

URANIUM ENERGY CORP
Form DEF 14A
June 12, 2012

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

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Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement**
- Definitive Additional Materials
- Soliciting Material Pursuant to Rule 14a-12

URANIUM ENERGY CORP.

(Name of Registrant as Specified In Its Charter)

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- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

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3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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1) Amount previously paid:

2) Form, Schedule or Registration Statement No.

3) Filing Party:

4) Date Filed:

URANIUM ENERGY CORP.

#320 - 1111 West Hastings Street, Vancouver, British Columbia, Canada V6E 2J3

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To be held on July 23, 2012

Dear Stockholder:

The annual meeting of stockholders (the "**Annual Meeting**") of Uranium Energy Corp. (the "**Company**") will be held at Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia, Canada, on July 23, 2012 at 12:00 p.m. (Vancouver time). At the Annual Meeting stockholders will be asked to:

1. elect Amir Adnani, Alan P. Lindsay, Harry L. Anthony, Ivan Obolensky, Vincent Della Volpe, David Kong and Katharine Armstrong to our Board of Directors;

2. ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending July 31, 2012;
3. approve the Company's 2012 Stock Incentive Plan;
4. hold a non-binding advisory vote on the compensation of our named executive officers; and
5. transact any other business properly brought before the Annual Meeting or any adjournment thereof.

On or about June 12, 2012, the Company mailed to all stockholders of record, as of May 25, 2012, a Notice of Internet Availability of Proxy Materials (the "**Notice**"). Please carefully review the Notice for information on how to access the notice of annual meeting, proxy statement, proxy card and our Annual Report on Form 10-K for the fiscal year ended July 31, 2011, on www.proxyvote.com, in addition to instructions on how you may request to receive a paper or email copy of these documents. There is no charge to you for requesting a paper copy of these documents. Our Annual Report on Form 10-K, including financial statements for such period, does not constitute any part of the material for the solicitation of proxies.

The foregoing items of business are more fully described in the Proxy Statement accompanying this Notice. **Only stockholders of record of the Company's common stock at the close of business on May 25, 2012, are entitled to notice of, and to vote at, the Annual Meeting or any adjournment thereof.**

It is important that your shares be represented and voted at the Annual Meeting. If you are the registered holder of the Company's common stock, you can vote your shares by completing and returning the enclosed proxy card, even if you plan to attend the Annual Meeting. You may vote your shares of common stock in person even if you previously returned a proxy card. Please note, however, that if your shares of common stock are held of record by a broker, bank or other nominee and you wish to vote in person at the Annual Meeting, you must obtain a proxy issued in your name from such broker, bank or other nominee. Please carefully review the instructions on the proxy card or the information forwarded by your broker, bank or other nominee regarding voting instructions.

If you are planning to attend the Annual Meeting in person, you will be asked to register before entering the Annual Meeting. All attendees will be required to present government-issued photo identification (e.g., driver's license or passport) to enter the Annual Meeting. If you are a stockholder of record, your ownership of the Company's common stock will be verified against the list of stockholders of record as of May 25, 2012, prior to being admitted to the Annual Meeting. If you are not a stockholder of record and hold your shares of common stock in "street name" (that is, your shares of common stock are held in a brokerage account or by a bank or other nominee), you must also provide proof of beneficial ownership as of May 25, 2012, such as your most recent account statement prior to May 25, 2012, and a copy of the voting instruction card provided by your broker, bank or nominee, or similar evidence of ownership.

By Order of the Board of Directors of Uranium Energy Corp.

Amir Adnani

, President and CEO

Dated: June 12, 2012.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting to be held on July 23, 2012: The Proxy Statement, Annual Report on Form 10-K and Form of Proxy are available at www.proxyvote.com

URANIUM ENERGY CORP.

#320 - 1111 West Hastings Street, Vancouver, British Columbia, Canada V6E 2J3

PROXY STATEMENT FOR THE ANNUAL MEETING OF STOCKHOLDERS

To be held on July 23, 2012

THE ANNUAL MEETING

General

This proxy statement (the "**Proxy Statement**") is furnished in connection with the solicitation of proxies by the Board of Directors (the "**Board of Directors**") of Uranium Energy Corp. ("**we**", "**us**", "**our**" or the "**Company**") for use in connection with our annual meeting of our stockholders (the "**Annual Meeting**") to be held on July 23, 2012, at 12:00 p.m. (Vancouver time) at Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia, Canada, or at any adjournment thereof, for the purposes set forth in the accompanying Notice of Meeting.

In accordance with rules and regulations recently adopted by the Securities and Exchange Commission (the "**SEC**"), instead of mailing a printed copy of our proxy materials to each stockholder of record, we may now furnish proxy materials to our stockholders on the Internet. On or about June 12, 2012, the Company mailed to all stockholders of record, as of May 25, 2012 (the "**Record Date**"), a Notice of Internet Availability of Proxy Materials (the "**Notice**"). If you received only a Notice by mail, you will not receive a printed copy of the proxy materials.

Please carefully review the Notice for information on how to access our proxy materials, consisting of the Notice of Annual Meeting, Proxy Statement and Proxy Card, on www.proxyvote.com. You may also access our Annual Report on Form 10-K for our fiscal year ended July 31, 2011, including financial statements for such period. However, our Annual Report on Form 10-K does not constitute any part of the material for the solicitation of proxies.

The Notice also includes instructions as to how you may submit your proxy on the Internet or over the telephone.

If you received only a Notice by mail and would like to receive a printed copy of our proxy materials, including a proxy card, or a copy of our Annual Report on Form 10-K, you should follow the instructions for requesting such materials included in the Notice. There is no charge to you for requesting a paper copy of these documents.

Our principal executive office is located at #320 - 1111 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2J3.

Manner of Solicitation and Expenses

This proxy solicitation is made on behalf of our Board of Directors. Solicitation of proxies may be made by our directors, officers and employees personally, by telephone, mail, facsimile, e-mail, internet or otherwise, but they will not be specifically compensated for these services. We will bear the expenses incurred in connection with the solicitation of proxies for the Annual Meeting. Upon request, we will also reimburse brokers, dealers, banks or similar entities acting as nominees for their reasonable expenses incurred in forwarding copies of the proxy materials to the beneficial owners of the shares of our common stock as of the Record Date.

Record Date and Voting Shares

Our Board of Directors has fixed the close of business on May 25, 2012, as the Record Date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting. As of the Record Date there were approximately 84,795,155 shares of our common stock issued, outstanding and entitled to vote at the Annual Meeting. Holders of common stock are entitled to one vote at the Annual Meeting for each share of common stock held of record as of the Record Date. There is no cumulative voting in the election of directors.

Quorum

A quorum is necessary to hold a valid meeting of our stockholders. The required quorum for the transaction of business at the Annual Meeting is one-third of our issued and outstanding shares of common stock as of the Record Date.

In order to be counted for purposes of determining whether a quorum exists at the Annual Meeting, shares must be present at the Annual Meeting either in person or represented by proxy. Shares that will be counted for purposes of determining whether a quorum exists will include:

- shares represented by properly executed proxies for which voting instructions have been given, including proxies which are marked "Abstain" or "Withhold" for any matter;
- shares represented by properly executed proxies for which no voting instruction has been given; and
- broker non-votes.

Broker non-votes occur when shares held by a broker for a beneficial owner are not voted with respect to a particular proposal because the broker has not received voting instructions from the beneficial owner and the broker does not have discretionary authority to vote such shares.

Entitlement to Vote

If you are a registered holder of shares of our common stock as of May 25, 2012, the Record Date for the Annual Meeting, you may vote those shares of our common stock in person at the Annual Meeting or by proxy in the manner described below under "Voting of Proxies". If you hold shares of our common stock in "street name" through a broker or other financial institution, you must follow the instructions provided by your broker or other financial institution regarding how to instruct your broker or financial institution in respect of voting your shares.

Voting of Proxies

You can vote the shares that you own of record on the Record Date by either attending the Annual Meeting in person or by filling out and sending in a proxy in respect of the shares that you own. Your execution of a proxy will not affect your right to attend the Annual Meeting and to vote in person. You may also submit your proxy on the Internet or over the telephone by following the instructions contained in the Notice.

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You may revoke your proxy at any time before it is voted by:

- a. filing a written notice of revocation of proxy with our corporate secretary at any time before the taking of the vote at the Annual Meeting;
- b. executing a later-dated proxy and delivering it to our corporate secretary at any time before the taking of the vote at the Annual Meeting; or
- c. attending at the Annual Meeting, giving affirmative notice that you intend to revoke your proxy and voting in person. Please note that your attendance at the Annual Meeting will not, in and of itself, revoke your proxy.

All shares of common stock represented by properly executed proxies received at or prior to the Annual Meeting that have not been revoked will be voted in accordance with the instructions of the stockholder who has executed the proxy. If no choice is specified in a proxy, the shares represented by the proxy will be voted FOR all matters to be considered at the Annual Meeting as set forth in the accompanying Notice of Meeting. The shares represented by proxy will also be voted for or against such other matters as may properly come before the Annual Meeting in the discretion of the persons named in the proxy as proxyholders. We are currently not aware of any other matters to be presented for action at the Annual Meeting other than those described herein.

Any written revocation of a proxy or subsequent later-dated proxy should be delivered to the executive offices of the Company, located at #320 - 1111 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2J3, Attention: Corporate Secretary.

Votes Required

Proposal One - Election of Directors: The affirmative vote of the holders of a plurality of our shares of common stock represented at the Annual Meeting in person or by proxy is required for the election of our directors. This means that the nominees who receive the greatest number of votes for each open seat will be elected. Votes may be cast in favor of the election of directors or withheld. Votes that are withheld and broker non-votes will be counted for the purposes of determining the presence or absence of a quorum, but will have no effect on the election of directors.

Proposal Two - Appointment of Accountants: The affirmative vote of the holders of a majority of our common stock represented at the Annual Meeting in person or by proxy is required for the ratification of the appointment of our independent registered public accountants. Stockholders may vote in favor or against the Proposal or they may abstain. Abstentions are deemed to be "votes cast" and will have the same effect as a vote against this Proposal. Broker non-votes are not deemed to be votes cast and, therefore, will have no effect on the vote with respect to this proposal.

Proposal Three - Approval of 2012 Stock Incentive Plan: The affirmative vote of the holders of a majority of our common stock represented at the Annual Meeting in person or by proxy is required for the approval of the Company's 2012 Stock Incentive Plan. Stockholders may vote in favor or against this Proposal or they may abstain. Abstentions are deemed to be "votes cast" and will have the same effect as a vote against this Proposal. Broker

non-votes are not deemed to be votes cast and, therefore, will have no effect on the vote with respect to this Proposal.

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Proposal Four - Executive Compensation: The vote on the compensation of our named executive officers (commonly known as a "say-on-pay" vote) is advisory and, therefore, not binding on the Company, the Compensation Committee or our Board of Directors. The affirmative vote of the holders of a majority of our common stock represented at the Annual Meeting in person or by proxy is required for the non-binding advisory vote on executive compensation. Stockholders may vote in favor or against the Proposal or they may abstain. Abstentions are deemed to be "votes cast" and will have the same effect as a vote against this Proposal. Broker non-votes are not deemed to be votes cast and, therefore, will have no effect on the vote with respect to this Proposal.

Stockholder Proposals

No proposals have been received from any stockholder for consideration at the Annual Meeting.

Other Matters

It is not expected that any matters other than those referred to in this Proxy Statement will be brought before the Annual Meeting. If other matters are properly presented, however, the persons named as proxyholders will vote in accordance with their best judgment on such matters. The grant of a proxy also will confer discretionary authority on the persons named as proxyholders to vote in accordance with their best judgment on matters incident to the conduct of the Annual Meeting.

No Rights of Appraisal

There are no rights of appraisal or similar rights of dissenters with respect to the matters that are the subject of this proxy solicitation under the laws of the State of Nevada, our certificate of incorporation or our bylaws.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

None of the following persons has any substantial interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Annual Meeting, other than elections to office and as named executive officers in respect of whose compensation the non-binding advisory vote on executive compensation will be held:

- each person who has been one of our directors or executive officers at any time since the beginning of our last fiscal year;
- each nominee for election as one of our directors; or
- any associate of any of the foregoing persons.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information regarding the beneficial ownership of our common stock as of May 25, 2012, by:

- each person who is known by us to beneficially own more than 5% of our shares of common stock; and
- each executive officer, each director and all of our directors and executive officers as a group.

The number of shares beneficially owned and the related percentages are based on 84,795,155 shares of common stock outstanding as of May 25, 2012.

For the purposes of the information provided below, shares that may be issued upon the exercise or conversion of options, warrants and other rights to acquire shares of our common stock that are exercisable or convertible within 60 days following May 25, 2012, are deemed to be outstanding and beneficially owned by the holder for the purpose of computing the number of shares and percentage ownership of that holder, but are not deemed to be outstanding for the purpose of computing the percentage ownership of any other person.

<u>Name and Address of Beneficial Owner</u>	<u>Amount and Nature of Beneficial Ownership</u>	<u>Percentage of Beneficial Ownership</u>
(1)	(1)	
Directors and Officers:		
Amir Adnani 320 - 1111 West Hastings Street Vancouver, British Columbia, Canada, V6E 2J3	3,015,801 ⁽²⁾	3.5%
Alan P. Lindsay 2701 - 1500 Hornby Street Vancouver, British Columbia, Canada, V6Z 2R1	2,371,287 ⁽³⁾	2.8%
Harry L. Anthony P.O. Box 1328 Kingsville, Texas, U.S.A., 78364	2,162,500 ⁽⁴⁾	2.5%
Ivan Obolensky 425 East 79 th Street New York, New York, U.S.A., 10021	238,419 ⁽⁵⁾	*
Vincent Della Volpe 32 Evergreen Drive Lincoln Park, New Jersey, U.S.A., 07035	270,000 ⁽⁶⁾	*
David Kong 7440 Afton Drive Richmond, British Columbia, Canada, V7A 1A3	100,000 ⁽⁷⁾	*
Mark A. Katsumata 14447 Blackburn Crescent White Rock, British Columbia, Canada, V4B 3A3	272,339 ⁽⁸⁾	*
Katharine Armstrong 919 Congress Avenue, Suite 1400 Austin, Texas, U.S.A., 78701	60,000 ⁽⁹⁾	*
All executive officers and directors as a group (8 persons)	8,490,346 ⁽¹⁰⁾	9.5%
Major Shareholders:		
Oppenheimer Funds, Inc. Two World Financial Center 225 Liberty Street. New York, New York, U.S.A, 10281	4,910,200	5.8%

Notes

:

* Less than one percent.

(1) Under Rule 13d-3 of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), a beneficial owner of a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares: (i) voting power, which includes the power to vote, or to direct the voting of such security; and (ii) investment power, which includes the power to dispose or direct the disposition of the security. Certain shares of common stock may be deemed to be beneficially owned by more than one person (if, for example, persons share the power to vote or the power to dispose of the shares). In addition, shares of common stock are deemed to be beneficially owned by a person if the person has the right to acquire the shares (for example, upon exercise of an option) within 60 days of the date as of which the information is provided. In computing the percentage ownership of any person, the amount of shares of common stock outstanding is deemed to include the amount of shares beneficially owned by such person (and only such person) by reason of these acquisition rights. As a result, the percentage of outstanding shares of common stock of any person as shown in this table does not necessarily reflect the person's actual ownership or voting power with respect to the number of shares of common stock actually outstanding as of the date of this Proxy Statement. As of May 25, 2012, there were 84,795,155 shares of common stock of the Company issued and outstanding.

(2) This figure represents (i) 1,745,301 shares of common stock, (ii) 3,000 shares of common stock held of record by Amir Adnani's wife and (iii) 1,267,500 stock options to purchase shares of our common stock.

(3) This figure represents (i) 1,142,787 shares of common stock, (ii) 163,500 shares of common stock held of record by Alan P. Lindsay's wife and (iii) 1,065,000 stock options to purchase shares of our common stock. Mr. Lindsay is the father-in-law of Amir Adnani.

(4) This figure represents (i) 822,500 shares of common stock and (ii) 1,340,000 stock options to purchase shares of our common stock.

(5) This figure represents (i) 18,419 shares of common stock and (ii) 220,000 stock options to purchase shares of our common stock.

(6) This figure represents 270,000 stock options to purchase shares of our common stock.

(7) This figure represents 100,000 stock options to purchase shares of our common stock.

(8) This figure represents (i) 4,839 shares of common stock and (ii) 267,500 stock options to purchase shares of our common stock.

(9) This figure represents (i) 10,000 shares of common stock and (ii) 50,000 stock options to purchase shares of our common stock.

(10) This figure includes (i) 3,910,346 shares of common stock and (ii) 4,580,000 stock options to purchase shares of our common stock.

We have no knowledge of any arrangements, including any pledge by any person of our securities, the operation of which may at a subsequent date result in a change in our control.

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PROPOSAL NUMBER ONE:

ELECTION OF DIRECTORS TO OUR BOARD OF DIRECTORS

Election of Directors

Each of our directors is elected annually at the annual meeting of our stockholders, and, upon his or her election, will hold office until our next annual meeting or until his or her successor is elected and qualified.

The persons named in the enclosed form of proxy as proxyholders intend to vote for the election of the nominees listed below as directors unless instructed otherwise, or unless a nominee is unable or unwilling to serve as a director of our Company. Our Board of Directors has no reason to believe that any nominee is unable or unwilling to serve, but if a nominee should determine not to serve, the persons named in the form of proxy as proxyholders will have the discretion and intend to vote for another candidate that would be nominated by our Board of Directors.

The affirmative vote of a plurality of the votes present in person or by proxy at the Annual Meeting and entitled to vote on the election of directors is required for the election of each nominee as a director. Our constating documents do not provide for cumulative voting in the election of directors.

Nominees for Election as Directors

Amir Adnani, Alan P. Lindsay, Harry L. Anthony, Ivan Obolensky, Vincent Della Volpe, David Kong and Katharine Armstrong, each of whom is a current director, have been nominated for election as directors. It is the intention of the persons named in the accompanying form of proxy as proxyholders to vote proxies for the election of each of these individuals as a director and each of the nominees has consented to being named in this Proxy Statement and to serve as a director, if elected.

Directors and Executive Officers

Our current directors and executive officers and their respective ages as of May 25, 2012, are as follows:

<u>Name</u>	<u>Age</u>	<u>Position with the Company</u>
Amir Adnani	34	President, Chief Executive Officer, Principal Executive Officer and a Director
Alan P. Lindsay	61	Chairman and a Director
Harry L. Anthony	64	Chief Operating Officer and a Director
Ivan Obolensky	87	A Director

Vincent Della Volpe	69	A Director
David Kong	65	A Director
Katharine Armstrong	59	A Director
Mark A. Katsumata	46	Secretary, Treasurer, Chief Financial Officer and Principal Accounting Officer

The following describes the business experience of each of our directors and executive officers, including other directorships held in reporting companies:

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Amir Adnani. Mr. Amir Adnani is a co-founder of our Company and has been our President, Chief Executive Officer, Principal Executive Officer and a director since January 24, 2005. Mr. Adnani is an entrepreneur with an extensive background in business development and marketing. In September 2004 he founded and was a director and President of Blender Media Inc. ("**Blender**"), a Vancouver based company that provides strategic marketing and financial communications services to public companies and investors in mineral exploration, mining, and energy sectors. Effective October 1, 2006, Mr. Adnani is no longer a director, officer or shareholder of Blender. In June 2001 Mr. Adnani co-founded, and from June 2001 to September 2004 was a director and officer of, Fort Sun Investments Inc., a strategic marketing and financial communications services company for public companies. Mr. Adnani has been the Chairman and a director of Brazil Resources Inc., a TSX Venture Exchange listed company, since August of 2010. Mr. Adnani holds a Bachelor of Science degree from the University of British Columbia. Mr. Adnani is not a director or officer of any other U.S. reporting company.

The Board of Directors has concluded that Mr. Adnani should serve as a director of our Company given his involvement with our Company since its inception and his business experience prior to joining our Company.

Alan P. Lindsay. Mr. Lindsay, a co-founder of our Company, has served as Chairman of the Company since December 2005. Mr. Lindsay served as a director of MIV Therapeutics, Inc. ("**MIV**"), a biomedical company focused on biocompatible coating technology for stents and medical devices, from October 2001 through March 2010, and as Chief Executive Officer of MIV from October 2001 to January 2008. From December 2005 through July 2009, Mr. Lindsay served as Chairman and a director of TapImmune Inc., a development stage biotechnology company. Mr. Lindsay was a founding officer and director of Strategic American Oil Corporation (now known as Duma Energy Corp.; "**Strategic**"), positions that he held from April until July 2005. He subsequently served as a director of Strategic from April 2007 until December 2010.

Mr. Lindsay was a founder of Azco Mining Inc. (now known as Santa Fe Gold Corp., "**Azco**") and served as Chairman, President and Chief Executive Officer of Azco from 1992 to 2000. Azco was listed on the Toronto Stock Exchange in 1993 and on the American Stock Exchange in 1994. Mr. Lindsay also co-founded Anatolia Minerals Development Limited (now known as ASR Toronto), a junior resource company that trades on the TSX Venture Exchange, and New Oproeru Resources Inc., a junior resource company that also trades on the TSX Venture Exchange. Mr. Lindsay is a director of Terra Firma Resources Inc., a junior resource company that trades on the TSX Venture Exchange.

The Board of Directors has concluded that Mr. Lindsay should serve as a director of our Company given that he is one of the co-founders of our Company and has been involved with our Company since its inception, and also given his business experience with other public companies.

Harry L. Anthony. Mr. Anthony has been our Chief Operating Officer and a director since February 2006. Mr. Anthony has over 40 years of industrial, hydro-metallurgical experience; the past 35 years being in the uranium mining industry. From approximately 1997 to February, 2006, Mr. Anthony had been a consultant through Anthony Engineering Services for several major uranium companies and international agencies, which duties generally include project evaluation, operations "trouble shooter" and technical and financial expert. From approximately 1990 through 1997, Mr. Anthony was a Senior Vice-President of Uranium Resources, Inc. ("**Uranium**"), where he managed all facets of operations and technical support to achieve production goals, drilling, ion exchange, reverse osmosis, software development and equipment design. Mr. Anthony's duties also included oversight of construction, technical aspects, daily operations of plants and wellfields, budget planning and forecasting, property evaluations and reserve estimations. Mr. Anthony also previously served as the Vice-President of Engineering/engineering manager of Uranium, and a project superintendent and project engineer for Union Carbide Corp. Mr. Anthony was on the board of directors of Uranium from 1984 through 1994. He is the author of several publications and the recipient of the awards "Distinguished Member of the South Texas Mineral Section of AIME -1987" and "1999 Outstanding Citizen of the Year - Kingsville Chamber of Commerce". Mr. Anthony received an M.S. in Engineering Mechanics in 1973 and a B.S. in Engineering Mechanics in 1969 from Pennsylvania State University. Mr. Anthony is not a director or officer of any other U.S. reporting company.

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The Board of Directors has concluded that Mr. Anthony should serve as a director given his involvement with our Company since 2006, and his over 30 years of experience in the uranium industry.

Ivan Obolensky. Mr. Obolensky has served on our Board of Directors since April 2007. Mr. Obolensky has over 40 years of experience in the investment banking business as a supervisory financial analyst, with specific expertise in the defense, aerospace, oil and gas, nuclear power, metals and mining, publishing and high technology industries. He has also been Senior Executive of several investment banks, including Sterling Grace & Co., Jesup, Josephthal & Co., Dominick and Dominick, Inc., Middendorf Colgate and CB Richard Ellis Moseley Hallgarten. From November, 1990 to date, Mr. Obolensky has been a Senior Vice-President of Wellington Shields & Co. LLC, an investment bank and Member of the New York Stock Exchange. Mr. Obolensky is a Registered Investment Advisor and a long-time member of the New York Society of Security Analysts and the CFA Institute. Twenty-year-President of the Josephine Lawrence Hopkins Foundation, he is also a Past Grand Treasurer of the Grand Lodge of the State of New York, where he presently serves as Chairman of its "watchdog" Financial Oversight Committee for the Masonic Brotherhood Foundation. Professionally, he has made frequent appearances as a guest of CNBC, CNNfn and Bloomberg TV. Mr. Obolensky is also a Board Member of several charitable organizations: The Children's Cancer & Blood Foundation; The Bouverie Audubon Preserve of Glen Ellen California; The Police Athletic League of New York City; and General "Blackjack" Pershing's Soldiers', Sailors', Marines', and Airmen's Club, where he is also Chairman and CEO. He is a graduate of Yale University and a Lieutenant (J.g.) US Naval Air Corps, USNR (Ret.).

The Board of Directors has concluded that Mr. Obolensky should serve as a director given his involvement with our Company since 2007, and his over 40 years of experience in the investment banking business as a financial analyst.

Vincent Della Volpe. Mr. Della Volpe has served on our Board of Directors since July 2007. Mr. Della Volpe has served as a professional money manager for over 35 years, including as a senior portfolio manager of pension funds for Honeywell Corporation and Senior Vice-President of the YMCA Retirement fund in New York. Throughout his career Mr. Della Volpe has particularly focused on the management of energy and utility equity portfolios, and he also has experience managing venture capital investments. From 2006 to 2011, Mr. Della Volpe served as a director of Gold Canyon Resources, Inc., a junior natural resources company incorporated in British Columbia, Canada, listed on the TSX Venture Exchange. Mr. Della Volpe has been retired since March 2003. During the prior 11 years he was employed by the YMCA Retirement Fund. Mr. Della Volpe holds a Bachelor of Arts in Accounting and an MBA in finance, both from Seton Hall University.

The Board of Directors has concluded that Mr. Della Volpe should serve as a director given his involvement with our Company since 2007, and his over 35 years of experience in the financial industry.

David Kong. Mr. Kong became a director of our Company on January 5, 2011. Mr. Kong holds a Bachelor in Business Administration and earned his Chartered Accountant designation in British Columbia in 1978 and U.S. CPA (Illinois) designation in 2002. From 2005 to 2010, Mr. Kong was a partner at Ernst & Young LLP. From 1981 to 2004, Mr. Kong was a partner at Ellis Foster, Chartered Accountants. Currently, Mr. Kong is a director of Hana Mining Ltd., New Pacific Metals Corp., Brazil Resources Inc., Silvercorp Metals Inc., IDM International Limited and Channel Resources Ltd. (not seeking re-election at Channel's annual general meeting scheduled to take place on June 21, 2012). Mr. Kong is a Certified Director (ICD.D) of the Institute of Corporate Directors.

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The Board of Directors has concluded that Mr. Kong should serve as a director given his business experience, accounting and financial expertise.

Katharine Armstrong. Prior to her appointment as a member of the Company's Board of Directors on June 1, 2012, Ms. Armstrong served on the Company's Advisory Board since October 2009. Ms. Armstrong has been President of Natural Resources Solutions, since 2008, when she founded this Austin, Texas, based company that works in partnership with universities, agencies of state and federal government, stakeholder groups and others to identify and implement solutions to environmental challenges created by regulatory mandates. In addition, Ms. Armstrong has been President of Katharine Armstrong, Inc., since 2003, when she founded this Austin, Texas, based firm specializing in statewide and national projects involving public affairs and legislative, agency and grassroots projects.

Ms. Armstrong serves as Co-Chair of the South Texas Native Restoration Project at Texas A&M Kingsville and as Chair of the Armstrong Center for Energy and the Environment at the Texas Public Policy Foundation. She is also a director of the Texas and Southwestern Cattle Raisers Association and the Texas Wildlife Association. Ms. Armstrong currently serves on the Advisory Board of the Harte Research Institute for Gulf of Mexico Studies at Texas A&M Corpus Christi. She is also a Founding Director of Taking Care of Texas, a statewide non-profit organization that promotes the mutual benefits of economics and conservation.

Ms. Armstrong currently serves as a director and the Chair of the compensation committee of SJW Corp. ("SJW"), the NYSE-listed parent company of San Jose Water Company and Texas Water Alliance Limited. Ms. Armstrong has served as a director of SJW since May 2009.

The Board of Directors has concluded that Ms. Armstrong should serve as a director given her involvement with the Company since 2009, her experience regarding environmental and natural resource issues, and her business experience.

Mark A. Katsumata. Mr. Katsumata was a director of our Company and the Chairman of our Audit Committee from May 11, 2009 until January 5, 2011. Since January 5, 2011, Mr. Katsumata has served as our Secretary, Treasurer and Chief Financial Officer. Mr. Katsumata has served as a Chief Financial Officer and Vice-President, Finance of a number of NYSE MKT, TSX and TSX Venture Exchange companies. Mr. Katsumata has over 20 years of experience related to the mining industry and has been a member in good standing of the Certified General Accountants' Association of British Columbia and Canada since 1997. During the past five years, Mr. Katsumata was the Chief Financial Officer of Candente Resource Corp., a TSX-listed base and precious metals explorer, and the Chief Financial Officer/Vice-President, Finance of each of Denison Mines Corp., an NYSE MKT and TSX-listed uranium producer and explorer, and Fortress Minerals Corp., a TSX Venture Exchange-listed precious metals explorer.

Term of Office

Our directors hold office until the next annual meeting of the stockholders or until the election and qualification of their successors. Officers are appointed by and serve at the discretion of the Board of Directors.

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Family Relationships

Alan P. Lindsay is the father-in-law of Amir Adnani.

Meetings of Directors During the Last Fiscal Year

The Company's Board of Directors held four meetings in person during the fiscal year ended July 31, 2011, and acted through the adoption of unanimous written consent resolutions on 34 occasions during the period, as permitted under the *Nevada Revised Statutes* and our Company's Bylaws. Each director attended 100% of the aggregate of (i) the total number of board meetings held while he was a director and (ii) the total number of meetings held by committees on which he served during the periods that he served.

The Company does not have a formal policy with respect to director attendance at annual stockholders' meetings, however, all directors are encouraged to attend. A total of five of seven directors from the Board of Directors as it was comprised at the time attended the annual stockholders meeting last year in person.

Board Independence

The Board of Directors has determined that Ivan Obolensky, Vincent Della Volpe, David Kong and Katharine Armstrong each qualify as independent directors under the listing standards of the NYSE MKT.

Committees of the Board of Directors

Our Board of Directors currently has three board committees: an Audit Committee, a Compensation Committee and a Corporate Governance and Nominating Committee. These committees operate pursuant to charters adopted in respect of each committee; copies of which are posted on the Company's website at www.uraniumenergy.com

The following sets forth information relating to the Company's board committees:

Audit Committee

Our Audit Committee has been structured to comply with Rule 10A-3 under the Exchange Act. Our Audit Committee is comprised of Ivan Obolensky, Vincent Della Volpe and David Kong, all of whom meet the audit committee member independence standards of NYSE MKT. Our Board of Directors has determined that Mr. Kong satisfies the criteria for an audit committee financial expert under Item 407(d)(5) of Regulation S-K of the rules of the SEC. Each Audit Committee member is able to read and understand fundamental financial statements, including the Company's consolidated balance sheets, consolidated statements of operations and consolidated statements of cash flows.

The Audit Committee meets with management and our external auditors to review matters affecting the Company's financial reporting, the system of internal accounting and financial controls and procedures and audit procedures and audit plans. The Audit Committee reviews significant financial risks, is involved in the appointment of senior financial executives and annually reviews our insurance coverage and any off balance sheet transactions.

The Audit Committee is mandated to monitor our Company's audit and the preparation of financial statements and to review and recommend to the Board of Directors all financial disclosure contained in our company's public documents. The Audit Committee is also mandated to appoint external auditors, monitor their qualifications and independence and determine the appropriate level of their remuneration. The external auditors report directly to the Audit Committee and to the Board of Directors. The Audit Committee and Board of Directors each have the authority to terminate the external auditor's engagement (subject to confirmation by our stockholders). The Audit Committee also approves in advance any permitted services to be provided by the external auditors which are not related to the audit.

We will provide appropriate funding as determined by the Audit Committee to permit the Audit Committee to perform its duties and to compensate its advisors. The Audit Committee, at its discretion, has the authority to initiate special investigations and, if appropriate, hire special legal, accounting or other outside advisors or experts to assist the Audit Committee to fulfill its duties.

The Audit Committee discharged its mandate in respect of the financial period ended July 31, 2011, including the review and recommendation to our Board of Directors of all financial disclosure contained in our Company's public documents. The Audit Committee held four meetings in person during our fiscal year ended July 31, 2011, and also acted through the adoption of unanimous written consent resolutions on five occasions during the period, as permitted under the *Nevada Revised Statutes* and our Company's Bylaws. The committee met without management present at its meeting with respect to the Company's fiscal year end.

Report of the Audit Committee

The Audit Committee has reviewed and discussed the audited financial statements for the fiscal period ended July 31, 2011, with the Company's management. In addition, the Audit Committee has discussed with the Company's independent registered public accounting firm, Ernst & Young LLP, the matters required to be discussed by the statement on Auditing Standards No. 61, as amended, *Communication with Audit Committees*. The Audit Committee has received the written disclosures and the letter from Ernst & Young LLP required by applicable requirements of the Public Company Accounting Oversight Board regarding Ernst & Young LLP's communications with the Audit Committee concerning independence, and has discussed with Ernst & Young LLP their independence. Based on the discussions and reviews referenced above, the Audit Committee recommended to the Board of Directors that the audited financial statements for the fiscal period ended July 31, 2011, be included in the Company's Annual Report on Form 10-K, for the period ended July 31, 2011. The Audit Committee has selected Ernst & Young LLP to serve as the Company's Independent Registered Public Accounting Firm for fiscal 2012.

By: David Kong, Ivan Obolensky and Vincent Della Volpe.

Compensation Committee

The Compensation Committee is comprised of Ivan Obolensky, Vincent Della Volpe and Katharine Armstrong, all of whom qualify as independent directors under NYSE MKT rules. Mr. Della Volpe is the Chairman of the Compensation Committee. (Mr. Essiger, who qualified as an independent director under NYSE MKT rules, served as a member of the Compensation Committee and Chairman thereof until his resignation as a director of the Company on June 1, 2012).

The Compensation Committee is responsible for considering and authorizing terms of employment and

compensation of directors, executive officers and employees and providing advice on compensation structures in the various jurisdictions in which our Company operates. In addition, the Compensation Committee reviews and oversees our overall salary objectives and any significant modifications made to employee benefit plans, including those applicable to directors and executive officers, and proposes any awards of stock options and incentive and deferred compensation benefits. The Compensation Committee held one meeting in person during our fiscal year ended July 31, 2011, and also acted through the adoption of unanimous written consent resolutions on twelve occasions during the period, as permitted under the *Nevada Revised Statutes* and our Company's Bylaws. At each meeting the Compensation Committee met without Company management being present.

Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee is comprised of Ivan Obolensky, Vincent Della Volpe and Katharine Armstrong, all of whom qualify as independent directors under NYSE MKT rules. Mr. Della Volpe is the Chairman of the Corporate Governance and Nominating Committee. (Mr. Essiger, who qualified as an independent director under NYSE MKT rules, served as a member of the Corporate Governance and Nominating Committee and Chairman thereof until his resignation as a director of the Company on June 1, 2012).

The Corporate Governance and Nominating Committee is responsible for developing our approach to corporate governance issues and compliance with governance rules. The Corporate Governance and Nominating Committee is also mandated to plan for the succession of our Company, including recommending director candidates, review of board procedures, size and organization and monitoring of senior management with respect to governance issues. The Corporate Governance and Nominating Committee is responsible for the development and implementation of corporate communications to ensure the integrity of our disclosure controls and procedures, internal control over financial reporting and management information systems. The purview of the Corporate Governance and Nominating Committee also includes the administration of our Board of Directors' relationship with our management.

The Corporate Governance and Nominating Committee identifies individuals believed to be qualified to become board members and recommends individuals to fill vacancies. There are no minimum qualifications for consideration for nomination to be a director of the Company. The Corporate Governance and Nominating Committee assesses all nominees using generally the same criteria. In nominating candidates, the Corporate Governance and Nominating Committee takes into consideration such factors as it deems appropriate, including judgment, experience, skills and personal character, as well as the needs of the Company. The Corporate Governance and Nominating Committee does not have a formal policy with regard to the consideration of diversity in identifying director nominees, and historically has not considered diversity as a major criterion for identifying director nominees.

The Corporate Governance and Nominating Committee has performed a review of the experience, qualifications, attributes and skills of our Company's current directors who are nominated for reelection, and believes that such persons possess a variety of complementary skills and characteristics, including the following:

- personal characteristics, including leadership, character, integrity, accountability, sound business judgment and personal reputation;
- successful business or professional experience;
- various areas of expertise or experience, including financial, strategic and general management;

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- willingness and ability to commit the necessary time to fully discharge the responsibilities of a director in connection with the affairs of the Company; and

- a demonstrated commitment to the success of the Company.

For a discussion of the specific backgrounds and qualifications of our current directors and nominees, see "Proposal 1 -- Election of Directors" in this Proxy Statement.

The Corporate Governance and Nominating Committee considers nominees recommended by stockholders if such recommendations are made in writing to the Corporate Governance and Nominating Committee and evaluates nominees for election in the same manner whether the nominee has been recommended by a stockholder or otherwise. To recommend a nominee, please write to the Company's Corporate Governance and Nominating Committee c/o Uranium Energy Corp., Attn: Corporate Secretary, at #320 - 1111 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2J3.

The Corporate Governance and Nominating Committee acted through the adoption of unanimous written consent resolutions on one occasion during the fiscal year ended July 31, 2011, as permitted under the *Nevada Revised Statutes* and our Company's Bylaws. The Corporate Governance and Nominating Committee acted without management involvement.

Stockholder Communications

Stockholders may contact an individual director, the Board of Directors as a group or a specified board committee or group, including any non-employee directors as a group, either by (i) writing to Uranium Energy Corp., at #320 - 1111 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2J3, Attn: Corporate Secretary, or (ii) sending an e-mail message to info@uraniumenergy.com.

Our Corporate Secretary will conduct an initial review of all such stockholder communications and will forward the communications to the persons to whom it is addressed, or if no addressee is specified, to the appropriate committee of the Board of Directors or the entire Board of Directors depending on the nature of the communication. Such communications will be assessed by the recipients as soon as reasonably practicable taking into consideration the nature of the communication and whether expedited review is appropriate.

Code of Business Conduct and Ethics Policy

We have adopted a Code of Business Conduct and Ethics Policy that applies to all directors and officers. The code describes the legal, ethical and regulatory standards that must be followed by the directors and officers of the Company and sets forth high standards of business conduct applicable to each director and officer. As adopted, the Code of Business Conduct and Ethics Policy sets forth written standards that are designed to deter wrongdoing and to promote, among other things:

1. honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
2. compliance with applicable governmental laws, rules and regulations;
3. the prompt internal reporting of violations of the code to the appropriate person or persons identified in the code; and
4. accountability for adherence to the code.

A copy of our Code of Business Conduct and Ethics Policy can be viewed on our website at the following URL: http://www.uraniumenergy.com/about_us/corporate_governance/code_of_ethics/.

Involvement in Certain Legal Proceedings

Except as disclosed in this Proxy Statement, during the past ten years none of the following events have occurred with respect to any of our directors or executive officers:

1. a petition under the Federal bankruptcy laws or any state insolvency law was filed by or against, or a receiver, fiscal agent or similar officer was appointed by a court for the business or property of such person, or any partnership in which he was a general partner at or within two years before the time of such filing, or any corporation or business association of which he was an executive officer at or within two years before the time of such filing;
2. such person was convicted in a criminal proceeding or is a named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses);
3. such person was the subject of any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining him from, or otherwise limiting, the following activities:
 - (a) acting as a futures commission merchant, introducing broker, commodity trading advisor, commodity pool operator, floor broker, leverage transaction merchant, any other person regulated by the Commodity Futures Trading Commission, or an associated person of any of the foregoing, or as an investment adviser, underwriter, broker or dealer in securities, or as an affiliated person, director or employee of any investment company, bank, savings and loan association or insurance company, or engaging in or continuing any conduct or practice in connection with such activity;
 - (b) engaging in any type of business practice; or
 - (c) engaging in any activity in connection with the purchase or sale of any security or commodity or in connection with any violation of Federal or State securities laws or Federal commodities laws;
4. such person was the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any Federal or State authority barring, suspending or otherwise limiting for more than 60 days the right of such person to engage in any activity described in paragraph (3)(a) above, or to be associated with persons engaged in any such activity;
5. such person was found by a court of competent jurisdiction in a civil action or by the SEC to have violated any Federal or State securities law, and the judgment in such civil action or finding by the SEC has not been subsequently reversed, suspended, or vacated;
6. such person was found by a court of competent jurisdiction in a civil action or by the Commodity Futures Trading Commission to have violated any Federal commodities law, and the judgment in such civil action or finding by the Commodity Futures Trading Commission has not been subsequently reversed, suspended or vacated;

7. such person was the subject of, or a party to, any Federal or State judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of:

- (a) any Federal or State securities or commodities law or regulation; or
- (b) any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order; or
- (c) any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or

8. such person was the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

There are currently no material legal proceedings to which any of our directors or executive officers is a party adverse to us or any of our subsidiaries or has a material interest adverse to us or any of our subsidiaries.

Certain Relationships and Related Party Transactions

Except for the transactions described below, since the beginning of our fiscal year ended July 31, 2010, none of our directors, nominees for director, officers or principal stockholders, nor any immediate family member of the foregoing, has or have any material interest, direct or indirect, in any transaction, or in any proposed transaction, in which our Company was or is to be a participant and in which the amount involved exceeds \$120,000.

During the year ended July 31, 2011, the Company had transactions with certain officers and directors of the Company as follows:

- incurred \$122,701 in general and administrative costs paid to companies controlled by a direct family member of a current officer and director (Mr. Adnani); and
- incurred \$221,680 in finder's fees related to private placements paid to a company controlled by a former director (Mr. Essiger, who resigned as a director on June 1, 2012).

During the year ended July 31, 2010, the Company had transactions with certain officers and directors of the Company as follows:

- incurred \$151,797 in general and administrative costs paid to companies controlled by a direct family member of a current officer and director (Mr. Adnani).

Amounts owing to related parties are unsecured, non-interest bearing and without specific terms of repayment.

Our Audit Committee is charged with reviewing and approving all related party transactions and reviewing and making recommendations to the board of directors, or approving any contracts or other transactions with any of our current or former executive officers.

Conflicts of Interest

To our knowledge, and other than as disclosed in this Proxy Statement, there are currently no known existing or potential conflicts of interest among us, our promoters, directors and officers, or other members of management, or any proposed director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to us and their duties as a director or officer of such other companies.

Compliance with Section 16(a) of the Exchange Act

Section 16(a) of the Exchange Act requires our executive officers and directors, and persons who beneficially own more than ten percent of our equity securities, to file initial reports of ownership and reports of changes in ownership of our common stock and our other equity securities with the SEC. Based on our review of the reports furnished to us by our officers, directors and greater than ten percent stockholders, we believe that all such reports were timely filed during the fiscal year ended July 31, 2011.

Board Leadership Structure and Role in Risk Oversight

Amir Adnani serves as our Chief Executive Officer while Alan P. Lindsay serves as the Chairman of our Board of Directors. Our Board of Directors takes an active role in risk oversight of our Company. Our executive officers report any significant risks that come to their attention to our Board of Directors. Our Audit Committee reviews significant financial risks and reports them to the Board of Directors as well.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Oversight of Executive Compensation Program

The Compensation Committee of our Board of Directors is responsible for establishing and administering the Company's executive and director compensation.

The Compensation Committee is composed entirely of independent, non-management members of the Board of Directors. The Board of Directors has determined that none of the Compensation Committee members have any material business relationships with the Company. Independency is re-assessed annually by the Company.

The responsibilities of the Compensation Committee, as stated in its charter, include the following:

- review and approve the Company's compensation guidelines and structure;
- review and approve on an annual basis the corporate goals and objectives with respect to compensation for the chief executive officer;

- review and approve on an annual basis the evaluation process and compensation structure for the Company's other officers, including salary, bonus, incentive and equity compensation; and
- periodically review and make recommendations to the Board of Directors regarding the compensation of non-management directors.

The committee is responsible for developing the executive compensation philosophy; reviewing and recommending to the board for approval all compensation policies and compensation programs for the executive team.

The Compensation Committee did not retain an independent executive compensation advisory firm in the previous two years. In May 2012 the Compensation Committee retained Global Governance Advisors Inc. ("**GGA**"), an independent executive compensation advisory firm, as its primary independent executive compensation consultant to help the Board of Directors develop additional compensation governance practices. GGA's engagement is discussed further on page 23.

Overview of Executive Compensation Program

The Company recognizes that people are our primary asset and our principal source of competitive advantage. In order to recruit, motivate and retain the most qualified individuals as senior executive officers, the Company strives to maintain an executive compensation program that is competitive in the mining industry, which is a competitive, global labor market. In assessing the competitiveness of executive compensation packages, including for the purposes of considering increases in base salaries and bonus awards, the Company considered the compensation practices of a comparative group of uranium-focused public companies chosen based upon factors such as size (market capitalization and assets), stage of operations (pre-production to production, given that the Company entered into production in fiscal 2011), and location of operations (North America), with a view to providing a spectrum of compensation data.

The Compensation Committee's compensation objective is designed to attract and retain the best available talent while efficiently utilizing available resources. The Compensation Committee compensates executive management primarily through base salary and equity compensation designed to be competitive with comparable companies, and to align management's compensation with the long-term interests of shareholders. In determining an executive management's compensation, the Compensation Committee also takes into consideration the financial condition of the Company and discussions with the executive.

In order to accomplish our goals and to ensure that the Company's executive compensation program is consistent with its direction and business strategy, the compensation program for our senior executive officers is based on the following objectives:

- encourage and reward performance which supports the Company's core values and business objectives;
- emphasize a "pay for performance" system, in which an individual's short and long-term compensation and career advancement are dependent upon both individual and Company performance, with an objective of increasing long-term shareholder value; and
- provide competitive total compensation and reward programs to enhance the Company's ability to attract, motivate and retain knowledgeable and experienced senior executive officers.

There are three basic components to the Company's executive compensation program: base salary, short term incentive cash awards and long-term incentive equity compensation.

Base Salary

Base salary is the foundation of the compensation program and is intended to compensate competitively relative to comparable companies within our industry and the marketplace where we compete for talent. Base salary is a fixed component of the compensation program and is used as the base to determine elements of incentive compensation and benefits. The Company has conducted an internal survey of companies within our industry and has found our annual base salaries to be aligned competitively with those within the peer group identified by the Company.

Short-Term Incentive (Cash)

The short-term incentive plan is a variable component of compensation and has the objective to motivate the executive officers to achieve pre-determined objectives and provide a means to reward the achievement of corporate milestones and fulfillment of the annual business plan. During the fiscal years 2008 and 2009, the Company did not award any short term incentive, which we considered appropriate due to the decline of the global capital markets. During 2010, the Company was in transition from an operating company to a producing company, and we determined to formalize a process for the award of short term incentives. In 2010 and 2011 corporate and individual goals were set for our executive officers based on the achievement of corporate, divisional and individual objectives. As significant corporate milestones were achieved by the Company during 2010 and 2011, short-term incentive compensation awards became a more significant element of the overall executive officer compensation program.

Long-Term Incentive (Equity)

The Company's long-term incentive program provides for the granting of stock options to senior executive officers to both motivate executive performance and retention, as well as align executive officer performance to shareholder value creation. In awarding long-term incentives, the Company compares the long-term incentive program to that of comparable companies within our industry and evaluates such factors as the number of options available under its Stock Incentive Plan and the number of options outstanding relative to the number of shares outstanding. The Company has historically sought to award stock options on a competitive basis, based on a comparison with comparable companies. The Company has conducted an internal survey of companies within our industry and has found our long-term incentive program to be aligned competitively with those within the peer group identified by the Company. Each long-term incentive grant is based on the level of the position, internal equity and overall market competitiveness.

Options have a term of up to 10 years and, generally, not more than one-quarter vest each six month period during a term of not less than two years, with the exception of directors and officers, whose granted options vest immediately. No directors or officers exercised any options during the fiscal year ended July 31, 2011. The Compensation Committee takes into consideration previous grants when it considers new grants of options.

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The Board of Directors fixes the exercise price of the options at the time of the grant at the NYSE MKT closing price of our common shares.

The following table summarizes the pay mix by executive and illustrates the percentage of fixed versus at risk pay over the last three fiscal years:

Name and Principal Position	Period	Base Salary (%)	Cash Bonus (STIP) (%)	Stock Options (LTIP) (%)	Pay at risk (STIP + LTIP) (%)
Amir Adnani, President and Chief Executive Officer	2011	32%	24%	44%	68%
	2010	31%	15%	54%	69%
	2009	84%	0%	16%	16%
Harry L. Anthony, Chief Operating Officer	2011	28%	25%	46%	72%
	2010	29%	16%	55%	71%
	2009	83%	0%	17%	17%
Pat Obara, former Secretary, Treasurer and Chief Financial Officer ⁽¹⁾	2011	17%	24%	59%	83%
	2010	30%	11%	59%	70%
	2009	83%	0%	17%	17%
Mark Katsumata, Secretary, Treasurer and Chief Financial Officer ⁽²⁾	2011	41%	0%	59%	59%
	2010	*	*	*	*
	2009	*	*	*	*

Notes

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- (1) Mr. Obara resigned as Chief Financial Officer, Secretary and Treasurer effective on January 5, 2011.
- (2) Mr. Katsumata was appointed Chief Financial Officer, Secretary and Treasurer effective on January 5, 2011.

Non-cash Compensation

The Company provides standard health benefits to its executives, including medical, dental and disability insurance.

Overall, non-cash compensation is intended to provide a similar level of benefits as those provided by comparable companies within our industry.

Review of Senior Executive Officer Performance

The Compensation Committee reviews, on an annual basis, the overall compensation package for our senior executive officers and evaluates executive officer performance relative to corporate goals. The Compensation

Committee has the opportunity to meet with the senior executive officers at various times during the year, which assists the Compensation Committee in forming its own assessment of each individual's performance.

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In determining the compensation for the senior executive officers, the Compensation Committee considered compensation paid to other executive officers of other companies within the industry, the executive's performance in meeting goals, the complexity of the management position and the experience of the person. Of the amount of the compensation paid to the executive officer, a large portion of the compensation was in the form of options. The number of options granted was determined in large part due to the financial condition of the Company which had no revenues through the fiscal year ended July 31, 2011.

When reviewing the executive's performance for fiscal year 2011, the Compensation Committee took into consideration both individual and corporate performance levels.

This year's Executive Performance targets were:

- successful start-up of production;
- advancement of the Company's permitting on Goliad and Palangana;
- significant property acquisitions;
- securing uranium sales contract; and
- corporate performance.

The following milestones were attained by the Company as a result of the success of the executives meeting their performance targets:

- Start of production

: The Company initiated in-situ recovery of uranium at our Palangana Project in South Texas in mid-November. Shortly thereafter, the first delivery of uranium-loaded resins was accepted at our Hobson plant, also in South Texas, and the processing into marketable U3O8 or yellowcake was commenced.

- Goliad permitting advances

: The Texas Commission on Environmental Quality (TCEQ) granted the Goliad project its Mine Permit and Production Area Authorization and approved both planned disposal wells.

- First

Sales Contract: The Company secured its first multi-year uranium sales contract.

- New Acquisitions

: The Company acquired a 247,000-acre uranium property located in the area of Coronel Oviedo, Paraguay.

- Completion of a non-brokered financing of \$27.5 Million.

- Addition to the Russell 2000 and Russell 3000 indexes.
- Addition to the S&P/TSX Global Mining Index.

Alan Lindsay, Chairman of the Board

Alan P. Lindsay serves as the Company's Chairman and a director and is retained accordingly on a yearly basis. Mr. Lindsay is compensated on a monthly basis at a rate of \$6,000 per month.

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The Company's compensation policy for Mr. Lindsay is based on comparisons of other companies remunerations made to their Chairmen and the value of his expertise to the Company.

Amir Adnani, President and Chief Executive Officer

Amir Adnani is retained according to an executive services agreement with our Company, and his compensation for serving as an executive officer of the Company is disclosed below in the "Summary Compensation Table."

The Company's compensation policy for Mr. Adnani is based on comparisons of other companies' remunerations made to their Presidents and Chief Executive Officers and the value of his expertise to the Company.

As shown in the Director Compensation Table below, Mr. Adnani does not receive additional compensation in connection with his service as a director of the Company.

Harry L. Anthony, Chief Operating Officer

Mr. Anthony is retained according to an executive services agreement with our Company, and his compensation for serving as Chief Operating Officer of the Company is disclosed below in the "Summary Compensation Table."

The Company's compensation policy for Mr. Anthony is based on comparisons of other companies' remunerations made to their Chief Operating Officers and the value of his expertise to the Company.

As shown in the Director Compensation Table below, Mr. Anthony does not receive additional compensation in connection with his service as a director of the Company.

Pat Obara, former Chief Financial Officer

Mr. Obara resigned as our Chief Financial Officer on January 5, 2011, and currently serves as Vice President Administration of our Company. As Chief Financial Officer, Mr. Obara was (and now as Vice-President Administration he is) retained on a month-to-month basis under the provisions of a consulting services agreement. His compensation during our fiscal year ended July 31, 2011, is disclosed below in the "Summary Compensation Table."

The Company's compensation policy for Mr. Obara was based on comparisons of other companies' remunerations made to their Chief Financial Officers (and subsequently, to officers that have similar responsibilities as Mr. Obara in his current role as our Vice-President Administration) and the value of his expertise to the Company.

Mark Katsumata, Chief Financial Officer

Mr. Katsumata is retained according to an executive services agreement with our Company, and his compensation for serving as Chief Financial Officer of the Company is disclosed below in the "Summary Compensation Table."

The Company's compensation policy for Mr. Katsumata is based on comparisons of other companies' remunerations made to their Chief Financial Officers and the value of his expertise to the Company.

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Pension Benefits

None.

Non-Qualified Deferred Compensation

None.

Retirement, Resignation or Termination Plans

Officers with contracts for services have notice requirements which permit pay in lieu of notice.

Each of Messrs. Adnani's and Anthony's contracts contemplates the case of termination due to various provisions whereby they will each receive various severance payments.

Compensation and Risk

We do not believe that our compensation policies and practices are reasonably likely to have a material adverse effect on us. We have taken steps to ensure our executive compensation program does not incent risk outside the Company's risk appetite. Some of the key ways that we currently manage compensation risk are as follows.

- appointing a majority of independent directors to the Compensation Committee to oversee the executive compensation program;
- the use of deferred equity compensation in the form of stock options to encourage a focus on long-term corporate performance versus short-term results;
- disclosure of executive compensation to stakeholders;
- use of discretion in adjusting bonus payments up or down as the Compensation Committee deems appropriate; and
- adopted say on pay.

Consistent with good governance practices, the Company has retained an independent compensation advisor, GGA, to provide advice on the structure and levels of compensation for executives and directors and intends to undertake a comprehensive review of its incentive plans in 2012.

Consideration of Most Recent Shareholder Advisory Vote on Executive Compensation

As required by Section 14A of the Exchange Act, at our 2011 Annual Meeting of Stockholders our stockholders voted, in an advisory manner, on a proposal to approve our named executive officer compensation. This

was our most recent stockholder advisory vote to approve named executive officer compensation. The proposal was approved by our stockholders, receiving approximately 70% of the vote of the stockholders present in person or represented by proxy and voting at the meeting. We considered this vote to be a ratification of our current executive compensation policies and decisions and, therefore, did not make any significant changes to our executive compensation policies and decisions based on the vote.

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Compensation Committee Interlocks and Insider Participation

No person who served as a member of our Compensation Committee during our fiscal year ended July 31, 2011 was a current or former officer or employee of our Company or engaged in certain transactions with our Company required to be disclosed by regulations of the SEC. Additionally, during our fiscal year ended July 31, 2011, there were no Compensation Committee "interlocks," which generally means that no executive officer of our Company served: (a) as a member of the compensation committee (or other board committee performing equivalent functions or, in the absence of any such committee, the entire board of directors) of another entity which had an executive officer serving as a member of our Company's Compensation Committee; (b) as a director of another entity which had an executive officer serving as a member of our Company's Compensation Committee; or (c) as a member of the compensation committee (or other board committee performing equivalent functions or, in the absence of any such committee, the entire board of directors) of another entity which had an executive officer serving as a director of our Company.

Compensation Committee Report

The Compensation Committee has reviewed and discussed the foregoing compensation discussion and analysis with Company management. Based on that review and those discussions, the Compensation Committee recommended to the Board of Directors that the compensation discussion and analysis be included in this Proxy Statement. This report is provided by the following independent directors, who comprise the Compensation Committee:

By: Vincent Della Volpe and Ivan Obolensky (Katharine Armstrong did not participate in this Report given that she did not become a member of the Compensation Committee until June 1, 2012).

Summary Compensation Table

The following table sets forth the compensation paid to our Chief Executive Officer, Chief Financial Officer and those executive officers that earned in excess of \$100,000 during the years ended July 31, 2011, 2010 and 2009 (each a "**Named Executive Officer**"):

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Summary Compensation Table

Notes

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- (1) These amounts represent fees paid by the Company to the Named Executive Officers during the past year pursuant to various employment and consulting services agreements, as between us and the Named Executive Officers, which are more particularly described below.
- (2) These amounts represent the fair value of these options at the date of grant which was estimated using the Black-Scholes option pricing model.
- (3) The Company did not record any non-equity incentive compensation plan expense, non-qualified deferred compensation expense or other compensation expense for the Named Executive Officers.
- (4) Mr. Obara resigned as Chief Financial Officer, Secretary and Treasurer effective on January 5, 2011.
- (5) Mr. Katsumata was appointed Chief Financial Officer, Secretary and Treasurer effective on January 5, 2011.

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We granted options to purchase shares of our common stock to the Named Executive Officers in the fiscal year ended July 31, 2011, as follows:

Grants of Plan Based Awards