

# URANIUM RESOURCES, INC.



*ENERGY METALS: LITHIUM AND URANIUM*

**Christopher M. Jones**  
*Chief Executive Officer*

(Nasdaq: URRE)  
(ASX:URI)

**Q1 2017 Earnings Call**

**11:00 AM MT 12 May 2017**



# CAUTIONARY STATEMENT

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to risks, uncertainties and assumptions and are identified by words such as “expects,” “estimates,” “projects,” “anticipates,” “believes,” “could,” and other similar words. All statements addressing operating performance, events, or developments that Uranium Resources Inc. (“URI”) expects will occur in the future, including but not limited to statements relating to (i) mineralization and other developments at our lithium and uranium projects, (ii) synergies between our uranium and lithium businesses, (iii) the timing, occurrence, rates and cost of production at the properties in the United States and Turkey, including statements regarding future growth pipeline, (iv) the cost of lithium and uranium production at the properties, (v) future prices and demand for lithium and uranium, (vi) capital resources, capitalization and ownership, including relationships with major shareholders, (vii) additions of reserves and resources and the occurrence, extent and results of any future exploration program, (viii) mineral resources and exploration results, which includes inferred resources (see “Cautionary Note Regarding References to Resources and Reserves”), and (ix) plans for capital management, revenue, cash generation and profits are forward-looking statements.

Because they are forward-looking, they should be evaluated in light of important risk factors and uncertainties.

These risk factors and uncertainties include, but are not limited to, (i) our ability to raise additional capital in the future and continue as a going concern, (ii) the spot price and long-term contract price of uranium and lithium, (iii) risks associated with our foreign operations, (iv) risks associated with URI expanding its business into lithium, (v) competition from more experienced or better capitalized companies, (vi) operating conditions at our projects, (vii) government and tribal regulation of the uranium industry and the nuclear power industry, (viii) world-wide lithium and uranium supply and demand, (ix) maintaining sufficient financial assurance in the form of sufficiently collateralized surety instruments, (x) unanticipated geological, processing, regulatory and legal or other problems we may encounter, including in Turkey and in expanding into the lithium business, (xi) the ability of URI to enter into and successfully close acquisitions or other material transactions, (xii) the fact that NI 43-101 and JORC Code reports describe various types of “resources” which are not recognized by the SEC, inferred resources are the lowest standard of resource allowed under NI 43-101 standards and may not qualify as “mineralized material” under SEC staff positions, “reserves” are defined differently by the SEC and under NI 43-101 standards (see “Cautionary Note Regarding References to Resources and Reserves”), (xiii) timely receipt of recovery and other permits from regulatory agents, and (xiv) other factors which are more fully described in our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and other filings with the SEC.

Should one or more of these risks or uncertainties materialize, or should any of the underlying assumptions prove incorrect, actual results may vary materially from those currently anticipated. In addition, undue reliance should not be placed on forward-looking statements. Except as required by law, URI disclaims any obligation to update or publicly announce any revisions to any of the forward-looking statements contained in this presentation.



## CAUTIONARY NOTE REGARDING REFERENCES TO RESOURCES AND RESERVES

URI discloses mineral resources, including inferred resources, pursuant to the Canadian Institute of Mining, Metallurgy and Petroleum Standards (CIM Standards) for reporting mineral resources and reserves, and Canadian National Instrument 43-101 (NI 43-101). In the instance of the Temrezli Project in Turkey, mineral resources are reported within the context of the 2012 edition of the “Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (the JORC Code). Investors are cautioned that the requirements and terminology of NI 43-101, the CIM Standards, and the JORC Code differ significantly from the requirements and terminology of the SEC set forth in the SEC’s Industry Guide 7 (“SEC Industry Guide 7”). Accordingly, the Company’s disclosures regarding mineralization may not be comparable to similar information disclosed by the Company in the reports it files with the SEC. Without limiting the foregoing, while the terms “mineral resources,” “inferred resources,” “indicated resources” and “measured mineral resources” are recognized and required by NI 43-101 and the CIM Standards, they are not recognized by the SEC and are not permitted to be used in documents filed with the SEC by companies subject to SEC Industry Guide 7. Mineral resources which are not mineral reserves do not have demonstrated economic viability, and investors are cautioned not to assume that all or any part of a mineral resource will ever be converted into reserves. Further, inferred resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. It cannot be assumed that all or any part of the inferred resources will ever be upgraded to a higher resource category.

Under Canadian rules, estimates of inferred mineral resources may not form the basis of a feasibility study or pre-feasibility study, except in rare cases.

The SEC normally only permits issuers to report mineralization that does not constitute SEC Industry Guide 7 compliant “reserves” as in-place tonnage and grade without reference to unit amounts. In addition, the NI 43-101, CIM Standards and the JORC Code definition of a “reserve” differ from the definition in SEC Industry Guide 7. In SEC Industry Guide 7, a mineral reserve is defined as a part of a mineral deposit which could be economically and legally extracted or produced at the time the mineral reserve determination is made, and a “final” or “bankable” feasibility study is required to report reserves. The three-year historical price (or in certain circumstances, a contract price) is used in any reserve or cash flow analysis of designated reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority. URI discloses non-reserve mineralized material that is considered too speculative geologically to be categorized as reserves under SEC Industry Guide 7. Estimates of non-reserve mineralized material are subject to further exploration and development, are subject to many risks and highly speculative, and may not be converted to future reserves of URI. Investors are cautioned not to assume that all or any part of such non-reserve mineralized material exists, or is economically or legally extractible. Mineralized material that are not reserves do not have any demonstrated economic viability.



## COMPETENT PERSON STATEMENTS

Technical information in this release is based on data reviewed by Dean T. Wilton, who is Chief Geologist of Uranium Resources, Inc. Mr. Wilton is a “Qualified Person” as defined by Canadian National Instrument 43-101, and a “Competent Person” as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (JORC Code). He is a Certified Professional Geologist (CPG-7659), as designated by the American Institute of Professional Geologists, and is a Member of the Australian Institute of Geoscientists (MAIG #6384). Mr. Wilton has more than 40 years of exploration and mining experience, including a sufficient level of experience that is relevant to the evaluation of the styles of mineral deposits relating to this document. Mr. Wilton consents to the inclusion in this release of the matters based on their information in the form and context in which they appear.

Information in this presentation which relates to the Temrezli, Turkey Project’s Mineral Resources and Exploration Results is based on information compiled by Mr. Dmitry Pertel and Mr. Robert Annett, who are Members of the Australian Institute of Geosciences (“AIG”). Mr. Pertel is employed by CSA Global Pty Ltd and Mr. Annett was a non-Executive Director of Anatolia Energy Ltd prior to its acquisition by Uranium Resources, Inc. Mr. Pertel and Mr. Annett each have over 20 years of exploration and mining experience in a variety of mineral deposit styles, and have sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr. Pertel and Mr. Annett consent to inclusion in this presentation of the matters based on their information in the form and context in which it appears.

## DISCLOSURE REGARDING FOREIGN RESERVES & RESOURCES

URI wishes to confirm that the information reported in relation to the URI Mineral Resources, exclusive of the Temrezli, Turkey uranium project, are on the basis of a “foreign estimates” (Foreign Estimate) and as such are not reported in accordance with the JORC Code. The following additional information is provided in accordance with Listing Rule 5.12.

The information provided in relation to Foreign Estimates was extracted from URI’s website and various filings with the SEC (USA). URI discloses Mineral Resources (exclusive of the Temrezli, Turkey uranium project), including inferred resources, pursuant to the CIM Standards and Canadian National Instrument NI 43-101.

URI believes that the categories of mineralization reported are similar to the JORC Code (2012) classification. The Foreign Estimates in their current form are considered to be accurate representations of the available data, and are the most recent Resource Statements by URI. URI considers the Foreign Estimates to be material to URI. URI also believes that the Foreign Estimates are relevant to shareholders as they provide an indication of the current estimated mineralization under the control of URI. URI believes that the Foreign Estimates are sufficiently reliable and consistent with estimation methodologies commonly used at the time of their estimation. URI reported the Foreign Estimates and has been involved in the evaluation of these deposits. URI has significant experience in uranium exploration and the production of uranium from its uranium assets the United States, and files all necessary information relating to their activities with the governing authorities (SEC).

Information relating to the key assumptions, mining and processing parameters, and methods used to prepare the Foreign Estimates are documented in a number of historic NI 43-101 reports held by URI, and various filings with the SEC.

### Cautionary Statement

The foreign estimates of mineral resources and reserves in this presentation are not reported in accordance with the Australasian JORC Code. A competent person has not done sufficient work to classify the foreign estimates as mineral resources or ore reserves in accordance with the JORC Code but URI notes the close similarity of the Canadian NI 43-101 and JORC classification systems. It is uncertain that following evaluation and/or further exploration work that the foreign estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code. This will require new estimates and future reporting under JORC (2012).



# URI STRATEGY AND OUTLOOK

- **Improved** value proposition:
  - **Implemented** new energy metals **growth focus** with dominant land positions in two highly prospective lithium brine projects
  - Retained **optionality** to future rising uranium prices
- **Debt free and funded** through IQ 2018:
  - **Increased** current cash position to \$9.9M at March 31 after repayment of \$8M loan
  - **Reduced** total mineral property and G&A expenses by 15% Q1 2016 to Q1 2017
- **Executed M&A** to monetize non-core assets, while ensuring we participate in their success going forward.
- 2017E: **\$1.6M** lithium **exploration-drilling program** over both projects
- **Objective:** To produce JORC-compliant initial lithium resource on one project in IH 2018, subject to financing.



# CORPORATE SNAPSHOT

Shares outstanding <sup>1</sup>	24.5 million
Options/Warrants <sup>1</sup>	0.6 million
Share Price (5/9/2017)	USD 1.63
Market Capitalization	USD 39.9 million
Cash and Equivalents (5/5/2017) <sup>2</sup>	USD 8.2 million
Liquidity – 3 mth	1.2 million shares/day
Long-term debt <sup>3</sup>	0



**Institutional Holders:**  
Resource Capital Funds  
Global X  
BlackRock Institutional Trust  
Azarga Uranium  
Aterra

**Analyst Coverage:**  
Roth Capital (Joe Reagor)

<sup>1</sup> Shares outstanding are as of May 9 2017

<sup>2</sup> Does not include US\$4.0million in restricted cash.

<sup>3</sup> Retired convertible note loan fully: repaid \$5.5M on February 9, 2017 and \$2.5M on December 5, 2016. Please see relevant releases for those periods.



# 2017 FINANCIAL SUMMARY

- Today, the Company is debt free and funded to cover 2017 business plans

(\$ in 000)	Current <sup>1</sup>	March 31, 2017	December 31, 2016	Variance
Cash & cash equivalents	8,200	9,882	3,309	199%
Working capital		11,352	(4,232)	368%
Convertible notes (outstanding principal at year end)		0	5,500	n/m

(\$ and shares in 000, except per share)	March 31, 2017	March 31, 2016	Variance
Net cash used in operations	(3,287)	(2,205)	49%
Mineral property expenses	(769)	(731)	5%
General & administrative, incl. non-cash stock compensation	(1,668)	(2,145)	-22%
Net income (loss)	1,845	(4,273)	-143%
Net income (loss) per share	0.09	(0.86)	-110%

<sup>1</sup> As of May 5, 2017



# URI'S ENERGY METALS STRATEGY – CAPITALIZING ON THE NEAR TERM AND THE LONG TERM

## WHY LITHIUM?

- Great real-time and near-term fundamentals
- The green economy needs lithium batteries right now
- Lithium demand is forecasted to grow at over 6% per year over the next nine years\*
- Supply is lagging demand\*
- URI has unparalleled in-house expertise in production of metals from groundwater
- URI has developed a portfolio of lithium brine projects to take advantage of this expertise

## WHY URANIUM?

- Great long term fundamentals
- The global nuclear fleet is expected to grow more than 35% over the next 10 years\*\*
- Long term supply lags long term demand\*\*
- URI's expertise is deep as a past producer
- URI has a strong portfolio of projects in the US and Turkey

\* CRU. \*\*World Nuclear Association

# COLUMBUS BASIN LITHIUM PROJECT - NEVADA



- Located 27 miles from the only U.S. lithium brine producer and 137 miles southeast of Tesla's Gigafactory
- Expanded to >14,000 acres; good highway, power access and ample groundwater. Applied for water rights in Nevada
- Surface sampling indicated lithium at an average of 100 ppm, 21 of 348 samples were +200 ppm, and 392 ppm in one sample
- Positive analysis of past geophysical survey data found basin depth extends over 6,500 ft and hypersaline brines, leading to accelerated and improved drill targeting
- 2017 outlook: **Drilling expected to begin in July**



# SAL RICA LITHIUM PROJECT - UTAH



- Located 25 miles north of Wendover, Utah and within one day's drive of the only U.S. lithium brine producer
- Over 13,000 acres with good road and power access
- Historical shallow aquifer sampling indicated lithium values ranging from 22-81 ppm in brine
- 2017 outlook: Sampling, geophysics, target prioritization for drilling



# TEMREZLI PROJECT

- Long life, low capital and operating cost project
- Pre-Feasibility completed February 2015:
  - Average annual production of 800,000 pounds of uranium over 12 years
  - Average cash operating costs of US\$16.89/ lb U<sub>3</sub>O<sub>8</sub>
  - Free cash flow of over US\$345M over life of mine
  - Lowest quartile costs
- Permitting is underway
- Mineralization below the water table and generally less than 200m deep
- Potential for resource extensions and additions
- Upside from Sefaati exploration property – potential satellite ISR production



CATEGORY	TONNES ('000s)	GRADE (ppm U <sub>3</sub> O <sub>8</sub> )	U <sub>3</sub> O <sub>8</sub> (M lbs)
Measured	2,008	1,378	6.1
Indicated	2,178	1,080	5.2
Inferred*	1,020	888	2.0
<b>TOTAL RESOURCE</b>	<b>5,206</b>	<b>1,157</b>	<b>13.3</b>

\* See Cautionary Note Regarding References to Resources and Reserves.



# THE URI VALUE PROPOSITION

## URI IS EXPANDING ITS LEVERAGE TO GREEN ENERGY DEVELOPMENT AND HIGH LITHIUM PRICES

- We have the **Columbus Basin Lithium Project** in Nevada
- We have the **Sal Rica Lithium Project** in Utah
- We have extensive in-house exploration, development and operations expertise
- We have \$1.6M planned for 2017 to advance our lithium exploration projects.

## URI PROVIDES LEVERAGE TO THE RISING URANIUM PRICE:

- We have the **Temrezli Uranium Project**– Near term, low cost production to be developed in Turkey
- We have one of the **Largest Uranium Mineralization** bases in the USA
- We have 2 Licensed **Uranium Processing Facilities** in South Texas

**QUESTIONS?**

# Appendix



# BOARD OF DIRECTORS

**Christopher M. Jones**  
President and CEO  
Interim Chairman

CEO since 2013; over 35 years of industry experience and a licensed professional engineer

**Patrick N. Burke**  
Director

A corporate lawyer with more than 20 years experience in mergers and acquisitions, and a detailed understanding of ASX, ASIC and Corporations law in Australia

**Marvin K. Kaiser**  
Director

More than 40 years of industry experience, including EVP, Chief Administrative Officer and CFO at The Doe Run Co

**Tracy A. Stevenson**  
Director

Founding member of Bedrock Resources, a private financial advisory firm focused on natural resource businesses. Former Global Head of Business Process Improvements at Rio Tinto



# OUTSTANDING LEADERSHIP TEAM

**Christopher M. Jones,**  
President, CEO and Interim  
Chairman

- Joined in March 2013; more than 35 years of industry experience; licensed Professional Engineer (US and Canada)
- B.S. in Mining Engineering from South Dakota School of Mines and an MBA from Colorado State University

**Jeffrey L. Vigil,**  
VP Finance and CFO

- Joined in June 2013; more than 40 years of financial experience, including 25 years of mining background with 10 years in the uranium sector
- B.S. in Accounting from the University of Wyoming; licensed CPA

**Dain A. McCoig,**  
VP, South Texas Operations

- Joined in 2004; experienced in all phases of ISR development and production; licensed Professional Engineer in Texas
- Managed design and construction of Rosita Facility in Texas
- B.S. in Mechanical Engineering from Colorado School of Mines

**Matthew J. Hartmann**  
Director, Technical Services

- Joined in 2012; more than 15 years of industry experience; Licensed Professional Geologist; Qualified Person in Australia and Canada
- B.A Geological Sciences from Ohio State, M.Sc. in Mining Engineering and Management from South Dakota School of Mines

**Cevat Er**  
General Manager - Turkey

- Joined in 2015. Founder of SRK Ankara, with 30 years of Turkish mining and environmental experience
- M.Sc. from University of Arizona, and B.S. Geological Engineering

**John W. Lawrence,**  
General Counsel and Corporate  
Secretary

- Joined in 2012; more than 30 years of experience in law and licensing across nuclear fuel cycle
- B.S. in Nuclear Engineering from Purdue University and a J.D. from Catholic University, Columbus School of Law



# EXPANDED & RECAPITALIZED COMPANY<sup>1</sup>

- Increased working capital to \$11.4 million at March 31, 2017 from a working capital deficit of \$4.2 million at December 31, 2016
- Retired \$8M convertible notes to become debt free – completed February 2017
- Realized net proceeds from financings of \$15.95M YTD 2017, including asset sale below, all during a challenging commodities market
- Sold non-core uranium properties to Laramide for \$12.5M in total consideration – completed January 2017
  - \$2.5M cash
  - \$0.5M in Laramide stock and warrants
  - \$5.0M Promissory Note over 3-year term and 5% and 10% interest rates
  - 4% NSR on the Churchrock property in New Mexico
  - Options to purchase Laramide's La Sal property in Utah and La Jara Mesa property in New Mexico, both sandstone hosted, roll-front type uranium projects
- Continued expansion into lithium
  - Option agreement, water rights application and geophysical data for Columbus Basin project

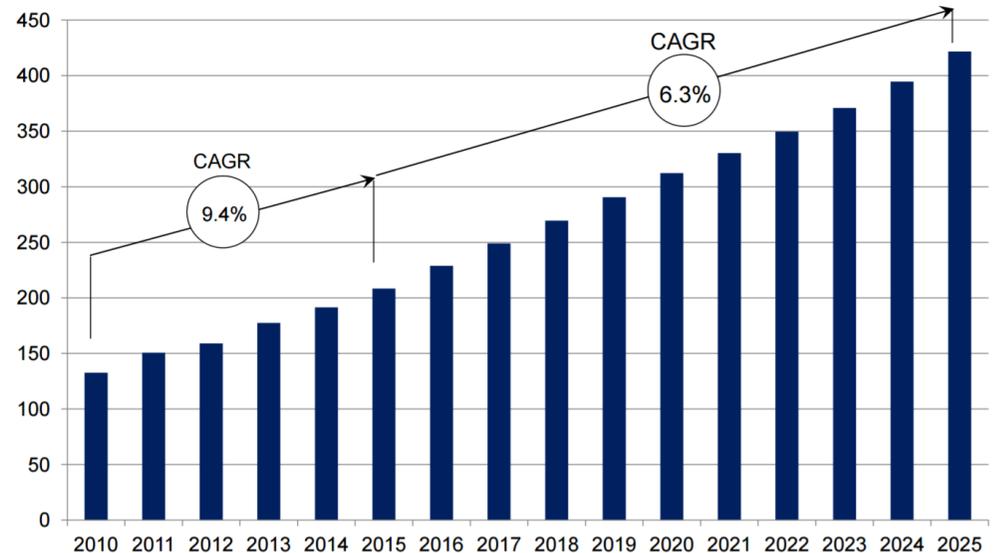
1. Please see further information in the Company's March 31, 2017 Form 10-Q

# LITHIUM SUPPLY, DEMAND AND PRICING

- Tesla's Gigafactory in Nevada commenced production in January 2017, doubling the world's production of lithium-ion batteries<sup>1</sup>
- Tesla expects to continue to expand production in the U.S<sup>2</sup>
- Global lithium demand is expected to rise 6.3% per year over 2015-2025<sup>3</sup>
- Transportation batteries are currently 35% of demand, growing to over 60% by 2025<sup>3</sup>
- Transportation batteries account for an increase in Lithium Carbonate Equivalent (LCE) demand from 25 kt/yr in 2015 to a forecasted 205 kt/yr in 2025<sup>1</sup>
- A dramatic fall in lithium battery costs from \$900/Kwh to \$225/Kwh is driving this growth<sup>1</sup>
- Brine producers are in the lowest quartile of cost<sup>3</sup>

**Global lithium demand is expected to grow at a CAGR of 6.3% through to 2025<sup>4</sup>**

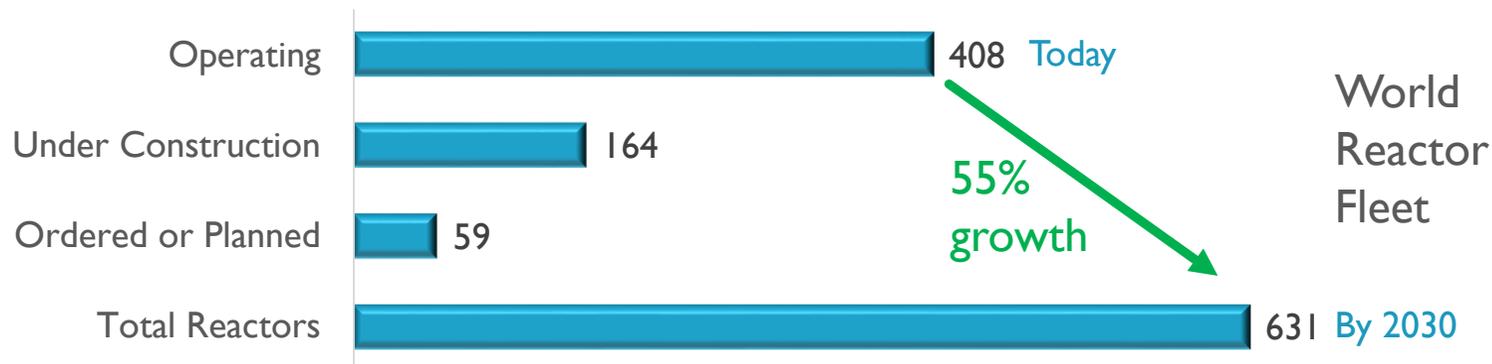
LHS: Lithium demand, kt LCE



1. Bloomberg
2. Tesla Fourth Quarter and 2016 Update Letter
3. CRU
4. CAGR = Compounded Annual Growth Rate

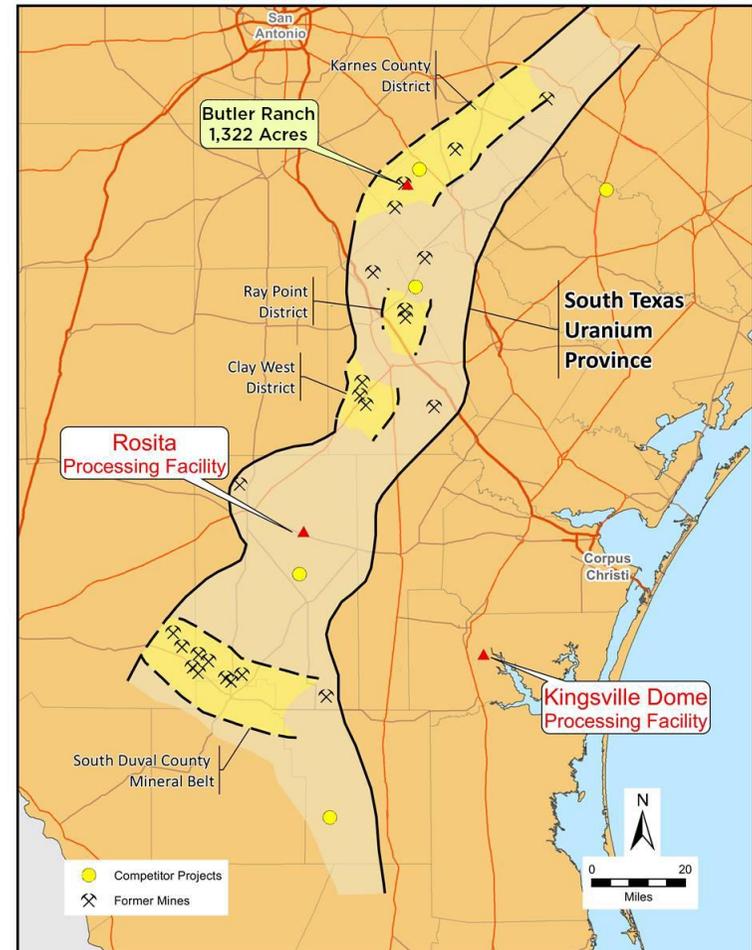
# GLOBAL URANIUM DEMAND IS GROWING

- Nuclear power represents the only electrical base load solution for global electric power growth driven by worldwide economic expansion and a focus on carbon reduction
- There are 408 operating nuclear power facilities around the world
- China, India, Russia and Korea are building or have ordered 130 new reactors
- China alone has 22 reactors currently under construction
- China consumes 8M lbs per year, and is forecast to grow to 53M lbs by 2030
- Current global annual consumption of uranium is 165M lbs
- Current uranium prices do not reflect this growing demand!



# URANIUM ISR POTENTIAL IN SOUTH TEXAS

- Texas landholdings total 11,000 acres (4,400 hectares)
- All projects are located near our existing processing infrastructure
- Kingsville Dome and Rosita licensed processing facilities are on standby, ready to restart upon strong uranium prices
- Roll-front mineralization in sandstones amenable to in-situ recovery
- Butler Ranch has historic resources data of 1.3M pounds  $U_3O_8$  and logs from over 2,000 drill holes





# CONTACT DETAILS

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