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LOST CREEK ISR, LLC

July 17, 2015

Brian Wood
State of Wyoming
Department of Environmental Quality - Land Quality Division
510 Meadowview Drive
Lander, WY 82520

**RE: 5-day Notification of Excursion at MU-104
Lost Creek ISR Project PT788**

Mr. Wood,

This is the written notification of the verification of a vertical excursion at the Lost Creek ISR Project for monitor well MU-104 in follow up to notification submitted via e-mail on July 15, 2015. The excursion was confirmed on July 14, 2015 by analysis of the verification sample collected on July 13, 2015. The location of the well is provided on the attached figure "HH1-10 Patterns and Wells". In accordance with the Operations Plan Section 3.6.4.3, this 5-day notification provides the following information:

- *Recent chemical trends of the monitor well on excursion*

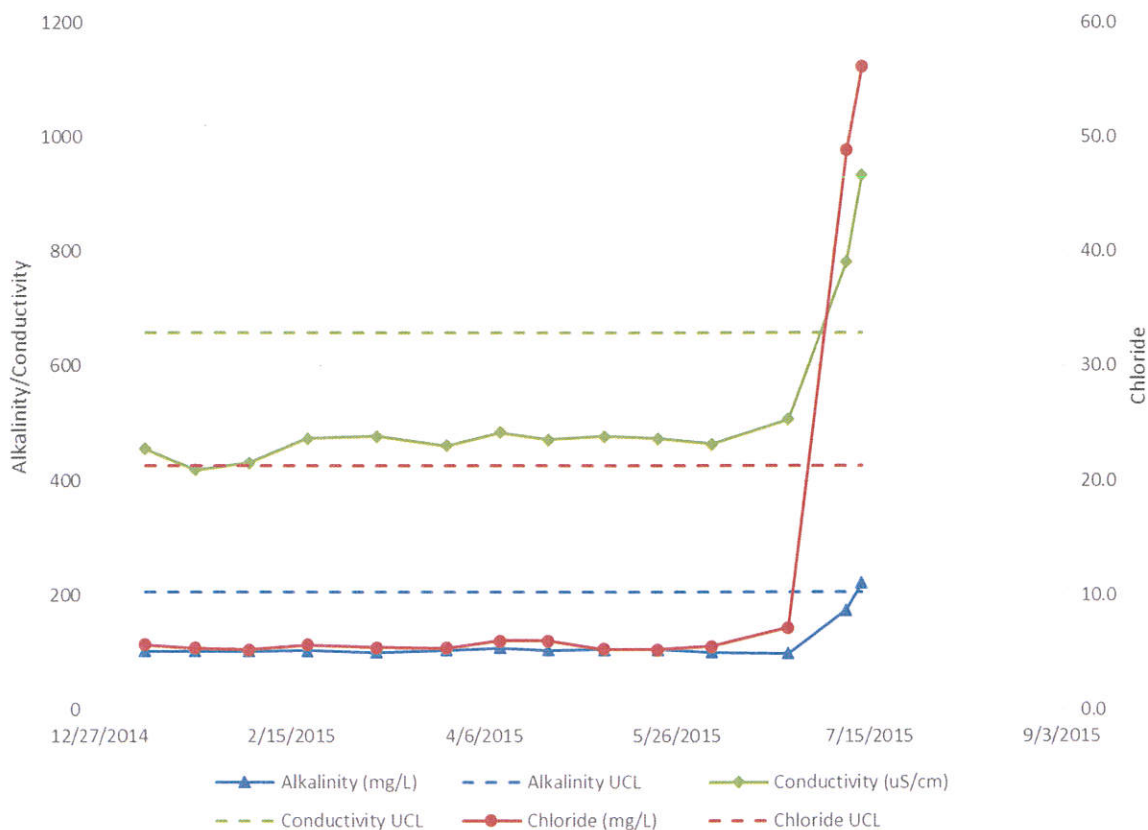
The following table and chart provides data from 2015 to reveal the trends of the Upper Control Limit (UCL) parameters:

Well ID	Collection Date	Alkalinity (mg/L)			Chloride (mg/L)			Sp. Cond. (µS/cm)		
		Assay	LQD-UCL	% Diff	Assay	LQD-UCL	% Diff	Assay	LQD-UCL	% Diff
MU-104	1/8/2015	102	206	-50	5.7	21	-73	455	659	-31
MU-104	1/21/2015	102	206	-50	5.4	21	-75	419	659	-36
MU-104	2/4/2015	102	206	-51	5.2	21	-75	431	659	-35
MU-104	2/19/2015	103	206	-50	5.7	21	-73	474	659	-28
MU-104	3/9/2015	101	206	-51	5.4	21	-74	477	659	-28
MU-104	3/27/2015	104	206	-49	5.4	21	-75	461	659	-30
MU-104	4/10/2015	108	206	-48	6.0	21	-72	484	659	-27
MU-104	4/22/2015	104	206	-50	6.0	21	-72	472	659	-28
MU-104	5/7/2015	105	206	-49	5.3	21	-75	477	659	-28
MU-104	5/21/2015	105	206	-49	5.3	21	-75	474	659	-28
MU-104	6/4/2015	100	206	-51	5.5	21	-74	464	659	-30
MU-104	6/24/2015	99	206	-52	7.1	21	-66	507	659	-23
MU-104	7/9/2015	174	206	-16	48.9	21	130	783	659	19
MU-104	7/13/2015	221	206	7	56.2	21	164	934	659	42

Yellow indicates the % difference is between 0 and the 20%.

Red indicates the % difference is greater than the 20% threshold.

MU-109



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- *The reason for the excursion*

The reason for the excursion is unknown at this time but is under investigation. Current investigation includes:

- Historic borehole records are being reviewed to determine if there was potential for vertical migration through abandoned exploration drill holes;
- The area stratigraphy from geophysical logs is being reviewing to determine if there are any geologic anomalies.

- *Actions to be taken to recover the excursion*

Injection in the area was reduced by shutting off injection wells 1I404, 1P347, and 1I406B and reducing the injection rate of 1I642, 1I643, 1I407, and 1I408 (see attached map). The effects of the adjustments will not be known until the next sample is collected and analyzed.

Please contact me at the Casper office if you have any questions regarding this submittal.

Regards,



Michael D. Gaither
Manager EHS and Regulatory Affairs
Ur-Energy USA, Inc.

Attachments: Figure as stated

Cc: John Saxton, NRC Project Manager (via email)
Theresa Horne, Ur-Energy Littleton Office (via email)

