

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, 2024

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 ☐

[Table of Contents](#)

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. ☐

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: 423,088,115 shares of common stock outstanding as of December 4, 2024.

URANIUM ENERGY CORP.

TABLE OF CONTENTS

<u>PART I – FINANCIAL INFORMATION</u>	<u>4</u>
Item 1. <u>Financial Statements</u>	<u>4</u>
Item 2. <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>24</u>
Item 3. <u>Quantitative and Qualitative Disclosures About Market Risk</u>	<u>35</u>
Item 4. <u>Controls and Procedures</u>	<u>35</u>
<u>PART II – OTHER INFORMATION</u>	<u>36</u>
Item 1. <u>Legal Proceedings</u>	<u>36</u>
Item 1A. <u>Risk Factors</u>	<u>37</u>
Item 2. <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>48</u>
Item 3. <u>Defaults Upon Senior Securities</u>	<u>48</u>
Item 4. <u>Mine Safety Disclosures</u>	<u>48</u>
Item 5. <u>Other Information</u>	<u>48</u>
Item 6. <u>Exhibits</u>	<u>49</u>
<u>SIGNATURES</u>	<u>50</u>

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

URANIUM ENERGY CORP.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED OCTOBER 31, 2024

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

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

	Notes	October 31, 2024	July 31, 2024
CURRENT ASSETS			
Cash and cash equivalents		\$ 190,596	\$ 87,533
Inventories	3	66,074	75,833
Prepaid expenses and deposits		3,840	2,453
Other current assets		687	694
Investment in equity securities	8	-	68,731
TOTAL CURRENT ASSETS		261,197	235,244
MINERAL RIGHTS AND PROPERTIES			
PROPERTY, PLANT AND EQUIPMENT	4	555,958	557,583
RESTRICTED CASH	5	21,330	20,465
EQUITY-ACCOUNTED INVESTMENTS	6	7,251	7,251
INVESTMENT IN EQUITY SECURITIES	7	58,438	58,809
OTHER NON-CURRENT ASSETS	8	10,541	6,533
TOTAL ASSETS		\$ 917,798	\$ 889,828
CURRENT LIABILITIES			
Accounts payable and accrued liabilities		\$ 9,435	\$ 22,938
Asset retirement obligations - current	9	2,953	2,953
Derivative liabilities	10	-	3,030
Other current liabilities		315	301
TOTAL CURRENT LIABILITIES		12,703	29,222
ASSET RETIREMENT OBLIGATIONS	9	16,926	16,672
OTHER NON-CURRENT LIABILITIES		1,407	1,474
DEFERRED TAX LIABILITIES		62,744	64,347
TOTAL LIABILITIES		93,780	111,715
STOCKHOLDERS' EQUITY			
Capital stock			
Common stock \$0.001 par value: 750,000,000 shares authorized, 419,142,428 shares issued and outstanding (July 31, 2024 - 410,355,768)	11	419	410
Additional paid-in capital		1,178,215	1,110,433
Accumulated deficit		(339,059)	(318,901)
Accumulated other comprehensive loss		(15,557)	(13,829)
TOTAL EQUITY		824,018	778,113
TOTAL LIABILITIES AND EQUITY		\$ 917,798	\$ 889,828
COMMITMENTS AND CONTINGENCIES			
SUBSEQUENT EVENTS	3,9 3,11		

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

URANIUM ENERGY CORP.
INTERIM 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,	
		2024	2023
SALES AND SERVICE REVENUE	13	\$ 17,087	\$ 108
COST OF SALES AND SERVICES	13	(10,836)	(90)
GROSS PROFIT		6,251	18
OPERATING COSTS			
Mineral property expenditures	4	13,514	5,686
General and administrative		5,342	5,200
Depreciation, amortization and accretion	4,5,9	598	517
TOTAL OPERATING COSTS		19,454	11,403
LOSS FROM OPERATIONS		(13,203)	(11,385)
OTHER INCOME (EXPENSES)			
Interest expenses and finance costs		(341)	(201)
Income (loss) from equity-accounted investments	7	(476)	1,459
Gain on disposition of assets		8	1
Fair value gain (loss) on equity securities	8	(10,349)	17,313
Gain (loss) on revaluation of derivative liabilities	10	1,706	(6,901)
Interest income		1,124	214
Others		36	15
OTHER INCOME (EXPENSES)		(8,292)	11,900
INCOME (LOSS) BEFORE INCOME TAXES		(21,495)	515
DEFERRED TAX RECOVERY		1,337	2,806
NET INCOME (LOSS) FOR THE PERIOD		(20,158)	3,321
OTHER COMPREHENSIVE LOSS			
Translation loss		(1,728)	(11,049)
TOTAL OTHER COMPREHENSIVE LOSS		(1,728)	(11,049)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		\$ (21,886)	\$ (7,728)
NET INCOME (LOSS) PER SHARE	14		
Basic		\$ (0.05)	\$ 0.01
Diluted		\$ (0.05)	\$ 0.01
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING,			
Basic		412,138,998	382,380,679
Diluted		412,138,998	391,423,178

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

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

		Three Months Ended October 31,	
	Notes	2024	2023
OPERATING ACTIVITIES			
Net income (loss) for the period		\$ (20,158)	\$ 3,321
Adjustments to reconcile net income (loss) to cash flows in operating activities			
Stock-based compensation	12	1,821	1,572
Depreciation, amortization and accretion	4,5,9	598	517
(Income) loss from equity-accounted investments	7	476	(1,459)
Gain on disposition of assets		(8)	(1)
(Gain) loss on revaluation of equity securities	8	10,349	(17,313)
(Gain) loss on revaluation of derivative liabilities	10	(1,706)	6,901
Deferred tax recovery		(1,337)	(2,806)
Changes in operating assets and liabilities			
Inventories		9,992	(36,732)
Prepaid expenses and deposits		(593)	(7,587)
Other current assets		2	148
Accounts payable and accrued liabilities		(10,899)	7,691
Other liabilities		11	21
NET CASH USED IN OPERATING ACTIVITIES		(11,452)	(45,727)
FINANCING ACTIVITIES			
Proceeds from share issuances, net of issuance costs	11,12	64,647	56,534
Payments for withholding of employee taxes related to options, RSUs and PRSUs		(2,637)	(667)
NET CASH PROVIDED BY FINANCING ACTIVITIES		62,010	55,867
INVESTING ACTIVITIES			
Investment in mineral rights and properties		(114)	(1,160)
Capital contribution to equity-accounted investment	7	(538)	(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	54,372	3,427
Purchase of property, plant and equipment		(1,219)	(609)
Proceeds from disposition of assets	8	8	-
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		52,509	(5,482)
NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH		103,067	4,658
FOREIGN EXCHANGE DIFFERENCE ON CASH		(4)	(32)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF PERIOD		94,784	52,865
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, END OF PERIOD		\$ 197,847	\$ 57,491

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

URANIUM ENERGY CORP.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(Unaudited - Expressed in thousands of U.S. dollars, except share data)

	Common Stock		Additional	Accumulated	Accumulated	Stockholders'
	Shares	Amount	Paid-in	Deficit	Other	Equity
			Capital		Comprehensive	
					Loss	
Balance, July 31, 2024	410,355,768	\$ 410	\$ 1,110,433	\$ (318,901)	\$ (13,829)	\$ 778,113
Common stock						
Issued under ATM offerings, net of issuance costs	7,595,626	8	61,223	-	-	61,231
Issued upon exercise of stock options	121,037	-	120	-	-	120
Issued upon exercise of warrants	1,054,997	1	4,618	-	-	4,619
Stock-based compensation						
Common stock issued for consulting services	15,000	-	88	-	-	88
Amortization of stock-based compensation	-	-	1,733	-	-	1,733
Net loss for the period	-	-	-	(20,158)	-	(20,158)
Other comprehensive loss	-	-	-	-	(1,728)	(1,728)
Balance, October 31, 2024	419,142,428	\$ 419	\$ 1,178,215	\$ (339,059)	\$ (15,557)	\$ 824,018

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

URANIUM ENERGY CORP.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(Unaudited - Expressed in thousands of U.S. dollars, except share data)

	Common Stock		Additional	Accumulated	Accumulated	Stockholders'
	Shares	Amount	Paid-in	Deficit	Other Comprehensive Loss	Equity
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 interim condensed consolidated financial statements.

URANIUM ENERGY CORP.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****October 31, 2024****(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 mining and related activities, including exploration, pre-extraction, extraction and processing of uranium concentrates, on projects located in the United States, Canada and the Republic of Paraguay.

As at October 31, 2024, we had working capital (current assets less current liabilities) of \$ 248.49 million including cash and cash equivalents of \$190.60 million and purchased uranium inventories of \$ 64.63 million. We believe our existing cash resources and net proceeds of \$ 31.04 million received from the issuance of common stock under our at-the-market offering subsequent to October 31, 2024, and if necessary, cash generated from the sale of the Company's liquid assets, will provide sufficient funds to carry out our planned operations including uranium mining and our inventory purchase commitments for 12 months from the date that these interim condensed consolidated financial statements are issued, including a \$ 175 million cash acquisition of a portfolio of uranium projects from Rio Tinto America Inc. with closing expected to occur during the quarter ending January 31, 2025. Upon completion of the acquisition, the Company will replace approximately \$25 million in surety bonds securing future reclamation costs relating to the project.

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 inventories 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, 2024 (“Fiscal 2024”). 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, 2024 are not necessarily indicative of the results that may be expected for the fiscal year ending July 31, 2025 (“Fiscal 2025”). All amounts in the tables are expressed in thousands of U.S. dollars unless otherwise stated.

Mineral Rights and Properties

We have established the existence of mineralized materials for certain uranium projects, including our Palangana Mine, Christensen Ranch Mine (collectively, the “ISR Mines”) and our 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.

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 that 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 would have been in the Production Stage due to the expensing, instead of the 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 had 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 would have 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.

URANIUM ENERGY CORP.
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2024
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)
Accounting Pronouncements Not Yet Adopted

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. This 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 this ASU are also required for public entities with a single reportable segment. This ASU is effective for the Company's Annual Report on Form 10-K for the fiscal year ending July 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.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. This ASU expands public entities' income tax disclosures by requiring disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. The standard is intended to benefit investors by providing more detailed income tax disclosures that would be useful in making capital allocation decisions. This ASU will be effective for fiscal years beginning after December 15, 2024. The guidance will be applied on a prospective basis with the option to apply the standard retrospectively. Early adoption is permitted. The Company is currently evaluating the impact of adopting this ASU on its consolidated financial statements and disclosures.

In March 2024, the FASB issued ASU 2024-02, Codification Improvements - Amendments to Remove References to the Concepts Statements. This ASU contains amendments to the Codification that remove references to various FASB Concepts Statements. The effort facilitates Codification updates for technical corrections such as conforming amendments, clarifications to guidance, simplifications to wording or the structure of guidance, and other minor improvements. While the amendments are not expected to result in significant changes for most entities, the FASB provided transition guidance since some entities could be affected. This ASU will be effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impact of adopting this ASU on its consolidated financial statements and disclosures.

In November 2024, the FASB issued ASU 2024-03, Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses. This ASU requires public entities to disclose specified information about certain costs and expenses at each interim and annual reporting period, which includes amounts for inventory purchases, employee compensation, depreciation, intangible asset amortization, and expenses related to oil and gas activities. This ASU will be effective for fiscal years beginning after December 15, 2026 and interim periods beginning after December 15, 2027, 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, 2024, we held 1,256,000 (July 31, 2024: 1,466,000) pounds of purchased uranium concentrate inventory. Costs of inventories consist of the following:

	October 31, 2024	July 31, 2024
Material and supplies	\$ 359	\$ 215
In-process inventory	903	-
Uranium concentrates from extraction	178	178
Purchased uranium inventories	64,634	75,440
	\$ 66,074	\$ 75,833

As of October 31, 2024, our uranium inventory purchase commitments for the next five fiscal years are as the follows:

	Purchase Commitments	Purchase Price
	in Pounds	
Fiscal 2025	400,000	\$ 16,050
Fiscal 2026	300,000	11,114
Total	700,000	\$ 27,164

As of October 31, 2024, we were committed to sell 600,000 pounds of uranium inventory in the amount of \$ 49.75 million for delivery between November 2024 to January 2025.

Subsequent to October 31, 2024:

a) we sold 500,000 pounds of uranium inventory for \$ 41.40 million at a weighted average price of \$ 82.80 per pound; and

b) we entered into contracts to purchase 300,000 pounds of uranium inventory in the amount of \$ 23.43 million at a weighted average price of \$ 78.08 per pound, with delivery in December 2024.

URANIUM ENERGY CORP.
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2024
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)
NOTE 4: MINERAL RIGHTS AND PROPERTIES
Mineral Rights

As at October 31, 2024, 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. As of October 31, 2024, annual maintenance payments of approximately \$5.93 million will be required to maintain these mineral rights.

As at October 31, 2024, the carrying value of our mineral rights and properties were as follows:

Costs	United States		Canada		Paraguay		Total
Balance, July 31, 2024	\$	172,540	\$	376,523	\$	15,014	\$ 564,077
Additions		114		-		-	114
Impact of foreign currency translation		-		(1,514)		-	(1,514)
Balance, October 31, 2024		172,654		375,009		15,014	562,677
Accumulated Depletion and Amortization	United States		Canada		Paraguay		Total
Balance, July 31, 2024		(6,389)		(105)		-	(6,494)
Additions		(226)		-		-	(226)
Impact of foreign currency translation		-		1		-	1
Balance, October 31, 2024		(6,615)		(104)		-	(6,719)
Carrying Value							
Balance, July 31, 2024	\$	166,151	\$	376,418	\$	15,014	\$ 557,583
Balance, October 31, 2024	\$	166,039	\$	374,905	\$	15,014	\$ 555,958

Mineral property expenditures recorded during the period are as follows:

	Three Months Ended October 31,	
	2024	2023
Permitting and compliance	\$ 290	\$ 883
Property maintenance	1,249	985
Exploration	4,917	2,402
Development	4,682	526
Extraction readiness	2,376	890
Total	\$ 13,514	\$ 5,686

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consists of the following:

	October 31, 2024			July 31, 2024		
	Cost	Accumulated Depreciation	Net Book Value	Cost	Accumulated Depreciation	Net Book Value
Plant and Processing Facilities	\$ 19,346	\$ (2,888)	\$ 16,458	\$ 19,346	\$ (2,708)	\$ 16,638
Mining Equipment	4,442	(2,589)	1,853	3,740	(2,523)	1,217
Logging Equipment and Vehicles	3,964	(2,314)	1,650	3,452	(2,222)	1,230
Computer Equipment	302	(291)	11	300	(287)	13
Furniture and Fixtures	243	(194)	49	243	(190)	53
Buildings	337	(108)	229	337	(103)	234
Land	1,080	-	1,080	1,080	-	1,080
	\$ 29,714	\$ (8,384)	\$ 21,330	\$ 28,498	\$ (8,033)	\$ 20,465

URANIUM ENERGY CORP.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****October 31, 2024****(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.

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

	October 31, 2024	July 31, 2024
Cash and cash equivalents	\$ 190,596	\$ 87,533
Restricted cash	7,251	7,251
Total cash, cash equivalents and restricted cash	\$ 197,847	\$ 94,784

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 the 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. As of October 31, 2024, approximately \$180.0 million of our cash and cash equivalents are held in a single financial institution at one of the largest banks in Canada and subject to concentration risk. The Company does not consider any of its financial assets to be impaired as of October 31, 2024.

URANIUM ENERGY CORP.
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2024
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)
NOTE 7: EQUITY-ACCOUNTED INVESTMENTS

As at October 31, 2024, we owned 17,978,364 shares of Uranium Royalty Corp. ("URC"), representing a 14.4% (July 31, 2024: 14.8%) interest in URC. In addition, two of our executive officers are members of URC's board of directors. Furthermore, one of these executive 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, 2024. Should URC's outstanding options and warrants be fully exercised, the Company's ownership interest would decrease from 14.4% to 13.1%. 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, 2024, the fair value of our investment in URC was approximately \$ 49.98 million (July 31, 2024: \$43.33 million).

As at October 31, 2024, we owned 50% of the outstanding shares of JCU (Canada) Exploration Company Limited ("JCU") acquired through our acquisition of UEX Corporation completed on August 19, 2022 (the "UEX Acquisition"). 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 \$9 in exploration expenditures on behalf of JCU for the three months ended October 31, 2024. As at October 31, 2024, the amount receivable from JCU totaled \$5 (July 31, 2024: \$6).

During the three months ended October 31, 2024, the changes in carrying value of our equity-accounted investments are summarized as follows:

	Investment in		
	URC	JCU	Total
Balance, July 31, 2024	\$ 34,978	\$ 23,831	\$ 58,809
Capital contribution	-	538	538
Share of loss	(62)	(419)	(481)
Gain on dilution of ownership interest	5	-	5
Foreign exchange difference	(253)	(180)	(433)
Balance, October 31, 2024	\$ 34,668	\$ 23,770	\$ 58,438

For the three months ended October 31, 2024 and 2023, income (loss) from our equity-accounted investments consisted of the following:

	Three Months Ended October 31,	
	2024	2023
Share of income (loss)	\$ (481)	\$ 1,038
Gain on dilution of ownership interest	5	421
Total	\$ (476)	\$ 1,459

URANIUM ENERGY CORP.
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2024
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)
NOTE 8: INVESTMENTS IN EQUITY SECURITIES

During the three months ended October 31, 2024, the changes in our investments in equity securities are summarized as follows:

Balance, July 31, 2024	\$	75,264
Sale of investment in publicly listed companies		(54,372)
Fair value loss on equity securities		(10,349)
Foreign exchange difference		(2)
Balance, October 31, 2024	\$	10,541

The cumulative revaluation adjustment since acquisition of the equity securities held as at October 31, 2024 is a loss of \$0.54 million.

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, 2024	\$	19,625
Accretion		254
Balance, October 31, 2024		19,879
Asset retirement obligations, current		(2,953)
Asset retirement obligations, non-current	\$	16,926

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

	October 31, 2024	July 31, 2024
Undiscounted amount of estimated cash flows	\$ 29,030	\$ 29,030
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%

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

Fiscal 2025	\$	2,953
Fiscal 2026		2,489
Fiscal 2027		2,509
Fiscal 2028		2,157
Fiscal 2029		2,813
Remaining balance		16,109
	\$	29,030

URANIUM ENERGY CORP.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****October 31, 2024****(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)****NOTE 10: DERIVATIVE LIABILITIES**

On August 19, 2022, the Company issued replacement warrants (each, a “Replacement Warrant”) in connection with the UEX Acquisition. 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, 2024, there were no Replacement Warrants outstanding. The movement in derivative liabilities during the period is as follows:

Balance, July 31, 2024	\$	3,030
Exercise of Replacement Warrants		(1,324)
Change in fair value during the period		(1,706)
Balance, October 31, 2024	\$	-

URANIUM ENERGY CORP.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****October 31, 2024****(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)****NOTE 11: CAPITAL STOCK****Equity Financing**

On November 16, 2022, we filed a Form S-3 automatic shelf registration statement under the United States Securities Act of 1933, as amended (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 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 “ATM Offering”) 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 “ATM Offering Agreement”) with H.C. Wainwright & Co., LLC and certain co-managers (collectively, the “ATM Managers”) as set forth in the 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 ATM Managers selected by us.

During the three months ended October 31, 2023, we issued 10,770,000 of the Company's common stock under the ATM Offering for gross cash proceeds of \$57.57 million. The total issuance costs were \$1.30 million, all of which were related to compensation paid to the ATM Managers.

During the three months ended October 31, 2024, we issued 7,595,626 of the Company's common stock under the ATM Offering for gross cash proceeds of \$62.64 million. The total issuance costs were \$1.41 million, all of which were related to compensation paid to the ATM Managers.

Subsequent to October 31, 2024, we issued 3,920,749 of the Company's common stock under the ATM Offering for gross cash proceeds of \$ 31.76 million. The total issuance costs were \$0.71 million, all of which were related to compensation paid to the ATM Managers.

Share Purchase Warrants

A continuity schedule of our outstanding share purchase warrants for the three months ended October 31, 2024, is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, July 31, 2024	1,265,319	\$ 3.29
Exercised	(1,065,899)	3.21
Expired	(40,329)	2.35
Balance, October 31, 2024	159,091	\$ 4.13

A summary of our share purchase warrants outstanding and exercisable as of October 31, 2024, is as follows:

Weighted Average Exercise Price	Number of Warrants Outstanding	Weighted Average Remaining Contractual Life (Years)	Expiry Date
4.13	159,091	1.43	April 5, 2026

During the three months ended October 31, 2024, we received cash proceeds totaling \$ 3.39 million from the exercise of share purchase warrants (three months ended October 31, 2023: \$Nil).

URANIUM ENERGY CORP.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****October 31, 2024****(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)****NOTE 12: STOCK-BASED COMPENSATION****Stock Options**

A continuity schedule of our outstanding stock options for the three months ended October 31, 2024, is as follows:

	Number of Stock Options	Weighted Average Exercise Price
Balance, July 31, 2024	5,103,339	\$ 2.66
Granted	24,415	6.21
Exercised	(173,375)	2.85
Cancelled/Forfeited	(12,062)	4.32
Balance, October 31, 2024	4,942,317	2.67

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

	Three Months Ended October 31,	
	2024	2023
Number of Options Exercised on a Cash Basis	46,275	189,250
Number of Options Exercised on a Non-Cash Basis	127,100	418,932
Total Number of Options Exercised	173,375	608,182
Number of Shares Issued on a Cash Basis	46,275	189,250
Number of Shares Issued on a Non-Cash Basis	74,762	256,611
Total Number of Shares Issued Upon Exercise of Options	121,037	445,861
Cash Received from Exercise of Stock Options	\$ 120	\$ 264
Total Intrinsic Value of Options Exercised	\$ 809	\$ 2,030

URANIUM ENERGY CORP.
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2024
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)

A continuity schedule of our outstanding unvested stock options as of October 31, 2024, and the changes during the period, is as follows:

	Number of Unvested Stock Options	Weighted Average Grant-Date Fair Value
Balance, July 31, 2024	1,086,988	\$ 2.83
Granted	24,415	4.09
Cancelled/Forfeited	(12,062)	2.85
Vested	(87,325)	3.19
Balance, October 31, 2024	1,012,016	\$ 2.83

During the three months ended October 31, 2024, we granted stock options under our 2024 Stock Incentive Plan (the "Stock Incentive Plan") to one of our officers to purchase an aggregate of 24,415 shares of the Company which are subject to a 24-month vesting provision whereby, at the end of each of the first 3 and 6 months after the grant date, 12.5% of the total stock options become exercisable, and whereby at the end of each of 12, 18 and 24 months after the grant date, 25% of the total stock options become exercisable.

For the three months ended October 31, 2024, the fair value of the stock options granted was \$ 4.09 per share and it was estimated at the date of grant using the Black-Scholes model with the following assumptions, which is level 2 of the fair value measurement hierarchy:

Exercise Price	\$ 6.21
Expected Risk Free Interest Rate	3.48%
Expected Volatility	79.75%
Expected Life in Years	5
Expected Dividend Yield	0.00%

As at October 31, 2024, the aggregate intrinsic value of all of our outstanding stock options was estimated at \$ 23.47 million (vested: \$20.39 million and unvested: \$3.09 million). As at October 31, 2024, our unrecognized compensation cost related to unvested stock options was \$ 1.55 million (July 31, 2024: \$2.18 million), which is expected to be recognized over 1.06 years.

A summary of our stock options outstanding and exercisable as of October 31, 2024, is as follows:

Options Outstanding				Options Exercisable		
Range of Exercise Prices	Outstanding at October 31, 2024	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Exercisable at October 31, 2024	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)
\$0.91 to \$0.99	1,400,750	\$ 0.92	5.51	1,400,750	\$ 0.92	5.51
\$1.00 to \$1.99	475,000	1.10	5.71	475,000	1.10	5.71
\$2.00 to \$2.99	522,149	2.26	6.67	522,149	2.26	6.67
\$3.00 to \$3.99	2,041,229	3.61	7.91	1,458,559	3.68	7.68
\$4.00 to \$4.99	6,250	4.62	8.68	3,750	4.56	8.56
\$5.00 to \$5.99	422,381	5.48	9.71	57,556	5.45	9.64
\$6.00 to \$6.99	64,558	6.51	9.58	10,037	6.70	9.38
\$7.00 to \$7.63	10,000	7.63	9.23	2,500	7.63	9.23
	4,942,317	\$ 2.67	7.07	3,930,301	\$ 2.23	6.57

URANIUM ENERGY CORP.
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2024
(Unaudited – Expressed in thousands of U.S. dollars unless otherwise stated)
Restricted Stock Units

During the three months ended October 31, 2024, the Company granted 16,103 restricted stock units ("RSU"s) to one of our officers under our Stock Incentive Plan. RSUs granted during the period have a vesting period of three years from the grant date, whereby one-third of the RSUs will vest at the end of the first, second and third year, respectively, from the date of grant. The fair value of these RSUs was determined using the share prices at the respective grant dates.

A summary of our outstanding and unvested RSUs as of October 31, 2024, is as follows:

	Number of		Remaining	
	Restricted	Grant Date	Life	Aggregate
Grant Date	Stock	Fair Value	(Years)	Intrinsic Value
Units				
May 01, 2022	19,608	4.25	0.58	145
July 29, 2022	92,015	3.98	0.83	683
July 31, 2023	413,593	3.32	1.83	3,069
Jan 02, 2024	1,166	6.44	2.26	9
Jan 22, 2024	8,919	7.63	0.31	66
Mar 13, 2024	2,288	6.49	0.45	17
Apr 01, 2024	20,000	7.07	2.50	148
Jul 26, 2024	610,091	5.49	2.82	4,527
Sep 1, 2024	1,417	5.23	0.92	11
Oct 1, 2024	16,103	6.21	3.00	119
	1,185,200	\$ 4.65	2.25	\$ 8,794

During the three months ended October 31, 2024, our stock-based compensation related to RSUs was \$ 0.75 million (three months ended October 31, 2023: \$0.44 million). As at October 31, 2024, our unrecognized compensation costs related to unvested RSUs totaled \$ 3.77 million (July 31, 2024: \$4.42 million), which is expected to be recognized over a period of approximately 1.68 years.

Performance Based Restricted Stock Units

During the three months ended October 31, 2024, our stock-based compensation related to the amortization of performance based restricted stock units (each, a "PRSU") totaled \$0.29 million (three months ended October 31, 2023: \$0.18 million). As at October 31, 2024, our unrecognized compensation costs related to unvested PRSUs totaled \$2.45 million (July 31, 2024: \$2.74 million), which is expected to be recognized over a period of approximately 2.31 years.

Stock-Based Compensation

A summary of our stock-based compensation expense for the three months ended October 31, 2024, is as follows:

	Three Months Ended	
	October 31,	
	2024	2023
Stock-Based Compensation for Consultants		
Common stock issued to consultants	\$ 88	\$ -
Amortization of stock option expenses	55	121
Amortization of RSU expenses	17	-
	160	121
Stock-Based Compensation for Management		
Amortization of stock option expenses	207	208
Amortization of RSU and PRSU expenses	968	594
	1,175	802
Stock-Based Compensation for Employees		
Amortization of stock option expenses	434	632
Amortization of RSU expenses	52	17
	486	649
	\$ 1,821	\$ 1,572

URANIUM ENERGY CORP.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****October 31, 2024****(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,	
	2024	2023
Sales of purchased uranium inventory	\$ 17,087	\$ -
Revenue from toll processing services	-	108
Total sales and service revenue	\$ 17,087	\$ 108
Cost of purchased uranium inventory	\$ (10,836)	\$ -
Cost of toll processing services	-	(90)
Total cost of sales and services	\$ (10,836)	\$ (90)

The table below provides a breakdown of major customers:

	Three Months Ended October 31,	
	2024	2023
Customer A	53%	0%
Customer B	47%	0%
Customer C	0%	100%
	100%	100%

URANIUM ENERGY CORP.
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2024
(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 loss per share:

Numerator	Three Months Ended October 31,	
	2024	2023
Net Income (Loss) for the Period	\$ (20,158)	\$ 3,321
Denominator		
Basic Weighted Average Number of Shares	412,138,998	382,380,679
Dilutive Effect of Stock Awards and Warrants	-	9,042,499
Diluted Weighted Average Number of Shares	412,138,998	391,423,178
Net Income (Loss) Per Share – Basic	\$ (0.05)	\$ 0.01
Net Income (Loss) Per Share – Diluted	\$ (0.05)	\$ 0.01

NOTE 15: SEGMENTED INFORMATION

We currently operate in four reportable segments, three of which are focused on uranium mining and related activities, including exploration, pre-extraction, extraction and processing of uranium concentrates, plus a corporate and administrative segment.

Segment results for the prior periods have been updated to reflect the change in reportable segments. The tables below provide financial information relating to the Company's segments. All intercompany transactions have been eliminated.:

Three months ended October 31, 2024	Sales and service revenue	Depreciation, amortization and accretion	Loss from equity-accounted investment	Interest income	Loss before income taxes	Total expenditures for additions to long-lived assets
Mining						
Wyoming	\$ -	\$ 424	\$ -	\$ -	\$ (6,289)	\$ 688
Texas	-	133	-	-	(4,621)	372
Saskatchewan	-	36	-	-	(4,441)	273
Others	-	3	-	-	(471)	-
Corporate and administrative	17,087	2	(476)	1,124	(5,673)	-
Consolidated	\$ 17,087	\$ 598	\$ (476)	\$ 1,124	\$ (21,495)	\$ 1,333

Three months ended October 31, 2023	Sales and service revenue	Depreciation, amortization and accretion	Income from equity-accounted investment	Interest income	Income (loss) before income taxes	Total expenditures for additions to long-lived assets
Mining						
Wyoming	\$ 108	\$ 386	\$ -	\$ -	\$ (2,520)	\$ -
Texas	-	121	-	-	(2,313)	18
Saskatchewan	-	6	-	-	(2,052)	1,732
Others	-	1	-	-	(441)	16
Corporate and administrative	-	3	1,459	214	7,841	3
Consolidated	\$ 108	\$ 517	\$ 1,459	\$ 214	\$ 515	\$ 1,769

As of October 31, 2024	Total assets	Equity-Accounted Investments	Long-lived assets other than financial instruments
Mining			
Wyoming	\$ 171,700	\$ -	\$ 162,472
Texas	24,064	-	21,050
Saskatchewan	378,066	-	376,264
Others	20,830	-	20,396
Corporate and administrative	323,138	58,438	189
Consolidated	\$ 917,798	\$ 58,438	\$ 580,371

As of July 31, 2024	Total assets	Equity-Accounted Investments	Long-lived assets other than financial instruments
Mining			
Wyoming	\$ 169,740	\$ -	\$ 162,816
Texas	23,776	-	21,028
Saskatchewan	378,368	-	377,550
Others	20,789	-	20,397
Corporate and administrative	297,155	58,809	200
Consolidated	\$ 889,828	\$ 58,809	\$ 581,991

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, 2024, and our Form 10-K Annual Report for Fiscal 2024, 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 Fiscal 2024, 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, 2024, our most recently completed year end, to October 31, 2024, and our results of operations for the three months ended October 31, 2024, 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 2024.

Business

We are 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 2024.

In August 2024, we restarted uranium extraction at our fully permitted, and past producing, Christensen Ranch Mine ISR operation in Wyoming. We expect the ramp-up phase will continue while new production areas are being constructed and completing in early 2025. At the same time, we have continued to advance our Roughrider and Burke Hollow Projects with resource expansions and development programs, respectively.

Uranium recovered from the Christensen Ranch Mine ISR Project will be processed at our Irigaray central processing plant ("CPP"). The Irigaray CPP is the hub central to our four fully permitted ISR projects located in the Powder River Basin of Wyoming, including our Christensen Ranch Mine, Reno Creek, Moore Ranch and Ludeman Projects. On October 16, 2024, we received approval from the Wyoming Department of Environmental Quality, Uranium Recovery Program, to increase the licensed production capacity at the Irigaray CPP to 4.0 million pounds of U₃O₈ annually.

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 of up to a total of two million pounds of U₃O₈ annually and is licensed to process up to four 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").

[Table of Contents](#)

On September 20, 2024, we entered into a stock purchase agreement (the "Stock Purchase Agreement") with Rio Tinto America Inc., a Delaware corporation (the "Seller"), pursuant to which we will acquire from the Seller all of the issued and outstanding shares of capital stock (the "Shares") of (i) Kennecott Uranium Company, a Delaware corporation ("KUC"), which is a joint venture participant of, and owns a 50% ownership interest in, the Green Mountain Mining Venture, an unincorporated Wyoming contractual joint venture ("GMMV"), and (ii) Wyoming Coal Resources Company, a Delaware corporation ("WCRC"), which is a joint participant of, and owns a 50% ownership interest in GMMV (collectively, the "Acquisition"). KUC, WCRC and GMMV, collectively, own or hold the assets, rights and obligations comprised of: (i) the facilities, equipment, improvements and fixtures for the processing of uranium located in Sweetwater County, Wyoming, owned by KUC, WCRC and GMMV, and related facilities and impoundments; (ii) the Jackpot and Big Eagle properties located in Wyoming; (iii) the mineral and real property interests which are owned or leased by KUC, WCRC or GMMV, subject to the permitted encumbrances, including patented and unpatented mining and millsite claims, leaseholds, material easements and rights-of-way of record; and (iv) the other rights and interests in uranium mineralization located in Fremont and Sweetwater Counties, Wyoming, owned or held by any of KUC, WCRC or GMMV (collectively, the "Project"). The consideration for the Acquisition payable at closing of the Stock Purchase Agreement is \$175 million in cash, subject to customary working capital adjustments as provided for in the Stock Purchase Agreement, with closing expected to occur during the quarter ending January 31, 2025. Upon completion of the Acquisition, we will replace approximately \$25 million in surety bonds securing future reclamation costs relating to the Project. In addition, from and after the completion of the Acquisition we shall continue to indemnify the Seller from most of the liabilities associated with the Project. The closing of the Acquisition is subject to certain conditions customary for an Acquisition of this nature, including that the approval by the Wyoming Nuclear Regulator for the transfer of a Radioactive Materials License to us, which was issued on November 25, 2024.

On November 7, 2024, we filed an initial assessment technical report summary that includes an economic analysis and mineral resource estimate for our Roughrider Project, located in Northern Saskatchewan, Canada. The economic analysis is included in a technical report summary titled "S-K 1300 Initial Assessment Report – Roughrider Uranium Project, Saskatchewan, Canada", issued on November 5, 2024 and prepared for the Company by Tetra Tech Canada Inc., Understood Mineral Resources Ltd., Snowden Optiro, Terracon Geotechnique Ltd. and Clifton Engineering Group Inc., in accordance with Item 1302 of S-K 1300.

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.

Our operating and strategic framework is to become a leading low-cost North American focused uranium supplier 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

With the completion of the acquisition of Uranium One Americas, Inc. in December 2021 (the "U1A Acquisition"), we expanded our footprints in Wyoming with our Wyoming hub-and-spoke operations. The acquisition of UEX Corporation ("UEX") in August 2022 and the acquisition of Roughrider Mineral Holdings Inc. in October 2022 further expanded our footprints 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, pre-extraction and extraction activities and acquire additional uranium projects. Historically, we have been reliant primarily on equity financings from the sale of our common stock to fund our operations. We have also relied on cash flows generated from the sales of our purchased uranium inventories under our physical uranium program to fund our operations. However, we have yet to achieve consistent profitability or develop consistent positive cash flow from operations. Our reliance on equity 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 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, Goliad, Ludeman, Antelope and Charlie Projects, and of our traditional uranium mines in the 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, 2024, we had no uranium supply or off-take agreements in place. Future sales of U_3O_8 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.

Physical Uranium Program

The Company is investing in building the next generation of low-cost uranium projects that will be competitive on a global basis and which will use the ISR mining process which is expected to reduce the impact on the environment as compared to conventional mining. Despite our focus on low cost ISR mining with its low capital requirements, we saw a unique opportunity to purchase drummed uranium at prevailing spot prices which are below most global industry mining costs. Hence, we established a physical uranium portfolio (the "Physical Uranium Program") and, as of October 31, 2024, we had 1,256,000 pounds of uranium and had entered into agreements to purchase 700,000 pounds of warehoused uranium from Fiscal 2025 to Fiscal 2026 at conversion facilities located in North America at a volume weighted average price of approximately \$38.81 per pound. As of October 31, 2024, we were committed to sell 600,000 pounds of uranium inventory in the amount of \$49.75 million for delivery between November 2024 to January 2025. Subsequent to October 31, 2024, we sold 500,000 pounds of uranium inventory for \$41.40 million at a weighted average price of \$82.80 per pound and we entered into contracts to purchase 300,000 pounds of uranium inventory in the amount of \$23.43 million at a weighted average price of \$78.08 per pound with delivery in December 2024.

Our Physical Uranium Program will support three objectives for our Company: (i) to bolster our balance sheet as uranium prices appreciate; (ii) to provide strategic inventory to support future marketing efforts with utilities that could compliment production and accelerate cash flows; and (iii) to increase the availability of our Texas and Wyoming production capacity for emerging U.S. origin specific opportunities which may command premium pricing due to the scarcity of domestic uranium. One such U.S. origin specific opportunity is the Company's plan to participate in supplying the Uranium Reserve, as outlined in the Nuclear Fuel Working Group report published by the U.S. Department of Energy ("DOE").

Uranium Market Developments

The uranium market is currently being driven by a macro demand for more electricity generation, an unprecedented global push to decarbonize electrical grids and geopolitical situations, among other factors. New electricity demand projections outlined from the "US Data Center Power Outlook" report issued in July 2024 showed new data center demand growth ranging from 60 to 90 gigawatt ("GW") between 2023 and 2030. There is a growing realization that the highly reliable, safe, baseload power nuclear energy provides should be a part of any clean energy platform. Governments around the globe are also pursuing strategies to increase energy independence for national security interests that dovetail well with nuclear power as a key component in their energy mix. In the U.S. the White House recently announced that "the United States will aim to deploy 200 GW of net new nuclear energy capacity by 2050, at least tripling current U.S. capacity. The net new capacity gains are anticipated to come from multiple sources, including building new nuclear power plants, uprating existing reactors, and restarting reactors that have retired for economic reasons."

Over the past few years, global uranium market fundamentals have improved as the market began a transition from being an inventory driven to a production driven market. The spot market bottomed out in November 2016 at about \$17.75 per pound U_3O_8 , but has since shown appreciation, reaching \$107.00 per pound U_3O_8 on February 2, 2024. During the three months ended October 31, 2024, uranium prices averaged \$81.13 per pound U_3O_8 . As at October 31, 2024, the spot uranium price was \$80.00 per pound U_3O_8 , representing an approximate 7.3% increase from October 31, 2023 when the price was \$74.55 per pound U_3O_8 . The period from August 2024 through October 2024 was marked by continued spot price fluctuations between \$85.00 and \$78.00 per pound U_3O_8 (all price information is sourced from UxC LLC Historical Ux Daily Prices).

Underinvestment in uranium mining operations over the past decade has been a major factor contributing to a structural deficit between global production and uranium requirements. Reduced production from existing uranium mines has also been a contributing factor with some large producers cutting back and/or unable to reach previously planned production levels. In 2025, the mid-case gap between production and requirements is projected to be more than 58 million pounds of U_3O_8 , and by 2034 accumulates to a total above 355 million pounds of U_3O_8 (*UxC 2024 Q3 Uranium Market Outlook*). For context, the U.S. utilities purchased 51.6 million pounds of U_3O_8 in 2023 (*U.S. Energy Information Administration, June 6, 2024 - Uranium Marketing Annual Report*). 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. 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. As secondary supplies continue to diminish, and as existing mines deplete resources, new production will be needed to meet existing and future utility demand. The timeline for new mining projects can be 10 years or longer and will require prices high enough to stimulate new mining investments.

Since 2022, uranium supply has become more complicated due to Russia's invasion of Ukraine with its State Atomic Energy Corporation, Rosatom, being a significant supplier of nuclear fuel around the globe. Economic sanctions, transportation restrictions and U.S. legislation banning the importation of Russian nuclear fuel is causing a fundamental change to the nuclear fuel markets. The situation has been compounded with a November 15, 2024 announcement from the Russian government stating they have placed "temporary restrictions on the export of enriched uranium to the United States". Additionally, the 2023 coup in Niger, and the new government's demand for the U.S. and France to vacate the country, as well as the revocation of Canadian and French companies mining rights, operating permits and export capabilities, has underscored jurisdictional risk. Niger is the world's seventh largest producer and accounted for about 5% of global uranium production and about 14% of European Union supply in 2023 (*Euratom Supply Agency, World Nuclear Association - Uranium in Niger July 23, 2024, World Nuclear News*). As a result of the instability and assurance of supply risks, U.S. and European utilities are shifting more focus to production from areas of low geopolitical risk.

On the demand side of the equation, the global nuclear energy industry continues robust growth, with 69 new reactors connected to the grid in 2014 through October of 2024, and with another 66 reactors under construction. Thus far in 2024, four new reactors have been connected to the grid and two reactors have been permanently shut down (*International Atomic Energy Association Power Reactor Information System - November 14, 2024*). Total nuclear generating capacity for the world's 439 operable reactors as of November 4, 2024, stands at 396 GWe (*World Nuclear Association*). At the COP29 United Nations Climate Change Conference, 6 more countries joined the pledge to triple their nuclear capacity by 2050, bringing the total to 31 countries, further supporting additional growth for the nuclear industry and uranium demand.

In the U.S., H.R. 1042, *The Prohibiting Russian Uranium Imports Act*, was signed into law and went into effect on August 11, 2024 and extends through 2040. The legislation bans Russian uranium imports but allows a U.S. DOE waiver process through 2027 in the event no alternative viable source of low-enriched uranium ("LEU") is available to: (i) sustain the continued operation of a nuclear reactor or a U.S. nuclear energy company; or (ii) importation of Russian LEU is determined to be in the national interest. However, the waiver process will be moot if Russia follows through on their recent announcement to suspend exports of enriched uranium to the U.S. In other U.S. legislation, *The Nuclear Fuel Security Act* ("NFSA") was enacted as part of the *National Defense Authorization Act* in December of 2023 and was designed to help rebuild the domestic nuclear fuel cycle, including uranium production, conversion and enrichment. The passage of H.R. 1042 unlocks \$3.4 billion in funding under the NFSA and will be used by the DOE to acquire LEU and High Assay Low Enriched Uranium ("HALEU") for advanced reactors. Under this program DOE will acquire LEU and HALEU with priority given to domestic sources of produced uranium, conversion and enrichment. In combination, the passage of these bills will help rebuild and restore a robust domestic fuel cycle in the U.S.

Additional upside market pressure is also occurring as utilities continue their return to a longer-term contracting cycle to replace expiring contracts. Cumulative uncommitted demand through 2034 is more than 865 million pounds of U_3O_8 (*UxC Uranium Market Overview Q3 2024*). This utility demand, along with that from financial entities, government programs and various producers, as well as the increasing interest in nuclear energy for data centers, are adding to the strong fundamentals supporting the uranium market.

Seasonality

The timing of our uranium concentrate sales is dependent upon factors such as extraction results from our mining activities, cash requirements, contractual requirements and perception of the uranium market. As a result, our sales are neither tied to nor dependent upon any particular season. In addition, our ability to extract and process uranium does not change on a seasonal basis. Over the past ten years uranium prices have tended to decline during the calendar third quarter before rebounding during the fourth quarter, but there does not appear to be a strong correlation.

Results of Operations

For the three months ended October 31, 2024, we recorded revenue of \$17.09 million and realized gross profit of \$6.25 million, which were all related to sales of purchased uranium inventory. For the three months ended October 31, 2023, we recorded revenue of \$0.11 million and realized gross profit of \$0.02 million, which were all generated from toll processing services.

For the three months ended October 31, 2024, we recorded a net loss of \$20.16 million (\$0.05 per share) and loss from operations of \$13.20 million. During the three months ended October 31, 2023, we recorded net income of \$3.32 million (\$0.01 per share) and loss from operations of \$11.39 million.

While we have commenced uranium extraction at Christensen Ranch in August 2024, we are still ramping up our mining activities during the three months ended October 31, 2024. We expect the ramp-up phase will continue while new production areas are being constructed and completing in early 2025. The rest of our uranium projects are expected to remain in a state of operational readiness and the relevant expenditures, 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 of October 31, 2024, we have 700,000 pounds of uranium inventory purchase commitments outstanding at a volume weighted average price of approximately \$38.81 per pound. Various deliveries are scheduled to occur from Fiscal 2025 to Fiscal 2026.

As of October 31, 2024, the carrying value of our inventories was \$66.07 million (July 31, 2024: \$75.83 million, of which purchased uranium concentrate inventories was \$64.63 million (July 31, 2024: \$75.44 million).

Sales and Service Revenue

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

	Three Months Ended October 31,	
	2024	2023
Sales of purchased uranium inventory	\$ 17,087	\$ -
Revenue from toll processing services	-	108
Total sales and service revenue	\$ 17,087	\$ 108
Cost of purchased uranium inventory	\$ (10,836)	\$ -
Cost of toll processing services	-	(90)
Total cost of sales and services	\$ (10,836)	\$ (90)

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,			
	2024		2023	
Permitting and compliance	\$	290	\$	883
Property maintenance		1,249		985
Exploration		4,917		2,402
Development		4,682		526
Extraction readiness		2,376		890
Total	\$	13,514	\$	5,686

During the three months ended October 31, 2024, exploration expenditures, such as drilling and preliminary economic assessments, were primarily spent on the following projects:

- Burke Hollow Project: \$1.30 million (October 31, 2023: \$1.29 million); and
- Roughrider Project: \$2.89 million (October 31, 2023: \$0.03 million).

During the three months ended October 31, 2024, development expenditures were primarily spent on the following projects:

- Burke Hollow Project: \$1.84 million (October 31, 2023: \$nil);
- Christensen Ranch Mine: \$1.81 million (October 31, 2023: \$0.01 million); and
- Roughrider Project: \$0.52 million (October 31, 2023: \$0.50 million).

During the three months ended October 31, 2024, extraction readiness expenditures were primarily spent on the following projects:

- Christensen Ranch Mine: \$1.60 million (October 31, 2023: \$0.44 million);
- Irigaray Plant: \$0.23 million (October 31, 2023: \$0.05 million); and
- Palangana Mine: \$0.23 million (October 31, 2023: \$0.27 million).

General and Administrative

General and Administrative expenses were comprised of the following:

	Three Months Ended October 31,			
	2024		2023	
Salaries and management fees	\$	1,782	\$	1,197
Office, investor-communication, insurance and travel		1,462		1,306
Foreign exchange gain		(395)		(48)
Professional fees		672		1,173
Sub-total		3,521		3,628
Stock-based compensation		1,821		1,572
Total general and administrative expenses	\$	5,342	\$	5,200

[Table of Contents](#)

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, 2024, salaries, wages and management fees increased compared to the three months ended October 31, 2023, which was primarily the result of an increase in personnel and corporate-wide salary increases to adjust for inflation; and
- for the three months ended October 31, 2024, professional fees decreased compared to the three months ended October 31, 2023, which was primarily the result of a non-recurring advisory fee of \$0.50 million incurred during the three months ended October 31, 2023.

Income (Loss) from Equity-Accounted Investments

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

	Three Months Ended October 31,	
	2024	2023
Share of income (loss)	\$ (481)	\$ 1,038
Gain on dilution of ownership interest	5	421
Total	\$ (476)	\$ 1,459

During the three months ended October 31, 2024 and 2023, we recorded a gain on dilution of ownership interest in URC as a result of URC issuing more shares from its equity financing and exercises of warrants and/or stock options. As at October 31, 2024, we had a 14.4% equity interest in URC compared to a 14.8% equity interest as at July 31, 2024.

During the three months ended October 31, 2024, we recorded a share of URC's loss of \$0.06 million (three months ended October 31, 2023: income of \$1.32 million) and a share of JCU's loss of \$0.42 million (three months ended October 31, 2023: \$0.28 million).

Fair Value Gain (Loss) on Equity Securities

As at October 31, 2024, our investments in certain equity securities were revalued using the market values at period end, which resulted in a fair value loss of \$10.35 million on revaluation of equity securities for the three months ended October 31, 2024 (three months ended October 31, 2023: gain of \$17.31 million).

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 were denominated in Canadian dollars which differs from the functional currency of the Company. As at October 31, 2024, the Replacement Warrants that had not been exercised expired. A gain of \$1.71 million on revaluation of derivative liabilities was recorded for the three months ended October 31, 2024 due to the decrease in time value of the Replacement Warrants as they expired in the quarter. During the three months ended October 31, 2023, we recorded a loss on revaluation of derivative liabilities of \$6.90 million primarily due to changes in our share price.

Interest income (expenses)

During the three months ended October 31, 2024, interest income totaled \$1.12 million, compared to \$0.21 million for the three months ended October 31, 2023. The interest earned resulted from the reinvestment of cash proceeds received from our ATM Offering and the sale of equity securities in short-term deposits.

Summary of Quarterly Results

	For the Quarters Ended			
	October 31, 2024	July 31, 2024	April 30, 2024	January 31, 2024
Sales and service revenue	\$ 17,087	\$ -	\$ -	\$ 116
Gross profit	6,251	-	-	19
Net income (loss)	(20,158)	(15,115)	(19,677)	2,250
Total comprehensive income (loss)	(21,886)	(16,169)	(25,527)	9,982
Basic and diluted income (loss) per share	(0.05)	(0.04)	(0.05)	0.01
Total assets	917,798	889,828	878,268	878,878

	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

Liquidity and Capital Resources

	October 31, 2024	July 31, 2024
Cash and cash equivalents	\$ 190,596	\$ 87,533
Current assets	261,197	235,244
Current liabilities	12,703	29,222
Working capital (Current assets less Current liabilities)	248,494	206,022

During the three months ended October 31, 2024, we received net proceeds of \$64.65 million (three months ended October 31, 2023: \$56.53 million) from our ATM Offering and from exercises of stock options and share purchase warrants.

Subsequent to October 31, 2024, we received additional net proceeds of \$31.04 million under our ATM Offering.

We have a history of operating losses resulting in an accumulated deficit balance since inception. We had an accumulated deficit balance of \$339.06 million as at October 31, 2024. 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 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, pre-extraction and 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, pre-extraction and 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 \$5.93 million to maintain these rights in good standing.

Our anticipated operations, including exploration, pre-extraction and 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 changes 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 net proceeds of \$31.04 million received from the issuance of common stock under the ATM Offering subsequent to October 31, 2024, 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, pre-extraction, extraction 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 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 ATM Offering) 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 ATM Offering Agreement) with H.C. Wainwright & Co., LLC and certain co-managers (collectively, the ATM Manager) as set forth in the 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 ATM Managers selected by us.

[Table of Contents](#)

During the three months ended October 31, 2024, we issued 7,595,626 of the Company's common stock under the ATM Offering for gross cash proceeds of \$62.64 million. The total issuance costs were \$1.41 million, all of which were related to compensation paid to the ATM Managers.

Subsequent to October 31, 2024, we issued 3,920,749 of the Company's common stock under the ATM Offering for gross cash proceeds of \$31.76 million. The total issuance costs were \$0.71 million, all of which were related to compensation paid to the ATM Managers.

Operating Activities

During the three months ended October 31, 2024, net cash used in operating activities totaled to \$11.45 million, which was primarily related to mineral property expenditures incurred in this quarter of \$13.51 million, general and administrative expenses of \$5.34 million and change in operating assets and liabilities, partially offset by a gross profit from sale of purchased uranium inventory of \$6.25 million. During the three months ended October 31, 2023, net cash used in operating activities was \$45.73 million, of which \$36.73 million was for the change in uranium concentrate inventory.

Financing Activities

During the three months ended October 31, 2024, net cash provided by financing activities totaled \$62.01 million, primarily from the net proceeds of \$64.65 million from our ATM Offering, as well as the exercises of stock options and share purchase warrants, partially offset by payments of \$2.64 million for tax withholding amounts related to RSU and PRSU shares. During the three months ended October 31, 2023, net cash provided by financing activities totaled \$55.87 million, primarily from the net proceeds of \$56.53 million from our ATM Offering and the exercises of stock options, partially offset by payments of \$0.67 million for tax withholding amounts related to RSU and PRSU shares.

Investing Activities

During the three months ended October 31, 2024, net cash provided by investing activities totaled \$52.51 million, comprised of proceeds from the sale of equity securities of \$54.37 million, cash used for the capital contribution to JCU of \$0.54 million and investment in mineral properties and the purchase of equipment for a total of \$1.33 million. During the three months ended October 31, 2023, net cash used in investing activities totaled \$5.48 million, comprised of cash used for the capital contribution to JCU of \$0.65 million, investment in equity securities of \$0.81 million, additional investment in URC of \$5.68 million, and cash from the sale of equity securities of \$3.43 million.

Stock Options and Warrants

As of October 31, 2024, we had in-the-money stock options outstanding representing 4,932,317 shares at a weighted-average exercise price of \$2.66 per share, and in-the-money share purchase warrants outstanding representing 159,091 shares at a weighted-average exercise price of \$4.13 per share. As of October 31, 2024, outstanding in-the-money stock options and warrants represented a total 5,091,408 shares issuable for gross proceeds of approximately \$13.8 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

Related party transactions are based on the amounts agreed to by the parties. During the three months ended October 31, 2024 and 2023, the Company did not enter into any material contracts or undertake any significant commitment or obligation with any related parties.

Material Contractual Obligations and Commitments

As at October 31, 2024, significant payment obligations of the Company over the next five years and beyond are as follows:

Contractual Obligations	Total	Payment Due by Period				
		Less Than 1 Year	1-3 Years	3-5 Years	More Than 5 Years	
Asset Retirement Obligations	\$ 29,030	\$ 2,953	\$ 4,998	\$ 4,970	\$ 16,109	
Operating Lease Obligations	2,447	425	709	465	848	
Uranium Inventory Purchase Obligations	27,164	16,050	11,114	-	-	
Total	\$ 58,641	\$ 19,428	\$ 16,821	\$ 5,435	\$ 16,957	

As of October 31, 2024, we were committed to sell 600,000 pounds of uranium inventory in the amount of \$49.75 million for delivery between November 2024 to January 2025.

As of October 31, 2024, we were renting or leasing office premises in the States of Texas, Arizona and Wyoming, British Columbia and Saskatchewan, Canada, and Paraguay, for total monthly payments of \$0.04 million. Office lease agreements for the U.S. and Canada expire between July 2026 and November 2029.

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 2024.

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 2024.

Subsequent Events

Subsequent to October 31, 2024,

- a) we received additional net cash proceeds of \$31.04 million under our ATM Offering;
- b) we sold 500,000 pounds of uranium inventory for \$41.40 million at a weighted average price of \$82.80 per pound; and
- c) we entered into contracts to purchase 300,000 pounds of uranium inventory in the amount of \$23.43 million at a weighted average price of \$78.08 per pound with delivery in December 2024.

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 2024.

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, 2024, 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, Permit Area Authorization and Aquifer Exemption ("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.

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: (i) whether the permit application adequately characterizes the geology and identified and assessed faults in the vicinity of the proposed injections wells; (ii) whether the draft permit provides for adequate monitoring of migration of injected fluids in the vicinity of the proposed injection wells; and (iii) whether the location and design of the injection wells and pre-injection facilities are adequate. Closing statements were submitted by all parties to the SOAH Administrative Law Judges ("ALJs") on February 5, 2024. On April 10, 2024, the ALJs made a recommendation to remand the matter to the executive director of the TCEQ for further examination, stating the Company failed to meet its burden of proof. The executive director, via Executive Director's Exceptions to the Proposal for Decision ("PFD"), respectfully disagreed with the recommendation presented in the PFD to remand the application to the executive director for further consideration. The executive director commented that the ALJ's PFD improperly broaden the scope of the refereed contested case hearing; misapplied the application requirements in commission rule for providing geoscientific information; mischaracterized the position of the executive director; and prematurely imposed monitoring or corrective action requirements before the subject injection wells were drilled, constructed and tested. The TCEQ reissued the permits on August 28, 2024. A Motion for Rehearing was filed on November 21, 2024. No other information is available on the potential proceeding at this time. We continue to believe that the pending appeal is without merit and the Goliad Project remains fully permitted for uranium extraction.

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, Alto Parana and Colonel Oviedo 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 2024, 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 2024.

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 2024, 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. In August 2024, we restarted uranium extraction at our fully permitted, and past producing, Christensen Ranch Mine ISR operation in Wyoming. We expect the ramp-up phase will continue while new production areas are being constructed and completing in early 2025.

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 \$339.06 million as of October 31, 2024. 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 \$3.08 million, \$9.03 million and \$13.76 million, respectively, and generated revenues from sales of purchased uranium inventory totaling \$17.09 million during the three months ended October 31, 2024, 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 at October 31, 2024, we had working capital (current assets less current liabilities) of \$248.49 million including cash and cash equivalents of \$190.60 million and purchased uranium inventory holdings of \$64.63 million. Subsequent to October 31, 2024, we received additional net cash proceeds of \$31.04 million under our ATM Offering. 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; (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, pre-extraction and 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, pre-extraction and 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, 2024, or any other fiscal years. In August 2024, we restarted uranium extraction at our fully permitted, and past producing, Christensen Ranch Mine ISR operation in Wyoming. We expect the ramp-up phase will continue while new production areas are being constructed and completing in early 2025.

During the three months ended October 31, 2024, we continued to remain in a state of operational readiness at our ISR Mines. 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, pre-extraction and 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, pre-extraction and 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.

We prepare estimates of future uranium extraction and recovery, and there are no assurances that such estimates will be achieved.

We may from time to time prepare estimates of future uranium extraction and recovery, or increases in uranium extraction and recovery, for particular operations, or relating to our ability to increase uranium extraction and recovery in response to increases in commodity prices, as market conditions warrant or otherwise. No assurance can be given that any such extraction and recovery estimates will be achieved, nor can assurance be given that extraction or recovery increases will be achieved in a cost effective or timely manner. Failure to achieve extraction and recovery estimates or failure to achieve extraction and recovery in a cost effective or timely manner could have an adverse impact on our future cash flows, earnings, results of operations and financial condition. These estimates are based on, among other things, the following factors: the accuracy of mineral resource estimates; the accuracy of assumptions regarding ground conditions and physical characteristics of mineralized materials, such as hardness and presence or absence of particular metallurgical characteristics; the accuracy of estimated rates and costs of extraction, recovery and processing; assumptions as to future commodity prices; assumptions relating to changes in laws, regulations or policies, or lack thereof, that could impact the cost and time required to obtain regulatory approvals, licenses and permits; assumptions relating to obtaining required licenses and permits in a timely manner, including the time required to satisfy environmental analyses, consultations and public input processes; assumptions relating to challenges to or delays in the licensing and permitting process; and assumptions regarding any appeals or lack thereof, or injunctions or lack thereof, relating to any approvals, licenses or permits.

Our actual uranium extraction and recovery may vary from estimates for a variety of reasons, including, among others: actual mineralized material extracted, mined or recovered varying from estimates of grade, tonnage, dilution, metallurgical and other characteristics; short-term operating factors relating to the mineral resources, such as the need for sequential construction or development of mineralized materials or deposits and the processing of new or different mineral grades; risk and hazards associated with extraction, mining and recovery; natural phenomena, such as inclement weather conditions, underground floods, earthquakes, pit wall failures and cave-ins; unexpected labor shortages or strikes; varying conditions in the commodities markets; and delays in obtaining or denial, challenges or appeals of regulatory approvals, licenses and permits or renewals of existing approvals, licenses or permits.

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 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 would have 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.

Our mineral resource estimates may not be reliable and are inherently more uncertain than estimates of proven and probable reserves; there is risk and increased uncertainty to commencing and conducting production without established mineral reserves.

Our properties do not contain mineral reserves as defined under S-K 1300. Until mineral reserves or mineral resources are mined and processed, the quantity of mineral resources and grades must be considered as estimates only and may be inaccurate. We have established the existence of uranium resources for certain uranium projects, including at our Palangana Mine, Christensen Ranch Mine, Roughrider Project and Christie Lake Project. We have not established proven or probable reserves, as defined under S-K 1300, through the completion of a feasibility study, for any of our uranium projects, including the Palangana Mine, Christensen Ranch Mine, Roughrider Project and Christie Lake Project. Furthermore, we currently have no plans to establish proven or probable reserves for any of our uranium projects for which we utilize ISR methods, such as the Palangana Mine and Christensen Ranch Mine. As a result, and despite the fact that we have previously produced U₃O₈ at the Palangana Mine, there is increased uncertainty and risk that may result in economic and technical failure which may adversely impact our future profitability.

There are numerous uncertainties inherent in estimating quantities of mineral resources, including many factors beyond our control, and no assurance can be given that the recovery of mineral resources will be realized. In general, estimates of mineral resources are based upon several factors and assumptions made as of the date on which the estimates were determined, including (i) geological and engineering estimates that have inherent uncertainties and the assumed effects of regulation by governmental agencies; (ii) the judgment of the geologists, engineers and other professionals preparing the estimate; (iii) estimates of future uranium prices and operating costs; (iv) the quality and quantity of available data and the interpretation of that data; and (v) the accuracy of various mandated economic assumptions, all of which may vary considerably from actual results.

All estimates are, to some degree, uncertain; with in situ recovery, this is due in part to limited sampling information collected prior to mining. For these reasons, estimates of the recoverable mineral resources prepared by different professionals or by the same professionals at different times, may vary substantially. As such, there is significant uncertainty in any mineral resource estimate and actual deposits encountered and the economic viability of a deposit may differ materially from our estimates.

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 \$19.88 million on our balance sheet at October 31, 2024, 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.

As at October 31, 2024, the total estimated reclamation costs for all of our projects was \$29.03 million. We have secured \$27.25 million of surety bonds as an alternate source of financial assurance for the estimated costs of the reclamation obligations, of which \$7.25 million is funded and held as restricted cash for collateral purposes as required by the surety. We may be required at any time to fund the remaining \$21.78 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 under our Physical Uranium Program. 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.

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.

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.

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.

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.

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, Alto Parana and Colonel Oviedo 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 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.

Mining, extraction, recovery, processing, construction, development and exploration activities depend, to a substantial degree, on adequate infrastructure.

Reliable roads, bridges, power sources and water supply are important determinants affecting capital and operating costs. We consider the existing infrastructure to be adequate to support our proposed operations and activities. However, unusual or infrequent weather phenomena, including drought, flooding, sabotage, government and/or other interference in the maintenance or provision of such infrastructure could adversely affect our operations and activities, financial condition and results of operations.

Risks Related to our Industry

We are subject to the risks normally encountered by companies in the mineral extraction industry.

We are subject to the risks normally encountered by companies in the mineral extraction industry, such as:

- the discovery of unusual or unexpected geological formations;
- accidental fires, floods, earthquakes, volcanic eruptions and other natural disasters;
- unplanned power outages and water shortages;
- controlling water and other similar mining hazards;
- operating labor disruptions and labor disputes;
- the ability to obtain suitable or adequate machinery, equipment or labor;
- our liability for potential pollution or other hazards; and
- other known and unknown risks involved in the conduct of exploration, development and operation of mines, extraction and recovery facilities and mills, along with the markets for uranium.

The development of mineral properties is affected by many factors, including, but not limited to: the cost of operations; variations in the grade of mineralized material; fluctuations in the minerals markets; costs of extraction and processing equipment; availability of equipment and labor; labor costs and possible labor strikes; government regulations, including without limitation, regulations relating to taxes, royalties, allowable extraction or production, and importing and exporting of minerals; government actions, including without limitation the establishment or expansion of mineral withdrawals, parks and monuments; land exchanges; foreign exchange; employment; worker safety; transportation; and environmental protection.

Mining operations involve a high degree of risk.

The exploration, construction, development, operation and other activities associated with mineral projects, along with the expansion of existing recovery operations and mining activities and restarting of projects, involve significant risks, including financial, technical and regulatory risks. The development or advancement of any of the exploration properties in which we have an interest is contingent upon obtaining satisfactory exploration results, project permitting and licensing and financing. The exploration, construction, development, operation and other activities associated with mineral projects involves significant financial risks over an extended period of time, which even a combination of careful evaluation, experience and knowledge may not eliminate. While discovery of a mine or other facility may result in substantial value, few properties that are staked and explored are ultimately developed into producing mines or extraction or recovery facilities. Major expenses may be required to establish mineral resources and mineral reserves by drilling and to finance, permit, license and construct extraction, mining, recovery and processing facilities. It is very difficult to ensure that the current or proposed exploration, permitting, construction and development programs on our mineral properties will result in profitable commercial extraction, mining or recovery operations.

Whether a mineral deposit will be commercially viable depends on a number of factors, which include, among other things: the accuracy of mineral resource estimates; the particular attributes of the deposit, such as its size, geology, grade and accessibility; the ability to economically recover commercial quantities of the minerals; proximity to necessary infrastructure and availability of personnel; financing costs; governmental regulations, including regulations relating to prices, taxes, reclamation bonds and royalties; the potential for litigation; land use; importing and exporting; and environmental and cultural protection, including but not limited to the governmental establishment of mineral withdrawals, parks and monuments and land exchanges. The construction, development, expansion and restarting of projects are also subject to: the successful completion of engineering studies with adequate results to proceed; the issuance of necessary governmental licenses and permits; the availability of adequate financing; engineering and construction timetables and capital costs being correctly estimated for our projects, including restarting projects on standby; and such construction timetables and capital costs not being affected by unforeseen circumstances, including but not limited to delays due to litigation/injunctions. The effect of these factors cannot be accurately predicted, but the combination of these factors, along with others, may result in our not receiving an adequate return on invested capital.

It is possible that actual costs and economic returns of current and new extraction, mining, or recovery operations may differ materially from our best estimates. It is not unusual in the mining industry for new mining operations and facilities to experience unexpected problems during the start-up phase, to take much longer than originally anticipated to bring them into a recovery or producing phase, to require more capital than anticipated, to operate at a higher cost than expected and/or to have reclamation liabilities that are higher than expected.

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

The nuclear incident that occurred in Fukushima, Japan on March 11, 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.

Nuclear energy competes with other sources of energy, including oil, natural gas, coal and hydroelectricity. These other energy sources are, to some extent, interchangeable with nuclear energy, particularly over the longer term. Technical advancements in, and government subsidies for, renewable and other alternate forms of energy, such as wind and solar power, could make these forms of energy more commercially viable and put additional pressure on the demand for uranium concentrates. Sustained lower prices of alternate forms of energy may result in lower demand for uranium concentrates.

Market projections for future demand for uranium are based on various assumptions regarding the rate of construction and approval of new nuclear power plants, as well as continued public acceptance of nuclear energy around the world. The rationale for adopting nuclear energy can be varied, but often includes the clean and environmentally friendly operation of nuclear power plants, as well as the affordability and round-the-clock reliability of nuclear power. A change in public sentiment regarding nuclear energy could have a material impact on the number of nuclear power plants under construction, planned or proposed, which could have a material impact on the market's and the Company's expectations for the future demand for uranium and the future price of uranium.

The Russia-Ukraine war has highlighted to many global policymakers the significant geopolitical risk associated with an over reliance on sources of energy from politically unstable jurisdictions. In many cases, this has resulted in increased calls for a renewed focus on energy independence, to which many nations have identified nuclear power as a potentially critical energy alternative that can both improve energy sovereignty and support the achievement of carbon emission reduction climate goals.

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 2024 most production impacted by COVID-19 has returned to an operating status. 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 uranium industry is 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 exploration, pre-extraction and 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 U.S., 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 exploration, pre-extraction and 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, helps address global climate change and reduces 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.

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.

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.

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 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 419,142,428 shares were issued and outstanding as of October 31, 2024. 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

On September 5, 2024, we issued 39,393 shares of common stock pursuant to the exercise of warrants at a price of CA\$3.22 per share. We relied upon the exemption from the registration requirements under the Securities Act provided by Rule 903 of Regulation S with respect to the issuance of these shares.

On September 5, 2024, we issued 775,890 shares of common stock pursuant to the exercise of warrants at a price of CA\$4.44 per share. We relied upon the exemption from the registration requirements under the Securities Act provided by Rule 903 of Regulation S with respect to the issuance of these shares.

On September 9, 2024, we issued 227,889 shares of common stock pursuant to the exercise of warrants at a price of CA\$4.44 per share. We relied upon the exemption from the registration requirements under the Securities Act provided by Rule 903 of Regulation S with respect to the issuance of 196,389 shares and upon the exemption from the registration requirements under the Securities Act provided by Rule 506(b) of Regulation D and/or Section 4(a)(2) of the Securities Act with respect to the issuance of 31,500 shares.

On October 7, 2024, we issued 10,000 shares of common stock to a consultant in consideration for services under a consulting agreement at a deemed issuance price of \$6.21 per share. We relied upon the exemption from the registration requirements under the Securities Act provided by Rule 903 of Regulation S with respect to the issuance of these shares.

On October 30, 2024, we issued 5,000 shares of common stock to an entity pursuant to an amendment to uranium mining lease, stand still and right-of-way and easement at a deemed issuance price of \$5.11 per share. We relied upon the exemption from the registration requirements under the Securities Act provided by Rule 506(b) of Regulation D and/or Section 4(a)(2) of the Securities Act with respect to the issuance of these shares.

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, 2024, 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

During our fiscal quarter ended October 31, 2024, none of our directors or executive officers adopted, modified or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement" as defined in Item 408(c) of Regulation S-K.

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.
101.1NS(*)	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)

Notes:

(*) Filed herewith

(**) Furnished herewith

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 4, 2024

By: /s/ Josephine Man
Josephine Man
Chief Financial Officer (Principal Financial Officer)
Date: December 4, 2024

CERTIFICATION

I, Amir Adnani, certify that:

- (1) I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended October 31, 2024 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 4, 2024.

/s/ Amir Adnani

By: **Amir Adnani**

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

CERTIFICATION

I, Josephine Man, certify that:

- (1) I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended October 31, 2024 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 4, 2024.

/s/ Josephine Man

By: **Josephine Man**
 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 Josephine Man, 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, 2024 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 4, 2024.

/s/ Amir Adnani

Amir Adnani

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

/s/ Josephine Man

Josephine Man

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.