

**Report of Organizational Actions  
 Affecting Basis of Securities**

▶ See separate Instructions.

<b>Part I Reporting Issuer</b>			
1 Issuer's name <b>Uranium Energy Corp.</b>		2 Issuer's employer identification number (EIN) <b>98-0399476</b>	
3 Name of contact for additional information <b>Mark Katsumata</b>		4 Telephone No. of contact <b>(604) 682-9775</b>	
5 Email address of contact <b>mkatsumata@uraniumenergy.com</b>		6 Number and street (or P.O. box if mail is not delivered to street address) of contact <b>320 - 1111 West Hastings Street</b>	
7 City, town, or post office, state, and Zip code of contact <b>Vancouver, British Columbia V6E 2J3</b>		8 Date of action <b>March 20, 2012</b>	
9 Classification and description <b>Common Shares</b>		10 CUSIP number <b>916896103</b>	
11 Serial number(s) <b>N/A</b>		12 Ticker symbol <b>UEC</b>	
13 Account number(s) <b>N/A</b>			

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On March 20, 2012 Uranium Energy Corp. ("UEC") acquired all of the issued and outstanding common shares of Cue Resources Ltd. ("Cue") (the "Arrangement"). Specifically, upon consummation of the Arrangement, Cue shareholders exchanged each of their Cue common shares for 0.0195 of one UEC common share. The Arrangement is described in full in the Management Information Circular involving Cue and UEC, which is available at [www.sedar.com](http://www.sedar.com).

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ Though it is not free from doubt, UEC believes that the Arrangement should qualify as a tax-deferred reorganization within the meaning of Code Section 368(a). As a result, shareholders of Cue will likely have a basis in the UEC common shares they received in the Arrangement equal to such shareholder's aggregate tax basis in the Cue shares surrendered. In addition, the holding period for the UEC shares acquired in the Arrangement should include such shareholder's holding period for the Cue shares surrendered.

Even if the Arrangement qualifies as a reorganization under Code Section 368(a), certain special rules may apply if Cue was a passive foreign investment company, as defined under Code Section 1297, for the taxable years during which a shareholder held Cue common shares. Shareholders should consult with their own tax advisors regarding the U.S. federal income tax consequences of the Arrangement.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ For purposes of calculating fair market value, the fair market value of UEC common shares on March 20, 2012 is estimated at \$3.90, which was the stock price for UEC common shares on the New York Stock Exchange on March 20, 2012. Shareholders should consult with their own tax advisors to determine whether they are required to recognize any gain and what measure of fair market value is appropriate.

**Part II Organizational Action** (continued)


17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Although not free from doubt, UEC believes that its acquisition of Cue pursuant to the Arrangement should qualify as a reorganization within the meaning of Section 368(a) of the Code. Consequently, the U.S. federal income tax consequences to Cue shareholders should be determined under Code Sections 354, 358 and 1221. In addition, because Cue believes that it was a passive foreign investment company as defined under Code Section 1297 (a "PFIC") for its prior tax years and based on current business plans and financial projections, expects that it will be classified as a PFIC for its current tax year, Code Sections 1291-98 may be applicable. Shareholders should consult their own tax advisors regarding the application of the PFIC rules.

18 Can any resulting loss be recognized? ▶ If the Arrangement qualifies as a reorganization within the meaning of Code Section 368(a), then in general, each Cue shareholder who receives UEC common shares in the Arrangement should not recognize loss.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ In general, any gain recognized should be reported by shareholders for the taxable year which includes March 20, 2012 (e.g., a calendar year shareholder would report the transaction on his or her federal income tax return filed for the 2012 calendar year).

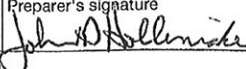
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶  Date ▶ 6/5/2012

Print your name ▶ Mark Katsumata Title ▶ Chief Financial Officer

**Paid Preparer Use Only**

Print/Type preparer's name <u>John Hollinrake</u>	Preparer's signature 	Date <u>6/5/2012</u>	Check <input type="checkbox"/> if self-employed	PTIN <u>PO1568530</u>
Firm's name ▶ <u>Dorsey &amp; Whitney LLP</u>	Firm's address ▶ <u>Columbia Center, 701 Fifth Avenue, Suite 6100, Seattle, Washington 98104</u>		Firm's EIN ▶ <u>41-0223337</u>	Phone no. ▶ <u>(206)903-8812</u>