



Quarterly Report
For the
Nine Months Ending
September 30, 2007

UEX Corporation, Vancouver, B.C., Canada



Message to Shareholders

During 2007, UEX Corporation ("UEX", or the "Company") expects to fund over 88,000 metres of exploration drilling at its 100%-owned, optioned, and joint-ventured exploration projects. The Company estimates its exploration and development expenditures in the Athabasca Basin will be approximately \$30.0 million in 2007. UEX is well-financed, with approximately \$56.0 million in cash as of the date of this document. UEX management looks forward to the future exploration and development of its existing uranium projects.

During the nine months ending September 30, 2007, UEX continued to make important strides in its exploration and development activities in the Athabasca Basin of northern Saskatchewan, Canada, an area that hosts the world's highest grade uranium deposits. The Company carried out significant drilling, geophysical and development programs at the West Bear, Raven and Horseshoe Deposits on the Hidden Bay Project, and funded exploration and development at the Western Athabasca Projects operated by AREVA Resources Canada Inc. ("AREVA"), which includes the high-grade Anne, Colette and Kianna Deposits on the Shea Creek Project. In early 2007, UEX approved the commencement of a development program proposed by AREVA for the Shea Creek Project, which includes the permitting and construction of one or two exploration shafts strategically located midway between the Anne and Kianna Deposits, budgeted at approximately \$100 million per proposed shaft.

The 2007 Shea Creek drilling has significantly increased the size of the Kianna Deposit, with multiple high-grade intersections, especially in the basement portion of the deposit, our main focus. These results continue to support AREVA's plans to sink one or two exploration shafts at Shea Creek. The development work at Shea Creek regarding the planned shaft(s) is on schedule, and we expect to be in a position to apply for the permits required for shaft construction in early 2008. Exploration drilling at Shea Creek commenced in early September with three rigs capable of performing directional drilling. Drilling is underway with two drills between the Anne and Kianna deposits, a 600 metre strike length, where historical work intersected mineralization in 9 out of 13 completed drill holes. Work is ongoing with one drill at the Anne deposit to expand the extents of both unconformity and basement mineralization. Currently, the Anne deposit is open in all directions. Drilling at Shea Creek is expected to continue until the end of November, and will restart in January 2008

UEX's interest in the Western Athabasca Projects currently stands at 40%. UEX estimates that it will earn its full 49% interest in the Western Athabasca Projects in the first quarter of 2008, at which time, AREVA and UEX will form a Joint Venture where expenditures will be shared 49% by UEX and 51% by AREVA.

A new National Instrument 43-101 ("N.I. 43-101") compliant resource estimate for the West Bear Deposit ("West Bear"), incorporating the results from the 2007 winter sonic drilling program, is presently being calculated by Golder Associates Ltd. ("Golder") of Saskatoon, SK. and should be delivered to UEX in early 2008. UEX is pleased with the results of the winter drilling program at West Bear and expects the West Bear resource should increase because of the several new high-grade intercepts encountered within the main deposit area, combined with the extension of new mineralization to the east, and the use of a lower cut-off grade by Golder in the final resource calculation. UEX looks forward to the completion of the feasibility study, which is expected to be delivered in April 2008, following Golder's integration of the results from UEX's 2007 winter sonic drilling program. UEX expects to initiate the public consultation and permitting process for West Bear in 2008 as the first step towards mine development.

UEX plans to initiate a final feasibility study at the Raven and Horseshoe Deposits ("Raven" and "Horseshoe") following receipt of a N.I. 43-101 compliant resource estimate. Drilling of over

28,000 metres completed during the winter 2007 definition and exploration program was designed to further define the extent of Horseshoe mineralization, test areas where Horseshoe mineralization extends into previously unexplored areas, and test portions of Raven to establish mineralization continuity for future resource definition. The 2007 winter drilling has exceeded our expectations, and in particular the results from Horseshoe are impressive, with strong continuity between drill holes and significant grades and widths of mineralization. In this economic environment, UEX plans to move aggressively to final feasibility at Raven and Horseshoe, in parallel with environmental, metallurgical and geotechnical studies that are underway. To this end, a summer/fall 2007 program comprising approximately 40,000 metres of drilling has been focused at Raven and Horseshoe with 30,000 metres of drilling to further define the extent of Horseshoe mineralization as well as test areas where Horseshoe mineralization extends into previously unexplored areas, and an additional 10,000 metres at Raven to trace mineralization continuity for future resource definition and delineate potential new mineralized zones identified by the recently reported winter 2007 drilling program. The summer/fall 2007 drilling program is expected to be completed by the end of November.

A winter 2008 diamond drilling program is planned to commence in early January 2008 in the Raven and Horseshoe area. An 85-hole program totaling approximately 31,000 metres will concentrate on previously untested targets interpreted from geophysics and geological structures peripheral to the Raven and Horseshoe Deposits.

The historical resource at the Horseshoe Deposit is approximately 13.2 million pounds of U_3O_8 grading 0.17% U_3O_8 . Our extensive drilling and in-house modeling suggest this resource has been understated both in its grade and contained pounds. We are confident that our work will be confirmed by Golder Associates who should complete a National Instrument 43-101 compliant resource estimate on the Horseshoe Deposit in early 2008. The historical resource at the Raven Deposit is approximately 9.62 million pounds of U_3O_8 grading 0.14% U_3O_8 . Our goal is not only to confirm the resource at Raven, but to expand on it as we believe we have done at Horseshoe.

"signed"

Stephen H. Sorensen, President & CEO

November 13, 2007

Management Discussion & Analysis

All dollar figures are in Canadian funds, unless indicated otherwise.

Overview

Strategy

UEX's goal is to remain the leading uranium explorer in the Athabasca Basin of northern Saskatchewan and to become a uranium producer. UEX believes sustainable growth is best achieved by the acquisition and partnering of prospective uranium projects at various stages of exploration and development, located in different but prospective geological domains in the Athabasca Basin.

UEX holds a diversified portfolio of uranium projects, located in several prospective geological domains in the Athabasca Basin and has strong affiliations with nuclear industry leaders. Since going public in July of 2002, UEX has aggressively pursued this strategy and has produced a growing capital appreciation for its shareholders.

About UEX

UEX is a Canadian uranium exploration and development company actively involved in 19 uranium projects in the Athabasca Basin, including seven that are 100% owned and operated by UEX, one joint venture with AREVA that is operated by UEX, ten under option from AREVA and one under option from Japan-Canada Uranium Company, Limited ("JCU"), which are operated by AREVA. AREVA is part of the AREVA Group, the world's largest nuclear energy company. The 19 projects, totaling 385,452 hectares (952,450 acres), are located on the eastern, western and northern perimeters of the Athabasca Basin, the world's richest uranium belt, which accounts for approximately 25% of global primary uranium production.

UEX 100% owned projects are the Hidden Bay Project, the Riou Lake Project, and the Northern Athabasca Projects, which is a collective term for the Butler Lake, Fond du Lac, Munroe Lake, Otherside River and Jacques Point projects, staked in 2004. UEX operates the Black Lake Project, a joint venture with AREVA under which UEX holds an 87.2% interest and AREVA holds a 12.8% interest. The Black Lake Project was the site of a new uranium discovery made by UEX during a drilling program in September 2004.

In March, 2004, UEX entered into a letter agreement with AREVA whereby UEX was granted the option to acquire up to a 49% interest in eight uranium projects owned by AREVA, including the Shea Creek Project (containing the Anne and Colette uranium deposits) located in the western Athabasca Basin in northern Saskatchewan (collectively the "Western Athabasca Projects"). In December 2004, the Brander Lake and James Creek projects were staked by AREVA, bringing the total number of projects under the UEX-AREVA Western Athabasca option agreement to ten. UEX and AREVA entered into a definitive option agreement relating to the Western Athabasca Projects dated November 10, 2004. AREVA is the operator of the Western Athabasca Projects.

In order to earn a 49% interest, UEX must fund \$30 million in exploration expenditures over the eleven years of the agreement as follows:

Prior to December 31, 2005	Minimum \$2,000,000
2006:	Minimum \$2,000,000
2007 to 2010:	Minimum \$2,500,000 per year
2011 to 2013:	Minimum \$3,000,000 per year
2014 and 2015:	Minimum \$3,500,000 per year

UEX has expended approximately \$27.5 million under the Western Athabasca Projects option agreement to the date of this document. Excess contributions in any year are carried forward and reduce the obligations of UEX in subsequent years. The Company earns a 12.25% interest in the Western Athabasca Projects for every \$7.5 million of expenditures incurred to a maximum total interest of 49%. In the event that the Anne and Colette deposits are mined, UEX has agreed to pay to AREVA a royalty of US\$0.212 per pound of U₃O₈, to a maximum royalty of US\$10.0 million.

In July 2007, UEX was advised by AREVA that, as of June 30, 2007, UEX had earned its third 12.25% interest in the Western Athabasca Projects after incurred expenditures of \$22.5 million, for a total interest earned by UEX of 36.75%. Since June 30, 2007, UEX has, as a result of further expenditures, increased its interest to 40%. Based on the current budgeted expenditures for 2007, UEX anticipates earning its final 9.0% interest during the First Quarter of 2008, to hold a 49.0% earned interest. At that time, AREVA and UEX will form a Joint Venture where expenditures will be shared 49% by UEX and 51% by AREVA.

In June 2004, UEX announced an agreement with JCU whereby JCU granted UEX an option to acquire a 25% interest in the Beatty River Project ("Beatty River"), located in the western Athabasca Basin in northern Saskatchewan. Beatty River is located 40 kilometres south of the Shea Creek uranium deposits.

At present, AREVA owns a 50.71% interest and JCU owns a 49.29% interest in Beatty River. Under the agreement, UEX can earn a 25% interest in Beatty River by funding \$865,000 in

exploration expenditures by December 31, 2008. As at September 30, 2007, UEX's expenditures under the option were approximately \$470,500.

Growth Strategy

Incurred and planned exploration and development expenditures by UEX for 2007 are estimated at \$30.0 million in the Athabasca Basin. The main strategies of UEX are:

- To complete the additional exploration and geotechnical drilling and development work required to delineate and develop economic resources at the Shea Creek Project;
- To improve the geological model of the Raven and Horseshoe Deposits through additional exploration drilling and initiate a final feasibility study at the Raven and Horseshoe Deposits following receipt of an N.I. 43-101 compliant resource estimate;
- To complete an N.I. 43-101 compliant resource estimate and a final feasibility study at West Bear;
- To further explore the uranium discovery made in the fall of 2004 at the Black Lake Project;
- To maintain, aggressively explore and advance to discovery its other uranium projects;
- To continue the negotiation and acquisition of new uranium projects that can be readily financed in current market conditions;
- To provide for a diversification of project stages (from early exploration through to development), project locations and project partners;
- To leverage its strong relationships with the world's two largest uranium companies, Cameco Corporation ("Cameco") and the AREVA Group.

Uranium Industry Trends

A number of trends in the nuclear industry have the potential to affect UEX's business environment.

Current trends are encouraging for explorers and producers of uranium. The uranium spot price has appreciated over 1,250% since January 2001 and by November 12, 2007 the spot price was US\$92.00 per pound U₃O₈, an increase of 27.8% from the 2006 year end spot price of US\$72.00 per pound U₃O₈.

In recent years, the nuclear industry has seen increased capacity at existing nuclear plants, extensions of plant licenses, and new plant construction. Electricity demands are rising rapidly worldwide. For example, the China Atomic Energy Authority is reported to have nine nuclear power reactors in commercial operation, two units grid-connected or in an advanced state of construction, and four more under construction. At least 30 new reactors are planned in order to increase China's nuclear power generation to 40 million kilowatts by 2020.

UEX believes that public opinion in many countries has moved in favour of nuclear power, and rising natural gas and oil prices have made nuclear energy the lowest cost option in some countries. In the U.S., other than hydro, nuclear energy is the cheapest source of electricity, and in recent months, several U.S. utilities have taken steps towards the construction of new nuclear power plants. Global warming concerns support increased interest in nuclear power.

Uranium Supply and Demand

Uranium supply sources include primary mine production and secondary sources. Principal primary producers of uranium include Cameco and AREVA, both of which produce principally from deposits in the Athabasca Basin of northern Saskatchewan. In 2006, worldwide annual fuel consumption was estimated at approximately 176 million pounds U₃O₈. World primary production in 2006 was approximately 102.3 million pounds U₃O₈, which was about 10 million pounds less than industry predictions, due to production problems. The resulting shortfall between consumption and production has been covered by several secondary sources including excess inventories held by utilities, producers, other fuel cycle participants, reprocessed uranium and

plutonium derived from used reactor fuel, and uranium derived from the dismantling of Russian nuclear weapons. These secondary sources will decline in importance as excess inventories and recycled uranium from nuclear weapons are progressively consumed over the next decade, resulting in the need for further primary mine supply.

Demand for uranium is directly linked to the level of electricity generated by nuclear power plants. As of January 2007, 435 reactors were in operation worldwide. Nuclear electricity generation worldwide is growing, since world nuclear generating capacity continues to expand as more reactors are built than are closed, and existing reactors are being operated at higher capacity. Reactors in the United States, for example, increased operational capacity from an average of 58% in 1980 to approximately 79% in 2006. Nuclear-generated energy supplies approximately 16% of the world's electricity.

Long Term Outlook

In 2000, uranium spot prices reached a low of US\$7.10 per pound U₃O₈ due to the increased availability of secondary supplies, short term lower demand, and increased inventory sales. The spot price has since increased to US\$92.00 per pound U₃O₈ as of the date of this document, and the long term uranium market outlook remains positive with increased consumption, and the continuing draw down of secondary uranium sources. Given the lead time necessary to find and develop new mines, the projected gaps in both supply and future depletion of existing high grade uranium deposits means that uranium exploration must be accelerated in order to meet future demand.

The recent resurgence of concern over energy security and supply, and the corresponding interest in nuclear power as a reliable and clean source of energy has heightened the awareness that new uranium supplies will be needed in the long term. The new uranium production is likely to come from deposits in Canada, Australia, Africa, Kazakhstan and the United States. Most deposits generally have much lower grades than the high-grade deposits in the Athabasca Basin, and consequently it is anticipated that the new supply will come at higher cost, which is expected to put further upward pressure on the uranium price over the next several years.

Selected Financial Information

The following is selected financial data from the audited financial statements of UEX for the last three completed fiscal years. The data should be read in conjunction with the audited financial statements for the year ending December 31, 2006 and the notes thereto.

For the Years Ended December 31

	2006	2005	2004
(CDN\$)			
Investment Income	\$3,266,404	\$812,979	\$254,714
Net Earnings (Loss) for the Year	(\$3,690,166)	488,921	(\$1,842,649)
Basic and Diluted Earnings (Loss) Per Share	(\$0.02)	\$0.00	(\$0.01)
Capitalized Exploration Expenditures, net of non-cash items	\$20,853,031	\$17,124,476	\$6,677,175
Total Assets	\$137,994,482	\$83,128,228	\$44,521,387

The following quarterly financial data is derived from the interim, unaudited financial statements of UEX as at (and for) the three month periods ended on the dates indicated below. The data should be read in conjunction with UEX's interim, unaudited financial statements and the notes thereto.

For the Quarters Ended

	Sept. 2007	Jun. 2007	Mar. 2007	Dec. 2006	Sept. 2006	Jun. 2006	Mar. 2006	Dec. 2005
(CDN\$)	\$	\$	\$	\$	\$	\$	\$	\$
Investment income	762,380	754,608	823,869	846,630	913,154	910,953	595,667	355,349
Net earnings (loss) for the period	(8,373,384)	261,419	249,394	357,526	(1,981,057)	2,405,263	(4,471,898)	933,558
Basic and diluted earnings (loss) per share	(0.046)	0.001	0.001	0.002	(0.011)	0.013	(0.026)	0.005
Capitalized exploration and development expenditures, net of non-cash items	8,840,867	6,778,834	10,590,427	3,652,544	5,658,930	3,676,380	7,595,177	3,908,244
Total Assets	153,017,409	148,362,637	148,186,531	137,994,482	139,557,023	136,398,706	138,336,861	83,128,228

Share Capital

The Company is authorized to issue an unlimited number of common shares without par value, of which 182,903,052 common shares were issued and outstanding as of September 30, 2007, and an unlimited number of preferred shares issuable in series, of which 1,000,000 preferred shares have been designated Series 1 preferred shares, none of which are issued and outstanding. As of November 13, 2007, the number of common shares outstanding was 182,903,052

At September 30, 2007, the Company had reserved a total of 10,181,200 common shares related to director and employee options, the details of which are as follows:

Exercise Prices	Number Outstanding, September 30, 2007	Weighted Average Remaining Contractual Life
\$ 0.08	756,500	6.0 years
0.10	16,000	0.7 years
0.12	84,000	0.7 years
0.84	400,000	6.8 years
0.95	575,000	6.9 years
1.80	99,700	7.8 years
2.75	175,000	7.4 years
3.56	1,850,000	8.9 years
5.00	1,550,000	8.3 years
5.02	1,000,000	9.4 years
6.40	3,675,000	9.3 years
	10,181,200	8.5 years

Results of Operations for the Three Months Ended September 30, 2007

For the three months ended September 30, 2007, the Company reported a net loss of \$8,373,384 compared to a net loss of \$1,981,057 for the three months ending September 30, 2006. The \$6,392,327 increase in net loss for the three months ending September 30, 2007 was primarily due to a \$5,082,701 increase in stock-based compensation, a \$150,774 decrease in investment

income, and the absence of a future income tax recovery, as was recorded in the three months ended September 30, 2006 resulting from a reduction in future corporate tax rates.

Investment income was \$762,380 for the three months ended September 30, 2007, compared to \$913,154 for the three months ended September 30, 2006, a decrease of \$150,774 due to the investment during the current period of lower cash balances.

The future income tax expense of \$154,687 for the three months ended September 30, 2007 is due to the reduction of future income tax assets relating to loss carry forwards applied against taxable income generated during the period. The future income tax recovery of \$933,077 during the three months ended September 30, 2006 was due to a \$1,174,052 future income tax recovery resulting from the Canadian federal government enacting amendments to tax legislation which provided for a reduction in future corporate tax rates, offset by future income tax expense of \$240,975 due to the reduction of future income tax assets relating to loss carry forwards applied against taxable income generated during the period.

The granting and vesting of stock options during the three months ended September 30, 2007 resulted in total stock-based compensation expense of \$9,754,102, of which \$1,029,712 was allocated to mineral property expenditures and the remaining \$8,724,390 was charged to operations. Total stock-based compensation expense for the three months ended September 30, 2006 was \$4,380,354, of which \$738,665 was allocated to mineral property expenditures and \$3,641,689 was charged to operations.

Operating expenses before stock-based compensation expense for the three months ended September 30, 2007 were \$256,687 compared to \$185,599 for the three months ended September 30, 2006, a difference of \$71,088, mainly due to a significant increase in the Company's business activity during the three months ended September 30, 2007. This increased activity led to higher administrative expenses, legal fees, and filing fees.

General and administrative expenses were \$45,408 for the three months ended September 30, 2007, higher than the general and administrative expenses of \$16,106 for the three months ended September 30, 2006, due to higher office costs attributed to a significant increase in the Company's business activity. Salaries and benefits totaled \$92,430 during the three months ended September 30, 2007, a decrease from the salaries and benefits costs of \$102,503 incurred by the Company in the three months ended September 30, 2006. Rent costs for the three months ended September 30, 2007 were \$13,798, similar to the rent costs of \$13,836 during the three months ending September 30, 2006. Legal and audit expenses for the three months ended September 30, 2007 were \$39,347, higher than the legal and audit expenses of \$5,504 during the three months ended September 30, 2006, due to higher legal fees resulting from a significant increase in the Company's business activity. Filing fees and stock exchange fees rose in the three months ended September 30, 2007 to \$36,565, an increase of \$11,181 over the same period in 2006, due mainly to increased transfer agent and filing fees.

Results of Operations for the Nine Months Ended September 30, 2007

For the nine months ended September 30, 2007, the Company reported a net loss of \$7,862,571 compared to net loss of \$4,047,692 for the nine months ending September 30, 2006. The \$3,814,879 increase in net loss for the nine months ending September 30, 2007 was primarily due to a \$487,913 increase in stock-based compensation expense, and the absence of a future income tax recovery, as was recorded in the nine months ended September 30, 2006 resulting from a reduction in future corporate tax rates.

Investment income was \$2,340,857 for the nine months ended September 30, 2007, compared to \$2,401,486 for the nine months ended September 30, 2006, a decrease of \$60,629 due to the investment during the period of lower cash balances than those invested during the period ended September 30, 2006.

The granting and vesting of stock options during the nine months ended September 30, 2007 resulted in total stock-based compensation expense of \$10,976,199, of which \$2,159,112 was allocated to mineral property expenditures and the remaining \$8,817,088 was charged to operations. Total stock-based compensation expense for the nine months ended September 30, 2006 was \$9,448,799, of which \$1,119,624 was allocated to mineral property expenditures and \$8,329,175 was charged to operations.

The future income tax expense of \$430,816 for the nine months ended September 30, 2007 is due to the reduction of future income tax assets relating to loss carry forwards applied against taxable income generated during the period. The future income tax recovery of \$2,568,362 during the nine months ended September 30, 2006 was due to a \$3,155,126 future income tax recovery resulting from the Canadian federal and Saskatchewan provincial governments enacting amendments to tax legislation which provided for a reduction in future corporate tax rates, offset by future income tax expense of \$586,764 due to the reduction of future income tax assets relating to loss carry forwards applied against taxable income generated during the period.

Operating expenses before stock-based compensation expense for the nine months ended September 30, 2007 were \$955,524 compared to \$688,365 for the nine months ended September 30, 2006, a difference of \$267,159, mainly due to a significant increase in the Company's business activity during the nine months ended September 30, 2007. This increased activity led to higher administrative expenses, legal and audit fees, and stock exchange listing fees.

General and administrative expenses were \$171,722 for the nine months ended September 30, 2007, higher than the general and administrative expenses of \$56,953 for the nine months ended September 30, 2006, due to higher office costs attributed to a significant increase in the Company's business activity. Salaries and benefits totaled \$321,898 during the nine months ended September 30, 2007, a small increase over the salaries and benefits costs of \$312,419 incurred by the Company in the nine months ended September 30, 2006. Rent costs for the six months ended September 30, 2007 were \$51,047, compared to rent costs of \$49,299 during the nine months ending September 30, 2006. Legal and audit expenses for the nine months ended September 30, 2007 were \$137,176, higher than the legal and audit expenses of \$63,679 during the nine months ended September 30, 2006, due to higher legal fees resulting from a significant increase in the Company's business activity. Filing fees and stock exchange fees rose in the nine months ended September 30, 2007 to \$175,313, an increase of \$38,279 over the same period in 2006, due mainly to increased costs relating to stock exchange and regulatory fees which are based on the Company's greater market capitalization.

The continuity of expenditures on UEX's uranium projects is as follows:

	Balance December 31 2006	Exploration & Development Expenditures During the Nine Months Ended September 30, 2007	Balance September 30 2007
	\$	\$	\$
West Athabasca	17,860,659	9,851,496	27,712,155
Hidden Bay	21,840,142	15,003,400	36,843,542
Black Lake	10,432,040	2,590,439	13,022,497
Riou Lake	6,889,274	518,072	7,407,346
Beatty River	448,500	53,073	501,573
North Athabasca	2,915,883	1,434,967	4,350,850
	60,386,498	29,451,447	89,837,945

(For further information regarding exploration and development expenditures on the projects shown in the above table, please refer to "Exploration Activities", below.)

During the nine months ended September 30, 2007, the Company incurred exploration and development expenditures totaling \$26,210,128, before non-cash stock-based compensation, future income taxes and amortization of \$3,241,319. Exploration and development expenditures during the nine months ended September 30, 2006 totaled \$16,930,478, before non-cash stock-based compensation, future income taxes and amortization of \$1,730,217. This \$9,279,650 increase in expenditures before non-cash items resulted from increased exploration and development activities during the period, consistent with the continued implementation of the Company's strategy.

Financing Activities

The Company realized \$5,491,046 from the exercise of stock options during the nine months ended September 30, 2007 compared to \$463,040 received from stock options exercised and \$212,500 from share purchase warrants exercised during the nine months ended September 30, 2006.

During the nine month period ended September 30, 2006, the Company issued 8,222,600 common shares at \$5.00 per share and 2,000,000 flow-through common shares at \$6.00 per share for gross proceeds of \$53,113,000. The net proceeds after a broker commission of \$1,995,000 and other expenses was \$50,996,383.

Exploration and Development Activities

The following is a general discussion of UEX's exploration and development activities during the nine months ending September 30, 2007. For more detailed information regarding UEX's exploration projects, please refer to UEX's current Annual Information Form, available at www.sedar.com or to UEX's website at www.uex-corporation.com

Western Athabasca Projects: 2007 Exploration and Development Programs

AREVA acts as operator on the ten Western Athabasca Projects, which include the Shea Creek exploration and development project, and the Douglas River, Erica, Alexandra, Mirror River, Laurie, Nikita, Uchrich, James Creek and Brander Lake exploration projects totaling 181,509 hectares (448,327 acres).

Shea Creek Project

The Shea Creek Project ("Shea Creek"), hosts the Kianna, Anne and Colette Deposits, and consists of 11 claims totaling 19,581 hectares (48,365 acres).

Directional drilling, first introduced in the Athabasca Basin by AREVA, is utilized at Shea Creek. This technology, which uses a steerable drill bit to allow several target intersections to be completed from one pilot hole, reduces the cost while improving targeting precision when drilling deep targets. A pilot hole is strategically positioned within a target area and subsequent directional cuts from the pilot hole are made towards specific targets. For example, a vertical pilot hole may reach the unconformity at a depth of 700 metres and continue into the basement for another 150 metres. Directional drilling from that pilot hole could begin in the sandstone at the 400 metre level, angling in a new direction to a different unconformity impact location and beyond, thus saving the time and expense of "re-drilling" the 400 metres length to the point where the directional hole begins.

As a result, a unique nomenclature is used for the Shea Creek drillholes. For example, "SHE-109" refers to a vertical pilot hole, with subsequent directional cuts from that pilot hole numbered "SHE-109-1", "SHE-109-2", etc.

At the Kianna Deposit, high-grade uranium mineralization has been intersected in multiple zones at depths from 662 metres to 922 metres, a vertical distance of approximately 260 metres - located in sandstone high above the unconformity, at the unconformity, and below the unconformity in basement rocks, with unconformity depths ranging from approximately 710 to 760 metres.

The AREVA-UEx drilling programs of 2004 through to 2007 have outlined three distinct styles of high-grade uranium mineralization that are still open in all directions:

- Perched ("P"), sandstone-hosted mineralization found in discrete zones tens of metres above the unconformity currently has a defined strike length of 80 metres and a width of 60 metres (previously announced 2005 hole SHE-114-5, 27.4% U₃O₈ over 8.8 metres, including 58.3% U₃O₈ over 3.5 metres);
- Unconformity-type mineralization ("UC"), in close proximity to the unconformity has a defined strike length of 200 metres and a width of 200 metres (previously announced 2006 hole SHE-115-3, grading 12.57% U₃O₈ over 11.9 metres, including 27.35% U₃O₈ over 4.2 metres);
- Basement-hosted mineralization ("B"), found in zones up to 200 metres below the unconformity has outlined a strike length of 200 metres and a down-dip extension of 160 metres (previously announced 2005 hole SHE-114-11, grading 5.40% U₃O₈ over 37.7 metres, including 25.46% U₃O₈ over 4.0 metres).

2007 Kianna Deposit Drilling Program Summary

The 2007 winter/spring drilling program at the Kianna Deposit operated from January to June 2007. Sixteen directional cuts were made from pilot holes SHE-115 and SHE-118. Multiple directional cuts, or "step-outs", can be made from one pilot hole, which reduces costs while improving targeting precision when drilling deep targets. To view a map of the 2007 drilling at the Kianna Deposit, visit UEx's website at www.uex-corporation.com. Highlights of the 2007 winter/spring drilling program that expanded the dimensions of the unconformity and basement portions of the deposit include:

- The recorded mineralized impacts and visible mineralization seen in the SHE-115 series of holes and SHE-118-7 confirmed and expanded upon the high grade basement mineralization associated with an east-west structural corridor within the Kianna Deposit. The interpretation of results concludes that the basement component of the deposit was expanded by an extra 100 metres in strike length to a current known length of 200 metres and is still open.
- The results from the SHE-118 series provided the continuity of mineralization needed to assess the southern portion of the unconformity component of the deposit. These results have outlined a continuous zone of mineralization at the unconformity that is currently 200 metres in length and will be the foundation to continue the expansion of the deposit. The basement mineralization of a number of holes from the SHE-118 series was not expected and this new mineralization opens new exploratory targets within the Kianna Deposit.

SHE-115-11: (B) 6.72% U₃O₈ over 15.1 metres, including 11.81% U₃O₈ over 6.2 metres. SHE-115-11 targeted the continuity of high-grade basement mineralization along the east-west structural corridor in the vicinity of SHE-114-8. The unconformity was intersected at 724.6 metres, approximately 31.0 metres south-southeast of the unconformity impact point of hole SHE-114-8, and 23.0 metres northwest of the unconformity impact point of hole SHE-115.

An intersection of high-grade, basement-hosted mineralization grading 6.72% U_3O_8 over 15.1 metres was encountered from 854.2 to 869.3 metres, which included 11.81% U_3O_8 over 6.2 metres. Several other intervals of weak, basement-hosted mineralization were intersected below the unconformity from 811.4 to 817.7 metres, and from 839.5 to 852.8 metres. From the reported 15.1 metres of the strongly mineralized zone approximately 3.7 metres more mineralization was not probed because of a technical problem and the hole was stopped at a depth of 877.0 metres.

The results from SHE-115-11 significantly expanded the known strike length of the Kianna Deposit basement mineralization and confirmed AREVA's theory that mineralization within the basement at Kianna is structurally-controlled.

SHE-115-12: (UC) 0.18% U_3O_8 over 1.2 metres, and (B) 0.06% U_3O_8 over 9.9 metres. SHE-115-12 targeted the continuity of high-grade basement mineralization along the east-west structural corridor in the vicinity of SHE-115-11. The unconformity was intersected at 719.4 metres, approximately 15.0 metres southeast of the unconformity of SHE-115-11. Weak mineralization was intersected at the unconformity grading 0.18% U_3O_8 over 1.2 metres between 718.7 and 719.9 metres. Trace basement mineralization was intersected grading 0.06% over 9.9 metres between 820.6 and 830.5 metres and is associated with a structure but the main mineralizing east-west structural corridor was not intersected.

SHE-115-13: (B) Mineralization intersected between 852.9 and 864.0 metres, hole was lost and no mineralized intervals were recorded. SHE-115-13 targeted the continuity of high-grade basement mineralization along the east-west structural corridor to the west of SHE-115-11. The unconformity was intersected at 722.0 metres, approximately 20.0 metres west of the unconformity of SHE-115-11. The hole was lost at 869.0 metres when the drilling crew was unable to retrieve a broken rod in the hole. This hole is the most westerly drilled hole on the Kianna Deposit and mineralization is still encountered at depths between 852.9 and 864.0 metres in the basement along the interpreted structural corridor implying the deposit is still open.

SHE-115-14: (B) 5.65% U_3O_8 over 1.7 metres, including 15.30% U_3O_8 over 0.4 metres. SHE-115-14 continued to target the continuity of high-grade basement mineralization along the east-west structural corridor in the vicinity of SHE-115-11. The unconformity was intersected at 723.6 metres, approximately 19.0 metres west of the unconformity of hole SHE-115-11. High-grade basement mineralization associated with structures was intersected from 863.6 to 865.3 metres grading 5.65% U_3O_8 over 1.7 metres, including 15.30% U_3O_8 over 0.4 metres. The structure intersected was not the main east-west structural corridor and the drill hole "over-shot" the intended target. The narrow high grade intercept implies that mineralizing fluids are present.

SHE-115-15: The target was to test the continuity of high grade basement mineralization 40 metres north and down-dip of the mineralized impact in SHE-115-11. The hole was stopped at 833.0 metres before the intersection of the intended target. The stoppage was due to the loss of a drill bit at the end of a hole after the rods became stuck, attempts to drill the bit out with a reduced rod string size were unsuccessful.

SHE-115-15A: (B) 7.11% U_3O_8 over 6.5 metres, including 15.82% U_3O_8 over 2.6 metres, including 31.95% U_3O_8 over 1.2 metres, and 2.82% U_3O_8 over 1.8 metres. SHE-115-15A targeted the continuity of high-grade basement north and down-dip of the mineralized impact in SHE-115-11 along the east-west structural corridor. The unconformity was intersected at 721.2 metres, approximately 9.0 metres north of the unconformity of hole SHE-115-11. High-grade basement mineralization was intersected from 831.1 to 837.6 metres grading 7.11% U_3O_8 over 6.5 metres, including 15.82% U_3O_8 over 2.6 metres from 831.1 to 833.7 metres, which includes 31.95% U_3O_8 over 1.2 metres from 831.9 to 833.1 metres, and 2.82% U_3O_8 over 1.8 metres from 835.8 to 837.6 metres. Additional basement mineralization was intersected from 940.9 to 944.3 metres grading 0.43% U_3O_8 over 3.4 metres.

SHE-115-16: The target was to test the continuity of high grade basement mineralization north west and down-dip of the mineralized impact in SHE-115-11. The hole was lost at 848.0 metres before the intersection of the intended target. Basement mineralization was intersected at a depth of 844.5 to 844.8 metres and it is believed to be the possible beginning of a much larger mineralizing envelope very similar to the intersection seen in SHE-115-11. The rods broke at 596.0 metres and after several attempts to retrieve the drill string the hole was abandoned. This top priority target will be drilled in future programs.

SHE-118-4: (UC) 1.14% U_3O_8 over 16.8 metres, including 2.22 % U_3O_8 over 6.2 metres. SHE-118-4 targeted the continuation of unconformity-style and possible deep basement mineralization. The unconformity was intersected at 730.9 metres, approximately 17.0 metres east of the unconformity impact point of hole SHE-115-5, 17.0 metres south-southwest of unconformity impact point of hole SHE-115-3, and 19.0 metres northwest of the unconformity impact point of SHE-118.

High-grade unconformity-style mineralization was encountered straddling the unconformity, grading 1.14% U_3O_8 over 16.8 metres from 715.75 metres to 732.55 metres, which included 2.22% U_3O_8 over 6.2 metres. Several intervals of weak, basement-hosted mineralization were intersected within fault zones below the unconformity between 795.0 to 892.5 metres, with the most notable intersection grading 0.52% U_3O_8 over 7.2 metres from 795.6 to 802.8 metres.

SHE-118-5: Unconformity mineralization was intersected consisting of disseminated pitchblende within the matrix of the breccia or within the basement fault gouge directly below the unconformity. SHE-118-5 targeted the continuation of unconformity-style mineralization 20 metres north-west of pilot hole SHE-118. The hole was lost at 758.0 metres because rods broke at a depth of 700.0 metres in the hole and could not be retrieved, and as a result no gamma probing was performed. The hole was re-drilled as SHE-118-5A.

SHE-118-5A: (UC) 3.24% U_3O_8 over 8.0 metres, including 10.76% U_3O_8 over 1.9 metres, and (B) 0.40% U_3O_8 over 3.3 metres. SHE-118-5A targeted the continuation of unconformity-style mineralization on the eastern side of the Kianna Deposit. The unconformity was intersected 20 metres north-west of pilot hole SHE-118 at a depth of 711.0 metres. High-grade unconformity-style mineralization was encountered between 706.0 and 714.0 metres grading 3.24% U_3O_8 over 8.0 metres, including 10.76% U_3O_8 over 1.9 metres between 710.0 and 711.9 metres. Additional mineralization was intersected in the basement from 732.5 to 735.8 metres grading 0.40% U_3O_8 over 3.3 metres.

SHE-118-6: (UC) 3.20% U_3O_8 over 5.1 metres. SHE-118-6 targeted the continuation of unconformity-style mineralization on the eastern side of the Kianna Deposit. The unconformity was intersected 21 metres west of pilot hole SHE-118 at a depth of 706.4 metres. High-grade unconformity-style mineralization was encountered between 701.6 and 706.7 metres grading 3.20% U_3O_8 over 5.1 metres. The hole was abandoned at 716.0 metres because the core barrel was dropped by the driller and could not be retrieved and the hole was restarted as SHE-118-6A.

SHE-118-6A: (UC) 8.35% U_3O_8 over 3.0 metres, including 11.75% U_3O_8 over 2.1 metres, and (B) 0.42% U_3O_8 over 4.0 metres. SHE-118-6A was a restart of SHE-118-6 and targeted the continuation of unconformity-style mineralization on the eastern side of the Kianna Deposit. The unconformity was intersected 22 metres west of pilot hole SHE-118 at a depth of 707.9 metres. High-grade unconformity-style mineralization was encountered between 705.45 and 708.45 metres grading 8.35% U_3O_8 over 3.0 metres, including 11.75% U_3O_8 over 2.1 metres between 705.85 to 707.95 metres. Basement mineralization was intersected consisting of 0.42% U_3O_8 over 4.0 metres between 806.85 and 810.85 metres. The full significance of the mineralization approximately 100 metres below the unconformity is not thoroughly understood. It is the first time a hole has been drilled in this area and it is 50 metres south of the main east-west structural corridor containing basement mineralization.

SHE-118-7: (UC) 1.33% U_3O_8 over 5.7 metres, and (B) 0.40% U_3O_8 over 2.9 metres. SHE-118-7 targeted the continuation of unconformity-style mineralization on the southern portion of the

Kianna Deposit. The unconformity was intersected 20 metres further west of SHE-118-6A. High-grade unconformity-style mineralization was encountered between 704.9 and 710.6 metres grading 1.33% U₃O₈ over 5.7 metres. The significance of the mineralized impact confirms the continuity of unconformity mineralization over 150 metres on the southern most drill fence on the Kianna Deposit (see accompanying Section 2 on UEX's website). Basement mineralization was intersected between 800.7 to 803.6 metres which graded 0.40% U₃O₈ over 2.9 metres.

SHE-118-8: (UC) 7.10% U₃O₈ over 3.9 metres, including 18.74% U₃O₈ over 1.2 metres and (B) 3.50% U₃O₈ over 5.7 metres, and 1.54% U₃O₈ over 3.5 metres. SHE-118-8 targeted the continuity of unconformity mineralization and tested the extension of basement mineralization along the east-west structural corridor that cuts through the Kianna deposit. The unconformity was intersected 35 metres west of pilot hole SHE-118 at a depth of 712.8 metres. High-grade unconformity-style mineralization was encountered from 710.4 to 714.3 metres grading 7.10% U₃O₈ over 3.9 metres, including 18.74% U₃O₈ over 1.2 metres between 711.3 and 712.5 metres. High-grade basement mineralization was encountered between 801.0 and 806.7 metres grading 3.50% U₃O₈ over 5.7 metres, and between 816.9 and 820.1 metres grading 1.54% U₃O₈ over 3.5 metres. The basement impacts confirm the continuation of mineralization that still remains open at depth and along strike.

SHE-118-9: (UC) 2.74% U₃O₈ over 10.5 metres, including 4.07% U₃O₈ over 6.1 metres, which includes 8.28% U₃O₈ over 1.1 metres, and (B) 2.37% U₃O₈ over 8.7 metres, including 11.75% U₃O₈ over 0.5 metres. SHE-118-9 targeted the continuity of unconformity mineralization between SHE-118 and SHE-102 (drilled in 2000). The unconformity was intersected 8 metres south east of pilot hole SHE-118 at a depth of 715.8 metres. High-grade unconformity-style mineralization was encountered between 706.2 and 716.7 metres grading 2.74% U₃O₈ over 10.5 metres, including 4.07% U₃O₈ over 6.1 metres from 710.6 to 716.7 metres, which includes 8.28% U₃O₈ over 1.1 metres from 711.7 to 712.8 metres. High-grade basement mineralization was encountered between 760.2 and 768.9 metres grading 2.37% U₃O₈ over 8.7 metres. The basement impact was not expected along the interpreted basement structure. This new mineralization with potentially high grades opens a new exploratory target within the Kianna Deposit.

SHE-118-10: (UC) 0.37% U₃O₈ over 2.6 metres. SHE-118-10 targeted the continuity of unconformity mineralization 40 metres south west of SHE-118 and intersected the unconformity at 721.6 metres. Disseminated mineralization was associated with hematized breccias above the unconformity. A mineralized interval of 0.37% U₃O₈ over 2.6 metres between 719.0 and 721.6 metres was recorded.

TABLE 1
2007 Kianna Deposit Drill Results
All Uranium Intersections Calculated from Gamma Probe Logging

Hole	Total Depth of Hole (metres)	Depth to Unconformity (metres)	From (metres)	To (metres)	Length (metres)	Avg. Grade Within the Intersection (% U ₃ O ₈)
SHE-115-11	887.0	724.6 <i>including</i>	854.2 862.4	869.3 868.6	15.1 6.2	6.72 11.81
SHE-115-12	896.0	719.4	718.7 820.6	719.9 830.5	1.2 9.9	0.18 0.06
SHE-115-13**	869.0	722.0	Mineralization intersected between 852.9-864.0 metres			
SHE-115-14	989.0	723.6 <i>including</i>	863.6 864.5	865.3 864.9	1.7 0.4	5.65 15.30
SHE-115-15**	833.0	724.4				
SHE-115-15A	1004.0	721.2 <i>including</i> <i>including</i>	831.1 831.1 831.9	837.6 833.7 833.1	6.5 2.6 1.2	7.11 15.82 31.95

			835.8 940.9	837.6 944.3	1.8 3.4	2.82 0.43
SHE-115-16**	848.0	722.0	Mineralization intersected between 844.5-844.8 metres			
SHE-118-4	950.0	730.9 <i>including</i>	715.75 725.75 795.6	732.55 731.95 802.8	16.8 6.2 7.2	1.14 2.22 0.52
SHE-118-5**	758.0	711.6				
SHE-118-5A	830.0	711.0 <i>including</i>	706.0 710.0 732.5	714.0 711.9 735.8	8.0 1.9 3.3	3.24 10.76 0.40
SHE-118-6	716.0	706.4	701.6	706.7	5.1	3.20
SHE-118-6A	817.0	707.9 <i>including</i>	705.45 705.85 806.85	708.45 707.95 810.85	3.0 2.1 4.0	8.35 11.75 0.42
SHE-118-7	821.0	709.8	704.9 800.7	710.6 803.6	5.7 2.9	1.33 0.40
SHE-118-8	937.0	712.8 <i>including</i>	710.4 711.3 801.0 816.6	714.3 712.5 806.7 820.1	3.9 1.2 5.7 3.5	7.10 18.74 3.50 1.54
SHE-118-9	797.0	715.8 <i>including</i> <i>including</i> <i>including</i>	706.2 710.6 711.7 760.2 765.0	716.7 716.7 712.8 768.9 765.5	10.5 6.1 1.1 8.7 0.5	2.74 4.07 8.28 2.37 11.75
SHE-118-10	830.0	721.6	719.0	721.6	2.6	0.37

**No probing - hole lost

2007 Shea Creek Development Program

On February 28, 2007, AREVA proposed a supplementary development program to UEX to begin during the current drilling program, consisting of:

- Geotechnical logging of pilot holes in the Kianna and Anne Deposits area;
- Drilling of geotechnical holes specifically for piezometer installation for groundwater monitoring purposes;
- Packer testing and water sampling of drill holes;
- Work contracted under the supervision of AREVA, with involvement from AREVA's exploration and mining teams as needed.

Five pilot holes were completed on the western side of the known trend of mineralization from the Anne deposit to the Kianna deposit. These holes were drilled for exploration and development purposes as follows:

- To collect geotechnical data and hydrological properties pertaining to packer tests to estimate groundwater inflows in underground openings and groundwater sampling to evaluate water quality. This work is currently being performed by Golder;
- To be used as pilot holes for future exploration directional drilling. It is important to note that these holes were not targeted to intersect mineralization.

The five holes were labeled SHE-121 to SHE-125. The geological profiles for the five holes were similar in terms of regional alteration within the sandstones, weak brecciation at the unconformity and the basement lithological sequence. Increases in radioactivity were seen in all the holes with three holes having recordable mineralized intervals (see Table 2). The significance of the mineralization encountered in these pilot holes outlines the potential of expanding mineralization between and at the known deposits.

TABLE 2
2007 Pilot Holes/Geotechnical Program Drill Results
All Uranium Intersections Calculated from Gamma Probe Logging

Hole	Total Depth of Hole (metres)	Depth to Unconformity (metres)	From (metres)	To (metres)	Length (metres)	Avg. Grade Within the Intersection (% U3O8)
SHE-121	837.0	714.5				
SHE-122	846.0	718.5	714.65	716.95	2.3	0.37
SHE-123	847.0	722.9				
SHE-124	815.0	702.7	772.1	772.8	0.7	0.93
SHE-125	821.0	703.6	728.9	729.3	0.4	0.21

AREVA is planning to submit a project description to the federal and provincial regulatory agencies in early 2008 for one or two underground exploration shafts and related test mining facilities. Construction could begin in 2010 based on the outcome of regulatory procedures.

As first announced (see UEX News Release, April 10, 2007) AREVA has started the necessary studies for site characterization and base line studies for an exploration shaft. The first proposed shaft has been strategically located between the Kianna and Anne Deposits to provide underground access to both deposits as well as the highly-prospective corridor between them (see UEX's website at www.uex-corporation.com for a map depicting the shaft location). Each of the proposed shafts will have a vertical depth of approximately 950 metres and an estimated capital cost of \$100 million (CDN).

Three drill rigs during the 2007 summer completed five piezometer holes each to a depth of 800 metres in the vicinity of the planned shaft location. The piezometer installation and pumping tests, groundwater monitoring and sampling have recently been completed.

Packer tests for hydrological studies were performed by Golder Associates during the summer. The importance of these tests is to estimate groundwater inflows in underground openings. A final report is expected later this year.

An environmental baseline study has been started in the form of surface hydrology with monitoring stations and lake level gauges installed during the summer. Aquatic and terrestrial ecology began in July. The aquatic studies began in September followed by terrestrial studies later in the fall. These studies will be ongoing into next year.

This development work and related studies are required to file a Project Description to the federal and provincial regulatory agencies.

Fall 2007 Drilling Program at Shea Creek

Drilling continues utilizing three drills which started in mid-September. One drill is being used to expand the Anne Deposit; currently the Anne Deposit is open in all directions. Pilot hole SHE-122 completed during the summer months, is being used to test the unconformity and basement extensions of mineralization in the northern portion of the Anne Deposit. With the discovery of high-grade basement mineralization in the Kianna Deposit, a greater focus is being placed on the basement mineralization at the Anne Deposit.

SHE-122-1: (B) 4.73% U3O8 over 33.7 metres, including 23.21% U3O8 over 3.6 metres, and 1.24% U3O8 over 11.4 metres. SHE-122-1, the first hole of the 2007 fall drilling program at Shea Creek, has resulted in the second-best intersection of high-grade mineralization to date at the Anne Deposit. The hole was a step-out of 20 metres and targeted the continuation of potential

mineralization within a basement structure that was first observed in SHE-96-3 during the 1999 drilling campaign. The unconformity was intersected 35 metres northwest of pilot hole SHE-122 at a depth of 713.0 metres.

High-grade basement mineralization was encountered between 713.8 and 747.5 metres grading 4.73% U₃O₈ over 33.7 metres, including 23.21% U₃O₈ over 3.6 metres from 715.9 to 719.5 metres. A second zone of high-grade basement mineralization was also encountered between 773.4 and 784.8 metres grading 1.24% U₃O₈ over 11.4 metres. It is currently recognized that all the mineralization is associated with a large structure that remains open along its strike length. The high-grade zone directly below the unconformity will expand the basement mineralization at the Anne Deposit. New drilling targets have also been outlined to follow-up on this success.

Another two drills are being used to explore the area between the Kianna and Anne Deposits, where historical drilling intersected mineralization in 9 out of 13 drill holes. The two deposits are about 600 metres apart. Drilling is using pilot holes SHE-121 and SHE-123 to target inferred structures that offset a favourable geological trend between the Anne and Kianna Deposits. Structural offsets are considered important for uranium deposition and are recognized in all three deposits at Shea Creek.

SHE-121-1: (P) 0.17% U₃O₈ over 5.5 metres. SHE-121-1 is located between the Anne and Kianna deposits. The purpose of this hole was to start exploration drilling between the deposits and target unconformity mineralization and identify basement structures that could host additional deposits. The unconformity was intersected 50 metres south east of SHE-121 at a depth of 718.1 metres. The majority of the mineralization intersected was a perched style above the unconformity in the sandstone between 708.2 and 713.7 metres grading 0.17% U₃O₈ over 5.5 metres. Perched mineralization is seen in all three deposits at Shea Creek and is considered very significant for follow-up drilling.

SHE-123-1: (UC) 0.37% U₃O₈ over 2.1 metres. SHE-123-1 is located between the Anne and Kianna deposits and the purpose of this hole was the same as SHE-121-1. The unconformity was intersected 65 metres southeast of SHE-123 at a depth of 743.4 metres. The mineralization was associated with breccias just above the unconformity between 740.6 to 742.7 metres grading 0.37% U₃O₈ over 2.1 metres.

TABLE 3
Fall 2007 Shea Creek Drill Results
All Uranium Intersections Calculated from Gamma Probe Logging

2007 Fall Drilling Results						
Hole	Total Depth of Hole (metres)	Depth to Unconformity (metres)	From (metres)	To (metres)	Length (metres)	Avg. Grade Within the Intersection (% U ₃ O ₈)
SHE-122-1	898.0	713.0 <i>including</i>	713.8 715.9 773.4	747.5 719.5 784.8	33.7 3.6 11.4	4.73 23.21 1.24
SHE-121-1	881.0	718.1	708.2	713.7	5.5	0.17
SHE-123-1	863.0	743.4	740.6	742.7	2.1	0.37

Uranium grades shown in Tables 1, 2 and 3 are calculated from gamma probe logging. True widths of mineralized intervals have not yet been determined. The technical information in this document regarding exploration results for the Western Athabasca Projects has been reviewed by Erwin Koning, P. Geo., AREVA's District Geologist, West Athabasca Region, a qualified person as defined by N.I. 43-101.

Mirror River Project 2007 Winter Program

AREVA carried out a diamond drilling program at Mirror River of approximately 2,072 metres in 3 completed drill holes, and in 4 holes that were lost or abandoned due to poor rock conditions, to test previously-defined electromagnetic conductors. Although some prospective features such as fracturing and graphitic basement conductors were encountered, no significant uranium mineralization was intersected in the drill holes.

James Creek Project 2007 Winter Program

A ground geophysical program consisting of 141.6 line kilometres of grid preparation and 105.0 kilometres of Double Loop electromagnetic surveying was carried out in the winter of 2007. Results are being processed, compiled and interpreted.

Nikita Project 2007 Winter Program

A total of 94.4 kilometres of grid preparation was completed for a ground geophysical program and 80.0 line km of DC Resistivity were completed. Processing, compilation and interpretation of the results are ongoing.

Alexandra Project 2007 Winter Program

A total of 84.0 kilometres of line cutting was completed for a ground geophysical program totaling 72.0 line kilometres of DC resistivity surveying. Results are being processed, compiled and interpreted.

No significant exploration work was planned for 2007 on the Erica, Douglas River, Brander Lake, Laurie and Uchrich Projects.

Hidden Bay Project: 2007 Exploration and Development Program

UEX operates its Hidden Bay Project, which consists of 41 claims that are 100%-owned totaling 57,024 hectares (140,904 acres). The West Bear, Raven and Horseshoe deposits are located within the Hidden Bay Project.

During the 2007 winter drilling program, UEX completed 28,212 metres of diamond drilling in 88 holes and 3,386 metres of sonic drilling in 113 holes on the Hidden Bay Project, as described below.

2007 Raven and Horseshoe Winter Exploration and Development Program

Raven and Horseshoe hosts a total historical resource estimate of 6.7 million tonnes at an average grade of 0.16% U₃O₈, representing approximately 23 million contained pounds of U₃O₈. [Note: this is a historical resource estimate completed by Gulf Minerals ("Gulf") in 1978 that was not estimated using current Canadian Institute of Mining, Metallurgy and Petroleum categories, and for which no current resource or reserve confidence categories were applied.] Raven and Horseshoe are basement-hosted deposits and are located approximately 5 kilometres southeast of the edge of the Athabasca Group sandstones, which normally cover uranium deposits in the Athabasca Basin.

During the winter of 2007, five diamond drills tested both deposit areas and completed 25 holes in Raven totaling 6,408 metres, and 63 holes in Horseshoe totaling 21,804 metres. The purpose of UEX's drilling program was to further define the extent of Horseshoe mineralization to provide the basis for a N.I. 43-101 compliant resource estimate, test areas where Horseshoe mineralization extends into previously unexplored areas, and test portions of Raven to establish mineralization continuity for future resource definition.

Golder has been engaged to oversee a resource calculation for Horseshoe, and has initiated components of a final feasibility study. Golder provides technical guidance on aspects of the final

phases of definition drilling for both Raven and Horseshoe, including geotechnical analysis of drill core. Golder is also responsible for environmental management planning and is in the latter stages of environmental baseline collection. Two HQ-diameter drill holes have recently been completed at Horseshoe to provide representative samples for metallurgical testing from two of the largest zones: the A and BE Zones. The metallurgical work is being supervised by Melis Engineering Ltd. of Saskatoon, Saskatchewan, and will provide >100 kilogram samples for comprehensive metallurgical testing of different styles of mineralization in the deposit. As previously reported, initial test work on three drill core reject composite samples revealed low levels of deleterious elements and obtained over 97% uranium extraction under mild acid leach conditions.

In recognition of the potential limited future tailings facility capacity at operating mills in the area, UEX has also requested that Golder assess the economic benefit of an assumption that following open-pit mining of the Raven and Horseshoe Deposits, the final pits would be used as tailings management facilities. Given the basement hosted nature of the Raven and Horseshoe Deposits, overall strength of the host rocks encountered during drilling, and lack of overlying Athabasca sandstone cover, it is anticipated that the ground conditions and low permeability host rocks to the deposits could be highly amenable to such a use and may increase the value of the project.

To view a map of Hidden Bay area uranium mines, mills, deposits and tailings management facilities please access UEX's website at www.uex-corporation.com under "Projects – Eastern Athabasca – Hidden Bay".

Raven and Horseshoe are located less than 5 kilometres south of Cameco's Rabbit Lake, and 12 kilometres southeast of AREVA's McClean Lake milling operations, and are hosted by competent basement rocks that could be amenable to both open-pit and conventional underground ramp access mining methods.

While the feasibility study for Raven and Horseshoe will evaluate several mining methods, the probability of more favourable economics using an open pit mine design has led UEX to quote these intercepts with an open pit resource in mind and hence a 0.05% U₃O₈ cutoff. Should future results dictate otherwise, these results and their corresponding resource estimates would be re-stated with the appropriate cut-off as determined at that time.

Winter 2007 Horseshoe Deposit Drilling Results

Numerous mineralized intercepts were obtained at Horseshoe during the 2007 winter drilling program, and those composited to grades of at least 0.05% U₃O₈ with a grade-thickness product of greater than 0.05 are listed in Table 4. Some of the most significant intercepts include the following, listed in chronological order as drilled:

- 0.32% U₃O₈ over 16.00 metres in hole HU-28 (A zone, section 4640N)
- 0.21% U₃O₈ over 10.50 metres in hole HU-30 (A zone, section 4640N)
- 0.58% U₃O₈ over 6.80 metres in hole HU-32 (A zone, section 4611N)
- 0.49% U₃O₈ over 17.00 metres in hole HU-33 (A zone, section 4611N)
- 0.07% U₃O₈ over 16.50 metres in hole HU-34 (A zone, section 4650N)
- 1.08% U₃O₈ over 2.60 metres in hole HU-36 (A zone, section 4665N)
- 0.16% U₃O₈ over 8.50 metres in hole HU-36 (A zone, section 4665N)
- 0.74% U₃O₈ over 13.40 metres in hole HU-37 (A zone, section 4611N)
- 0.37% U₃O₈ over 20.30 metres in hole HU-38 (A zone, section 4650N)
- 0.63% U₃O₈ over 12.75 metres in hole HU-39 (A zone, section 4611N)
- 0.15% U₃O₈ over 10.40 metres in hole HU-40 (A zone, section 4697N)
- 0.12% U₃O₈ over 13.90 metres in hole HU-40 (A zone, section 4697N)
- 0.31% U₃O₈ over 65.00 metres in hole HU-43 (A zone, section 4665N)
- 0.21% U₃O₈ over 28.95 metres in hole HU-44 (A zone, section 4697N)
- 0.09% U₃O₈ over 15.20 metres in hole HU-44 (A zone, section 4697N)
- 0.58% U₃O₈ over 19.00 metres in hole HU-45 (A zone, section 4593N)

- 0.14% U₃O₈ over 13.10 metres in hole HU-46 (B zone, section 4665N)
- 0.23% U₃O₈ over 15.00 metres in hole HU-47 (A-B zone, section 4697N)
- 0.39% U₃O₈ over 2.60 metres in hole HU-48 (B zone, section 4665N)
- 0.21% U₃O₈ over 16.40 metres in hole HU-49 (A zone, section 4593N)
- 0.38% U₃O₈ over 24.60 metres in hole HU-50 (A-B zone, section 4724N)
- 0.31% U₃O₈ over 23.00 metres in hole HU-51 (A zone, section 4593N)
- 0.11% U₃O₈ over 24.40 metres in hole HU-52 (B zone, section 4665N)
- 0.30% U₃O₈ over 5.65 metres in hole HU-54 (A-B zone, section 4697N)
- 0.17% U₃O₈ over 13.70 metres in hole HU-54 (A-B zone, section 4697N)
- 0.18% U₃O₈ over 8.50 metres in hole HU-54 (A-B zone, section 4697N)
- 0.40% U₃O₈ over 6.50 metres in hole HU-56 (B zone, section 4665N)
- 0.10% U₃O₈ over 15.40 metres in hole HU-58 (A-B zone, section 4697N)
- 0.50% U₃O₈ over 26.60 metres in hole HU-61 (A zone, section 4593N)
- 0.14% U₃O₈ over 14.90 metres in hole HU-62 (A-B zone, section 4697N)
- 0.18% U₃O₈ over 60.90 metres in hole HU-63 (A-B zone, section 4755N)
- 0.20% U₃O₈ over 11.00 metres in hole HU-65 (A-B zone, section 4697N)
- 0.61% U₃O₈ over 17.65 metres in hole HU-65 (A-B zone, section 4697N)
- 0.12% U₃O₈ over 20.00 metres in hole HU-66 (A zone, section 4593N)
- 0.43% U₃O₈ over 10.90 metres in hole HU-72 (A-B zone, section 4724N)
- 0.50% U₃O₈ over 9.80 metres in hole HU-81 (A-B zone, section 4724N)
- 0.80% U₃O₈ over 4.10 metres in hole HU-83 (A zone, section 4540N)
- 0.15% U₃O₈ over 14.50 metres in hole HU-84 (A zone, section 4540N)
- 0.21% U₃O₈ over 38.50 metres in hole HU-85 (A-B zone, section 4724N)
- 0.13% U₃O₈ over 12.00 metres in hole HU-88 (A-B zone, section 4724N)
- 0.26% U₃O₈ over 5.40 metres in hole HU-88 (A-B zone, section 4724N)
- 0.22% U₃O₈ over 38.20 metres in hole HU-88 (A-B zone, section 4724N)
- 0.17% U₃O₈ over 12.10 metres in hole HU-89 (A-B zone, section 4755N)
- 0.37% U₃O₈ over 6.20 metres in hole HU-89 (A-B zone, section 4755N)

Many intercepts occur as narrower, higher-grade zones when composited to cut-offs of 0.10% U₃O₈. For example, the intercept in hole HU-043 listed above contains a zone of 2.04% U₃O₈ over 7.50 metres, which includes 10.59% U₃O₈ over 0.50 metres. Other significant higher-grade intercepts include 0.99% over 11.40 metres in hole HU-61, 1.58% U₃O₈ over 5.20 metres in HU-065, and 1.97% U₃O₈ over 3.85 metres in HU-037, which includes 5.27% U₃O₈ over 0.55 metres (see Table 4 for other significant higher-grade intercepts included in wider intervals of mineralization).

While true widths of mineralized intervals have not yet been determined, drill core axis angles and continuity of mineralization between drill holes suggest that the vertical to steep angle of drill holes crosses the shallow-dipping mineralized zones at a high angle, which is close to true thickness.

Infill sampling will be required to fully assess the intercepts in HU-43 and HU-52 since they contain cumulative unsampled intervals of up to 12.70 metres where the core did not contain sufficiently anomalous radioactivity to meet UEX's sampling criteria as determined by hand-held scintillometer (greater than 200 counts per second, or "cps"). These unsampled intervals were sampled during the 2007 summer drilling program. If the intervals contain low-grade mineralization, they could be mined with adjacent higher-grade material pending a positive feasibility study. Geochemical results of this sampling are pending.

The results of the winter 2007 drilling program, when integrated with previously-reported holes from 2006, have now outlined mineralization at Horseshoe over a strike length of 500 metres. Within this mineralized area, definition drilling at 15 to 30 metres spacing has defined a continuous pair of stacked, shallow-dipping, mineralized zones over a 350 metre strike length. The zones, termed the A and B zones, comprise competent zones of hematization with disseminated and veinlet pitchblende-boltwoodite-uranophane mineralization within competent quartzitic gneiss. The zones plunge shallowly to the northeast and are linear in plan view.

Mineralization depths increase as the mineralized zones plunge to the northeast, ranging in vertical depth below surface from 130 to 220 metres in the southwestern parts of the A zone between sections 4540-4650N, to depths of 240 to 390 metres below surface along sections 4690-4750N where the A and B zones converge to the northeast. Where the zones, converge, they are collectively referred to as the A-B zone in Table 4 and the intercepts above. Mineralization is still open to the northeast and additional drilling was carried out during the summer/fall of 2007.

Table 4.
Winter 2007 Horseshoe Drilling Program
Significant Intersections from Drill Holes HU-028 to HU-090

Only intervals with composite grades greater than 0.05% U₃O₈ and a grade-thickness product greater than 0.05 are listed below. All analyses were performed by the Saskatchewan Research Council Geoanalytical Laboratories ("SRC") by ICP.

<i>Hole</i>	Section (North)	Depth of Hole (metres)	From (metres)	To (metres)	Length (metres)	Avg. Grade (% U3O8)
HU-028	4638	600.0	185.60	201.60	16.00	0.32
HU-028		<i>including</i>	191.80	193.40	1.60	2.55
HU-028		<i>and</i>	192.70	193.10	0.40	5.31
HU-029	4650	251.0	188.00	194.00	6.00	0.06
HU-029			205.70	209.30	3.60	0.06
HU-030	4611	321.0	188.00	198.50	10.50	0.21
HU-030			246.85	247.90	1.05	1.02
HU-032	4638	295.0	193.80	200.60	6.80	0.58
HU-032			222.00	223.00	1.00	0.09
HU-033	4611	255.0	177.00	194.00	17.00	0.49
HU-033		<i>including</i>	190.30	193.40	3.10	1.90
HU-033		<i>and</i>	193.00	193.40	0.40	5.93
HU-034	4650	235.0	170.70	187.20	16.50	0.07
HU-036	4665	272.0	223.50	226.10	2.60	1.08
HU-036			238.00	246.50	8.50	0.16
HU-037	4611	258.4	181.00	194.40	13.40	0.74
HU-037		<i>including</i>	181.00	184.85	3.85	1.97
HU-037		<i>and</i>	184.30	184.85	0.55	5.27
HU-037			211.30	212.25	0.95	0.79
HU-038	4650	262.0	199.50	219.80	20.30	0.37
HU-038		<i>including</i>	199.50	200.50	1.00	3.90
HU-039	4611	255.0	136.90	139.40	2.50	0.29
HU-039			150.60	163.35	12.75	0.63
HU-039		<i>including</i>	162.75	163.35	0.60	7.55
HU-039			204.50	205.90	1.40	0.16
HU-040	4697	407.0	236.30	238.30	2.00	0.18
HU-040			262.00	272.40	10.40	0.15
HU-040			290.50	304.40	13.90	0.12
HU-041	4650	253.8	183.50	190.30	6.80	0.08
HU-041			212.80	214.00	1.20	0.22
HU-043	4665	329.6	127.40	127.80	0.40	0.12
HU-043			156.60	161.40	4.80	0.05
HU-043			179.40	244.40	65.00	0.31*
HU-043		<i>including</i>	180.30	187.80	7.50	2.04
HU-043		<i>and</i>	183.80	187.10	3.30	4.27
HU-043		<i>and</i>	184.20	184.70	0.50	10.59
HU-043			260.80	262.40	1.60	0.09
HU-043			287.00	288.70	1.70	0.05
HU-043			297.90	298.40	0.50	0.19
HU-044	4697	362.0	158.30	159.00	0.70	0.43

HU-044			178.30	179.40	1.10	0.11
HU-044			206.95	235.90	28.95	0.21
HU-044		<i>including</i>	220.10	226.00	5.90	0.67
HU-044			253.50	268.70	15.20	0.09
HU-045	4593	347.0	163.00	164.30	1.30	0.30
HU-045			172.00	191.00	19.00	0.58
HU-045		<i>including</i>	172.00	172.80	0.80	1.94
HU-045		<i>and</i>	175.40	179.70	4.30	0.90
HU-045		<i>and</i>	190.00	191.00	1.00	2.72
HU-046	4665	296.0	96.80	98.00	1.20	0.07
HU-046			100.50	101.00	0.50	0.12
HU-046			117.90	119.00	1.10	0.14
HU-046			151.40	153.40	2.00	0.07
HU-046			207.70	208.60	0.90	0.20
HU-046			234.10	234.40	0.30	0.21
HU-046			237.90	239.30	1.40	0.10
HU-046			242.10	243.50	1.40	0.07
HU-046			254.30	267.40	13.10	0.14
HU-046			272.20	273.10	0.90	0.12
HU-047	4697	363.9	247.00	249.00	2.00	0.14
HU-047			279.00	294.00	15.00	0.23
HU-048	4665	361.0	110.60	111.80	1.20	0.12
HU-048			127.50	129.30	1.80	0.09
HU-048			135.20	139.70	4.50	0.06
HU-048			145.30	146.40	1.10	0.08
HU-048			154.50	157.60	3.10	0.07
HU-048			163.50	163.90	0.40	0.12
HU-048			183.30	184.40	1.10	0.06
HU-048			253.90	256.50	2.60	0.39
HU-049	4593	267.0	180.90	197.30	16.40	0.21
HU-050	4724	431.0	274.70	276.40	1.70	0.06
HU-050			297.70	322.30	24.60	0.38
HU-050		<i>including</i>	306.60	321.10	14.50	0.56
HU-051	4593	289.8	175.00	198.00	23.00	0.31**
HU-051		<i>including</i>	197.00	197.50	0.50	5.66
HU-052	4665	302.0	155.90	156.70	0.80	0.11
HU-052			197.20	198.30	1.10	0.05
HU-052			228.90	253.30	24.40	0.11***
HU-052			258.50	259.50	1.00	0.15
HU-053	4638	476.0	131.20	132.50	1.30	0.09
HU-053			152.70	154.00	1.30	0.15
HU-054	4697	344.0	249.00	254.65	5.65	0.30
HU-054			265.90	267.40	1.50	0.09
HU-054			273.30	287.00	13.70	0.17
HU-054			300.30	308.80	8.50	0.18
HU-054			317.10	318.20	1.10	0.07
HU-054			325.70	326.20	0.50	0.10
HU-056	4665	293.0	137.50	139.50	2.00	0.06
HU-056			161.80	170.30	8.50	0.09
HU-056			221.80	228.30	6.50	0.40
HU-056			245.40	245.70	0.30	0.15
HU-057	4665	271.0	135.00	140.00	5.00	0.07
HU-057			163.00	165.00	2.00	0.09
HU-058	4697	350.0	254.90	260.10	5.20	0.13
HU-058			264.00	264.70	0.70	0.09
HU-058			267.60	269.20	1.60	0.18
HU-058			307.00	322.40	15.40	0.10

HU-060	4665	191.0	119.30	120.10	0.80	0.12
HU-061	4593	308.0	156.90	183.50	26.60	0.50
HU-061		<i>including</i>	162.50	173.90	11.4	0.99
HU-062	4697	379.0	250.80	252.60	1.80	0.45
HU-062			269.10	284.00	14.90	0.14
HU-062			299.20	304.10	4.90	0.07
HU-062			323.70	330.20	6.50	0.06
HU-062			338.20	340.70	2.50	0.13
HU-063	4755	422.0	288.50	289.00	0.50	0.10
HU-063			322.40	383.30	60.90	0.18
HU-065	4697	437.0	281.00	292.00	11.00	0.20
HU-065			312.40	314.00	1.60	0.11
HU-065			331.30	331.90	0.60	0.34
HU-065			402.60	420.25	17.65	0.61
HU-065		<i>including</i>	407.10	420.25	13.15	0.80
HU-065		<i>and</i>	408.40	413.60	5.20	1.58
HU-066	4593	307.0	151.00	171.00	20.00	0.12
HU-067	4755	419.0	264.50	275.00	10.50	0.06
HU-067			300.00	301.00	1.00	0.10
HU-067			325.00	328.00	3.00	0.07
HU-067			363.00	369.50	6.50	0.11
HU-068	4593	281.0	113.00	114.00	1.00	0.06
HU-068			181.20	184.30	3.10	0.08
HU-068			191.00	192.00	1.00	0.06
HU-068			239.00	240.60	1.60	0.35
HU-069	4697	458.0	421.00	421.30	0.30	0.19
HU-070	4593	275.0	111.20	111.60	0.40	0.23
HU-070			116.10	117.30	1.20	0.08
HU-070			120.40	123.80	3.40	0.05
HU-070			131.00	133.00	2.00	0.05
HU-070			143.60	144.10	0.50	0.07
HU-070			217.30	223.60	6.30	0.08
HU-071	4755	515.0	245.60	246.50	0.90	0.30
HU-071			278.30	280.50	2.20	0.23
HU-072	4724	485.0	285.00	288.00	3.00	0.06
HU-072			326.50	328.00	1.50	0.17
HU-072			333.10	344.00	10.90	0.43
HU-072			401.00	410.40	9.40	0.09
HU-072			415.00	416.00	1.00	0.05
HU-075	4755	483.0	257.50	259.00	1.50	0.47
HU-075			308.00	308.30	0.30	0.13
HU-076	4540	275.0	121.00	122.00	1.00	0.07
HU-076			137.00	138.00	1.00	0.07
HU-077	4724	533.0	415.30	415.70	0.40	0.14
HU-080	4540	242.0	153.30	154.00	0.70	0.16
HU-081	4724	449.0	265.10	267.00	1.90	0.51
HU-081			279.80	280.20	0.40	0.33
HU-081			315.00	324.80	9.80	0.50
HU-081			334.00	343.00	9.00	0.14
HU-081			401.00	407.00	6.00	0.17
HU-081			411.00	412.00	1.00	0.06
HU-083	4540	269.0	163.00	164.00	1.00	0.32
HU-083			170.50	173.20	2.70	0.20
HU-083			177.40	177.70	0.30	0.25
HU-083			182.50	186.60	4.10	0.80
HU-083		<i>including</i>	183.0	183.40	0.40	4.37
HU-084	4540	242.0	178.80	193.30	14.50	0.15

HU-084			197.00	198.00	1.00	0.06
HU-085	4724	449.0	264.00	266.00	2.00	0.08
HU-085			288.00	326.50	38.50	0.21
HU-085		<i>including</i>	304.90	314.50	9.60	0.35
HU-085			333.50	335.00	1.50	0.09
HU-087	4827	565.7	279.00	280.00	1.00	0.60
HU-088	4724	429.0	207.30	207.80	0.50	0.09
HU-088			209.30	210.00	0.70	0.07
HU-088			220.60	232.60	12.00	0.13
HU-088			264.40	269.80	5.40	0.26
HU-088			286.30	289.05	2.75	0.07
HU-088			291.40	294.70	3.30	0.08
HU-088			297.10	335.30	38.20	0.22
HU-088		<i>including</i>	323.50	330.80	7.30	0.55
HU-089	4755	335.0	201.30	213.40	12.10	0.17
HU-089			243.20	243.60	0.40	0.13
HU-089			251.00	256.00	5.00	0.05
HU-089			263.80	270.00	6.20	0.37
HU-090	4724	403.4	149.00	151.00	2.00	0.10
HU-090			310.50	314.00	3.50	0.12
HU-090			320.00	321.00	1.00	0.09

* includes 12.70 metres not analyzed, and here composited at zero grade

** includes 9.0 metres sampled that analyzed less than 0.01% U₃O₈

*** includes 5.1 metres not analyzed, and here composited at zero grade

Winter 2007 Raven Deposit Drilling Results

The winter 2007 drilling program at Raven was designed to further test the continuity of mineralization identified by Gulf during its exploration of the deposit during the 1970's. Gulf's historical drilling was generally too widely-spaced to calculate a current resource or to fully interpret the continuity of mineralization. Previous drilling conducted by UEX in 2005 in a western area of Raven encountered narrow, discontinuous intercepts. The current target area was subsequently identified as an area where greater grade and continuity potential could occur, based on the interpretation of historical Gulf data. Uranium mineralization generally occurs at depths between 80 and 240 metres. The winter 2007 drilling program tested this area over a 300 metre strike length, with drill holes positioned on 60 metre-spaced sections, approximately 30 metres apart on each section line. Between three and six holes tested each cross section, following up areas where mineralization was previously intersected by Gulf. All holes were inclined at -70° to -88° drilling grid north (north-northwest).

Mineralized intervals intersected during the program and composited to grades of 0.05% U₃O₈ with a grade-thickness product of greater than 0.05 are listed in Table 5. Some of the most significant intercepts include:

- 0.09% U₃O₈ over 40.70 metres in hole RU-001 (section 5475E)
- 0.80% U₃O₈ over 2.20 metres in hole RU-002 (section 5475E)
- 0.08% U₃O₈ over 14.60 metres in hole RU-002 (section 5475E)
- 0.12% U₃O₈ over 9.00 metres in hole RU-002 (section 5475E)
- 0.11% U₃O₈ over 9.00 metres in hole RU-003 (section 5475E)
- 0.16% U₃O₈ over 27.00 metres in hole RU-004 (section 5475E)
- 0.25% U₃O₈ over 13.30 metres in hole RU-005 (section 5535E)
- 0.19% U₃O₈ over 16.70 metres in hole RU-012 (section 5415E)
- 0.45% U₃O₈ over 5.60 metres in hole RU-014 (section 5415E)
- 0.09% U₃O₈ over 36.20 metres in hole RU-015 (section 5630E)
- 0.15% U₃O₈ over 8.30 metres in hole RU-015 (section 5630E)
- 0.36% U₃O₈ over 4.50 metres in hole RU-017 (section 5630E)

- 0.51% U3O8 over 4.10 metres in hole RU-023 (section 5660E)
- 0.07% U3O8 over 20.00 metres in hole RU-024 (section 5660E)
- 0.06% U3O8 over 38.70 metres in hole RU-024 (section 5660E)
- 0.10% U3O8 over 33.60 metres in hole RU-025 (section 5415E)

As with Horseshoe drilling, some infill sampling was carried out during the 2007 summer drilling program to fully assess the mineralized intercepts in RU-001, RU-003, and RU-012 since they contain cumulative unsampled intervals of up to 3.9 metres where the core did not contain sufficiently anomalous radioactivity to meet UEX's sampling criteria of greater than 200 cps, as determined by hand-held scintillometer. Geochemical results of this sampling are pending.

The mineralization intersected during the winter 2007 program at Raven is more complex in morphology than that observed in the current areas of definition drilling at Horseshoe. It comprises a combination of pitchblende-boltwoodite-uranophane bearing narrow, higher-grade veinlets, disseminations with red hematite, and irregular pods and blebs. Further drilling will be required to assess its continuity and infill the current 60 metre-spaced sections. Mineralization intersected in several drill holes is open, and extends into areas not previously tested by Gulf. The intercepts reported here occur at vertical depths below surface of between 70 and 250 metres, and are shallower on average than the intercepts at Horseshoe to the east.

Table 5.
Winter 2007 Raven Drilling Program
Significant Intersections from Drill Holes RU-001 to RU-025

Only intervals with composite grades greater than 0.05% U₃O₈ and a grade-thickness product greater than 0.05 are listed below. Analyses performed by SRC by ICP.

<i>Hole</i>	Section (East)	Depth of Hole (metres)	From (metres)	To (metres)	Length (metres)	Avg. Grade (% U3O8)	
RU-001	5475	218.8	84.00	88.80	4.80	0.13	
RU-001			116.20	117.30	1.10	0.07	
RU-001			128.80	169.50	40.70	0.09*	
RU-002	5475	313.0	89.30	91.50	2.20	0.80	
RU-002			98.70	99.20	0.50	0.16	
RU-002			106.40	106.80	0.40	2.13	
RU-002			124.90	139.50	14.60	0.08	
RU-002			143.50	144.30	0.80	0.18	
RU-002			148.00	149.60	1.60	0.11	
RU-002			158.70	159.40	0.70	0.12	
RU-002			192.80	193.50	0.70	0.07	
RU-002			198.00	199.0	1.00	0.06	
RU-002			205.40	210.70	5.30	0.11	
RU-002			222.70	231.70	9.00	0.12	
RU-003	5475	239.0	107.70	108.60	0.90	0.10	
RU-003			113.00	114.00	1.00	0.09	
RU-003			116.00	117.00	1.00	0.07	
RU-003			200.00	209.00	9.00	0.11**	
RU-003			215.90	218.00	2.10	0.42	
RU-004	5475	212.0	107.00	134.00	27.00	0.16	
RU-004			<i>including</i>	109.20	113.00	3.80	0.49
RU-004			<i>including</i>	130.00	133.50	3.50	0.39
RU-004				138.00	140.00	2.00	0.07
RU-004				142.00	143.00	1.00	0.06
RU-005	5535	299.0	23.00	23.70	0.70	0.07	
RU-005			97.60	99.00	1.40	0.09	
RU-005			224.90	238.20	13.30	0.25	
RU-007	5535	263.0	94.40	95.40	1.00	0.10	
RU-007			111.00	117.00	6.00	0.12	
RU-007			220.40	224.20	3.80	0.08	

RU-007			232.00	236.60	4.60	0.11
RU-009	5535	241.7	70.00	71.00	1.00	0.08
RU-009			72.00	72.60	0.60	0.09
RU-009			92.90	93.60	0.70	0.10
RU-009			121.20	122.00	0.80	0.08
RU-009			185.00	193.00	8.00	0.06
RU-010	5415	314.0	140.30	141.30	1.00	0.08
RU-010			151.30	158.30	7.00	0.11
RU-011	5535	194.0	51.20	52.20	1.00	0.06
RU-011			63.20	64.20	1.00	0.13
RU-011			70.20	72.20	2.00	0.15
RU-011			155.20	157.70	2.50	0.06
RU-012	5415	253.7	105.90	122.60	16.70	0.19***
RU-012		<i>including</i>	117.20	117.80	0.60	1.80
RU-012			130.60	131.60	1.00	0.05
RU-012			148.00	149.50	1.50	0.10
RU-012			212.30	214.30	2.00	0.08
RU-012			224.30	227.50	3.20	0.08
RU-013	5535	314.0	191.20	193.20	2.00	0.06
RU-013			213.70	216.30	2.60	0.15
RU-013			287.10	287.70	0.60	0.18
RU-014	5415	225.0	129.00	134.60	5.60	0.45
RU-014			192.00	194.00	2.00	0.12
RU-015	5630	225.0	78.20	79.00	0.80	0.22
RU-015			90.80	91.30	0.50	0.14
RU-015			95.00	95.60	0.60	0.19
RU-015			100.60	136.80	36.20	0.09
RU-015			148.10	150.40	2.30	0.19
RU-015			161.00	164.00	3.00	0.07
RU-015			197.00	200.00	3.00	0.06
RU-015			228.00	236.30	8.30	0.15
RU-015			240.30	244.00	3.70	0.06
RU-016	5415	205.5	163.20	165.10	1.90	0.24
RU-017	5630	254.0	214.40	220.80	6.40	0.11
RU-017			231.00	235.50	4.50	0.36
RU-018	5630	290.5	79.70	81.40	1.70	0.13
RU-018			104.90	105.90	1.00	0.10
RU-020	5630	240.0	90.00	91.00	1.00	0.06
RU-020			121.20	129.60	8.40	0.10
RU-020			188.60	194.60	6.00	0.08
RU-021	5630	220.0	183.30	144.00	0.70	0.07
RU-021			193.00	194.00	1.00	0.56
RU-021			199.00	200.00	1.00	0.10
RU-022	5660	244.7	126.00	127.00	1.00	0.05
RU-022			150.40	156.00	5.60	0.11
RU-022			195.90	199.00	3.10	0.06
RU-022			203.50	205.00	1.50	0.11
RU-022			214.40	215.00	0.60	0.12
RU-023	5660	321.0	128.00	129.00	1.00	0.06
RU-023			209.60	210.00	0.40	0.23
RU-023			222.00	226.10	4.10	0.51
RU-023		<i>including</i>	225.30	226.10	0.80	1.73
RU-024	5660	287.0	95.70	97.20	1.50	0.06
RU-024			101.50	102.00	0.50	0.09
RU-024			109.00	129.00	20.00	0.07
RU-024			183.30	222.00	38.70	0.06
RU-025	5415	310.0	151.40	185.00	33.60	0.10

RU-025	<i>including</i>	152.10	152.90	0.80	0.99
RU-025		226.60	231.50	4.90	0.15
RU-025		254.00	255.00	1.00	0.07

* *includes 3.90 metres not analyzed, and here composited at zero grade*

** *includes 1.8 metres not analyzed, and here composited at zero grade*

*** *includes 0.5 metres not analyzed, and here composited at zero grade*

Summer/Fall 2007 Drilling Programs at Raven and Horseshoe

UEX commenced the 2007 summer/fall exploration drilling programs at the Raven and Horseshoe in July 2007. The program will comprise approximately 40,000 metres of drilling to be completed by five drilling rigs. 30,000 metres of drilling is planned to further define the extent of Horseshoe mineralization to provide the basis for a N.I. 43-101 compliant resource estimate as well as test areas where Horseshoe mineralization extends into previously unexplored areas, and a further 10,000 metres is planned at Raven to further trace mineralization continuity for future resource definition and delineate potential new mineralized zones identified by the winter 2007 drilling program.

The initial 22 holes of the summer/fall drilling program at Horseshoe were largely infill drilling which was intended to bring a significant portion of the upcoming resource calculation at Horseshoe into an indicated category, providing a resource with sufficient confidence levels to support the basis of a feasibility study. Another 68 holes should be completed on Horseshoe by the end of November for a total of approximately 90 holes (30,000 metres) during the program. Analytical results from the remaining holes will be reported when received. This drilling program is larger than previously reported in June 2007 since drilling continues to expand the dimensions of the deposit. Many subsequent holes have now traced mineralization into previously untested areas, often beneath or between areas of drilling historically conducted by Gulf, with mineralization still open in northeastern portions of the deposit. Preliminary interpretation of the current drilling indicates that in addition to the A and B Zones which were reported above, several newer pods of mineralization have been discovered, which include the A1, A2, BE (B east), and C Zones. Cross sections illustrating the geometry of these zones have been placed on UEX's website under Projects, East Athabasca - Hidden Bay property.

Many significant drill intercepts were obtained from the initial 22 summer/fall 2007 Horseshoe drill holes. Those composited to grades of at least 0.05% U₃O₈ with a grade-thickness product of greater than 0.1 are listed in Table 6. Some of the most significant of these intercepts include the following:

- 0.39% U₃O₈ over 7.0 metres in hole HU-91 (A zone, section 4665N)
- 0.15% U₃O₈ over 12.0 metres in hole HU-92 (A east zone, section 4665N)
- 0.83% U₃O₈ over 23.0 metres in hole HU-93 (A zone, section 4626N)
- 0.22% U₃O₈ over 25.4 metres in hole HU-98 (BE zone, section 4682N)
- 1.86% U₃O₈ over 8.3 metres in hole HU-99 (A zone, section 4626N)
- 0.28% U₃O₈ over 38.8 metres in hole HU-100 (A zone, section 4593N)
- 0.80% U₃O₈ over 22.3 metres in hole HU-101 (A zone, section 4611N)
- 0.68% U₃O₈ over 21.0 metres in hole HU-102 (A2 zone, section 4682N)
- 0.37% U₃O₈ over 11.4 metres in hole HU-103 (BE zone, section 4724N)
- 0.12% U₃O₈ over 17.9 metres in hole HU-104 (A zone, section 4570N)
- 2.20% U₃O₈ over 4.3 metres in hole HU-106 (A zone, section 4626N)
- 0.18% U₃O₈ over 31.0 metres in hole HU-107 (BE zone, section 4740N)
- 0.32% U₃O₈ over 15.0 metres in hole HU-108 (A east zone, section 4665N)
- 0.18% U₃O₈ over 50.4 metres in hole HU-109 (BE zone, section 4740N)
- 0.36% U₃O₈ over 20.4 metres in hole HU-111 (A zone, section 4626N)
- 0.31% U₃O₈ over 16.1 metres in hole HU-112 (BW zone, section 4682N)

Highest grades encountered within these intervals include 18.9% U₃O₈ over 0.2 metres at 163.2 metres in hole HU-100, 10.3% U₃O₈ over 0.5 metres at 180.9 metres in hole HU-93, and 9.4% U₃O₈ over 0.6 metres at 187.0 metres in hole HU-99. Drill holes reported here from the A zone are mainly infill holes which further confirm the continuity and grade of that portion of the deposit, and with additional holes for which assays are pending now have tested the central portions of the A zone at a drill spacing of at least 15 m. Drill holes in the BE, A1 and A2 zones reported here are the initial set of infill holes which are defining the grade and morphology of these zones at 15-30 m drill spacing. While true widths of mineralized intervals have not yet been determined, drill core axis angles and continuity of mineralization between drill holes suggest that the vertical to steep angle of drill holes crosses the shallow-dipping mineralized zones at a high angle, which is close to true thickness.

Mineralization at Horseshoe comprises zones of hematization with disseminated and veinlet pitchblende-boltwoodite-uranophane mineralization within arkosic quartzite gneiss. The zones dip shallowly, have an overall plunge to the northeast, and occur at depths of between 120 and 450 metres below surface. Two mineralization styles are now apparent: a) veinlet and nodular pitchblende + boltwoodite-uranophane in clay alteration, comprising most of the A Zone, and which contains locally very high grades, and b) disseminated pitchblende in hematite or chlorite altered arkosic quartzite. The latter mineralization style has consistent grades typically ranging between 0.15 and 0.3% U₃O₈, is often developed over broad intervals, and comprises most of the BE and other zones to the northeast. The two recently completed HQ diameter holes are for metallurgical tests from each style of mineralization.

Table 6.
Summer/Fall 2007 Horseshoe Drilling Program
Significant Intersections from Drill Holes HU-091 to HU-112

Only intervals with composite grades greater than 0.05% U₃O₈ and a grade-thickness product greater than 0.1 are listed below. All analyses were performed by SRC by ICP.

<i>Hole</i>	Section (North)	Depth of Hole (metres)	From (metres)	To (metres)	Length (metres)	Avg. Grade (% U3O8)
HU-91	4665	281	173.30	174.50	1.20	0.091
HU-91			187.00	194.00	7.00	0.393
HU-91			221.00	223.10	2.10	0.205
HU-92	4665	311	162.00	164.00	2.00	0.114
HU-92			215.00	227.00	12.00	0.150
HU-92			243.00	245.50	2.50	0.279
HU-92			289.00	291.00	2.00	0.073
HU-93	4626	220	179.60	202.60	23.00	0.827
HU-93		<i>including</i>	180.90	181.40	0.50	10.257
HU-93		<i>including</i>	196.60	197.60	1.00	4.857
HU-94	4700	324	249.00	254.60	5.60	0.152
HU-94			259.20	274.00	14.80	0.092
HU-94		<i>including</i>	260.50	262.50	2.00	0.277
HU-94			293.70	295.40	1.70	0.157
HU-95	4626	233	217.60	221.80	4.20	0.098
HU-95			224.70	226.00	1.30	0.918
HU-96	4650	209	140.60	142.00	1.40	0.151
HU-96			172.00	174.00	2.00	0.064
HU-96			181.60	186.00	4.40	0.132
HU-97	4650	221	99.50	107.00	7.50	0.105
HU-97			119.00	121.00	2.00	0.241
HU-97			141.00	141.80	0.80	0.191
HU-98	4682	327	194.00	219.40	25.40	0.222
HU-98		<i>including</i>	209.50	219.40	9.90	0.406
HU-98		<i>including</i>	236.70	243.50	6.80	0.402
HU-98			236.70	258.00	21.30	0.186

HU-99	4626	220	182.30	190.60	8.30	1.861
HU-99		<i>including</i>	185.10	188.20	3.10	4.198
HU-100	4593	206	153.00	195.10	38.80*	0.277*
HU-100		<i>including</i>	162.80	164.00	1.20	3.450
HU-100		<i>including</i>	171.40	173.00	1.60	2.133
HU-101**	4611	221	162.10	184.40	22.30	0.798**
HU-101		<i>including</i>	169.00	171.30	2.30	1.905
HU-101		<i>including</i>	176.00	178.20	2.20	3.872
HU-102	4682	330	196.50	203.50	7.00	0.906
HU-102			223.00	244.00	21.00	0.684
HU-102		<i>including</i>	229.00	234.50	5.50	1.569
HU-102			256.00	264.00	8.00	0.097
HU-103	4724	354	231.00	236.60	5.60	0.180
HU-103			275.00	278.00	3.00	0.385
HU-103			300.00	307.00	7.00	0.061
HU-103			320.60	332.00	11.40	0.374
HU-104	4570	221	136.80	138.80	2.00	0.096
HU-104			140.30	141.80	1.50	0.083
HU-104			147.80	149.60	1.80	0.062
HU-104			151.60	169.50	17.90	0.120
HU-104			177.30	178.40	1.10	0.121
HU-104			196.30	200.60	4.30	0.092
HU-105	4682	315	135.00	141.00	6.00	0.053
HU-105			152.50	154.00	1.50	0.222
HU-105			236.00	237.90	1.90	0.078
HU-106	4626	236	180.80	185.10	4.30	2.201
HU-106			211.50	213.65	2.15	0.124
HU-107	4740	475	296.00	327.00	31.00	0.176
HU-107			352.40	353.30	0.90	0.156
HU-108	4665	374	251.80	266.80	15.00	0.324
HU-108			317.80	319.80	2.00	0.111
HU-109	4740	476	272.80	274.80	2.00	0.057
HU-109			277.60	328.00	50.40	0.184
HU-109		<i>including</i>	286.00	298.60	12.60	0.339
HU-109			363.00	373.00	10.00	0.117
HU-110	4682	320	172.00	173.50	1.50	0.055
HU-110			186.00	189.00	3.00	0.087
HU-110			266.00	267.50	1.50	0.074
HU-110			275.50	276.50	1.00	0.366
HU-111	4626	231	163.50	183.90	20.40	0.362
HU-111			179.20	183.90	4.70	1.273
HU-111			204.60	206.70	2.10	0.416
HU-112	4682	296	237.00	238.00	1.00	0.211
HU-112			242.80	258.90	16.10	0.305

* includes 3.30 metres not analyzed, and here composited at zero grade: sampling to be completed

** two samples over 1.3 m are still at the lab and should increase the grade of this intercept slightly since they are currently included at zero grade

A total of five drills are currently operating at Horseshoe and Raven, with three drills testing the northern sections of the Horseshoe Deposit. Drilling has now commenced with two drills at the Raven deposit located approximately one kilometre southwest of Horseshoe, and will be ramped up during the latter part of the program as drills become available from Horseshoe. The program here was delayed due to drill availability and the expanded focus on defining the Horseshoe deposit. Drilling here will comprise a combination of stepout and infill drill holes to test the continuity and extent of mineralization there to enable a 2008 resource calculation. This program follows up a successful winter 2007 drilling program at Raven, the results of which suggest the

presence of at least three stacked, linear zones. Initial infill drilling of the current program appears to be confirming this interpretation. It is anticipated that approximately 40,000 metres of drilling will have been completed at Raven and Horseshoe during this program.

In addition to the drilling at the Horseshoe and Raven Deposits, the summer/fall 2007 exploration programs at the Wolf Lake and Tent-Seal target areas were recently completed using a helicopter-based drill. Approximately 6,000 metres of drilling were completed in these project areas and were designed to follow up on mineralization and favorable geological settings identified by historic drill holes. Results will be reported when assays are received and fully interpreted.

Geochemical samples are selected with the aid of a hand-held scintillometer to identify areas of above-background radioactivity. Samples are split, with half remaining in the core box, and the remainder shipped to SRC where they are crushed and ground to minus 106 microns. The pulp is digested in aqua regia leach and analyzed by ICP for uranium and other elements. In addition to the geochemical analyses, down-hole probe radiometric results, obtained for all drill holes on completion of drilling, provide an independent check of the geochemical data. Probe results can be used for grade calculations where poor ground conditions occur and drill core recoveries are low, although at Raven and Horseshoe recoveries are generally at, or close to, 100%. UEX has commenced systematic insertion of sample blanks into the sample stream. In addition, repeat analyses are routinely analyzed, and laboratory standards are inserted by SRC to assess sample repeatability and accuracy of results.

The technical information in this document regarding Raven and Horseshoe has been compiled by David Rhys, P. Geo., a Qualified Person as defined by N.I. 43-101. True widths of mineralized intervals have not yet been determined.

Winter 2007 West Bear Deposit Sonic Drilling Program

During the nine month period ending September 30, 2007, UEX completed its 2007 winter sonic drilling program of 113 holes totaling 3,386 metres at West Bear. The main objectives of the 2007 winter sonic drilling program were to test the eastern deposit area for uranium mineralization and better define the deposit geometry and uranium grades in the high-grade core of the main deposit area. The 2007 winter sonic drilling program, when integrated with previously-reported holes from 2005, has now defined the West Bear Deposit over a strike length of 500 metres on drill fences spaced 25 metres apart with holes spaced at 5 metre intervals. In the high-grade core area of the deposit, between Lines 17+50E and 18+50E, holes spaced at 5 metre intervals have now been drilled on fences spaced at 12.5 metre intervals. UEX is very encouraged by the number of 2007 sonic drill holes that have extended the uranium mineralization to the east by 150 metres and confirmed the continuity of uranium grades in the high-grade core of the main deposit area.

The N.I. 43-101 compliant indicated resource estimate prepared by Cameco, which was based on UEX's 2005 sonic drilling program, outlined an indicated resource of 45,600 tonnes, grading 1.385% U_3O_8 and totaling 1.391 million pounds U_3O_8 at West Bear. The West Bear resource estimate technical report dated March 2, 2006 is available for review at www.sedar.com

A new N.I. 43-101 compliant resource estimate, incorporating the results from the 2007 winter sonic drilling program, is presently being calculated by Golder, and should be delivered to UEX in early 2008 (Note: Due to the dramatic increase in the spot price of uranium since Cameco's 2005 resource calculation, Golder will use a lower cut-off grade of 0.05% U_3O_8 in its new compliant resource estimate for West Bear compared to the 0.15% U_3O_8 cut-off grade used by Cameco).

The 2005 West Bear resource estimate report by Cameco notes that only two-thirds of the strike length of the mineralized area included as part of a historical resource outlined by Gulf was tested during the 2005 sonic drilling program. A number of historical Gulf holes indicate that uranium

mineralization likely extends to the east up to 150 metres beyond the current boundaries of the deposit.

One of the goals of the 2007 winter sonic drilling program was to test the eastern deposit area for uranium mineralization not previously drilled. The 2007 program extended the uranium mineralization 150 metres east of the boundary outlined during the 2005 sonic drilling program. This new uranium mineralization forms a narrow continuous lens straddling the unconformity in the northern section of the eastern deposit area. This mineralization contains uranium values of up to 0.360% U_3O_8 over 2.0 metres in hole UEX-116 and 0.670% U_3O_8 over 3.05 metres in hole UEX-120. To view maps from the 2007 winter exploration program at West Bear, please access UEX's website at www.uex-corporation.com.

A small secondary lens of uranium mineralization not previously identified by Gulf was also discovered in the southern section of the eastern deposit area. This southern lens of mineralization extends over a strike length of over 75 metres and contains uranium values of up to 0.421% U_3O_8 over 2.55 metres in hole UEX-172.

The results of holes UEX-102 to UEX-184 drilled within the eastern deposit area are presented below in Tables 7 and 8. Significant results from these holes include the following mineralized intersections, which occur between 10 and 31 metres depth:

- 0.157% U_3O_8 over 0.70 metres in hole UEX-102 (section 2050E)
- 0.134% U_3O_8 over 1.39 metres in hole UEX-103 (section 2050E)
- 0.720% U_3O_8 over 0.76 metres in hole UEX-107 (section 2050E)
- 0.135% U_3O_8 over 1.50 metres in hole UEX-108 (section 2050E)
- 0.150% U_3O_8 over 0.50 metres in hole UEX-109 (section 2050E)
- 0.105% U_3O_8 over 1.26 metres in hole UEX-111 (section 2050E)
- 0.195% U_3O_8 over 0.50 metres in hole UEX-112 (section 2075E)
- 0.107% U_3O_8 over 0.50 metres in hole UEX-113 (section 2075E)
- 0.206% U_3O_8 over 0.69 metres in hole UEX-114 (section 2075E)
- 0.503% U_3O_8 over 1.00 metres in hole UEX-115 (section 2075E)
- 0.360% U_3O_8 over 2.00 metres in hole UEX-116 (section 2075E)
- 0.670% U_3O_8 over 3.05 metres in hole UEX-120 (section 2025E)
- 0.166% U_3O_8 over 0.50 metres in hole UEX-120 (section 2025E)
- 0.173% U_3O_8 over 0.60 metres in hole UEX-121 (section 2025E)
- 0.139% U_3O_8 over 0.66 metres in hole UEX-132 (section 2075E)
- 0.144% U_3O_8 over 0.60 metres in hole UEX-135 (section 2050E)
- 0.389% U_3O_8 over 0.60 metres in hole UEX-148 (section 2000E)
- 0.295% U_3O_8 over 1.34 metres in hole UEX-148 (section 2000E)
- 0.126% U_3O_8 over 2.40 metres in hole UEX-157 (section 1975E)
- 0.139% U_3O_8 over 0.85 metres in hole UEX-162 (section 1950E)
- 0.173% U_3O_8 over 0.50 metres in hole UEX-163 (section 1950E)
- 0.329% U_3O_8 over 1.04 metres in hole UEX-164 (section 1950E)
- 0.421% U_3O_8 over 2.55 metres in hole UEX-172 (section 2025E)
including 1.146% U_3O_8 over 0.86 metres
- 0.329% U_3O_8 over 0.91 metres in hole UEX-176 (section 2000E)
- 0.283% U_3O_8 over 0.50 metres in hole UEX-181 (section 2000E)

In addition, infill drilling on two sections (1762.5E and 1787.5E) was carried out in the high-grade core of the main deposit area between sections 1750E, 1775E and 1800E drilled by Cameco in 2005 in order to better define the ore body geometry and uranium grades in this main deposit area. Uranium grades in this high-grade core area were increased, with up to 6.032% U_3O_8 over 10.67 metres in hole UEX-206 and 2.341% U_3O_8 over 7.08 metres in hole UEX-197. Some of the most significant intercepts, which occur between 10 and 31 metres depth, include the following:

- 2.341% U_3O_8 over 7.08 metres in hole UEX-197 (section 1787.5E)
including 6.073% U_3O_8 over 2.57 metres

- 0.219% U₃O₈ over 2.19 metres in hole UEX-197 (section 1787.5E)
- 1.275% U₃O₈ over 9.20 metres in hole UEX-198 (section 1787.5E) including 2.851% U₃O₈ over 2.52 metres
- 1.185% U₃O₈ over 10.15 metres in hole UEX-199 (section 1787.5E) including 2.687% U₃O₈ over 2.81 metres
- 0.842% U₃O₈ over 8.80 metres in hole UEX-200 (section 1787.5E) including 1.242% U₃O₈ over 5.15 metres
- 0.119% U₃O₈ over 2.95 metres in hole UEX-201 (section 1787.5E)
- 0.786% U₃O₈ over 7.49 metres in hole UEX-205 (section 1762.5E) including 1.697% U₃O₈ over 2.93 metres
- 6.032% U₃O₈ over 10.67 metres in hole UEX-206 (section 1762.5E) including 18.288% U₃O₈ over 2.70 metres including 25.221% U₃O₈ over 1.76 metres
- 4.040% U₃O₈ over 11.41 metres in hole UEX-207 (section 1762.5E) including 5.969% U₃O₈ over 7.60 metres
- 1.254% U₃O₈ over 11.38 metres in hole UEX-208 (section 1762.5E) including 1.648% U₃O₈ over 7.96 metres
- 0.534% U₃O₈ over 4.80 metres in hole UEX-209 (section 1762.5E) including 1.163% U₃O₈ over 1.00 metres
- 0.348% U₃O₈ over 2.14 metres in hole UEX-210 (section 1762.5E)
- 0.186% U₃O₈ over 3.38 metres in hole UEX-211 (section 1762.5E) including 0.449% U₃O₈ over 0.73 metres

Full results are shown in Table 7 below. Only intervals with grades greater than 0.05% U₃O₈ and a grade-thickness product of greater than 0.05 are listed in Table 7.

Table 7.
West Bear Deposit - 2007 Winter Sonic Drilling Program
Mineralized Intersections from Drill Holes UEX-102 to UEX-214

Only intervals with composite grades **greater** than 0.05% U₃O₈ and a grade-thickness product greater than 0.05 are listed below. All analyses were performed by SRC by ICP.

Hole	West Bear Grid Coordinates			Hole Length (m)	From (m)	To (m)	Length (m)	U3O8 (wt%)	Grade-Thickness Product (m%U3O8)
	Easting	Northing	Elevation						
UEX-102	2050.0	1495.0	410.5	35.05	19.10	19.80	0.70	0.157	0.110
UEX-103	2050.0	1490.0	410.5	32.00	19.81	21.20	1.39	0.134	0.186
UEX-104	2050.0	1485.0	410.5	32.00	22.04	22.86	0.82	0.066	0.054
UEX-105	2050.0	1480.0	410.5	32.00	22.86	24.38	1.52	0.054	0.083
UEX-106	2050.0	1475.0	410.5	32.00	21.83	23.86	2.03	0.049	0.099
				including	21.83	22.86	1.03	0.058	0.060
UEX-107	2050.0	1470.0	410.5	35.05	22.10	22.86	0.76	0.720	0.547
UEX-108	2050.0	1465.0	410.5	32.00	21.51	23.01	1.50	0.135	0.202
UEX-109	2050.0	1460.0	410.6	33.53	24.38	24.88	0.50	0.150	0.075
UEX-111	2050.0	1450.0	410.6	28.96	22.86	24.12	1.26	0.105	0.132
UEX-112	2075.0	1505.0	410.5	32.00	25.38	25.88	0.50	0.195	0.097
UEX-113	2075.0	1500.0	410.5	30.48	16.67	18.17	1.50	0.074	0.111
					19.67	20.17	0.50	0.107	0.054
UEX-114	2075.0	1495.0	410.5	32.00	19.81	20.50	0.69	0.206	0.142
UEX-115	2075.0	1490.0	410.5	33.53	19.81	20.81	1.00	0.503	0.503
UEX-116	2075.0	1485.0	410.5	32.00	23.25	25.25	2.00	0.360	0.720
UEX-120	2025.0	1495.0	410.6	32.00	16.76	19.81	3.05	0.670	2.043
					24.36	24.86	0.50	0.166	0.083
UEX-121	2025.0	1490.0	410.6	32.00	24.95	25.55	0.60	0.173	0.104
UEX-129	2100.0	1505.0	410.4	35.05	24.38	25.95	1.57	0.078	0.123

UEX-132	2075.0	1510.0	410.6	28.96	22.20	22.86	0.66	0.139	0.092
					23.27	24.17	0.90	0.083	0.075
UEX-135	2050.0	1500.0	410.5	28.96	18.02	18.65	0.63	0.062	0.039
					19.95	20.55	0.60	0.144	0.086
UEX-137	2050.0	1510.0	410.4	32.00	19.81	20.40	0.59	0.097	0.057
					22.86	24.35	1.49	0.081	0.121
UEX-148	2000.0	1495.0	410.6	28.96	16.76	17.36	0.60	0.389	0.233
					17.86	19.20	1.34	0.295	0.396
UEX-153	1975.0	1485.0	410.6	28.96	20.19	20.59	0.40	0.066	0.026
					21.34	22.34	1.00	0.070	0.070
UEX-157	1975.0	1505.0	410.6	35.05	23.25	25.65	2.40	0.126	0.303
UEX-162	1950.0	1490.0	410.6	28.96	21.34	22.19	0.85	0.139	0.118
UEX-163	1950.0	1485.0	410.6	28.96	23.50	24.00	0.50	0.173	0.087
UEX-164	1950.0	1480.0	410.6	28.96	21.82	22.86	1.04	0.329	0.342
UEX-172	2025.0	1460.0	410.6	30.48	20.31	22.86	2.55	0.421	1.073
				including	20.31	21.15	0.84	0.063	0.053
				including	22.00	22.86	0.86	1.146	0.985
UEX-176	2000.0	1440.0	410.7	33.53	28.05	28.96	0.91	0.329	0.300
UEX-181	2000.0	1465.0	410.6	32.00	24.10	24.60	0.50	0.283	0.141
UEX-187	1900.0	1495.0	410.7	30.48	17.60	26.05	8.45	0.090	0.757
				including	17.60	21.86	4.26	0.079	0.337
				including	22.86	23.80	0.94	0.093	0.087
				including	24.90	26.05	1.15	0.236	0.272
UEX-197	1787.5	1515.0	411.3	32.00	17.80	24.88	7.08	2.341	16.571
				including	18.29	20.86	2.57	6.073	15.609
					28.96	31.15	2.19	0.219	0.480
UEX-198	1787.5	1510.0	411.4	30.48	13.25	22.45	9.20	1.275	11.734
				including	16.76	19.28	2.52	2.851	7.185
UEX-199	1787.5	1505.0	411.4	30.48	12.45	22.60	10.15	1.185	12.031
				including	17.50	20.31	2.81	2.688	7.553
UEX-200	1787.5	1500.0	411.5	30.48	14.00	22.80	8.80	0.842	7.409
				including	15.45	20.60	5.150	1.242	6.396
UEX-201	1787.5	1495.0	411.9	25.91	20.00	22.95	2.95	0.119	0.351
UEX-202	1787.5	1490.0	412.0	25.91	18.61	23.50	4.890	0.059	0.290
UEX-205	1762.5	1510.0	411.7	30.48	18.29	25.78	7.49	0.786	5.889
				including	21.07	24.00	2.93	1.697	4.971
UEX-206	1762.5	1505.0	411.6	33.53	16.76	27.43	10.67	6.032	64.365
				Including	21.10	23.80	2.70	18.288	49.378
				including	21.10	22.86	1.76	25.221	44.389
UEX-207	1762.5	1500.0	411.6	30.48	14.50	25.91	11.41	4.040	46.097
				including	16.40	24.00	7.60	5.969	45.361
					29.50	30.48	0.98	0.366	0.359
UEX-208	1762.5	1495.0	411.6	32.00	10.67	12.00	1.33	0.323	0.430
					13.72	25.10	11.38	1.254	14.269
				including	14.90	22.86	7.960	1.648	13.115
UEX-209	1762.5	1490.0	411.5	28.96	17.65	22.45	4.80	0.534	2.563
				including	20.95	21.95	1.000	1.163	1.162
UEX-210	1762.5	1485.0	411.5	28.96	22.86	25.00	2.14	0.348	0.746
UEX-211	1762.5	1480.0	411.5	27.43	22.53	25.91	3.380	0.186	0.628
				including	25.18	25.91	0.73	0.449	0.328
UEX-214	2125.0	1510.0	410.3	32.00	20.30	20.80	0.50	0.130	0.065

Table 8.
West Bear Deposit - 2007 Winter Sonic Drilling Program
Mineralized Intersections from Drill Holes UEX-102 to UEX-214

Only intervals with composite grades **lower** than 0.05% U₃O₈ and a grade-thickness product lower than 0.05 are listed below. All analyses were performed by SRC by ICP.

Hole	West Bear Grid Coordinates			Hole Length (m)	From (m)	To (m)	Length (m)	U3O8 (wt%)	Grade-Thickness Product (m%U3O8)
	Easting	Northing	Elevation						
UEX-118	2075.0	1475.0	410.6	35.05	30.11	30.48	0.37	0.076	0.028
UEX-128	2100.0	1510.0	410.5	35.05	23.86	24.38	0.52	0.077	0.040
					24.93	25.03	0.10	0.090	0.009
UEX-136	2050.0	1505.0	410.5	36.58	22.90	23.10	0.20	0.237	0.047
					27.60	28.10	0.50	0.056	0.028
UEX-147	2000.0	1500.0	410.6	28.96	16.76	17.29	0.53	0.061	0.032
UEX-149	2000.0	1490.0	410.6	27.43	19.47	19.81	0.34	0.053	0.018
UEX-160	1950.0	1500.0	410.7	28.96	23.94	24.44	0.50	0.066	0.033
UEX-166	1950.0	1470.0	410.6	28.96	23.63	24.00	0.37	0.087	0.032

A total of 28 additional sonic drill holes were not mineralized.

Geochemical samples are selected with the aid of hand-held scintillometer to identify areas of above-background radioactivity. Samples are split, with half remaining in the core box, and the remainder shipped to SRC where they are crushed and ground to minus 106 microns. The pulp is digested in aqua regia leach and analyzed by ICP for uranium and other elements. Check samples have been submitted to SRC's Analytical Laboratory (a separate facility) for uranium analysis using the delayed neutron activation technique to confirm the accuracy of the original analysis. In addition to the geochemical analyses, down-hole probe radiometric results, obtained for all sonic drill holes on completion of drilling, provide an independent check of the geochemical data. Probe results can be used for uranium grade calculations where poor ground conditions occur and core recoveries are low, although the sonic drilling method at West Bear produced core recoveries at, or close to, 100%.

The core lengths of the individual mineralized intersections are believed to be indicative of the true thicknesses of the mineralized zones, as the deposit is flat lying, and in the shape of a ribbon. All sonic drill holes were drilled at -90° (vertical).

The information in this document regarding West Bear has been compiled and reviewed by Sierd Eriks, P. Geo., a qualified person as defined by N.I. 43-101.

2007 West Bear Resource Estimate Report and Metallurgical Testing

Golder has been engaged to calculate a new N.I. 43-101 compliant resource estimate for West Bear by incorporating the drilling results from 2007. Golder's resource estimate is expected to be delivered to UEX in early 2008.

Melis Engineering Ltd. of Saskatoon, SK is currently overseeing a confirmation metallurgical testing program using representative composites derived from fresh drill core samples collected from the 2007 sonic drilling program. The composites are currently being processed at SGS Lakefield Research Ltd. of Lakefield, ON to confirm leach and effluent treatment conditions on fresh samples of core.

West Bear Environmental Baseline and Feasibility Studies

Golder is carrying out an environmental baseline study ("EBS") and a feasibility study for West Bear. The EBS has been underway at West Bear since August 2005 and Golder continues to collect biological, hydrogeological and other environmental data. Further baseline studies are scheduled for 2007 following the input of more detailed information on the project design generated from the West Bear feasibility study.

UEX looks forward to the completion of the feasibility study, which is expected to be delivered in April 2008, following Golder's integration of the results from UEX's 2007 sonic drilling program. Golder is currently carrying out mine, open pit slope, and waste dump design work. As the feasibility study progresses, Golder will supervise the tendering of contracts for all aspects of a potential mining operation, and will perform cash flow analyses and projections in order to determine net present values and internal rates of return for West Bear at various uranium price levels.

Golder and UEX have created a Strategic Planning Group, consisting of key representatives from both companies, in order to commence the permitting process for West Bear in 2008. Following receipt of the final EBS report from Golder, UEX plans to initiate the environmental assessment ("EA") process with the appropriate government agencies on both provincial and federal levels. The first step in the provincial EA process is to provide a Project Proposal to the Saskatchewan EA Branch that details the project description (e.g., mine plan, mining method, water and waste management), current environmental conditions, proposed measures to mitigate environmental issues, and residual effects from the project. After review of this document, the EA Branch will decide if the project meets the definition of a "development", in which case, an Environmental Impact Statement ("EIS") will be required and various provincial and federal responsible authorities will be identified to take part in the review of the EIS. The Strategic Planning Group plans to initiate the community and public consultation process in 2008.

West Bear uranium mineralization occurs at a vertical depth of between 10 and 31 metres (or approximately 33 to 100 feet) from surface and is one of the shallowest, undeveloped uranium deposits in the Athabasca Basin. Combined with the relatively soft nature of the host rocks and overburden, UEX believes that the deposit could be mined using low cost, open pit techniques within a very short timeframe. The deposit is located close to two existing uranium mills, Cameco's Rabbit Lake Mill and the McClean Lake Mill, operated by AREVA.

Telephone Lake Trend 2007 Winter Drilling Program

Four diamond drill holes were completed on prospective targets in the Phantom Lake area totaling 1,115 metres. Results are being processed, compiled and interpreted.

2007 West Rabbit Lake Fault Winter Drilling Program

Four diamond drill holes were completed on prospective targets in the West Rabbit Lake Fault area totaling 993 metres. Results are being processed, compiled and interpreted.

Black Lake Project

The Black Lake Project ("Black Lake") is located within the northern part of the Athabasca Basin and consists of 12 claims totaling 30,381 hectares. The centre of the property area is approximately 15 kilometres south of the town of Stony Rapids, SK.

Winter 2007 Exploration Program

UEX's 2007 winter exploration program, consisting of ground geophysical surveying and diamond drilling using one diamond drill rig, was intended to continue exploration of the main fault associated with the Black Lake conductive trend. This trend hosts UEX's 2004 discovery hole

BL-18 which encountered unconformity-type uranium mineralization in the sandstone, immediately above the Athabasca unconformity. The intercept averaged 0.694% U₃O₈ over 4.4 metres between 310.5 and 314.9 metres depth, including 1.96% U₃O₈ over 0.5 metres (see UEX News Release, October 12, 2004). To view maps from the 2007 winter exploration program at Black Lake, please access UEX's website at www.uex-corporation.com under "Latest Updates".

A total of 5,502 metres in eleven (11) diamond drill holes were drilled during the 2007 winter program. The results of holes BL-130 to BL-140 drilled to test the Eastern Fault Zone and other prospective parts of the Property are presented below in Table 9. Significant results from these holes include the following mineralized intersections:

- 0.67% U₃O₈ over 3.0 metres in hole BL-140 (section 128+50N) including 1.58% U₃O₈ over 1.0 metres
- 0.24% U₃O₈ over 3.0 metres in hole BL-137 (section 129+00N) including 0.56% U₃O₈ over 1.0 metres

These intercepts are located in the northeastern portion of the property, where previous drilling in hole BL-82 intersected 0.50% U₃O₈ over 3.3 metres including 1.6% U₃O₈ over 0.7 metres (see UEX News Release, August 14, 2006).

Six holes were drilled in the northeastern portion of the Property to follow up a mineralized reverse fault, or basement "wedge", previously intersected on section 128+00N in hole BL-82 (see accompanying Section 128+00N on UEX's website). In the Athabasca Basin, the presence of a basement "wedge" is considered to be an important geological feature for potential uranium deposition, having formed a structural trap for mineralizing hydrothermal fluids.

Follow-up drilling of this basement "wedge" was initially carried out in the winter 2007 program 100 metres along strike to the northeast of BL-82. Three inclined holes (BL-135, BL-136 and BL-137) were drilled from the same collar location along section 129+00N. Similar to hole BL-82, two unconformities were encountered in hole BL-137, the first at 258.0 metres. Uranium mineralization was intersected within a brecciated zone of sandstone 17.4 metres below the first unconformity in the lower half of the basement "wedge", grading 0.24% U₃O₈ over 3.0 metres from 275.4 to 278.4 metres, including 0.56% U₃O₈ over 1.0 metres from 275.7 to 276.7 metres (see accompanying Section 129+00N on UEX's website). The core recovery within this mineralized section of the breccia is extremely poor (7% to 10%) and as a consequence the uranium grades are based on downhole radiometric probing. Below the second unconformity, at 284.7 metres, to the end of the hole at 413.0 metres the basement consisted of interbanded amphibolite and granitic gneiss including an interval of graphitic breccia.

A second series of inclined holes (BL-138, BL-139 and BL-140) was drilled halfway between sections 128+00N and 129+00N on line 128+50N. Hole BL-140 again encountered a basement "wedge" with the first unconformity at 259.1 metres. Uranium mineralization was intersected 15.0 metres below the first unconformity in moderately to strongly friable and altered sandstone grading 0.67% U₃O₈ over 3.0 metres from 274.1 to 277.1 metres, including 1.58% U₃O₈ over 1.0 metre from 274.4 to 275.4 metres (see accompanying Section 129+50N on UEX's website). Below the second unconformity, at 290.7 metres, to the end of the hole at 386.0 metres the basement consisted of interbanded amphibolite and granitic gneiss.

Hole BL-134 in the northeastern portion of the property tested a Mobile Metal Ion (MMI) geochemical anomaly on line 122+00N. The middle section of sandstone shows wide intervals with moderate to strong desilicification and poor core recovery possibly due to faulting. Graphitic gneisses were intersected in the basement rocks.

In addition, four holes (BL-130 to BL-133) were drilled along the Eastern Fault Zone in the southwestern portion of the Property. The holes show sandstone structure (fault/fracture zones showing intense desilicification and poor core recovery) and alteration (dravite and pyrite along fractures) indicative of a prospective setting for uranium deposition, along with weakly graphitic basement rocks. Many previous holes drilled along the Eastern Fault zone over several kilometres

of strike length have also encountered faulting with pervasive dravite, pyrite, chlorite and illite alteration and anomalous uranium, lead and boron enrichment in the sandstone up to tens of metres above the unconformity. These are alteration features observed at, or near, unconformity-type uranium deposits. UEX is encouraged by the latest drilling results and plans to continue an optimized drilling program in conjunction with resistivity surveys to search for additional uranium mineralization that may be present along the 20 kilometre-long Black Lake conductor system.

Table 9.
Black Lake Project - 2007 Winter Drilling Program
Drill Holes BL-130 to BL-140

All analyses were performed by SRC using ICP
 True widths of mineralized intervals have not yet been determined.

Hole	Black Lake Grid Coordinates			Hole Length (m)	From (m)	To (m)	Length (m)	U3O8 (wt%)	Grade-Thickness Product (m%U ₃ O ₈)
	Northing	Easting	Elevation						
BL-130	5600N	125W	334.3	670.0	-	-	-	-	-
BL-131	808N	1150W	330.0	746.0	-	-	-	-	-
BL-132	4800N	1350W	328.1	656.0	-	-	-	-	-
BL-133	5600N	75W	334.5	638.0	-	-	-	-	-
BL-134	12200N	525W	323.9	453.0	-	-	-	-	-
BL-135	12900N	60E	317.6	343.0	-	-	-	-	-
BL-136	12900N	60E	317.7	404.0	-	-	-	-	-
BL-137	12900N	60E	317.6	413.0	275.4	278.4	3.0	0.24*	0.72
				including	275.7	276.7	1.0	0.56*	0.56
BL-138	12850N	60E	317.8	383.0	-	-	-	-	-
BL-139	12850N	60E	317.8	410.0	-	-	-	-	-
BL-140	12850N	60E	317.8	386.0	274.1	277.1	3.0	0.67	2.01
				including	274.4	275.4	1.0	1.58	1.58

* Due to extremely poor core recovery within this mineralized section, uranium grades are based on downhole radiometric probing.

A ground geophysical survey consisting of 50.0 kilometres of pole-dipole resistivity was carried out along the Black Lake conductive system to test the southern extension of a previously defined conductive trend from the fall 2006 program (see UEX News Release, February 27, 2007). The use of resistivity surveys in the Athabasca Basin has proved to be a useful exploration tool for mapping alteration in sandstone, especially when applied to a known graphitic conductor system like that at Black Lake. The survey progress was hampered due to extremely poor contact resistance in the sandy ground, with the result that surveying was restricted to swamps where reasonable readings could be obtained, and which would not be accessible during the summer months. Infill and completion of the survey will be carried out during a summer/fall 2007 program.

Gravity and ground magnetic surveys totaling 38 line kilometres and 32 line kilometres respectively were completed to further define a north-south trending structure in the northern part of the Black Lake grid, where previous drilling has encountered anomalous uranium mineralization. These surveys were conducted on a secondary grid with lines oriented east-west and spaced at 100 metre intervals. The magnetic survey defined a distinctive north-south trending structure, which encompasses numerous previous drill holes containing uranium mineralization. This structure is also observed as a subtle signature in the gravity data. A more intense gravity and resistivity anomaly, coincident with the edge of the north-south trending magnetic feature, is present in the area of hole BL-82. These gravity and resistivity anomalies will be targeted in future drilling.

Summer/Fall 2007 Exploration Program

A summer/fall exploration 2007 program of geophysical surveying commenced in October 2007 at Black Lake and is scheduled to continue into November 2007, as weather conditions permit. This geophysical program consists of DC resistivity in the southern portion of the property to infill and complete missing areas from the winter 2007 survey.

The technical information in this document regarding Black Lake has been compiled and reviewed by Sierd Eriks, P. Geo., a qualified person as defined by N.I. 43-101. True widths of mineralized intervals have not yet been determined. All core samples were analyzed at SRC by ICP, with additional uranium analyses by fluorimetry.

Riou Lake Project

The Riou Lake Project ("Riou Lake") consists of 13 claims totaling 33,182 hectares and is located within the northern Athabasca Basin near the town of Stony Rapids, SK.

On April 23, 2007, UEX announced the results of a Fall 2006 drilling program at Riou Lake. Three holes were drilled totaling approximately 2,487 metres, including a hole that was restarted from a wedge at 335 metres depth after the initial hole was lost in highly fractured rock. One of the three holes encountered a narrow interval of uranium mineralization.

Hole RLG-D25 intersected uranium-bearing basement rock just below the unconformity at 602.3 metres, grading 0.66% U_3O_8 over 0.10 metres. The geochemical signature of the occurrence is similar to that of uranium deposits in the Athabasca Basin with accompanying enrichment in nickel, arsenic, cobalt, copper, lead, potassium and magnesium. A subsequent re-evaluation of the KC Conductor in the area of hole RLG-D25 indicates that the hole narrowly missed the optimum target location where the top of the conductor intersects the unconformity, interpreted to be approximately 25 metres north of the hole collar. Follow-up drilling is planned for this prospective area of the KC Conductor in 2008.

The technical information regarding Riou Lake has been compiled and reviewed by Sierd Eriks, P. Geo., a qualified person as defined by N.I. 43-101. True widths of drill hole intervals have not yet been determined. All core samples were analyzed at SRC by ICP, with additional uranium analyses by fluorimetry.

2007 Winter Exploration Programs

A ground geophysical survey consisting of 30.0 kilometres of DC resistivity was carried out in the spring of 2007 on Riou Lake to follow up geophysical conductors outlined by the 2005 MEGATEM[®] airborne electromagnetic survey. The survey was conducted using a pole-pole array on a grid with lines oriented northeast-southwest and spaced at 400 metre intervals. The DC resistivity survey shows a plume-type feature with lower resistivity which is defined on a number of survey lines on the eastern portion of the grid. This feature may represent alteration of the sandstone and will be targeted in future drilling.

Northern Athabasca Projects

UEX's 100%-owned Northern Athabasca Projects consists of five projects totaling 83,758 hectares in 24 claims located on the northern rim of the Athabasca Basin near Stony Rapids, Saskatchewan, as follows: Butler Lake - 19,648 hectares, Fond du Lac - 16,838 hectares, Otherside River - 12,762 hectares, Munroe Lake - 18,275 hectares, and Jacques Point - 16,235 hectares. UEX staked the five project areas in 2004 following a review of the favourable geophysical and structural characteristics in the region.

2006 Drilling Program Results

On April 23, 2007, UEX announced the results of a Summer/Fall 2006 drilling program totaling 4,353 metres in 8 holes on the Butler Lake, Fond du Lac, Munroe Lake, and Otherside River projects. The helicopter-supported drilling program targeted anomalous geophysical responses obtained from the 2005 airborne and 2006 ground geophysical programs. None of the holes intersected significant uranium mineralization. However, on the Munroe Lake, hole ML-02 encountered strong dravite alteration in the sandstone. At the Butler Lake Project, anomalous uranium values up to 5 to 10 times background were observed in the basal 30.0 metres of sandstone. A subsequent borehole electromagnetic survey of holes BTL-01 and BTL-02 indicated that a strong basement conductor lies about 50 metres below the end of both holes.

2007 Winter Exploration Program

A fixed-loop, time-domain electromagnetic ("TDEM") survey, totaling 100.0 kilometres, was carried out on two separate grids in the winter of 2007 on UEX's Munroe Lake Project ("Munroe Lake"), one of the five Northern Projects staked by UEX in late 2004. A number of conductive trends on Munroe Lake, first identified by the 2005 MEGATEM® survey, were successfully delineated by the 2007 ground TDEM survey and represent "ground-truthing" of airborne anomalies within UEX's Northern Projects.

2007 Summer/Fall Diamond Drilling Program

A summer/fall exploration program was initiated in September 2007 comprised of ground geophysical surveying and diamond drilling using one helicopter-supported diamond drill rig. A DC resistivity survey is currently underway over a number of conductive trends on Munroe Lake that were successfully delineated by the winter 2007 ground TDEM survey. The use of resistivity surveys in the Athabasca Basin has proved to be a useful exploration tool for mapping alteration in sandstone, especially when applied to a known graphitic conductor system.

A recently completed drilling program consisted of four (4) holes and an extension of one hole for a total of 2,785 m. At the Butler Lake Project ("Butler Lake"), previous drilling in the summer and fall of 2006 encountered anomalous uranium values up to 5 to 10 times background in the basal 30.0 metres of sandstone (see UEX News Release, April 23, 2007). A subsequent borehole electromagnetic survey of hole BTL-02 indicated that a strong basement conductor lies about 50 metres below the end of the hole at 534.0 metres. Hole BTL-02 was deepened in an attempt to intersect this conductor. Two further holes at Butler Lake tested other conductors in the project area. In addition, two holes were drilled on the Jacques Point project to test ground TDEM conductors offset by faults interpreted from magnetics. Geochemical results of the drilling program are pending

The technical information regarding the Northern Athabasca Projects has been compiled and reviewed by Sierd Eriks, P. Geo., a qualified person as defined by N.I. 43-101. True widths of drill hole intervals have not yet been determined. All core samples were analyzed at SRC by ICP, with additional uranium analyses by fluorimetry.

Beatty River Project

Beatty River consists of seven claims totaling 6,688 hectares located in the western Athabasca Basin approximately 40 kilometres south of the Shea Creek deposits. At present, AREVA owns a 50.71% interest and JCU owns a 49.29% interest in Beatty River. UEX entered into an agreement dated June 15, 2004 with JCU wherein JCU granted UEX an option to acquire a 25% interest in Beatty River. Under the agreement, UEX can earn a 25% interest in Beatty River by funding \$865,000 in exploration expenditures by December 31, 2008.

2007 Winter Exploration Program

AREVA's proposed winter 2007 ground geophysical program to better define the location of the previously-identified conductor at Beatty River was postponed because no suitable geophysical contractor was available. The work has been re-scheduled for the summer/fall of 2007.

Liquidity and Capital Resources

As UEX has not begun production on any of its exploration properties, the Company does not generate cash from operations. As at September 30, 2007 the Company had current assets of \$62,890,500, including \$61,744,319 in cash and cash equivalents compared to current assets as at December 31, 2006 that totaled \$77,405,892. Working capital at September 30, 2007 was \$57,070,029, compared to working capital of \$76,568,491 at December 31, 2006. The Company's cash balances are invested in highly liquid bankers' acceptance notes, fully guaranteed by the bank, with terms of 90 days or less.

Accounts payable and accrued liabilities at September 30, 2007 were \$5,820,029, which is significantly higher than the amount at December 31, 2006 of \$837,401. The increase is due to significantly more exploration activity during September 2007 than the level of exploration activity at December 31, 2006.

The Company has no financial commitments or obligations beyond those required to fund exploration related to the maintenance and title of its mineral dispositions and its option agreement obligations to AREVA and JCU.

The Company's net future income tax liability of \$16,502,124 at September 30, 2007, is comprised of a \$17,435,913 future income tax liability related to the tax effect of the difference between the carrying value of the Company's mineral properties determined in accordance with GAAP and their tax values, offset by the Company's future income tax assets totaling \$933,789. At December 31, 2006, the Company's net future income tax liability was \$11,346,499. The increase in the future income tax liability in 2007 was primarily due to flow-through share expenditures renounced to shareholders during the period.

All acquisition, exploration, development and start-up costs are capitalized until such time as the project to which they relate is put into commercial production, sold, abandoned or recovery of costs is determined to be unlikely. Upon reaching commercial production, these capitalized costs are amortized over the estimated ore reserves on a unit-of-production basis. For properties which do not yet have proven reserves, the capitalized amounts represent costs to date and are not intended to represent present or future values. The underlying value of all properties is entirely dependent on the existence and economic recovery of reserves in the future.

Outlook

UEX will continue to focus its efforts on the development of its Saskatchewan uranium exploration properties. The Company will use its current resources as well as the net proceeds of future share issuances to achieve its goals. The ability of UEX to maintain the continuity of its exploration is dependent upon the results of future exploration programs and UEX's ability to obtain the necessary financing to further explore and develop its Saskatchewan uranium properties. Funds raised during the 2006 fiscal year will be utilized to continue exploration work on the Company's properties and for general corporate purposes.

2007 Exploration and Development Programs

In 2007, the Company intends to carry out programs on the Hidden Bay, Riou Lake, Black Lake, Northern Athabasca, Western Athabasca and Beatty River projects with exploration and development budgets totaling approximately \$30.0 million for the year ending December 31, 2007. During the first nine months of 2007, UEX has incurred exploration and development expenditures of approximately \$26.2 million. Further exploration on UEX's projects for 2008 is

dependent upon results obtained from the aforementioned programs, and future exploration budgets will be allocated to best pursue the exploration objectives of each project. As of November 13, 2007, with its summer/fall 2007 exploration programs nearing completion, the Company had approximately \$56.0 million in cash and cash equivalents.

Critical Accounting Estimates

The Company prepares its financial statements in accordance with Canadian Generally Accepted Accounting Principles, which requires management to estimate various matters that are inherently uncertain as of the date of the financial statements. Accounting estimates are deemed critical when a different estimate could have reasonably been used or where changes in the estimate are reasonably likely to occur from period to period, and would materially impact the Company's financial statements. The Company's significant accounting policies are discussed in the audited annual financial statements. Critical estimates inherent in these accounting policies are discussed below:

Valuation of Mineral Properties - The amounts shown for mineral properties and deferred exploration costs represent costs to date, and do not necessarily represent present or future values, as they are entirely dependent upon the economic recovery of current and future reserves. All acquisition, exploration, development and start-up costs are capitalized until such time as the project to which they relate is put into commercial production, sold, abandoned or recovery of costs is determined to be unlikely by management.

Asset Retirement Obligations - The Company's mining, exploration and development activities are subject to various environmental government regulations, including those for asset retirement obligations. The Company's judgements and estimates are made when estimating the discounted future cash settlement of an asset retirement obligation. In some cases, these obligations could be incurred many years from the date of estimate. These estimates may be revised as a result of changes in government regulations, or as a result of escalation of exploration properties to development or production stage.

Stock-based Compensation - UEX uses the Black-Scholes Option Pricing Model to determine the fair value of options granted. Option pricing models require management to estimate and input highly subjective assumptions including the expected future price volatility and the expected life of the options. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options granted.

Internal Control Over Financial Reporting

There have been no changes in the Company's internal controls over financial reporting that occurred during the most recent interim period ended September 30, 2007 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Caution Regarding Forward Looking Statements

Statements contained in this document which are not historical facts are forward looking statements and are prospective. These statements appear in a number of different places in this Management Discussion and Analysis, but principally under the headings "Overview" and "Outlook" above and can be identified by words such as "estimates", "projects", "expects", "intends", "believes", "plans", or their negatives or other comparable words. Forward-looking statements include statements regarding the outlook for our future operations, plans and timing for the commencement or advancement of exploration activities on our properties, statements about future market conditions, supply and demand conditions, forecasts of future costs and expenditures, the outcome of any legal proceedings, and other expectations, intention and plans that are not historical fact. Forward looking statements are based on certain factors and assumptions including expected economic conditions, uranium prices, results of operations,

performance and business prospects and opportunities. UEX considers the factors and assumptions on which these forward-looking statements are based to be reasonable at the time they were prepared, but cautions readers that these assumptions may ultimately prove to be incorrect. Forward-looking statements by their nature necessarily involve risks, uncertainties and other factors including without limitation, the risk that uranium price fluctuations could adversely affect UEX, that UEX's exploration activities may not result in profitable commercial mining operations, that competition from other energy sources and public acceptance of nuclear energy may affect UEX's prospects, that competition in the uranium industry could adversely affect UEX, that failure to obtain additional financing on a timely basis could cause UEX to reduce its interest in its properties, that compliance with and changes to environmental and other regulatory laws could adversely affect UEX, and other factors all as more particularly described under the heading "Narrative Description of the Business – Risk Factors" in the Company's most recent Annual Information Form and include unanticipated and unusual events. These and other factors could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Consequently, all forward-looking statements made in this Management Discussion and Analysis are qualified by this cautionary statement and there can be no assurance that actual results or developments anticipated by UEX will be realized. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. UEX disclaims any intention or obligation to update or revise any forward looking statements whether as a result of new information, future events or otherwise.

Additional Information

Additional information concerning UEX, including the Company's Annual Information Form for the year ended December 31, 2006 is available at www.sedar.com or at UEX's website at www.uex-corporation.com

UEX CORPORATION
INTERIM FINANCIAL STATEMENTS
SEPTEMBER 30, 2007
(Unaudited - Prepared By Management)



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NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

UEX CORPORATION
BALANCE SHEET
(UNAUDITED - PREPARED BY MANAGEMENT)

	September 30 2007	December 31 2006
	\$	\$
ASSETS		
Current Assets		
Cash and cash equivalents	61,744,319	76,866,056
Amounts receivable	929,403	465,424
Prepaid expenses	216,778	74,412
	<u>62,890,500</u>	<u>77,405,892</u>
Equipment (Note 3)	288,964	202,092
Mineral properties (Note 4)	89,837,945	60,386,498
	<u>153,017,409</u>	<u>137,994,482</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	5,820,029	837,401
Future income taxes (Note 5)	16,502,124	11,346,499
	<u>22,322,153</u>	<u>12,183,900</u>
SHAREHOLDERS' EQUITY		
Share capital (Note 6)	124,485,587	119,783,082
Contributed surplus (Note 7)	19,177,514	11,132,774
Deficit	(12,967,845)	(5,105,274)
	<u>130,695,256</u>	<u>125,810,582</u>
	<u>153,017,409</u>	<u>137,994,482</u>

Commitments (Note 9)

APPROVED BY THE DIRECTORS

Graham C. Thody (Signed)

Stephen H. Sorensen (Signed)

Refer to accompanying notes.

UEX CORPORATION
STATEMENT OF OPERATIONS AND DEFICIT
(UNAUDITED - PREPARED BY MANAGEMENT)

	Three Month Period Ended September 30 2007	Three Month Period Ended September 30 2006	Nine Month Period Ended September 30 2007	Nine Month Period Ended September 30 2006
	\$	\$	\$	\$
Expenses				
Amortization	2,696	1,099	7,778	3,264
Bank charges and interest	644	302	3,254	937
Filing fees and stock exchange	36,565	25,384	175,313	137,034
General and administration	45,408	16,106	171,722	56,953
Insurance	12,174	6,559	36,523	19,270
Legal and audit	39,347	5,504	137,176	63,679
Rent	13,798	13,836	51,047	49,299
Salaries and benefits	92,430	102,503	321,898	312,419
Stock-based compensation	8,724,390	3,641,689	8,817,088	8,329,175
Telephone	2,769	2,150	7,439	6,801
Travel and promotion	10,856	12,156	43,374	38,709
Loss before the following	(8,981,077)	(3,827,288)	(9,772,612)	(9,017,540)
Investment income	762,380	913,154	2,340,857	2,401,486
Loss before income taxes	(8,218,697)	(2,914,134)	(7,431,755)	(6,616,054)
Future income taxes (recovery)	154,687	(933,077)	430,816	(2,568,362)
Net loss for the period	(8,373,384)	(1,981,057)	(7,862,571)	(4,047,692)
Deficit, beginning of period	(4,594,461)	(3,481,743)	(5,105,274)	(1,415,108)
Deficit, end of period	(12,967,845)	(5,462,800)	(12,967,845)	(5,462,800)
Basic and diluted loss per share	(0.046)	(0.011)	(0.043)	(0.023)
Weighted average number of shares				
Basic	182,903,052	180,443,618	182,188,727	178,428,008
Diluted	185,931,448	183,097,544	185,654,146	181,531,752

Refer to accompanying notes.

UEX CORPORATION
STATEMENT OF CASH FLOWS
(UNAUDITED - PREPARED BY MANAGEMENT)

	Three Month Period Ended September 30 2007	Three Month Period Ended September 30 2006	Nine Month Period Ended September 30 2007	Nine Month Period Ended September 30 2006
	\$	\$	\$	\$
Operating Activities				
Net loss for the period	(8,373,384)	(1,981,057)	(7,862,571)	(4,047,692)
Items not involving cash				
Amortization	2,696	1,099	7,778	3,264
Stock-based compensation	8,724,390	3,641,689	8,817,088	8,329,175
Future income taxes (recovery)	154,687	(933,077)	430,816	(2,568,362)
Changes in non-cash working capital				
Amounts receivable	(4,057)	188,850	(45,666)	40,570
Prepaid expenses	9,661	6,152	(142,366)	(2,826)
Accounts payable and accrued liabilities	23,521	(26,523)	(78,519)	(87,535)
	537,514	897,133	1,126,560	1,666,594
Investing Activities				
Mineral property expenditures	(8,840,867)	(5,658,930)	(26,210,128)	(16,930,487)
Change in accounts payable and accrued liabilities relating to mineral property expenditures	2,616,785	1,365,303	5,061,147	1,432,145
Change in amounts receivable relating to mineral property expenditures	(469,202)	(142,740)	(418,313)	12,108
Purchase of equipment	(43,964)	(19,248)	(172,049)	(164,125)
	(6,737,248)	(4,455,615)	(21,739,343)	(15,650,359)
Financing Activities				
Issuance of share capital	-	16,000	5,491,046	51,671,922
Change in cash and cash equivalents during the period				
	(6,199,734)	(3,542,482)	(15,121,737)	37,688,157
Cash and cash equivalents, beginning of period	67,944,053	86,151,660	76,866,056	44,921,021
Cash and cash equivalents, end of period	61,744,319	82,609,178	61,744,319	82,609,178
Supplementary Information				
Interest received	781,514	1,099,440	2,339,380	2,457,034
Non-cash stock-based compensation included in mineral property expenditures	1,029,712	738,665	2,159,112	1,119,624
Increase to mineral properties due to future income taxes	479,062	337,317	1,004,809	579,517
Amortization included in mineral properties	36,589	12,138	77,399	31,076

Refer to accompanying notes.

UEX CORPORATION
NOTES TO FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2007
(UNAUDITED - PREPARED BY MANAGEMENT)

1. Basis of Presentation

These interim financial statements have been prepared in accordance with Canadian generally accepted accounting principles and, except for the adoption of new accounting pronouncements issued by the Canadian Institute of Chartered Accountants ("CICA") discussed below, follow the same accounting policies as used in the most recent annual financial statements. The interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2006.

On January 1, 2007, the Company adopted new accounting standards issued by the CICA relating to *Financial Instruments – Recognition and Measurement* and *Comprehensive Income*. The adoption of these standards had no impact on the Company's financial statements. The fair market value of the Company's financial assets and liabilities approximates the carrying amount as a result of the short-term nature of the instruments. The Company has not entered into any hedging relationships and does not hold any available-for-sale securities that would result in the recognition of other comprehensive income or loss.

2. Nature of Operations

The Company is in the process of exploring and developing its mineral properties and has not yet determined whether its mineral properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable ore reserves in its mineral properties, the ability of the Company to obtain the necessary financing to complete exploration and development, completion of commitments required under option agreements in order for the Company to earn its interest in the underlying mineral claims and upon future profitable production or the proceeds from the disposition of its mineral properties.

3. Equipment

	September 30 2007		December 31 2006	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	\$	\$	\$	\$
Exploration equipment	279,703	101,789	177,914	139,129
Computer equipment	93,524	29,663	63,861	56,042
Computer software	80,559	36,985	43,574	5,378
Furniture and fixtures	4,204	589	3,615	1,543
	457,990	169,026	288,964	202,092

UEX CORPORATION
NOTES TO FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2007
(UNAUDITED - PREPARED BY MANAGEMENT)

4. Mineral Properties

The continuity of expenditures on mineral properties is as follows:

	Balance December 31 2006	Exploration and development expenditures during the period	Balance September 30 2007
	\$	\$	\$
Western Athabasca	17,860,659	9,851,496	27,712,155
Hidden Bay	21,840,142	15,003,400	36,843,542
Black Lake	10,432,040	2,590,439	13,022,479
Riou Lake	6,889,274	518,072	7,407,346
Beatty River	448,500	53,073	501,573
Northern Athabasca	2,915,883	1,434,967	4,350,850
	60,386,498	29,451,447	89,837,945

A summary of the company's mineral property interests is as follows:

(a) Western Athabasca Projects

During 2004, the Company entered into an agreement with AREVA Resources Canada Inc. ("AREVA") whereby the Company was granted the option to acquire up to a 49% interest in certain uranium projects (the "Western Athabasca Projects") located in the western Athabasca Basin in northern Saskatchewan. In order to earn this interest, the Company must fund \$30,000,000 in exploration expenditures over an eleven year period, as follows:

First and second years	-	Minimum \$2,000,000 per year
Third to sixth years	-	Minimum \$2,500,000 per year
Seventh to ninth years	-	Minimum \$3,000,000 per year
Tenth and eleventh years	-	Minimum \$3,500,000 per year

The Company earns a 12.25% interest in the Western Athabasca Projects, which include the Anne, Colette and Kianna deposits, for every \$7,500,000 incurred to a maximum total interest of 49%. At September 30, 2007, the Company has earned a 40% interest in the West Athabasca Projects.

The Anne and Colette deposits, located within the West Athabasca Projects, are subject to a royalty of US \$0.212 per pound of U₃O₈ sold to a maximum of US \$10,000,000.

(b) Hidden Bay Project

The Company's 100%-owned Hidden Bay Project assets, including the West Bear and Raven-Horseshoe deposits are located immediately west of Wollaston Lake in Saskatchewan.

(c) Black Lake Project

The Company has an 87.24% interest and AREVA has a 12.76% interest in the Black Lake Project located in the Athabasca Basin.

UEX CORPORATION
NOTES TO FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2007
(UNAUDITED - PREPARED BY MANAGEMENT)

4. Mineral Properties (Cont'd)

(d) Riou Lake Project

The Company has a 100% interest in the Riou Lake uranium exploration project located in the Athabasca Basin.

(e) Beatty River Project

During 2004, the Company entered into an option agreement with Japan-Canada Uranium Company, Limited ("JCU"), whereby the Company was granted an option to acquire a 25% interest in the Beatty River Project, located in the western Athabasca Basin in northern Saskatchewan, by funding \$865,000 in exploration expenditures by December 31, 2008. At the time of the agreement, AREVA held a 50.71% interest and JCU held a 49.29% interest in the Beatty River Project.

(f) Northern Athabasca Projects

During 2004, the Company staked five uranium projects in the northern Athabasca Basin near Stony Rapids, Saskatchewan.

5. Future Income Taxes

The tax effects of temporary differences that give rise to significant portion of the Company's future income tax assets and liabilities at September 30, 2007 and December 31, 2006 are presented below:

	September 30 2007	December 31 2006
	\$	\$
Future income tax assets:		
Loss carry forwards	31,456	228,323
Equipment	55,610	25,345
Share issuance costs	846,723	1,110,937
	<u>933,789</u>	<u>1,364,605</u>
Future income tax liabilities:		
Mineral properties	<u>(17,435,913)</u>	<u>(12,711,104)</u>
Net future income tax liabilities	<u>(16,502,124)</u>	<u>(11,346,499)</u>

In February 2007, the Company renounced \$12,000,000 of tax deductions associated with qualified expenditures incurred with flow-through funds, resulting in an increase to the Company's future income tax liability of \$3,720,000.

UEX CORPORATION
NOTES TO FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2007
(UNAUDITED - PREPARED BY MANAGEMENT)

5. Future Income Taxes (Cont'd)

A reconciliation of income taxes at statutory rates with the reported taxes for the nine month and three month periods ended September 30, 2007 and 2006 is as follows:

	Three Month Period Ended September 30 2007 \$	Three Month Period Ended September 30 2006 \$	Nine Month Period Ended September 30 2007 \$	Nine Month Period Ended September 30 2006 \$
Loss before income taxes	(8,218,697)	(2,914,134)	(7,431,755)	(6,616,054)
Income taxes (recovery) at statutory rates	(2,804,220)	(994,303)	(2,535,715)	(2,257,398)
Non-deductible expenses and permanent differences	2,976,903	1,244,291	3,011,015	2,853,175
Future tax rate differences	(17,996)	(9,013)	(44,484)	(9,013)
Change in future corporate tax rates	-	(1,174,052)	-	(3,155,126)
Future income taxes (recovery)	154,687	(933,077)	430,816	(2,568,362)

6. Share Capital

(a) Authorized

The authorized share capital of the Company consists of an unlimited number of common shares and an unlimited number of preferred shares issuable in series, of which 1,000,000 preferred shares have been designated series 1 preferred shares.

(b) Issued and outstanding - common shares

	Number Of Shares	Value \$
Balance, December 31, 2006	180,819,918	119,783,082
Issued for cash:		
Exercise of stock options	2,083,134	5,491,046
Contributed surplus transferred on exercise of stock options	-	2,931,459
Future income taxes on flow-through expenditures renounced to shareholders	-	(3,720,000)
Balance, September 30, 2007	182,903,052	124,485,587

UEX CORPORATION
NOTES TO FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2007
(UNAUDITED - PREPARED BY MANAGEMENT)

6. Share Capital (Cont'd)

(c) Stock-Based Compensation

A summary of the status of the Company's stock-based compensation plan as of September 30, 2007, and changes during the nine month period then ended are presented below:

	Number Of Shares	Weighted-Average Exercise Price \$
Outstanding - December 31, 2006	7,656,000	2.84
Granted during the period	4,675,000	6.10
Exercised during the period	(2,083,134)	2.64
Cancelled during the period	(66,666)	5.00
Outstanding – September 30, 2007	10,181,200	4.37
Exercisable – September 30, 2007	8,781,201	4.16

As at September 30, 2007, the Company had reserved a total of 10,181,200 common shares for issuance related to director, employee and consultant options, the details of which are as follows:

Exercise Prices \$	Number Outstanding September 30, 2007	Weighted Average Remaining Contractual Life
0.08	756,500	6.0 years
0.10	16,000	0.7 years
0.12	84,000	0.7 years
0.84	400,000	6.8 years
0.95	575,000	6.9 years
1.80	99,700	7.8 years
2.75	175,000	7.4 years
3.56	1,850,000	8.9 years
5.00	1,550,000	8.3 years
5.02	1,000,000	9.4 years
6.40	3,675,000	9.3 years
	10,181,200	8.5 years

The estimated fair value of all options granted and vested during the nine month period ended September 30, 2007 is \$10,976,199 (2006 - \$9,448,799). Included in deferred exploration and development expenditures is \$2,159,112 (2006 - \$1,119,624) of stock-based compensation. The unamortized balance of stock-based compensation expense for options that were not vested at September 30, 2007 is \$3,167,264.

UEX CORPORATION
NOTES TO FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2007
(UNAUDITED - PREPARED BY MANAGEMENT)

6. Share Capital (Cont'd)

(c) Stock-Based Compensation (Cont'd)

The weighted average fair value of options granted during the nine month period ended September 30, 2007 was \$3.00 per option (2006 - \$2.08 per option) using the Black-Scholes option pricing model with the following weighted average assumptions:

	2007	2006
Volatility percentage	70%	69%
Risk-free interest rate	4.5%	3.9%
Dividend yield	-	-
Expected life of options	3 years	4 years

(d) Flow-Through Shares

In February 2007, the Company renounced \$12,000,000 of tax deductions associated with qualified expenditures incurred and to be incurred with flow-through funds. The Company recorded a future income tax liability of \$3,720,000, with a corresponding reduction in share capital.

7. Contributed Surplus

The continuity of the Company's contributed surplus is as follows:

	\$
Contributed surplus, December 31, 2006	11,132,774
Fair value of options granted and vested during the period	10,976,199
Transferred to share capital on exercise of options	<u>(2,931,459)</u>
Contributed surplus, September 30, 2007	<u>19,177,514</u>

8. Earnings (Loss) Per Share

Basic earnings (loss) per share is calculated using the weighted average number of common shares outstanding and net earnings (loss) for the period. The treasury stock method is used to calculate diluted earnings per share. However, outstanding options and warrants have no dilutive effect on basic earnings (loss) per share for the periods presented.

9. Commitments

The Company has an obligation under an operating lease for its office premises. The future minimum lease payments are as follows:

	\$
2007	10,196
2008	40,782
2009	40,782
2010	<u>37,384</u>

Other commitments in respect of the Company's mineral properties are disclosed in Note 4.

UEX CORPORATION
NOTES TO FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2007
(UNAUDITED - PREPARED BY MANAGEMENT)

Corporate Information

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Directors & Officers

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President, Chief Executive Officer, and Director

Graham C. Thody
Director, and Chairman

Colin C. Macdonald
Director

Walter T. Segsworth
Director

Suraj P. Ahuja
Director

R. Sierd Eriks
Vice-President Exploration

E. Louie Zioulas
Vice-President Finance, and Corporate Secretary