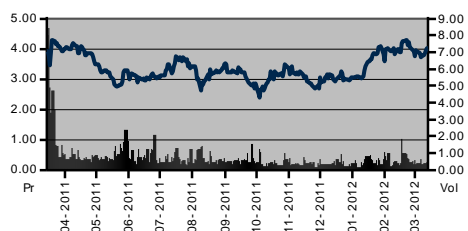


Rating:	Accumulate
Price Target:	\$5.25
<i>Price Target Metrics: DCF model with 7.5% discount rate</i>	
Current Price:	\$4.02
Float:	69.8MM
Diluted Shares:	86.3MM
Short Interest:	10.9MM
Average Daily Volume:	582k
52 Week Range:	\$2.20 - \$7.48
Market Cap:	\$347MM
Cash and Investments:	\$17MM
Debt:	\$0MM
Enterprise Value:	\$330MM
Net Cash/Sh:	\$0.20
Tangible Book/Sh:	\$0.70

PRICE & VOLUME CHART



ESTIMATES \$ (MMs except multiples & EPS)

	2012		2013		2014		2015
	Prior	New	Prior	New	Prior	New	
Revenue							
FY	\$12.0	\$13.8E	\$70.8	\$57.0E	\$78.8	\$80.5E	\$94.5E
EBITDA (Adjusted)							
FY	\$(5.2)	\$(3.6)E	\$36.3	\$25.6E	\$41.6	\$43.4E	\$52.9E
EPS							
FY	N/A	(0.41)E	N/A	\$2.73E	N/A	\$3.17E	\$3.89E

Uranium Energy Corp.

(AMEX: UEC)

UEC reports earnings; Palangana to increase in size, raising PT to \$5.25

Summary: UEC reported fiscal 2012 second quarter results, and while production of U3O8 was slightly lower than the previous quarter the Palangana in-situ recovery (ISR) mine showed better long-term potential. In addition, the Goliad project is now fully permitted and we anticipate construction to commence on the larger wellfields during the next quarter. UEC has also made good exploration progress at multiple projects. From a high level, UEC is delivering on multiple levels of the business plan. We are adjusting our estimates based on a slightly lower price of U3O8 than previously forecast, extension of the Palangana mine life and a revised production timeline at Goliad. We are reiterating our Accumulate rating and increasing our price target to \$5.25 from \$4.45.

Highlights

Palangana production less than anticipated but mine life extended. In fiscal Q2 UEC produced 38,000 pounds of U3O8, down slightly in relative terms from 67,000 pounds the previous quarter. The lower amount was due to production area 1 requiring a number of wells to be re-drilled in the quarter. We do not believe this is representative of future production trends. Production area 2 is slated to commence production in March 2012, with production area 3 slated to come online in the fourth quarter of calendar 2012. Initial recovery test results for both production areas 2 and 3 have been positive.

We believe Palangana has a bright future. The company's newly identified production areas 4 and 5 are in the planning phase, with potential for production in the next couple of years. UEC is demonstrating excellent long-term potential for this project and we are encouraged by the progress to further lengthen our estimated mine life estimate for Palangana.

Goliad project permitted and ready for construction. As previously discussed, UEC has received all necessary permits to begin construction, which we anticipate to begin during the next quarter. We have revised the start-up phase for Goliad due to the slight time delay in construction, and will continue to monitor the situation as warranted. We continue to believe Goliad will become the "Flagship" production asset for UEC over the next year, allowing the company to get over 1.0 million pounds of production in the next two years.

Workman Creek project initial resource. UEC announced an initial NI-43-101 resource estimate for the Workman Creek project in Arizona. Workman Creek confirms an initial resource of over 5.5 million pounds of U3O8 in the inferred category.

Takeaways and Valuation. In the post Fukushima nuclear world, U3O8 prices have not recovered as quickly as we initially anticipated. As a result, we are lowering our assumed prices for 2012 and 2013 to \$58 and \$66, from \$64 and \$70 per pound, respectively. Based on obtaining all of the requisite permits for Goliad's construction we are lowering our discount rate used in our DCF valuation model to 7.5% from 8%. Once the Goliad project is operational and generating positive cash flow we believe the discount rate can be re-examined.

NAV estimate. Our analysis indicates the present value of cash flows expected to be generated by the company's projects is \$363.82 million. When factoring in the other assets of UEC and the historic U3O8 resources plus current cash on hand, we arrive at a NAV estimate of \$463.82 million or \$5.35 per share. We are reiterating our Accumulate rating and raising our price target to \$5.25 from \$4.45.

Company Description: Uranium Energy Corp. (UEC) is a production stage uranium company. As of July 31, 2010, it had interests in 50,253 acres of leased or staked mineral properties, consisting of claim blocks located in the States of Arizona, Colorado, New Mexico, Texas, Utah and Wyoming. The assets of UEC include the fully licensed and permitted Hobson in-situ recovery (ISR) processing plant; the Palangana Uranium project, Goliad Project and Salvo project.

UEC DCF Model

	2012E	2013E	2014E	2015E	2016E	2017E	2018E	2019E
(US\$ '000)								
Net Revenue	13,800	57,024	80,500	94,500	99,000	100,800	100,800	97,600
Total operating costs	5,500	16,381	20,050	23,100	26,501	27,700	27,700	27,500
Corporate costs	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Operating Income	(3,580)	25,040	42,788	52,338	52,937	53,332	53,332	50,624
Taxes	0	855	14,766	18,108	18,318	18,456	18,456	17,508
Total capital costs	10,000	500	500	13,000	500	500	500	500
Cash Flow	(12,633)	21,754	34,523	29,906	36,943	34,622	32,206	28,441
NPV @ 7.5%	\$363,826							
NPV / share (F.D.)	\$4.21							

Source: Company reports, Global Hunter Securities estimates

Uranium Energy Corp. (UEC) Disclosures

I, Jeff Wright, certify that the views expressed in this report accurately reflect my personal beliefs about this company and that I have not and will not receive compensation directly or indirectly in connection with my specific recommendations or views contained in this report.

As with all employees of Global Hunter Securities, LLC, a portion of our analysts' compensation is based on investment banking revenues.

Global Hunter Securities, LLC does and seeks to do business with the companies covered in this research report.

Risks & Considerations for Uranium Energy Corp. (UEC)

Political risk. Natural resource companies are subject to significant political risk. Despite compliance with national laws, provincial or local opposition (legal or otherwise) may impact operations. Changing federal laws and regulations may negatively impact project economics, regardless of prior agreements. Environmental groups and other non-governmental organizations may actively pursue tactics (legal or otherwise) that can negatively impact miners.

Commodity price risk. Nearly all commodity-related equities are exposed to changes in the underlying commodity. Investors may seek this exposure for the upside potential, but must recognize that leverage cuts both ways. Lower commodity prices could undoubtedly make attractive projects less economically viable.

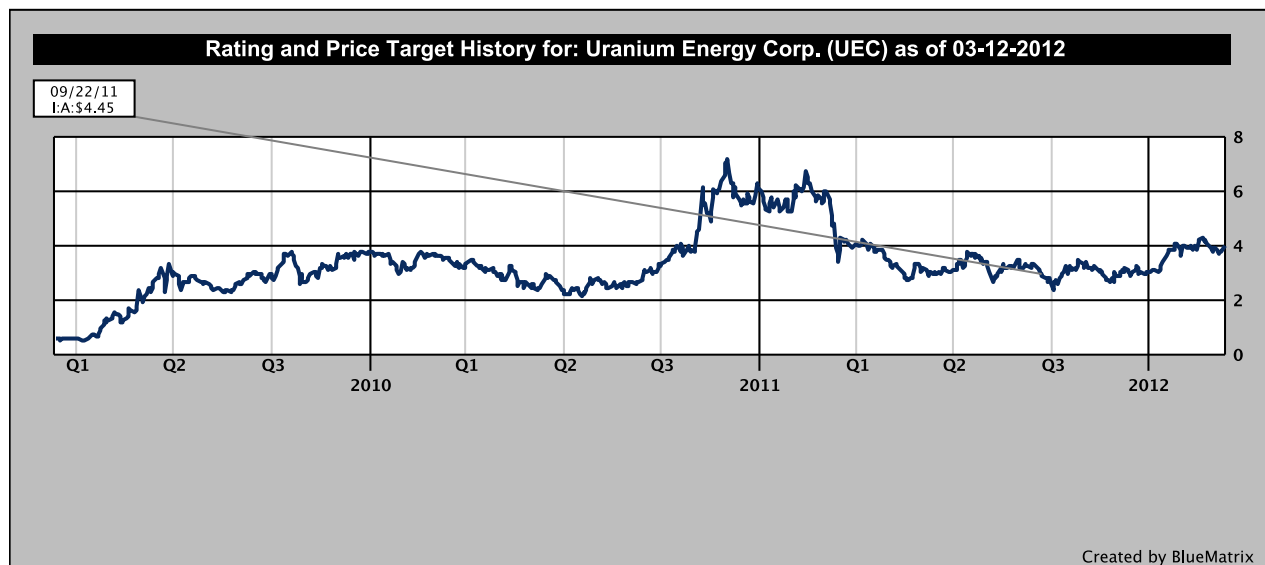
Operational and technical risk. Mining projects are exposed to operational and technical risks that may impact costs and production including technical issues with and/or potential changes in geological, mining and metallurgical parameters of the ore body, such as dilution, grade, and recoveries, as well as equipment, labor, logistics, environmental and safety issues. The timing and volume of production may significantly differ from current forecasts.

Market risk. While the industry sentiment is often tied closely with commodity prices it may also be impacted by larger business cycle forces and conditions.

Cautionary Note to US Investors: Estimates of Measured, Indicated and Inferred Resources

"Measured Mineral Resources" and "Indicated Mineral Resources." US investors are advised that while those terms are recognized and required by Canadian regulations, the US Securities and Exchange Commission (SEC) does not recognize them, and describes the equivalent as "Mineralized Material". US Investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into mineral reserves.

"Inferred Mineral Resources." US Investors are advised that while those terms are recognized and required by Canadian regulations, the US Securities and Exchange Commission (SEC) does not recognize it. "Inferred Mineral Resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. In accordance with Canadian rules, estimates of inferred mineral resources cannot form the basis of feasibility or other economic studies. US Investors are cautioned not to assume that part or all of the inferred mineral resource exists, or it is economically or legally mineable.



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Clients should also refer to <https://ghsecurities.bluematrix.com/sellside/Disclosures.action> for price charts, as well as specific disclosures for covered companies.

Explanation of Ratings

Buy - The stock should be purchased aggressively at current prices. The stock is expected to trade higher on an absolute basis and be a top performer relative to peer stocks over the next 12 months.

Speculative Buy - The stock is expected to trade higher on an absolute basis and be a top performer relative to peer stocks over the next 12 months; however, there is higher than average risk associated with the investment that could result in material loss.

Accumulate - The stock should be purchased at current prices. The stock has an attractive risk/reward and is expected to outperform peer stocks over the next 12 months.

Neutral - The stock has average risk/reward and is expected to perform in line with peer stocks over the next 12 months.

Reduce - The stock should be sold at current prices. The risk/reward has become less attractive and is expected to underperform peer stocks over the next 12 months.

Sell - The stock should be sold aggressively at current prices. The stock is expected to trade lower on an absolute basis and be a top underperformer relative to peer stocks over the next 12 months.

NA - A rating is not assigned.

Ratings Distribution

Rating	Research Coverage		Investment Banking Clients*		
	Count	% of Total	Count	% of Total	% of Rating Category
Buy (Buy, Speculative Buy or Accumulate)	128	77.10%	13	81.25%	10.16%
Hold/Neutral/NA	35	21.10%	3	18.75%	8.82%
Sell(Sell or Reduce)	3	1.80%	0	0.00%	0.00%
Total	166	100%	16	100%	9.6%

*Investment banking clients are companies from whom GHS or an affiliate received compensation from investment banking services provided in the last 12 months.

Note: Ratings Distribution as of March 12, 2012

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