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

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934

For the month of **August, 2008**

Commission File No.: **001-33905**

UR-ENERGY INC.

(Translation of registrant's name into English)

10758 W. Centennial Road, Suite 200
Littleton, Colorado 80127
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ☐ Form 40-F ☒

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ____

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ____

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐ No ☒

FURNISHED HEREWITH

Exhibit	Description of Exhibit
99.1	Unaudited Consolidated Financial Statements for the periods ended June 30, 2008
99.2	Management's Discussion and Analysis for the Three and Six Month Periods Ended June 30, 2008

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

UR-ENERGY INC.

Date: August 12, 2008

By: /s/ Roger Smith

Roger Smith
Roger Smith, Chief Financial Officer

Exhibit 99.1

Ur-Energy Inc.
(a Development Stage Company)

Unaudited Consolidated Financial Statements

June 30, 2008

(expressed in Canadian dollars)

Ur-Energy Inc.
(a Development Stage Company)
Unaudited Consolidated Balance Sheets

(expressed in Canadian dollars)

	June 30, 2008 $	December 31, 2007 $
Assets		
Current assets		
Cash and cash equivalents (note 8)	21,725,876	26,312,757
Short-term investments (note 8)	51,787,722	49,999,021
Amounts receivable	161,445	913,374
Prepaid expenses	144,365	61,488
	73,819,408	77,286,640
Bonding and other deposits (note 3)	1,721,704	1,508,576
Capital assets (note 4)	1,690,457	903,734
Mineral exploration properties (note 5)	31,581,785	31,232,372
Deferred exploration and development expenditures (note 5)	29,660,907	26,419,453
	64,654,853	60,064,135
	138,474,261	137,350,775
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued liabilities	1,408,578	1,432,624
Asset retirement obligation (note 7)	273,199	181,672
Future income tax liability	438,965	1,167,000
	2,120,742	2,781,296
Shareholders' equity		
Capital stock (note 6)	142,947,995	139,447,034
Contributed surplus (note 6)	10,203,241	8,202,595
Deficit	(16,797,717)	(13,080,150)
	136,353,519	134,569,479
	138,474,261	137,350,775

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

Ur-Energy Inc.
(a Development Stage Company)
Unaudited Consolidated Statements of Operations, Comprehensive Loss and Deficit

(expressed in Canadian dollars)

	Three months ended June 30, 2008 $	Three months ended June 30, 2007 $	Six months ended June 30, 2008 $	Six Months Ended June 30, 2007 $	Cumulative From March 22, 2004 to June 30, 2008 $
Expenses					
Promotion	193,095	317,798	338,783	592,288	2,623,173
Regulatory authority and transfer agent fees	17,899	42,983	100,596	59,968	316,933
Professional fees	118,176	148,196	369,975	461,259	2,406,725
General and administrative	2,321,337	1,740,767	4,293,888	2,837,615	15,971,017
General exploration expense	163,060	314,524	261,240	509,427	1,816,024
Write-off of mineral property and deferred exploration expenditures	-	-	-	-	2,122,748
Amortization of capital assets	142,047	11,374	230,234	30,941	341,160
	(2,955,614)	(2,575,642)	(5,594,716)	(4,491,498)	(25,597,780)
Interest income	600,409	699,684	1,389,689	988,494	4,973,683
Foreign exchange gain (loss)	(156,301)	719,046	496,145	858,188	408,065
Other income (loss)	3,000	-	(8,685)	-	(8,685)
	447,108	1,418,730	1,877,149	1,846,682	5,373,063
Loss before income taxes	(2,508,506)	(1,156,912)	(3,717,567)	(2,644,816)	(20,224,717)
Recovery of future income taxes	-	-	-	-	3,427,000
Net loss and comprehensive loss for the period	(2,508,506)	(1,156,912)	(3,717,567)	(2,644,816)	(16,797,717)
Deficit - Beginning of period	(14,289,211)	(7,506,287)	(13,080,150)	(6,018,383)	-
Deficit - End of period	(16,797,717)	(8,663,199)	(16,797,717)	(8,663,199)	(16,797,717)
Loss per common share					
Basic and diluted	(0.03)	(0.01)	(0.04)	(0.03)	
Weighted average number of shares outstanding					
Basic and diluted	93,222,893	84,152,811	92,746,354	79,007,175	

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

Ur-Energy Inc.
(a Development Stage Company)
Unaudited Consolidated Statements of Cash Flow

(expressed in Canadian dollars)

	Three months ended June 30, 2008 $	Three months ended June 30, 2007 $	Six months ended June 30, 2008 $	Six Months Ended June 30, 2007 $	Cumulative From March 22, 2004 to June 30, 2008 $
Cash provided by (used in)					
Operating activities					
Net loss for the period	(2,508,506)	(1,156,912)	(3,717,567)	(2,644,816)	(16,797,717)
Items not affecting cash:					
Stock based compensation	1,195,742	1,106,171	2,048,886	1,701,247	8,814,437
Amortization of capital assets	142,047	11,374	230,234	30,941	341,160
Write-off of deferred exploration expenditures	-	-	-	-	2,122,748
Foreign exchange loss (gain)	(6,597)	(1,048,111)	10,000	(1,186,840)	(2,287,981)
Other loss (income)	(3,000)	-	12,000	-	12,000
Recovery of future income taxes	-	-	-	-	(3,427,000)
Change in non-cash working capital items:					
Amounts receivable	61,940	(76,794)	739,929	(110,308)	(179,252)
Prepaid expenses	(64,054)	(73,131)	(82,877)	(108,665)	(144,365)
Accounts payable and accrued liabilities	(181,830)	(249,530)	(1,021,346)	(226,533)	(787,075)
	(1,364,258)	(1,486,933)	(1,780,741)	(2,544,974)	(12,333,045)
Investing activities					
Mineral exploration property costs	(109,724)	(366,893)	(252,613)	(455,600)	(9,838,663)
Deferred exploration and development expenditures	(1,593,156)	(1,624,852)	(2,286,227)	(2,728,929)	(21,742,599)
Purchase of short- term investments	(51,787,722)	-	(51,787,722)	-	(114,616,743)
Sale of short-term investments	-	-	49,989,021	-	62,829,021
Decrease (increase) in bonding and other deposits	(223,961)	(49,082)	(213,129)	(394,346)	(1,721,705)
Purchase of capital assets	(672,220)	(275,651)	(980,156)	(397,241)	(1,952,224)
	(54,386,783)	(2,316,478)	(5,530,826)	(3,976,116)	(87,042,913)
Financing Activities					
Issuance of common shares and warrants	-	77,744,735	2,750,000	77,744,735	122,668,053
Share issue costs	(5,314)	(246,119)	(115,314)	(246,119)	(2,569,025)
Proceeds from exercise of warrants, compensation options and stock options	43,750	370,456	90,000	985,387	18,567,931
Payment of New Frontiers obligation	-	(11,955,375)	-	(11,955,375)	(17,565,125)
	38,436	65,913,697	2,724,686	66,528,628	121,101,834
Net change in cash and cash equivalents	(55,712,605)	62,110,286	(4,586,881)	60,007,538	21,725,876
Cash and cash equivalents - Beginning of period	77,438,481	26,625,076	26,312,757	28,727,824	-
Cash and cash equivalents- End of period	21,725,876	88,735,362	21,725,876	88,735,362	21,725,876

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

(expressed in Canadian dollars)

1. Nature of operations

Ur-Energy Inc. (the "Company") is a development stage junior mining company engaged in the identification, acquisition, evaluation, exploration and development of uranium mineral properties in Canada and the United States. The Company has not determined whether the properties contain mineral reserves that are economically recoverable. The recoverability of amounts recorded for mineral exploration properties and deferred exploration expenditures is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain the necessary financing to complete the development of these properties and upon attaining future profitable production from the properties or sufficient proceeds from disposition of the properties.

2. Significant accounting policies

Basis of presentation

Ur-Energy Inc. was incorporated on March 22, 2004 under the laws of the Province of Ontario. The Company continued under the Canada Business Corporation Act on August 7, 2006. These financial statements have been prepared by management in accordance with accounting principles generally accepted in Canada and include all of the assets, liabilities and expenses of the Company and its wholly-owned subsidiaries Ur-Energy USA Inc., NFU Wyoming, LLC, Lost Creek ISR, LLC, The Bootheel Project, LLC, NFUR Bootheel, LLC, Hauber Project LLC, NFUR Hauber, LLC, ISL Resources Corporation, ISL Wyoming, Inc. and CBM-Energy Inc. All inter-company balances and transactions have been eliminated upon consolidation. Ur-Energy Inc. and its wholly-owned subsidiaries are collectively referred to herein as the “Company”.

These unaudited interim consolidated financial statements have been prepared by management in accordance with generally accepted accounting principles. The operating results for the interim periods presented are not necessarily indicative of the results expected for the full year. Except as set out below, the accounting policies used in the preparation of the interim consolidated financial statements conform to those used in the Company’s annual financial statements for the year ended December 31, 2007 and reflect all normal and recurring adjustments considered necessary to fairly state the results for the periods presented.

These unaudited interim consolidated financial statements do not conform in all respects to the requirements of generally accepted accounting principles for annual financial statements. These unaudited interim consolidated financial statements should be read in conjunction with the most recent audited annual consolidated financial statements for the year ended December 31, 2007.

Adoption of new accounting pronouncements

On January 1, 2008, the Company adopted the following Canadian Institute of Chartered Accountants (“CICA”) Handbook Sections:

- Section 3862, Financial Instruments – Disclosures, and Section 3863, Financial Instruments – Presentation. These new disclosure standards increase the Company’s disclosure regarding the nature and risk associated with financial instruments and how those risks are managed (see Note 8). The new presentation standard carries forward the former presentation requirements.
- Section 1535, Capital Disclosures. This new standard requires the Company to disclose its objectives, policies and processes for managing its capital structure (see Note 10).
- Section 1400, General Standards on Financial Statement Presentation. This standard requires management to assess at each balance sheet date and, if necessary, disclose any uncertainty surrounding the ability of the Company to continue as a going concern. The adoption of this standard had no impact on the Company’s disclosures in these interim financial statements.

3. Bonding and other deposits

Bonding and other deposits include $1,683,283 (December 31, 2007 – $1,397,607) of reclamation bonds deposited with United States financial institutions as collateral to cover potential costs of reclamation related to properties. Once the reclamation is complete, the bonding deposits will be returned to the Company. As at June 30, 2008, bonding and other deposits also include $38,421 (December 31, 2007 - $110,969) on deposit with trade vendors**.**

(expressed in Canadian dollars)

4. Capital assets

	June 30, 2008			December 31, 2007		
	Cost $	Accumulated Amortization $	Net Book Value $	Cost $	Accumulated Amortization $	Net Book Value $
Computers	165,094	47,695	117,399	135,865	28,988	106,877
Software	112,635	38,756	73,879	95,870	18,535	77,335
Office furniture	159,465	33,759	125,706	124,217	21,456	102,761
Field vehicles	598,379	143,166	455,213	301,057	86,011	215,046
Field equipment	1,094,641	176,381	918,260	456,247	54,532	401,715
	2,130,214	439,757	1,690,457	1,113,256	209,522	903,734

5. Mineral exploration properties and deferred exploration and development expenditures

	Canada			USA		Total
	Thelon $	Hornby Bay $	Bugs $	Lost Creek/ Lost Soldier $	Other US Properties $	$
Mineral exploration properties:						
Balance December 31, 2007	251,634	8,711	275,225	24,235,967	6,460,835	31,232,372
Acquisition costs	-	-	-	-	34,450	34,450
Staking and claim costs	3,573	-	77,372	-	191,411	272,356
Labor costs	-	-	-	1,378	37,144	38,522
Outside service costs	323	-	323	-	1,598	2,244
Other costs	-	-	-	-	1,841	1,841
Balance June 30, 2008	255,530	8,711	352,920	24,237,345	6,727,279	31,581,785
Deferred exploration and development expenditures:						
Balance December 31, 2007	3,915,199	433,708	672,912	16,868,580	4,529,054	26,419,453
Environmental & reclamation costs	-	-	-	84,245	18,721	102,966
Permitting costs	(200)	-	2,160	477,837	7,292	487,089
Access costs	-	-	-	2,210	1,752	3,962
Geological costs	-	-	2,240	3,761	(3,502)	2,499
Geophysical costs	-	-	-	141,362	213,582	354,944
Drilling costs	-	-	100,000	933,931	29,003	1,062,934
Geochemical costs	-	-	-	1,432	2,777	4,209
Evaluation costs	-	-	-	71,091	-	71,091
Development costs	-	-	-	42,351	-	42,351
Labor costs	382	-	1,742	400,737	176,752	579,613
Material & supply costs	-	-	65,287	95,758	1,578	162,623
Outside service costs	39,687	-	39,884	204,569	18,222	302,362
Other costs	-	-	18,966	35,871	9,974	64,811
Balance June 30, 2008	3,955,068	433,708	903,191	19,363,735	5,005,205	29,660,907

(expressed in Canadian dollars)

Thelon

The Company's Thelon Basin projects include Screech Lake, Eyeberry and Gravel Hill and are located in the Northwest Territories, Canada.

Hornby Bay

The Company's Hornby Bay projects in Nunavut, Canada include the Dismal Lake West and Mountain Lake claim groups.

On July 31, 2006, the Company completed a definitive agreement with Triex Minerals Corporation ("Triex") with respect to its Mountain Lake and Dismal Lake West properties. Pursuant to the option agreement, Triex made a $25,000 cash payment upon execution of the agreement and spent $200,000 on exploration of the properties by September 22, 2006. In order to exercise the option, and obtain a 100% interest, Triex was required to incur a further $500,000 in exploration spending by September 30, 2007. The Company received notice during October 2007 that the expenditure requirements had been met. The Company retains a 5% net smelter return royalty interest in the properties with Triex having the right to purchase one-half of the royalty for $5,000,000.

Bugs

The Bugs property is located in the Kivalliq region of the Baker Lake Basin, Nunavut.

On September 7, 2006, the Company entered into an option agreement to acquire the Bugs property in Nunavut, Canada. The Company has earned a 100% interest in the property by issuing a total of 85,000 common shares to the vendor. Upon signing, 10,000 common shares were issued to obtain initial 12% interest in the property. These common shares were valued at $29,000. On the first anniversary of the agreement, in September 2007, 25,000 common shares were issued for an additional 30% interest. These common shares were valued at $71,500. The final installment of 50,000 common shares was issued in December 2007 to obtain the final 58% interest. These shares were valued at $171,500. The vendor retains a 2% net smelter royalty which is subject to a buyout of 1% for $1.0 million.

United States

On February 3, 2005, the Company entered into a letter of intent with Dalco Inc. (the "Dalco LOI"). Under the terms of the Dalco LOI, the Company had an option to acquire certain unpatented claims and land records for the property located in Wyoming, USA together with exploration records, drill log files and related data (collectively the "Radon Springs Property"). The Company paid Dalco US$25,000 upon signing the Dalco LOI and the Company issued 25,000 common shares to Dalco in 2005 in order to acquire a 25% interest in the Radon Springs Property.

On July 20, 2005, the Company concluded a definitive agreement with Dalco (the "Dalco Agreement"). Under the terms of the Dalco Agreement, the Company increased its interest in the Radon Springs Property to 50% by providing an additional US$50,000 and 50,000 common shares during November 2005. During November 2006, the Company increased its interest to 75% by providing an additional US$100,000 and 100,000 common shares valued at $446,000. During September 2007, the Company exercised its right to acquire the remaining 25% interest, for a 100% total interest, by providing an additional US$150,000 and 150,000 common shares valued at $469,500. Dalco retains a production royalty of 3% on the total gross proceeds received by the Company on the sale of U_3O_8 ("Yellowcake") extracted from uranium ores from the Radon Springs Property.

On June 30, 2005, the Company entered into definitive agreements with New Frontiers Uranium LLC, a Colorado limited liability company (the "New Frontiers LOI") to acquire certain Wyoming properties (the "New Frontiers Agreements"). Under the terms of the New Frontiers Agreements, the Company acquired a 100% interest in NFU Wyoming LLC which holds the majority of the Company's Wyoming properties, including the Lost Creek and Lost Soldier projects, for total consideration of $24,515,832 (US$20,000,000). A royalty on future production of 1.67% is in place with respect to 20 claims comprising a portion of the Lost Creek project claims.

(expressed in Canadian dollars)

On April 6, 2006, the Company announced it had entered into an agreement with Energy Metals Corporation ("Energy Metals") to complete a land swap enabling the Company and Energy Metals to consolidate their respective land positions in specific project areas of Wyoming. The Company traded its Shamrock (also known as "Red Rim") and Chalk Hills projects to Energy Metals for their holdings in the Bootheel project area. Pursuant to the agreement, the Company received Energy Metals' unpatented mining claims known as the "TD group" in Albany County, Wyoming. Energy Metals received the Company's unpatented "F" mining claims located in the southern Great Divide Basin in Carbon and Sweetwater counties, Wyoming along with the unpatented "Rita" mining claims located in the Shirley Basin in Carbon County, Wyoming. Under the terms of the agreement, Energy Metals and the Company have granted one another a 1/2% royalty on future production of uranium from the properties. The fair value of these properties is not reliably determinable; therefore, the accumulated historical costs of the Shamrock and Chalk Hills projects have been recorded as the accounting basis of the Bootheel property received. Historic property costs related to the Shamrock and Chalk Hills projects was $332,090 and deferred exploration costs with respect to the projects was $91,980.

On June 16, 2006, the Company entered into a data purchase agreement with Power Resources Inc. ("PRI") related to the Bootheel and Buck Point project areas. The Company paid a first installment of $99,209 (US$90,000) related to the acquisition of this data. During May 2007, the Company made a second and final payment of $99,028 (US$90,000) . The data includes drill hole logs, historical resource reports, maps, drill summaries, individual drill hole summaries, handwritten notes, and digital printouts from previous operators as well as historical feasibility reports. Under the terms of the agreement, the Company will provide PRI with a 1% royalty on future uranium and associated minerals produced from the property.

On June 19, 2006, the Company completed an acquisition of claim groups in the Great Divide Basin of Wyoming, consisting of certain unpatented mining claims in four claim blocks. The Company purchased the properties for an aggregate consideration of 250,000 common shares of the Company valued at $515,000. Additionally, on September 29, 2006, the Company acquired additional unpatented mining claims relating to one of these claim blocks for cash consideration of US$41,000. Under the terms of the agreements, the Company will provide the seller with a 2% royalty on future uranium production from the acquired properties and from a one-mile area of interest surrounding the properties.

During October 2006, the Company acquired certain State of South Dakota Mineral Leases in Harding County, northwest South Dakota for cash consideration of $158,431. In October 2007, additional leases were acquired in Harding and Fall River counties for cash consideration of $77,802.

During June 2007, the Company entered into an Exploration, Development and Mine Operating Agreement with Target Exploration & Mining Corporation and its subsidiary ("Target"). Under the terms of the agreement, the Company, through its wholly-owned subsidiary, NFUR Bootheel, LLC, contributed its Bootheel and Buck Point properties to The Bootheel Project, LLC. The projects cover an area of known uranium occurrences in Albany County, Wyoming in the Shirley Basin. The Bootheel and Buck Point properties contributed by the Company are comprised of certain mining claims and two state leases. The Company will make any data covering its Bootheel and Buckpoint properties, and certain other data, available to the venture with Target. Target will contribute US$3 million in exploration expenditures and issue a total of 125,000 common shares of Target to the Company over a four year period in order to earn a 75% interest in The Bootheel Project, LLC. The initial 50,000 common shares of Target were received during August 2007 and the second installment of 25,000 Target shares was received in May 2008. Minimum exploration expenditures of US$750,000 are required in each year during the four year earn-in period. Target is the operator of the Bootheel Project.

During June 2007, the Company entered into agreements with Trigon Uranium Corporation and its subsidiary ("Trigon"). Under the terms of the agreements, the Company, through its wholly-owned subsidiary, NFUR Hauber, LLC, contributed its Hauber property to Hauber Project LLC. The Hauber property is located in Crook County, Wyoming and consists of certain unpatented lode mining claims and one state uranium lease totaling approximately 5,160 acres. Effective August 1, 2008, Trigon tendered its resignation as a Member and the Manager of the Hauber Project. Transition of management of the Hauber Project back to the Company is ongoing. Before Trigon's decision not to proceed it had contracted, as Manager of the Project, for several outside geologic and hydrologic analytical projects, which were completed and submitted during the first half of 2008. The consultants employed abundant historic data to define the geologic setting and assess the potential of the Hauber Project properties for the recovery of uranium through ISR mining methods. Further inhouse analysis of these reports is underway by the Company.

(expressed in Canadian dollars)

6. Capital stock

Authorized

The Company is authorized to issue an unlimited number of common shares and an unlimited number of Class A preference shares with the rights, privileges and restrictions as determined by the Board of Directors at the time of issuance.

Issued

	Common Shares #	Amount $
Balance, December 31, 2007	92,171,607	139,447,034
Common shares issued for cash, net of issue costs	1,000,000	2,634,686
Tax effect on issue costs	-	728,035
Exercise of stock options	72,000	138,240
Balance, June 30, 2008	93,243,607	142,947,995

No class A preference shares have been issued

2008 issuances

On March 25, 2008, the Company completed a non-brokered private placement of 1,000,000 flow-through common shares at $2.75 per share raising gross proceeds of $2,750,000. Total direct share issues costs were $115,314.

Stock options

On November 17, 2005, the Company's Board of Directors approved the adoption of the Company's stock option plan (the "Plan"). Eligible participants under the Plan include directors, officers and employees of the Company and consultants to the Company. Under the terms of the Plan, options generally vest with Plan participants as follows: 10% at the date of grant; 22% four and one-half months after grant; 22% nine months after grant; 22% thirteen and one-half months after grant; and, the balance of 24% eighteen months after the date of grant.

Activity with respect to stock options is summarized as follows:

	Number	Weighted-average exercise price $
Outstanding, December 31, 2007	8,010,700	2.89
Forfeit	(18,100)	4.75
Exercised	(72,000)	1.25
Granted	1,050,000	1.66
Outstanding, June 30, 2008	8,970,600	2.76

(expressed in Canadian dollars)

As at June 30, 2008, outstanding stock options are as follows:

	Options outstanding		Options exercisable		
Exercise price $	**Number of options**	**Weighted-average remaining contractual life (years)**	**Number of options**	**Weighted-average remaining contractual life (years)**	**Expiry**
1.25	2,560,800	2.4	2,560,800	2.4	November, 17, 2010
1.65	1,025,000	4.9	102,500	4.9	May 8, 2013
2.01	75,000	2.7	75,000	2.7	March 25, 2011
2.11	25,000	4.7	2,500	4.7	March 19, 2013
2.35	1,500,000	2.8	1,500,000	2.8	April 21, 2011
2.75	424,200	3.2	424,200	3.2	September 26, 2011
2.98	50,000	4.3	16,000	4.3	October 5, 2012
3.00	437,500	4.1	236,250	4.1	August 9, 2012
3.16	50,000	4.2	50,000	4.2	September 17, 2012
3.67	200,000	4.0	108,000	4.0	July 15, 2012
4.07	30,000	4.4	9,600	4.4	November 7, 2012
4.75	1,993,100	3.9	1,071,900	3.9	May 15, 2012
5.03	600,000	3.6	200,000	3.6	February 15, 2012
	8,970,600	3.4	6,356,750	3.0	

During the six month period ended June 30, 2008, the Company recorded a total of $2,048,886 related to stock option compensation (2007 - $3,078,057). The fair value of options granted during 2008 and 2007 was determined using the Black-Scholes option pricing model with the following assumptions:

	2008	**2007**
Expected volatility	65%	67%
Expected option life (years)	4.1	4.0
Risk-free interest rate	3.1%	4.3%
Expected dividend yield	0%	0%

Contributed surplus

Amounts recorded as contributed surplus in shareholders' equity relate primarily to the fair value of compensation options and stock options. Activity with respect to contributed surplus is summarized as follows:

	$
Balance, December 31, 2007	8,202,595
Stock option charges	2,048,886
Exercise of stock options	(48,240)
Balance, June 30, 2008	10,203,241

7. Asset retirement obligation

The Company has recorded $273,199 for asset retirement obligations (December 31, 2007 – $181,672) which represents an estimate of costs that would be incurred to remediate the exploration and development properties. The retirement obligations recorded relate entirely to exploration and development drill holes on the Company's Wyoming properties.

(expressed in Canadian dollars)

8. Financial instruments

The Company's financial instruments consist of cash and cash equivalents, short-term investments, amounts receivable, bonding and other deposits and accounts payable. The fair value of these instruments approximates their carrying amount due to their short term to maturity.

The Company's cash equivalents and short-term investments consist of Canadian dollar and US dollar denominated guaranteed investment certificates, certificates of deposit and money market accounts. These instruments are classified as held-to-maturity and carried at cost plus accrued interest. They bear interest at annual rates ranging from 2.5% to 3.2% and mature at various dates up to June 26, 2009.

The Company's accounts receivable and accounts payable are accounted for at amortized cost.

It is management's opinion that the Company is not exposed to significant interest, currency or credit risk arising from its financial instruments except for US dollar foreign currency risk with respect to cash and cash equivalents and bonding deposits held in US dollars. As at June 30, 2008, the Company held approximately US$12.0 million in cash and cash equivalents and bonding deposits ($18.3 million at December 31, 2007). The Company has not entered into any foreign exchange contracts or other strategies to mitigate this risk.

9. Segmented information

The Company's operations comprise one reportable segment being the exploration and development of uranium resource properties. The Company operates in Canada and the United States. Capital assets segmented by geographic area are as follows:

	June 30, 2008		
	Canada $	United States $	Total $
Bonding and other deposits	-	1,721,704	1,721,704
Capital assets	8,973	1,681,484	1,690,457
Mineral exploration properties	617,161	30,964,624	31,581,785
Deferred exploration expenditures	5,291,967	24,368,940	29,660,907

	December 31, 2007		
	Canada $	United States $	Total $
Bonding and other deposits	-	1,508,576	1,508,576
Capital assets	10,288	893,446	903,734
Mineral exploration properties	535,570	30,696,802	31,232,372
Deferred exploration expenditures	5,021,819	21,397,634	26,419,453

10. Capital structure

The Company's capital structure is comprised of Shareholders' Equity. The Company's objectives when managing its capital structure are to i) preserve the Company's access to capital markets and its ability to meet its financial obligations, and ii) finance its exploration and development activities.

The Company monitors its capital structure using future forecasts of cash flows, particularly those related to its exploration and development programs.

The Company manages its capital structure and makes adjustments to it to maintain flexibility while achieving the objectives stated above. To manage the capital structure, the Company may adjust its exploration and development programs, operating expenditure plans, or issue new shares. The Company's capital management objectives have remained unchanged over the periods presented.

Ur-Energy Inc.
(a Development Stage Company)

Management's Discussion and Analysis

June 30, 2008

(expressed in Canadian dollars)

Introduction

The following provides management's discussion and analysis of results of operations and financial condition for the three and six month periods ended June 30, 2008 and 2007. Management's Discussion and Analysis was prepared by Company management and approved by the Board of Directors on August 7, 2008. This discussion and analysis should be read in conjunction with the Company's audited annual consolidated financial statements for the years ended December 31, 2007 and 2006.

The Company was incorporated on March 22, 2004 and completed its first year-end on December 31, 2004. All figures are presented in Canadian dollars, unless otherwise noted, and are in accordance with Canadian generally accepted accounting principles. The consolidated financial statements include all of the assets, liabilities and expenses of the Company and its wholly-owned subsidiaries Ur-Energy USA Inc.; NFU Wyoming, LLC; Lost Creek ISR, LLC; The Bootheel Project, LLC; NFUR Bootheel, LLC; Hauber Project LLC; NFUR Hauber, LLC; ISL Resources Corporation; ISL Wyoming, Inc.; and CBM-Energy Inc. All inter-company balances and transactions have been eliminated upon consolidation. Ur-Energy Inc. and its wholly-owned subsidiaries are collectively referred to herein as the "Company".

Forward-Looking Statements

This Management Discussion and Analysis may contain or refer to certain forward-looking statements relating to expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. These statements reflect management's current beliefs and are based on information currently available to management. Forward-looking information may include reserve and resource estimates, estimates of future production, unit costs, costs of capital projects and timing of commencement of operations, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, those listed in the "Risk Factors" section of the Company's Annual Information Form dated March 26, 2008 which is filed on SEDAR, failure to establish estimated resources and reserves, the grade and recovery of ore which is mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, the failure to obtain sufficient funding for operating, capital and exploration or development requirements and other factors. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results. Potential shareholders and prospective investors should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Potential shareholders and prospective investors are also cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

Nature of Operations and Description of Business

The Company is a development stage junior mining company engaged in the identification, acquisition, evaluation, exploration and development of uranium mineral properties in Canada and the United States. The Company has not yet determined whether its properties contain mineral reserves that are economically recoverable. The recoverability of amounts recorded for mineral exploration properties and deferred exploration expenditures is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain the necessary financing to complete the development of these properties and upon attaining future profitable production from the properties or sufficient proceeds from disposition of the properties.

The Company is focused on uranium exploration in the following areas: (i) Wyoming, USA where the Company has fifteen properties. Of those fifteen properties, eleven are in the Great Divide Basin, two of which (Lost Creek and Lost Soldier) contain defined resources that the Company expects to advance to production. The Company's other Wyoming projects include two properties in the Shirley Basin, one property in the Greater Black Hills, and one property in the Powder River Basin; (ii) South Dakota, USA where the Company has acquired certain state mineral leases in Harding and Fall River Counties; (iii) Arizona, USA where the Company has acquired a property in Yuma County; (iv) the Thelon Basin, Northwest Territories in northern Canada where it has three properties; (v) Hornby Bay, Nunavut in northern Canada where it has a royalty interest in two properties; and (vi) Baker Lake Basin, Nunavut, Canada, where it has one property.

Selected Interim Information

The following table contains selected interim financial information as at June 30, 2008 (unaudited) and December 31, 2007.

	As at June 30, 2008 $ (unaudited)	**As at December 31, 2007 $**
Total assets	138,474,261	137,350,775
Long-term future income tax liability	438,965	1,167,000
Asset retirement obligation	273,199	181,672

The following table contains selected unaudited interim financial information for the three and six month periods ended June 30, 2008 and 2007 and cumulative information from inception of the Company on March 22, 2004 to June 30, 2008.

	Three Month Period Ended June 30, 2008 $ (unaudited)	**Three Month Period Ended June 30, 2007 $ (unaudited)**	**Six Month Period Ended June 30, 2008 $ (unaudited)**	**Six Month Period Ended June 30, 2007 $ (unaudited)**	**Cumulative from March 22, 2004 to June 30, 2008 $ (unaudited)**
Revenue	Nil	Nil	Nil	Nil	Nil
Total expenses[(1)]	(2,955,614)	(2,575,642)	(5,594,716)	(4,491,498)	(25,597,780)
Interest income	600,409	699,684	1,389,689	988,494	4,973,683
Foreign exchange gain (loss)	(156,301)	719,046	496,145	858,188	408,065
Other income (loss)	3,000	-	(8,685)	-	(8,685)
Loss before income taxes	(2,508,506)	(1,156,912)	(3,717,567)	(2,644,816)	(20,224,717)
Recovery of future income taxes	-	-	-	-	3,468,657
Net loss for the period	(2,508,506)	(1,156,912)	(3,717,567)	(2,644,816)	(16,797,717)
[(1)] Stock based compensation included in total expenses	(1,195,741)	(1,108,171)	(2,048,886)	(1,701,247)	(8,187,809)
Loss per common share: Basic and diluted	(0.03)	(0.01)	(0.04)	(0.03)	
Cash dividends per common share	Nil	Nil	Nil	Nil	

The Company has not generated any revenue from its operating activities from inception to date. The Company's expenses include costs for promotion, regulatory authority and transfer agent fees, professional fees, general and administrative costs, general exploration expense, write-off of deferred exploration expenditures and amortization of capital assets. The Company has recorded significant stock based compensation costs which were included in total expenses or were capitalized as a component of deferred exploration expenditures. Costs directly related to exploration projects are initially capitalized as either mineral exploration property costs or deferred exploration expenditures.

No cash dividends have been paid by the Company. The Company has no present intention of paying cash dividends on its common shares as it anticipates that all presently available funds will be invested to finance new and existing exploration and development activities.

Overall Performance and Results of Operations

The Company has advanced its plans from incorporation on March 22, 2004 to date. From inception to June 30, 2008, the Company has raised total net cash proceeds from the issuance of common shares and warrants and from the exercise of warrants, compensation options and stock options of $138.7 million. As at June 30, 2008, the Company held cash and cash equivalents and short-term investments of $73.5 million. The Company's cash resources are invested with major banks in bankers' acceptances, guaranteed investment certificates, certificates of deposit, or money market accounts. The Company has made significant investments in mineral exploration properties and exploration expenditures.

Mineral Exploration Properties and Deferred Exploration Expenditures

During the three and six month periods ended June 30, 2008, the Company expended cash of $109,724 and $252,613 (2007 – $366,893 and $455,600), respectively on mineral exploration property costs. The most significant component of these costs is staking and claim costs. During the three and six month periods ended June 30, 2008, the Company incurred deferred exploration expenditures totaling $1,593,156 and $2,286,227 (2007 – $1,624,852 and $2,728,929), respectively. The most significant component of spending was on permitting and development of the Lost Creek and Lost Soldier projects.

Wyoming Properties

Lost Creek Project

The Lost Creek uranium deposit is located in the Great Divide Basin, Wyoming. The deposit is approximately three miles (4.8 kilometres) long and the mineralization occurs in four main sandstone horizons between 315 feet (96 metres) and 700 feet (213 metres) in depth.

As identified in the June 2006 Technical Report on Lost Creek, National Instrument 43-101 (“NI 43-101”) compliant resources are 9.8 million pounds of U_3O_8 at 0.058 percent as an indicated resource and an additional 1.1 million pounds of U_3O_8 at 0.076 percent as an inferred resource. During 2006, 17 cased monitoring and pump test wells were completed on the property, and the initial testing was completed successfully.

In 2007, significant drilling was conducted and up to four drill rigs were operated simultaneously to allow for completion of the following work on the project:

- Installation of pump test and monitor wells for baseline and engineering data;
- Orebody delineation drill holes to better define the orebody for well field planning;
- Condemnation drill holes to assure that the plant site will not be built over any part of the orebody; and

- Water wells for water for the drilling operation.

Completion of the 2007 drilling program resulted in 58 additional monitor and pump test wells, 2 water wells and a total of 195 delineation drill holes. This enabled the Company to obtain additional baseline and hydrogeologic data within the first mine unit area for engineering assessments; for the State of Wyoming Department of Environmental Quality ("WDEQ") Permit to Mine application; for the US Nuclear Regulatory Commission ("NRC") Source Material License application; and, for the WDEQ Mine Unit #1 Permit application. In addition, six condemnation holes were drilled to make certain the potential target plant location was not over any part of the ore body. The 2007 drilling program was concluded in early December 2007 and the Company incurred total drilling costs of approximately $2.6 million.

In 2007, the Company submitted its Application to the NRC for a Source Material License for the Lost Creek project. This license is the first stage of obtaining all necessary licenses and permits to enable the Company to recover uranium via in situ recovery method at the Lost Creek project. The collection and compilation of the extensive environmental background data for the application have taken more than two years. The NRC has indicated that the application review process can take up to 18 months to complete. In February 2008, the Company requested that the NRC application for its Lost Creek project be withdrawn to enable the Company to include upgrades to its application with respect to the project's operational plan and other advances in the health physics information and analyses. In March 2008, the Company re-submitted the Source Material License application to the NRC. In June, the NRC notified the Company it deemed the Lost Creek application complete and acceptable. The NRC thereafter commenced its detailed technical and environmental review of the Company’s application, a process which generally is complete in 150 days.

Also in 2007, the Company submitted the Lost Creek Mine Permit Application to the WDEQ. Beginning in 2008, individual mine unit applications for each well field will be submitted to cover each mine unit or well field that will be produced on the Lost Creek project. In May, the Company received notice from the WDEQ that the agency found application to be complete, and authorized the Company to proceed with formal Public Notice of the application, which was subsequently completed by the Company.

In February 2008, an in-house economic analysis on the Lost Creek project was completed by the Company’s engineering team. An independent technical report under NI 43-101 was subsequently prepared by Lyntek Inc. The purpose of the report was to provide an independent analysis and preliminary assessment of the potential economic viability of the mineral resource of the Lost Creek project. The resulting base case in the preliminary assessment prepared by Lyntek returned a pre-tax internal rate of return of 43.6% at a price of US$80 per pound U_3O_8, and demonstrated that the project would be economic at prices above US$40 per pound U_3O_8.

In 2008, current activities on the property include

- delineation of the ore body (specifically Mine Unit 1) to define production zones and the first monitor well ring (300 drill holes);
- installation of the mine unit 1 monitor well ring began in July (69 cased wells);
- exploration drilling on the Lost Creek project (100 drill holes);

- use of the prompt fission neutron logging truck and tool to evaluate disequilibrium in deposits;
- purchase and mobilization of operational equipment to the site (backhoes, water truck, forklift, light and heavy trucks, trailers, offices, hose reel, generators and cementers); and
- surveys of soils, and installation of geotechnical borings to assist in evaluation of pland and road facilities design.

A royalty on future production of 1.67% is in place with respect to 20 claims comprising a portion of the Lost Creek project.

Lost Soldier Project

The Lost Soldier project is located approximately 14 miles (22.5 kilometres) to the northeast of the Lost Creek project. The property has over 3,700 historical drill holes defining 14 mineralized sandstone units. As identified in the July 2006 Technical Report on Lost Soldier, NI 43-101 compliant resources are 5.0 million pounds of U_3O_8 at 0.064% as a measured resource, 7.2 million pounds of U_3O_8 at 0.065% as an indicated resource and 1.8 million pounds of U_3O_8 at 0.055 percent as an inferred resource.

All environmental baseline studies were completed in 2007 and in January 2008, the Lost Soldier deposit was turned over to the Company's engineering staff for detailed engineering evaluation and study. In March 2008, the Company requested a separate docket number and technical assignment control number for the Lost Soldier project from the NRC, in preparation for a separate license application for the Lost Soldier project.

Other U.S. Properties

The Company is currently permitting the 2008 exploration drilling programs for its other US properties including the LC North, EN and North Hadsell projects. In addition, an in-house team of geologists continues to evaluate the extensive well log and exploration database owned by the Company.

In 2007, the Company entered into an agreement with Target Exploration & Mining Corp. and its subsidiary ("Target"). Under the terms of the agreement, the Company, through its wholly-owned subsidiary, NFUR Bootheel, LLC, contributed its Bootheel and Buck Point properties to The Bootheel Project, LLC (the "Bootheel Project"). The properties cover an area of known uranium occurrences within the Shirley Basin in Albany County, Wyoming. The total project covers a defined area of approximately 6,000 acres. Target is earning into an interest in the Bootheel Project by spending US$3.0 million in exploration costs, and issuing 125,000 shares of its common stock to the Company, all over a four year period. Target timely issued its second installment of stock (25,000 shares) in May 2008. In 2008, Target is carrying out a 50,000 feet drilling program on the properties of the Bootheel Project. The purpose of the program is to bring the historic resources in National Instrument 43-101 compliance.

Also in 2007, the Company entered into agreements with Trigon Uranium Corporation and its subsidiary ("Trigon"). Under the terms of the agreements, the Company, through its wholly-owned subsidiary, NFUR Hauber, LLC, contributed its Hauber property to Hauber Project LLC (the "Hauber Project"). The Hauber property is located in Crook County, Wyoming and consists of 205 unpatented lode mining claims and one state uranium lease totaling approximately 5,160 acres. Effective August 1, 2008, Trigon tendered its resignation as a Member and the Manager of the Hauber Project. Transition of management of the Hauber Project back to the Company is ongoing. Before Trigon's decision not to proceed it had contracted, as Manager of the Project, for several outside geologic and hydrologic analytical projects, which were completed and submitted during the first half of 2008. The consultants employed abundant historic data to define the geologic setting and assess the potential of the Hauber Project properties for the recovery of uranium through ISR mining methods. Further in house analysis of these reports is underway by the Company.

Data Package Acquisition

In 2007, the Company completed the acquisition of a data package from Power Resources Inc. ("PRI") pertinent to exploration and development in the Shirley Basin, Wyoming for a total purchase price of US$180,000, which was paid in two equal installments in 2006 and 2007. The data includes drill hole logs for more than 1,000 drill holes, historical resource reports, maps, drill summaries, individual drill hole summaries, handwritten notes, and digital printouts from such previous operators as Cherokee, Kerr McGee, URADCO (PP&L), and Mobil as well as historical feasibility reports from Dames & Moore and Nuclear Assurance.

The Company has made any data covering its Bootheel and Buck Point properties, and certain other data, available to the venture it has with Target.

The data purchase agreement includes a 1% royalty interest payable to PRI on uranium and associated minerals and materials produced from the Bootheel and Buck Point properties which include 269 lode mining claims and two state uranium leases.

Canadian Properties

Bugs Property, Baker Lake Basin

In September 2006, the Company entered into an option agreement to acquire the Bugs property in Nunavut, Canada. The Company has earned a 100% interest in the property by issuing a total of 85,000 common shares to the vendor. The vendor retains a 2% net smelter royalty, of which 1% is subject to a buyout for $1.0 million. The Bugs property initially consisted of 11 contiguous mineral claims in the Kivalliq region of the Baker Lake Basin, Nunavut. In 2008 the Company staked additional mineral claims contiguous to the original eleven.

In 2006, a fixed wing aeromagnetic and radiometric survey was conducted on the entire property. The data from this survey resulted in the selection of seven targets based upon structural offset and dilation features in combination with magnetite depletion. In 2007, one of the seven targets was examined; the remaining targets are the focus of the summer 2008 exploration program.

During 2007, the Company re-sampled the high-grade boulder area identified by work conducted during the 1970s by Cominco. New assays include values as high as 4.7% and 6.0% U_3O_8. Additional radon surveys were successful in outlining poorly exposed bostonite occurrences over several kilometers in length and located an area of extremely high radon flux which is interpreted by the Company to indicate a concentration of hydrothermal uranium mineralization known as the Lowkey Lake Zone (“LLZ”). The radon survey has also indicated a bedrock source of one of the high-grade historic Cominco boulder occurrences associated with hydrothermal breccias with individual boulders assaying up to 0.55% U_3O_8.

This mineralization has been the subject of a radon survey and is slated for subsequent drill-testing in 2008. Drill testing of the Gamma bostonite dyke is also anticipated.

Screech Lake Property, Thelon Basin

In 2006, an environmental screening study was completed on the Screech Lake Project and in September 2006, the application for a land use permit to conduct drill testing of the Screech Lake anomalies was referred to the Mackenzie Valley Environmental Impact Review Board ("Review Board") for environmental assessment. The environmental assessment was completed in February 2007 and in May 2007, a report and recommendation from the Review Board was issued. The Review Board recommended to the Minister of Indian and Northern Affairs Canada that the Company's application to conduct an exploratory drilling program at the Screech Lake property be rejected due to local native community concerns.

In October 2007, the Company received notification that the Minister of Indian and Northern Affairs Canada had adopted the recommendation of the Review Board. As part of the decision, the Minister did confirm that the decision does not affect the legal standing of the Company's Screech Lake mineral claims. Discussions with the Minister and other interested parties led the Company to conclude that the rejection of the Screech lake drilling program was influenced, in part, by land claims issues between First Nations groups and the Federal government, and to a lesser extent, environmental concerns. The Company believes that it has proposed an exploration program which maintains the highest possible environmental standards. In the Company's application for a land use permit, extensive mitigation measures were proposed to ensure that the drilling program would have minimal short-term environmental impact and no long-term effect.

During 2007, the company established a Special Committee of the Board of Directors ("Special Committee") to liaise with First Nations groups. The Company is in ongoing discussions with the First Nations groups and the discussions have been positive.

Hornby Bay Properties

On 2006, the Company completed a definitive agreement with Triex Minerals Corporation ("Triex") with respect to its Mountain Lake and Dismal Lake West properties. Pursuant to the option agreement, Triex obtained a 100% interest in the properties in September 2007. The Company retains a 5% net smelter return royalty interest in the properties with Triex having the right to purchase one-half of the royalty for $5,000,000. The Mountain Lake property comprises 41 claims and the Dismal Lake West property comprises 17 claims.

In January 2008, Triex announced a $3.1 million budget for 2008 work programs for their Hornby Bay properties. The program includes 5,000 metres of diamond drilling in eighteen holes to evaluate untested targets and also includes constructing an ice air strip, re-opening the Kirwan Lake camp and conducting additional resistivity surveys. By July 2008 Triex announced that it had completed 2,450 metres of drilling at Mountain Lake.

Expenses

Total expenses for the three and six month periods ended June 30, 2008 were $3.0 million and $5.6 million, respectively, as compared to $2.6 million and $4.5 million during the same respective periods in 2007. The increase in total expenses from the previous year was primarily due to higher general and administrative expenses.

General and administrative expense was $2.3 million and $4.3 million for the three and six month periods ended June 30, 2008 as compared to $1.7 million and $2.8 million for the same period in 2007. The increase in general and administrative expense relates primarily to the continued expansion of the Denver, Colorado and Casper, Wyoming offices.

During 2007, the Company strengthened key staffing areas adding five geologists, two land men, a Vice President of Mining & Engineering, three mining engineers, a Chief Financial Officer and other key management, legal and finance positions. In 2008, the Company has added an additional eight positions primarily aimed at enhancing operating expertise at the Casper Wyoming office. Accordingly, the Denver and Casper offices have been expanded to accommodate and support the staffing additions. As a result, higher labor, recruiting and relocation costs together with increased office expenses accounted for the majority of the increase in general and administrative expense.

The amortization of capital assets also increased as compared to the previous year. The increase was primarily due to depreciation on new assets that were purchased in 2007 and during the first half of 2008 as the Company added field vehicles and field equipment to facilitate the exploration and development work programs. Other expense areas including promotions, regulatory and transfer agent fees, professional fees, and general exploration were consistent with the previous year.

Other income and expenses

The Company's cash resources are invested with major banks in bankers' acceptances, guaranteed investment certificates, certificates of deposit, and money market accounts. During the three and six month periods ended June 30, 2008, the Company earned interest income on these investments of $0.6 million and $1.4 million, respectively, as compared to $0.7 million and $1.0 million for the same respective periods in 2007. Following the May 2007 bought deal financing and the March 2008 private placement, the Company's average cash resources, and the resulting interest income, increased significantly.

During the six months ended June 30, 2008, the Company recorded a net foreign exchange gain of $0.5 million as compared to $0.9 million during the same period in 2007. This net foreign exchange gain arose primarily due to cash balances held in U.S. currency as the U.S. dollar strengthened relative to the Canadian dollar during the period.

Loss Per Common Share

Both basic and diluted loss per common share for the three and six month periods ended June 30, 2008 were $0.03 and $0.04 (2007 – $0.01 and $0.03).

Liquidity and Capital Resources

As at June 30, 2008, the Company had cash and cash equivalents and short-term investments of $73.5 million, a decrease of $2.8 million from the December 31, 2007 balance of $76.3 million. During the six months ended June 30, 2008, the Company used $1.8 million to fund operating activities, generated $2.7 million from financing activities and spent $3.7 million on investing activities.

On March 25, 2008, the Company completed a non-brokered private placement of 1,000,000 flow-through commons shares at $2.75 per share raising gross proceeds of $2,750,000. Total direct share issue costs were $115,314. During the six months ended June 30, 2008, the Company realized cash proceeds from the exercise of previously issued stock options totaling $90,000. As at June 30, 2008, the Company had outstanding a total of 8,970,600 stock options with exercise prices ranging from $1.25 to $5.03.

During the six months ended June 30, 2008, the Company invested cash of $2.7 million in mineral exploration property costs, deferred exploration expenditures and related bonding and other deposits. The majority of these expenditures went towards the Lost Creek project where project evaluation and development activities continue. The Company also invested $1.0 million for the purchase of capital assets. The majority of these expenditures were for field vehicles and field equipment purchased to facilitate the exploration and development work programs in Wyoming.

The Company has financed its operations from its inception primarily through the issuance of equity securities and has no sources of cash flow from operations. The Company will not generate any cash flow from operations until it is successful in commencing production from its properties.

The Company has established a corporate credit card facility with a US bank. This facility has an aggregate borrowing limit of U.S. $250,000 and is used for corporate travel and incidental expenses. The Company has provided a letter of credit and a guaranteed investment certificate in the amount of $287,500 as collateral for this facility.

Financing Transactions

The Company completed a non-brokered private placement of 1,000,000 flow-through commons shares at $2.75 per share on March 25, 2008 and raised gross proceeds of $2,750,000. Total direct share issue costs were $115,314.

Outstanding Share Data

Information with respect to outstanding common shares, warrants, compensation options and stock options as at June 30, 2008 and December 31, 2007 is as follows:

	June 30, 2008	**December 31, 2007**
Common shares	93,243,607	92,171,607
Warrants	-	-
Compensation options	-	-
Stock options	8,970,600	8,010,700
Fully diluted shares outstanding	102,214,207	100,182,307

Off-Balance Sheet Arrangements

The Company has not entered into any material off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivative instrument obligations, or with respect to any obligations under a variable interest entity arrangement.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash and cash equivalents, short-term investments, amounts receivable, bonding and other deposits and accounts payable. The fair value of these instruments approximates their carrying amount due to their short term to maturity.

The Company's cash equivalents and short-term investments consist of Canadian dollar and U.S. dollar denominated guaranteed investment certificates, certificates of deposit and money market accounts. These instruments are classified as held-to-maturity and carried at cost plus accrued interest. They bear interest at annual rates ranging from 2.5% to 3.2% and mature at various dates up to June 26, 2009.

The Company's accounts receivable and accounts payable are accounted for at amortized cost.

It is management's opinion that the Company is not exposed to significant interest, currency or credit risk arising from its financial instruments except for U.S. dollar foreign currency risk with respect to cash and cash equivalents and bonding deposits held in US dollars. As at June 30, 2008 the Company held approximately US$12.0 million in cash and cash equivalents and bonding deposits ($18.3 million at December 31, 2007). The Company has not entered into any foreign exchange contracts or other strategies to mitigate this risk.

Transactions with Related Parties

As at June 30, 2008, the Company did not participate in any material transactions with any related parties.

Proposed Transactions and Listing Application Approval

As is typical of the mineral exploration and development industry, the Company is continually reviewing potential merger, acquisition, investment and joint venture transactions and opportunities that could enhance shareholder value. Timely disclosure of such transactions is made as soon as reportable events arise.

In January 2008, the Company filed documentation with the United States Securities and Exchange Commission on Form 40-F to register the common shares of the Company and filed an application to list the common shares with the American Stock Exchange, LLC ("AMEX"). The application was subject to review by the AMEX, and on July 18, 2008, the AMEX approved for listing the common shares of the Company. Trading of the common shares of the Company on the AMEX commenced on July 24, 2008 under the symbol "URG".

Critical Accounting Policies and Estimates

Acquisition costs of mineral exploration properties together with direct exploration and development expenditures are capitalized. When production is attained, these costs will be amortized. If properties are abandoned they are written off at that time. If properties are considered to be impaired in value, the costs of the properties and related deferred expenditures will be written down to their estimated fair value at that time. Management uses its best estimates for determining the fair value of mineral properties based on expenditures incurred, the results of any exploration conducted, prevailing market conditions and future plans for the projects.

The Company is required to record all equity instruments including warrants, compensation options and stock options at fair value in the financial statements. Management utilizes the Black-Scholes model to calculate the fair value of these equity instruments at the time they are issued. Use of the Black-Scholes model requires management to estimate the expected volatility of the Company's stock over the future life of the equity instrument and to estimate the expected life of the equity instrument. Determination of these estimates requires significant judgment and requires management to formulate estimates of future events based on a limited history of actual results and by comparison to other companies in the uranium exploration and development segment.

Changes in Accounting Policies Including Initial Adoption

On January 1, 2008, the Company adopted the following Canadian Institute of Chartered Accountants ("CICA") Handbook Sections:

- Section 3862, Financial Instruments – Disclosures, and Section 3863, Financial Instruments – Presentation. These new disclosure standards increase the Company's disclosure regarding the nature and risk associated with financial instruments and how those risks are managed. The new presentation standard carries forward the former presentation requirements.
- Section 1535, Capital Disclosures. This new standard requires the Company to disclose its objectives, policies and processes for managing its capital structure.
- Section 1400, General Standards on Financial Statement Presentation. This standard requires management to assess at each balance sheet date and, if necessary, disclose any uncertainty surrounding the ability of the Company to continue as a going concern. The adoption of this standard had no impact on the Company's disclosures in these interim financial statements.

Disclosure Controls and Procedures

The Chief Executive Officer and Chief Financial Officer of the Company evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in the rules of the Canadian Securities Administrators) and concluded that the Company's disclosure controls and procedures were effective as of June 30, 2008.

Internal Controls

No changes have occurred in the Company's internal control over financial reporting during the most recent interim period that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Risks and Uncertainties

The Company is subject to a number of risks and uncertainties due to the nature of its business and the present stage of development of its business. Investment in the natural resource industry in general, and the exploration and development sector in particular, involves a great deal of risk and uncertainty. Current and potential investors should give special consideration to the risk factors involved. These factors are discussed more fully in our Annual Information Form dated March 26, 2008 which is filed on SEDAR.

Other Information

Other information relating to the Company may be found on the SEDAR website at www.SEDAR.com or on the U.S. Securities and Exchange Commission's website at www.sec.gov ..

Directors and Officers

Jeffrey T. Klenda, B.A. – Chair and Managing Director
W. William Boberg, M. Sc., P. Geo. – President, Chief Executive Officer and Director
Harold Backer, B. Sc. – Executive Vice President
Wayne Heili, B. Sc. – Vice President, Mining and Engineering
Paul W. Pitman, B. Sc. Hon. Geo., P. Geo. – Vice President, Canadian Exploration
James M. Franklin, PhD, FRSC, P. Geo. – Chief Scientist, Director and Geoscience Advisory and Oversight Committee Chair
Paul Macdonell, Diploma Public Admin. – Director and Compensation Committee Chair
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Roger Smith, CPA, MBA – Chief Financial Officer and Vice President Finance, IT & Administration
Paul G. Goss, J.D., MBA – Corporate Counsel and Corporate Secretary

Corporate Offices

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Web Site
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Trading Symbol
TSX: URE
AMEX: URG

Independent Auditor
PricewaterhouseCoopers LLP, Ottawa

Corporate Legal Counsel
McCarthy Tétrault LLP, Ottawa

Corporate Banker
Royal Bank of Canada, Ottawa

Transfer Agent
Equity Transfer & Trust Company, Toronto
Registrar and Transfer Company (Co-Transfer Agent and Co-Registrar) New York