- $5,000,000 before January 1, 2019 ($2,753,512 completed); and
- $5,000,000 before January 1, 2020.

8. Mineral properties (continued)

Exploration and evaluation assets (continued)

Joint operations (continued)

UEX is party to the following joint arrangements:

	September 30, 2017				December 31, 2016			
Ownership interest (%)	**UEX**	**AREVA**	**JCU**	**Total**	**UEX**	**AREVA**	**JCU**	**Total**
Beatty River	25.0000	50.7020	24.2980	100.0000	25.0000	50.7020	24.2980	100.0000
Black Lake	90.9200	9.0800	-	100.0000	90.9200	9.0800	-	100.0000
Christie Lake	30.0000	-	70.0000	100.0000	30.0000	-	70.0000	100.0000
Western Athabasca								
Laurie Project	42.1827	57.8173	-	100.0000	42.1827	57.8173	-	100.0000
Mirror River Project	41.9475	58.0525	-	100.0000	41.9475	58.0525	-	100.0000
All other projects (1)	49.0975	50.9025	-	100.0000	49.0975	50.9025	-	100.0000

(1) Western Athabasca includes the Alexandra, Brander River, Erica, Nikita, Shea Creek, Uchrich, Mirror River and Laurie Projects; however, due to a decision not to fund 2016 and 2015 exploration programs at Mirror River and Laurie, respectively, UEX's ownership interest has decreased in these two projects only. The Company's ownership interest in Mirror River and Laurie is presented separately from its interest in the other Western Athabasca Projects due to the different ownership interest from the rest of the Western Athabasca Projects.

9. Investments

The Company holds 350,000 shares of Uracan. In early 2013, UEX received 300,000 shares and 150,000 warrants from Uracan as partial consideration for the signing of an agreement which granted Uracan an option to earn a 60% interest in the Black Lake Project. On February 13, 2016, these warrants expired.

On June 23, 2014, UEX entered into an amendment to the earn-in agreement with Uracan which deferred $422,440 in exploration commitments from 2014 and added these to the 2015 exploration commitments. Upon execution of this agreement, UEX received from Uracan a further 50,000 shares and 25,000 share purchase warrants. On June 23, 2017, these warrants expired.

These shares are being held for long-term investment purposes. The shares have been classified as *Available-for-sale* ("AFS") financial assets and are carried at fair value, with changes in fair value reflected in other comprehensive income.

9. Investments (continued)

Investments		**September 30 2017**		**December 31 2016**
Common shares held – Uracan [1] (TSX.V: URC) (see Note 15)	$	14,000	$	21,000

[1] The initial fair value of the shares was $29,750 based on the market closing prices on February 13, 2013 ($27,000) and June 23, 2014 ($2,750), the dates the shares were received.

The fair value of the Uracan shares is based on the market price for these actively traded securities.

10. Accounts payable and other liabilities

		September 30 2017		**December 31 2016**
Trade payables	$	97,604	$	57,427
Other liabilities		378,678		238,868
Flow-through share premium		-		236,680
	$	476,282	$	532,975

Other liabilities comprise general and exploration costs incurred in the period for which invoices had not been received at the balance sheet date.

The flow-through share premium at December 31, 2016 represents the difference between the subscription price of $0.25 per share and the market price at issuance of $0.23 per share related to the May 17, 2016 flow-through private placement of 21,000,000 shares ($420,000). Flow-through premium of $183,320 relating to flow-through renunciation under the general rule was extinguished during the year ended December 31, 2016, leaving a balance of $236,680. In February 2017, the flow-through share premium of $236,680 relating to unspent amounts of $2,958,500 at December 31, 2016 from the May 17, 2016 flow-through placement was extinguished on the filing and renouncement of the tax benefits to the subscribers of that placement effective December 31, 2016.

11. Income taxes

The tax effect (computed by applying the Canadian federal and provincial statutory rate) of the significant temporary differences, which comprise deferred income tax assets and liabilities, is as follows:

	Nine months ended September 30 2017	2016
Canadian statutory income tax rate	27.00%	27.00%
Loss before income taxes	$ (5,313,815)	$ (5,019,555)
Income tax at statutory rate	1,434,730	1,355,280
Tax effect of:		
Permanent differences	26,838	44,029
Flow-through expenditures renounced and other	(650,998)	(346,167)
Valuation allowance	(573,890)	(901,890)
Income tax provision	$ 236,680	$ 151,252

The Company recognized a deferred income tax recovery of $236,680 in the interim statement of operations for the nine months ended September 30, 2017 (2016 - $151,252) related to the extinguishment of the flow-through premium related to flow-through shares renounced during the year ended December 31, 2016. Flow-through premiums related to the following placements as renounced resulted in deferred tax recoveries as follows:

	Nine months ended September 30 2017	2016
May 11, 2015 placement flow-through premium of $275,000	$ -	$ 151,252
May 17, 2016 placement flow-through premium of $420,000	236,680	-
	$ 236,680	$ 151,252

11. Income taxes (continued)

At September 30, 2017, the Company has Canadian non-capital income tax losses carried forward of approximately $18,068,791 which are available to offset future years' taxable income. These losses expire as follows:

		September 30 2017
2037	$	1,216,460
2036		1,455,378
2035		2,157,909
2034		2,128,882
2033		1,870,696
2032		1,787,321
2031		1,684,498
2030		1,642,206
2029		2,666,670
2028		1,458,771
	$	18,068,791

The unrecognized deductible temporary differences at September 30, 2017 and 2016 are as follows:

	Nine months ended September 30			
		2017		2016
Non-capital loss carryforwards	$	18,068,791	$	16,479,344
Charitable donations		2,000		9,000
Equipment		886,510		781,059
Investments		25,570		10,867
Mineral resource expenditure pool		83,015,280		83,706,875
Share issuance costs		985,389		762,006
	$	102,983,540	$	101,749,151

The Company also has available mineral resource related expenditure pools totaling approximately $92,247,945, which may be deducted against future taxable income on a discretionary basis.

12. Share capital

(a) Authorized

The authorized share capital of the Company consists of an unlimited number of common shares and an unlimited number of (no par value) preferred shares issuable in series, of which 1,000,000 preferred shares have been designated Series 1 Preferred Shares.

12. Share capital (continued)

(b) Issued and outstanding – common shares

	Number of shares	Value
Balance, December 31, 2015	*246,015,069*	$ 178,279,744
Issued pursuant to private placement in 2016	*50,523,810*	9,250,000
Share issuance costs		(505,882)
Value attributed to flow-through premium on issuance		(420,000)
Balance, December 31, 2016	*296,538,879*	$ 186,603,862
Issued pursuant to private placement in 2017	*22,699,994*	6,009,999
Share issuance costs		(565,539)
Fair value of brokers warrants		(105,754)
Balance, September 30, 2017	*319,238,873*	$ 191,942,568

On February 27, 2017, the Company completed a private placement of 15,999,994 units at a price of $0.25 per unit and 6,700,000 flow-through common shares at a price of $0.30 per share, for gross proceeds of $6,009,999. Share issue costs included a cash commission of $360,600, issuance costs of $204,939, as well as the fair value of brokers warrants of $105,754. Each unit consisted of one common share and one full share purchase warrant exercisable at a price of $0.42 per share for a period of three years. The 681,000 full share broker warrants were issued as part of the placement and are exercisable at a price of $0.30 per share for a period of two years.

The fair value of the brokers warrants issued was determined using the Black-Scholes pricing model with the following weighted-average assumptions:

	February 27 2017
Number of broker warrants granted	681,000
Expected forfeiture rate	0.00%
Weighted-average grant date share price	$ 0.36
Expected volatility	67.84%
Risk-free interest rate	0.76%
Dividend yield	0.00%
Expected life	2.00 years
Weighted-average grant date fair value	$ 0.16

12. Share capital (continued)

(c) Share-based compensation

Under the Company's share-based compensation plan, the Company may grant share purchase options to its key employees, directors, officers and others providing services to the Company. The maximum number of shares issuable under the plan is a rolling number equal to 10% of the issued and outstanding common shares of the Company from time to time. Under the plan, the exercise price of each share purchase option shall be fixed by the Board of Directors but shall not be less than the quoted closing market price of the shares on the Toronto Stock Exchange on the date prior to the share purchase option being granted and a share purchase option's maximum term is 10 years. The shares subject to each share purchase option shall vest at such time or times as may be determined by the Board of Directors.

A summary of the status of the Company's share-based compensation plan as at September 30, 2017 and December 31, 2016 and changes during the periods ended on these dates is presented below:

	Number of share purchase options	Weighted-average exercise price
Outstanding, December 31, 2015	17,316,000	$ 0.79
Granted	4,426,667	0.23
Cancelled	(838,667)	0.54
Outstanding, December 31, 2016	20,904,000	0.68
Granted	6,725,000	0.20
Cancelled	(2,107,000)	0.57
Expired	(1,150,000)	0.92
Outstanding, September 30, 2017	24,372,000	$ 0.55

As the number of options currently outstanding is 24,372,000 (representing 7.63% of the Corporation's current issued and outstanding common shares), the number of options available for grant as of November 13, 2017 is 7,551,887 (representing 2.37% of the Corporation's current issued and outstanding common shares).

As at September 30, 2017, the Company had a total of 24,372,000 share purchase options outstanding related to director, employee and consultant share purchase options, the details of which are as follows:

	Outstanding			Exercisable	
Range of exercise prices	**Number of share purchase options**	**Weighted-average exercise price**	**Weighted-average remaining contractual life (years)**	**Number of share purchase options**	**Weighted-average exercise price**
$ 0.15 – 0.33	13,360,000	$ 0.23	4.69	7,673,332	$ 0.25
0.34 – 0.93	5,125,000	0.54	2.45	5,091,667	0.54
0.94 – 1.45	5,887,000	1.26	2.02	5,887,000	1.26
	24,372,000	$ 0.55	3.57	18,651,999	$ 0.65

12. Share capital (continued)

(c) Share-based compensation (continued)

The share-based payments reserve values of $2,444,234 as at September 30, 2017 and $3,231,238 as at December 31, 2016 on the balance sheet reflect the expensed and capitalized fair value of vested share purchase options. If all options that are vested were exercised, the entire balance of the share-based payments reserve would be transferred to share capital.

The estimated fair value expense of all share purchase options vested during the three-month period ended September 30, 2017 is $95,763 (2016 - $87,184). The amount included in exploration and evaluation expenditures for the quarter ended September 30, 2017 is $17,347 (2016 - $8,141) and the remaining $78,416 (2016 - $79,043) was expensed to share-based compensation.

The estimated fair value expense of all share purchase options vested during the nine-month period ended September 30, 2017 is $460,242 (2016 - $337,577). The amount included in exploration and evaluation expenditures for the nine months ended September 30, 2017 is $67,831 (2016 - $30,349) and the remaining $392,411 (2016 - $307,228) was expensed to share-based compensation.

The fair value of the options granted each period was determined using the Black-Scholes option-pricing model with the following weighted-average assumptions:

	September 30 2017	**September 30 2016**
Number of options granted	6,725,000	4,426,667
Expected forfeiture rate	2.27%	1.69%
Weighted-average grant date share price	$ 0.20	$ 0.23
Expected volatility	65.15%	63.46%
Risk-free interest rate	1.06%	0.59%
Dividend yield	0.00%	0.00%
Expected life	4.47 years	4.21 years
Weighted-average grant date fair value	$ 0.20	$ 0.11

(d) Flow-through shares

The Company has financed a portion of its exploration programs through the use of flow-through share issuances. Income tax deductions relating to these expenditures are claimable by the investors and not by the Company. As at September 30, 2017, the Company had spent, on qualified expenditures, $5,250,000 (December 31, 2016 - $2,291,500) of the $5,250,000 flow-through monies raised in the May 17, 2016 placement. The Company renounced the income tax benefit of this issue to its subscribers effective December 31, 2016. The Company incurred $4,249 in Part XII.6 tax on unspent flow-through monies in the nine months ended September 30, 2017 (2016 - $2,043), which has been netted against interest income.

As at September 30, 2017, the Company had spent $522,443 of the $2,009,999 flow-through monies raised in the February 27, 2017 placement.

12. Share capital (continued)

(e) Warrants

Outstanding share purchase warrants entitle their holders to purchase common shares of the Company at a price outlined in the warrant agreements. The following table summarizes the continuity of share purchase warrants for the Company:

	Number of Warrants	Weighted Average Exercise Price	
Balance, December 31, 2015	-	$	-
Issued pursuant to private placements in 2016	*24,761,905*		0.22
Balance, December 31, 2016	*24,761,905*		0.22
Issued pursuant to private placements in 2017	*16,680,994*		0.42
Balance, September 30, 2017	*41,442,899*	$	0.30

As at September 30, 2017 the Company's outstanding share purchase warrants had expiry dates and exercise prices as follows:

Expiry Date for Warrants	Number of Warrants	Exercise Price	
January 22, 2018 (2 year life)	*20,000,000*	$	0.20
May 17, 2018 (2 year life)	*4,761,905*		0.30
February 27, 2019 (2 year life)	*681,000*		0.30
February 27, 2020 (3 year life)	*15,999,994*		0.42
Balance, September 30, 2017	*41,442,899*	$	0.30

13. Commitments

The Company has obligations under operating leases for its office premises, which expire between July 31, 2018 and February 29, 2024. The future minimum payments are as follows:

	September 30 2017
2017	18,222
2018	122,449
2019	116,121
2020	107,805
2021 and beyond	220,725

Other commitments in respect of the Company's mineral properties are disclosed in Notes 8(vii) and 12(d).

14. Management of capital

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and evaluation programs on its mineral properties. The Company manages its capital structure, consisting of shareholders' equity, and makes adjustments to it, based on funds available to the Company, in order to support the exploration and evaluation of its mineral properties. Historically, the Company has relied exclusively on the issuance of common shares for its capital requirements.

All of the Company's cash and cash equivalents are available for exploration and evaluation programs and administrative operations. The Company has not changed its approach to capital management during the current period, and is not subject to any external capital restrictions.

15. Management of financial risk

The Company operates entirely in Canada and is therefore not subject to any significant foreign currency risk. The Company's financial instruments are exposed to limited liquidity risk, credit risk and market risk.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure as outlined in Note 14. Accounts payable and other liabilities are due within the current operating period.

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk includes cash and cash equivalents and amounts receivable. The Company reduces its credit risk by maintaining its bank accounts at large national financial institutions. The maximum exposure to credit risk is equal to the carrying value of cash and cash equivalents and amounts receivable. The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments that are redeemable 90 days or less from the original date of acquisition.

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Company's income. The Company is subject to interest rate risk on its cash and cash equivalents. The Company reduces this risk by investing its cash in highly liquid short-term interest-bearing investments that earn interest on a fixed rate basis.

All financial instruments measured at fair value are categorized into one of three hierarchy levels, described below, for disclosure purposes. Each level is based on the transparency of the inputs used to measure the fair values of assets and liabilities:

- Level 1 - Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities;
- Level 2 - Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability; and
- Level 3 - Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

The carrying values of amounts receivable, and accounts payable and other liabilities are a reasonable estimate of their fair values because of the short period to maturity of these instruments.

15. Management of financial risk (continued)

Cash and cash equivalents are classified as loans and receivables and are initially recorded at fair value and subsequently at amortized cost with accrued interest recorded in accounts receivable.

The following table summarizes those assets and liabilities carried at fair value:

Investments – as at December 31, 2016	Level 1	Level 2	Level 3	Total
Shares – Uracan (TSX-V: URC)	$ 21,000	$ -	$ -	$ 21,000
	$ 21,000	$ -	$ -	$ 21,000

Investments – as at September 30, 2017	Level 1	Level 2	Level 3	Total
Shares – Uracan (TSX-V: URC)	$ 14,000	$ -	$ -	$ 14,000
	$ 14,000	$ -	$ -	$ 14,000

The following table shows a reconciliation from the beginning balances to ending balances for Level 1 fair value measurements for investments:

	Number of Shares	Change in Fair Value	Fair Value
Balance, December 31, 2015	*350,000*		$ 7,000
Gains for the three months ended March 31, 2016		3,500	
Gains for the three months ended June 30, 2016		7,000	
Gains for the three months ended September 30, 2016		10,500	
Losses for the three months ended December 31, 2016		(7,000)	
Changes in fair value – total unrealized gain (loss) on financial assets at FVTPL (shares) – year ended December 31, 2016		14,000	14,000
Balance, December 31, 2016	*350,000*		21,000
Losses for the three months ended March 31, 2017		(3,500)	
Losses for the three months ended June 30, 2017		(7,000)	
Losses for the three months ended September 30, 2017		(3,500)	
Changes in fair value – total unrealized gain (loss) on financial assets at FVTPL (shares) – nine months ended September 30, 2017		(14,000)	(14,000)
Balance, September 30, 2017	*350,000*		$ 14,000

16. Segmented information

The Company conducts its business as a single operating segment, being the mining and mineral exploration business in Canada. All mineral properties and equipment are located in Canada.

17. Exploration and evaluation expenditures

Exploration and evaluation expenditures – for the three-month periods ended September 30:

	September 30, 2017			September 30, 2016		
Project	Cumulative to June 30, 2017	Expenditures in the period	**Total**	Cumulative to June 30, 2016	Expenditures in the period	**Total**
Beatty River	$ 873,741	$ -	$ 873,741	$ 873,069	$ -	$ 873,069
Black Lake	14,487,767	740	14,488,507	14,508,909	-	14,508,909
Christie Lake	6,625,135	1,217,161	7,842,296	1,541,970	1,642,023	3,183,993
Hidden Bay [(1)]	33,118,931	118,348	33,237,279	33,061,241	3,612	33,064,853
Horseshoe-Raven	41,816,054	184	41,816,238	41,737,327	60,515	41,797,842
Western Athabasca						
Alexandra	1,205,251	-	1,205,251	1,205,251	-	1,205,251
Brander	1,353,363	-	1,353,363	1,353,363	-	1,353,363
Erica	2,253,085	-	2,253,085	2,253,085	-	2,253,085
Laurie	1,588,648	269	1,588,917	1,586,528	-	1,586,528
Mirror	1,989,732	269	1,990,001	1,987,612	-	1,987,612
Nikita	1,952,693	-	1,952,693	1,952,331	-	1,952,331
Shea Creek	54,200,329	-	54,200,329	54,135,297	34,628	54,169,925
Uchrich	543,453	-	543,453	543,091	-	543,091
All Projects Total	$ 162,008,182	$ 1,336,971	$ 163,345,153	$ 156,739,074	$ 1,740,778	$ 158,479,852

Exploration and evaluation expenditures – for the nine-month periods ended September 30:

	September 30, 2017			September 30, 2016		
Project	Cumulative to December 31, 2016	Expenditures in the period	**Total**	Cumulative to December 31, 2015	Expenditures in the period	**Total**
Beatty River	$ 873,069	$ 672	$ 873,741	$ 873,069	$ -	$ 873,069
Black Lake	14,508,909	(20,402)	14,488,507	14,508,893	16	14,508,909
Christie Lake	4,080,292	3,762,004	7,842,296	58,689	3,125,304	3,183,993
Hidden Bay [(1)]	33,069,216	168,063	33,237,279	33,026,660	38,193	33,064,853
Horseshoe-Raven	41,813,458	2,780	41,816,238	41,669,712	128,130	41,797,842
Western Athabasca						
Alexandra	1,205,251	-	1,205,251	1,205,251	-	1,205,251
Brander	1,353,363	-	1,353,363	1,353,363	-	1,353,363
Erica	2,253,085	-	2,253,085	2,253,085	-	2,253,085
Laurie	1,586,528	2,389	1,588,917	1,586,528	-	1,586,528
Mirror	1,987,612	2,389	1,990,001	1,987,612	-	1,987,612
Nikita	1,952,331	362	1,952,693	1,952,331	-	1,952,331
Shea Creek	54,199,179	1,150	54,200,329	53,581,147	588,778	54,169,925
Uchrich	543,091	362	543,453	543,091	-	543,091
All Projects Total	$ 159,425,384	$ 3,919,769	$ 163,345,153	$ 154,599,431	$ 3,880,421	$ 158,479,852

(1) Includes the West Bear Deposit and all other Hidden Bay exploration areas: Tent-Seal, Telephone-Shamus, Rabbit West, Wolf Lake, Rhino, Dwyer-Mitchell, and Umpherville River.

17. Exploration and evaluation expenditures (continued)

Exploration and evaluation expenditures for the three and nine months ended September 30, 2017 and 2016 include the following non-cash expenditures:

	Three months ended September 30		Nine months ended September 30	
	2017	**2016**	**2017**	**2016**
Depreciation	$ 17,741	$ 14,054	$ 51,795	$ 39,330
Share-based compensation	17,347	8,141	67,831	30,349
Project management fee	109,530	148,727	336,803	287,141
	$ 144,618	$ 170,922	$ 456,429	$ 356,820

Hidden Bay Project

Of the exploration and evaluation expenditures incurred in the nine months ended September 30, 2017, evaluation expenditures at Hidden Bay included $1,460 (2016 - $49,352) spent on deposit areas. These amounts reflect costs associated with the continuing evaluation of Hidden Bay.

Western Athabasca Projects

UEX has decided not to fund its share of the 2017 Western Athabasca exploration budget ($0.5 million each for geophysics on Uchrich and Nikita, $1.3 million each for drilling on Laurie and Mirror River). UEX's decision to not fund exploration work will result in a dilution of interest in certain properties (see Note 8(iv)).

Christie Lake Project

During the nine months ended September 30, 2017, the Company began a further $4.0 million exploration program at Christie Lake. UEX is the project operator and is entitled to a 10% management fee, which is offset against salaries and is deemed to be an expenditure for the exploration work commitment portion of the project earn-in (see Note 19).

18. Office expenses

	Three months ended September 30		Nine months ended September 30	
	2017	**2016**	**2017**	**2016**
Insurance	$ 12,849	$ 13,580	$ 38,730	$ 38,590
Office supplies and consulting	80,103	21,160	155,134	95,462
Telephone	2,976	2,659	10,199	8,452
	$ 95,928	$ 37,399	$ 204,063	$ 142,504

19. Salaries

		Three months ended September 30				Nine months ended September 30		
		2017		**2016**		**2017**		**2016**
Gross salaries	$	160,265	$	205,254	$	732,798	$	635,433
Management fee offset:								
Christie Lake – 10%		(109,530)		(148,727)		(336,803)		(287,141)
Black Lake – 10%		-		-		-		(19)
	$	50,735	$	56,527	$	395,995	$	348,273

On certain expenditures where UEX is the operator, the Company is entitled to a project management fee of 10% of the direct costs. This fee compensates the operator for indirect costs associated with the operation of the projects and are credited against gross salaries expense.

While UEX is in the earn-in stage of the Christie Lake Project, the 10% fee is non-cash and is a deemed expenditure towards the exploration earn-in commitment for the Project.

20. Related party transactions

The value of all transactions relating to key management personnel, close members of the family of persons that are key management personnel and entities over which they have control or significant influence are as follows:

(a) Related party transactions

Related party transactions include the following payments which were made to related parties other than key management personnel:

		Three months ended September 30				Nine months ended September 30		
		2017		**2016**		**2017**		**2016**
Cameco Corporation [(1)]	$	561	$	420	$	1,261	$	420
Management advisory board share-based payments [(2)]		1,043		1,843		5,276		7,433
	$	1,604	$	2,263	$	6,537	$	7,853

(1) Payments related to fees paid for use of the Cameco airstrip at the McArthur River mine.

(2) Share-based compensation expense is the fair value of options granted which have been calculated using the Black-Scholes option-pricing model and the assumptions disclosed in Note 12(c).

20. Related party transactions (continued)

(b) Key management personnel compensation

Key management personnel compensation includes management and director compensation, inclusive of any consulting arrangements with directors, as follows:

	Three months ended September 30		Nine months ended September 30	
	2017	**2016**	**2017**	**2016**
Salaries and short-term employee benefits [1][2]	$ 98,515	$ 154,108	$ 578,242	$ 565,728
Share-based payments [3]	66,393	70,600	345,816	272,980
	$ 164,908	$ 224,708	$ 924,058	$ 838,708

(1) In the event of a change of control of the Company, certain senior management may elect to terminate their employment agreements and the Company shall pay termination benefits of two times their respective annual salaries at that time and all of their share purchase options will become immediately vested with all other employee benefits, if any, continuing for a period of up to two years.

(2) In the event that Mr. Lemaitre's (UEX's President and CEO) employment is terminated by the Corporation for any reason other than as a result of a change of control, death or termination for cause, the Corporation will pay to Mr. Lemaitre an amount equal to one year's base salary plus any bonus owing. All other employee related benefits will continue for a period of one year following such termination. Mr. Lemaitre may also terminate the employment agreement upon three months written notice to the Board and receive a lump sum payment equal to his base salary plus benefits for three months.

(3) Share-based compensation expense is the fair value of options granted which have been calculated using the Black-Scholes option-pricing model and the assumptions disclosed in Note 12(c).

Corporate Information

Board of Directors

Graham C. Thody, Chairman
Vancouver, British Columbia

Roger M. Lemaitre
President and CEO
Saskatoon, Saskatchewan

Suraj P. Ahuja, Lead Director
Vancouver, British Columbia

Mark P. Eaton
Toronto, Ontario

Emmet A. McGrath
Vancouver, British Columbia

Catherine A. Stretch
Toronto, Ontario

Officers

Roger M. Lemaitre
President and CEO

Wylie Hui
Interim CFO

Nan Lee
Vice-President, Project Development

Bernard Poznanski
Corporate Secretary

Legal Counsel

Koffman Kalef LLP
19th Floor, 885 West Georgia Street
Vancouver, British Columbia
Canada V6C 3H4

Auditors

KPMG LLP
777 Dunsmuir Street
Vancouver, British Columbia
Canada V7Y 1Q3

Registrar and Transfer Agent

Computershare Investor Services Inc.
2nd Floor, 510 Burrard Street
Vancouver, British Columbia
Canada V6C 3B9

Head Office

Suite 1700 – 750 West Pender Street
Vancouver, BC
Canada V6C 2T8
Telephone: (604) 669-2349
Fax: (604) 669-1240
Email: uex@uex-corporation.com
Website: www.uex-corporation.com

Investor Relations

Roger M. Lemaitre
Telephone: (604) 669-2349
Email: uex@uex-corporation.com