UEX CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE-MONTH PERIOD ENDED

MARCH 31, 2013

Message to Shareholders *May 2, 2013*

Since my most recent Message to Shareholders in late March 2013, we have announced an updated mineral resource estimate for Shea Creek and signed an agreement with AREVA which gives us the option to increase our interest in the Western Athabasca Projects, including Shea Creek, while securing more control over exploration expenditures on our nine jointly held projects.

This updated estimate increased the total resource at Shea Creek, the largest undeveloped uranium resource in the Athabasca Basin, by 8.8% over the previous estimate - both calculated using the same 0.3% U_3O_8 cut-off grade. At this cut-off grade, estimated mineral resources are 67.7 million pounds of U_3O_8 grading 1.48% U_3O_8 in the Indicated category and 28.19 million pounds of U_3O_8 grading 1.01% U_3O_8 in the Inferred category. The core deposits at Shea Creek are the contiguous Kianna and Anne deposits which have a strike length of approximately 1 km and represent approximately 80% of the total resource estimate at Shea Creek. The resource at these two deposits grew by 13.6% and their average grade was higher than reported in the previous estimate.

Even more significant was that these two deposits, at a much higher cut-off grade of 1.0% U_3O_8, have estimated mineral resources in the Indicated category of 48.3M lbs of U_3O_8 with an average grade of 3.2% U_3O_8 and 14.4M lbs of U_3O_8 in the Inferred category with an average grade of 2.59% U_3O_8. Shea Creek is a very significant mineralizing system that is certain to grow.

Together with our joint venture partner AREVA, we have explored only about 3.5 km of the 33-km long Saskatoon Lake Conductor. It has been agreed between us that the Western Athabasca Joint Venture ("WAJV") exploration in 2013 of $3.1M would be conducted south of the Anne Deposit in the vicinity of the original Shea Creek discovery hole. As UEX also wishes to follow up in 2013 on the previous year's discovery of the Kianna East zone, we have approved the spending of an additional $2.0M on a program under the recently announced agreement with AREVA. The drilling program put forth by UEX will focus on the Kianna East area.

This agreement with AREVA provides UEX the option to spend up to $18M over the next 6 years on exploration in addition to the amount agreed to annually by the WAJV. During the term of this option, UEX will increase its interest in the WAJV on a pro-rata basis for exploration amounts expended. We can spend up to $4M annually without prior approval of the WAJV, a limit designed to ensure AREVA, the operator, has sufficient personnel to conduct any exploration program put forth. Another feature of the agreement is that the floor level of minimum budgets for the WAJV has been increased during the term of the agreement. UEX will gain not only a further interest of 0.9% in the existing resource, but also up to 49.9% of any further resources discovered. In the prior three years, the WAJV has added an estimated 11.8M lbs of U_3O_8 at Kianna while spending approximately $12.8M on exploration, an average cost of $1.09 per lb of U_3O_8. This average is well below the value per pound attributed to post-Fukushima arm's length acquisitions of uranium resources.

At Hidden Bay, UEX, together with its consultants, has been working toward completing various component technical evaluation studies that are laying the foundation and creating the building blocks that will have advanced this project well along the development path when uranium commodity prices recover.

In my most recent message, I commented that there is a growing sense of investor optimism in the uranium sector in an otherwise depressed resource marketplace. This optimism remains in spite of price declines in the spot uranium commodity price. In the most recent week, we observed a slight uptick to the spot price and the first increase in long-term price in 2013.

This optimism is, in my opinion, driven by the knowledge that the supply and demand fundamentals in the uranium sector point to a recovery in the commodity price. Such a recovery will no doubt lead to a rise in equity prices for companies, such as UEX, which have consistently tracked the commodity price. Demand is projected to increase at an estimated 3% annually over the next ten years. Secondary supply will likely decrease and primary production is not anticipated to keep pace with demand. Economics dictate that a higher uranium commodity price is foreseeable and necessary to incentivize new sources of supply.

It is my belief that the most significant catalyst to the probable increase in the uranium commodity price will be the restart of nuclear reactors in Japan. Currently, non-operating reactors in Japan represent 11% of the world's operable nuclear reactors. Draft safety regulations prepared by Japan's Nuclear Regulatory Authority have been released for public comment and the final regulations are expected to be released on July 18, 2013. Some Japanese utilities have signaled their preparation for meeting these new safety standards and it is anticipated that 6 to 8 reactors could be restarted by the end of 2013.

The long-term outlook for nuclear power generation continues to be strong and UEX, with its extensive mineral resources, excellent uranium projects and current cash position of $10.8 million, is well placed to carry out our plans for 2013 and beyond.

Graham C. Thody
President & CEO

THE COMPANY

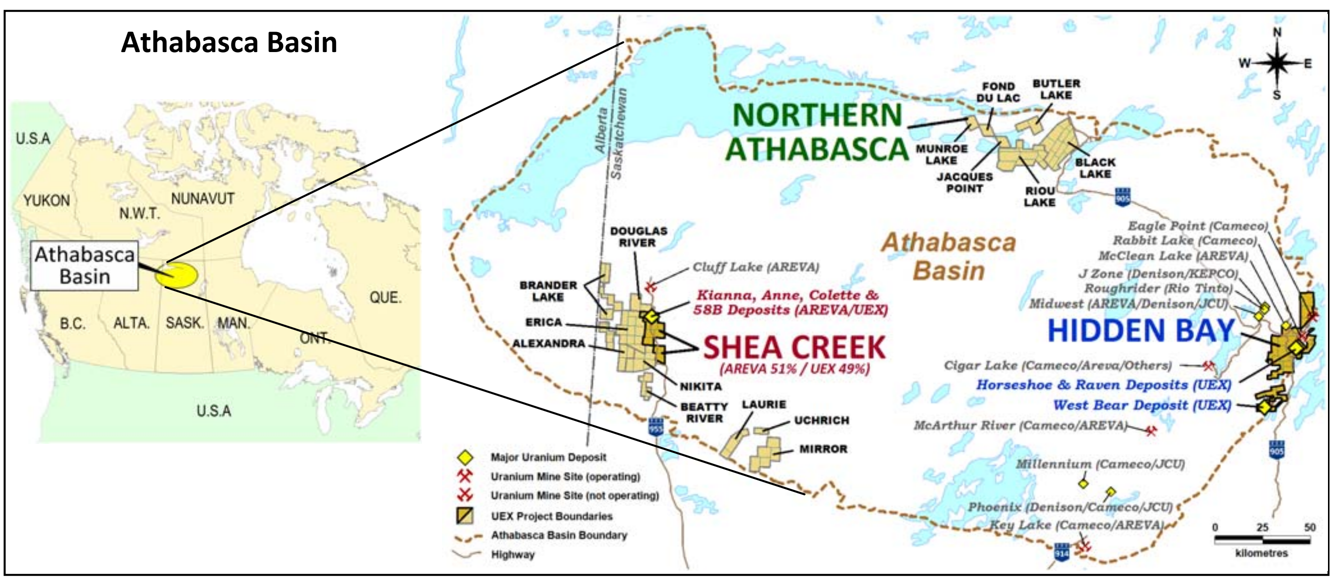
Introduction

This Management's Discussion and Analysis ("MD&A") of UEX Corporation ("UEX" or the "Company") for the three-month period ended March 31, 2013 is intended to provide a detailed analysis of the Company's business and compares its financial results with those of previous periods. This MD&A is dated May 2, 2013 and should be read in conjunction with the Company's unaudited condensed interim financial statements and related notes for the three-month period ended March 31, 2013. The unaudited condensed interim financial statements are prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB") and do not include all of the information required for full financial statements. This MD&A should also be read in conjunction with the audited annual financial statements, prepared in accordance with International Financial Reporting Standards ("IFRS"), for the years ended December 31, 2012 and 2011.

Other disclosure documents of the Company, including its Annual Information Form, filed with the applicable securities regulatory authorities in Canada are available at *www.sedar.com*.

Overview

UEX's fundamental goal is to remain one of the leading uranium explorers in the Athabasca Basin of northern Saskatchewan and to advance its portfolio of uranium deposits and discoveries through the development stage to the production stage. Since being listed on the Toronto Stock Exchange in 2002, UEX has aggressively pursued exploration on a diversified portfolio of prospective uranium projects in three areas within the Athabasca Basin. The Company is focusing its main efforts on two advanced projects, the 100%-owned Hidden Bay Project ("Hidden Bay") including the Horseshoe, Raven and West Bear deposits in the eastern Athabasca Basin, and the Kianna, Anne, Colette and 58B deposits within the 49%-owned Shea Creek Project ("Shea Creek") in the western Athabasca Basin.



(Expressed in Canadian dollars, unless otherwise noted)

UEX is actively involved in seventeen uranium projects in the Athabasca Basin, including six that are 100% owned and operated by UEX, one joint venture with AREVA Resources Canada Inc. ("AREVA") that is operated by UEX, nine projects joint-ventured with and operated by AREVA, and one project joint-ventured with AREVA and JCU (Canada) Exploration Company, Limited ("JCU"), which is operated by AREVA. AREVA is part of the AREVA group, one of the world's largest nuclear service providers. The James Creek Project was written off from an accounting perspective in 2012, as AREVA and UEX have no plans to continue with exploration on these claims which have lapsed.

The seventeen projects, totaling 264,363 hectares (653,255 acres), are located on the eastern, western and northern perimeters of the Athabasca Basin, the world's richest uranium district, which in 2012 accounted for approximately 15% of global primary uranium production. UEX's 100%-owned projects also include the Riou Lake Project ("Riou Lake") and the Northern Athabasca Projects. The Black Lake Project ("Black Lake") is owned 89.97% by UEX and the remainder by AREVA. UEX is the project operator. Black Lake was the site of a uranium discovery made by UEX during a drilling program in September 2004. UEX entered into an earn-in agreement with Uracan Resources Ltd. ("Uracan") on January 24, 2013 whereby Uracan can earn a 60% interest in the project (see "Black Lake Project"). UEX completed its earn-in to a 25% interest in the Beatty River Project ("Beatty River") with JCU by funding $858,118 in exploration expenditures in prior periods and making a payment to JCU of $3,441 in the current period. Beatty River is located in the western Athabasca Basin in northern Saskatchewan, 40 kilometres south of the Shea Creek uranium deposits. At present, AREVA, the operator, holds a 50.7% interest, UEX holds a 25.0% interest and JCU holds a 24.3% interest in Beatty River (see "Beatty River Project").

The current technical report on the Hidden Bay property, entitled "Preliminary Assessment Technical Report on the Horseshoe and Raven Deposits, Hidden Bay Project, Saskatchewan, Canada" (the "Preliminary Assessment Technical Report", the "PA" or the "Hidden Bay Report") prepared by G. Doerksen, P.Eng., L. Melis, P.Eng., M. Liskowich, P.Geo., B. Murphy, FSAIMM, K. Palmer, P.Geo. and Dino Pilotto, P.Eng., with an effective date of February 15, 2011 and filed on SEDAR at *www.sedar.com* on February 23, 2011, details mineral resource estimates at a cut-off grade of 0.05% U_3O_8 as follows:

Deposit		Tonnes	Grade U_3O_8 (%)	U_3O_8 (lbs)		Tonnes	Grade U_3O_8 (%)	U_3O_8 (lbs)
Horseshoe	**Indicated**	5,119,700	0.203	22,895,000	**Inferred**	287,000	0.166	1,049,000
Raven		5,173,900	0.107	12,149,000		822,200	0.092	1,666,000
West Bear		78,900	0.908	1,579,000		-	-	-
TOTAL		**10,372,500**	**0.160**	**36,623,000**		**1,109,200**	**0.111**	**2,715,000**

The Preliminary Assessment Technical Report for the Horseshoe and Raven deposits prepared by SRK Consulting (Canada) Inc. ("SRK Consulting") reported undiscounted earnings before interest and taxes ("EBIT") of $246 million using a mine design based on cut-off grades defined by a US$60 per pound price of U_3O_8.

The Western Athabasca Projects, which include the Kianna, Anne, Colette and 58B deposits located at Shea Creek, consist of nine joint ventures with UEX holding a 49% interest and AREVA holding a 51% interest. AREVA is the operator of the Western Athabasca Projects. UEX and AREVA are in the process of negotiating joint-venture agreements for these projects.

(Expressed in Canadian dollars, unless otherwise noted)

On April 4, 2013 an agreement was signed with AREVA which grants UEX the option to increase its ownership interest in the Western Athabasca Projects, which includes the Shea Creek Project, by 0.9% to 49.9% by spending $18.0 million on exploration over the six-year period ending December 31, 2018. UEX is under no obligation to propose a budget in any year of the agreement. The ownership interest for the Projects shall be increased at the end of the year by the proportional amount of the additional exploration expenditures incurred in the year which are in addition to the budget amounts proposed by AREVA. UEX may propose an additional exploration budget of up to $4.0 million in any single year without the prior approval of AREVA, who remains the project operator.

A previous mineral resource estimate for the Kianna, Anne and Colette deposits which is supported by a technical report on the Shea Creek property, entitled "Technical Report on the Shea Creek Property, Saskatchewan, Canada, Including Mineral Resource Estimates for the Kianna, Anne and Colette Deposits" (the "Shea Creek Technical Report") prepared by K. Palmer, P.Geo., with an effective date of May 26, 2010 was filed on SEDAR at *www.sedar.com* on July 9, 2010.

In April 2013, UEX received an updated N.I. 43-101 independent mineral resource estimate for Shea Creek prepared by James N. Gray, P.Geo., of Advantage Geoservices Limited which incorporates additional drilling results from the 2010, 2011 and 2012 drilling campaigns (see UEX news release dated April 15, 2013). This estimate includes resources from the Kianna, Anne, Colette and 58B deposits based on drilling information up to December 31, 2012. A technical report supporting the new mineral resource estimate will be filed on SEDAR within 45 days of the news release. Details of the mineral resource estimate at a cut-off grade of 0.30% U_3O_8 are as follows:

Deposit		Tonnes	Grade U_3O_8 (%)	U_3O_8 (lbs)		Tonnes	Grade U_3O_8 (%)	U_3O_8 (lbs)
Kianna	Indicated	1,034,500	1.526	34,805,000	Inferred	560,700	1.364	16,687,000
Anne		564,000	1.992	24,760,000		134,900	0.880	2,617,000
Colette		327,800	0.786	5,680,000		493,200	0.716	7,780,000
58B		141,600	0.774	2,417,000		83,400	0.505	928,000
TOTAL		**2,067,900**	**1.484**	**67,663,000**		**1,272,200**	**1.005**	**28,192,000**

Growth Strategy

The main growth strategies of UEX are:

- To continue the exploration and evaluation work required to delineate and develop economic uranium resources at Shea Creek;
- To advance the evaluation/development process at the Horseshoe, Raven and West Bear uranium deposits at the Hidden Bay Project to a production decision;
- To maintain, explore and advance to discovery its other uranium projects; and
- To pursue a diversified portfolio of uranium projects from early exploration through to development and production.

THE INDUSTRY

Uranium Industry Trends

A number of trends in the nuclear industry have the potential to affect UEX's business environment. The earthquake and tsunami that struck Japan in March of 2011 and their effect on the Fukushima nuclear plants (together referred to as the "Event'') resulted in uncertainty about the future of the nuclear industry. This uncertainty, as well as the existence of excess fuel inventories from reactors shut down due to the Event, created downward pressure on the spot price and long-term price of U_3O_8 which has continued into 2013. Many companies in the uranium exploration and development industry have experienced a corresponding reduction in the trading value of their shares. The medium and long-term effect of the Event on UEX and the uranium industry continues to be observed and evaluated; however we, along with many industry insiders, believe that the fundamentals for uranium are very good and will continue to improve as more nuclear plants come on-line and many more move into the approval or construction phase.

At the beginning of 2013, the spot and long-term prices of U_3O_8 were US$43.50 per pound and US$56.00 per pound respectively. The spot price declined during the first quarter of 2013 and, as of the date of this document, The Ux Consulting Company, LLC (*www.uxc.com*) reports the spot price at US$40.50 per pound of U_3O_8 and the long-term price at US$57.00 per pound of U_3O_8.

In recent years, and prior to the Event, the nuclear industry had seen increased capacity at existing nuclear plants, extensions of plant licenses, and new plant planning and construction. Electricity demands were rising and continue to rise rapidly worldwide. Public opinion in many countries had moved in favour of nuclear power, and high oil prices had made nuclear energy the lowest-cost option in some countries. In the United States, several U.S. utilities had taken steps toward the planning and construction of new nuclear power plants. In February 2012, the U.S. Nuclear Regulatory Commission approved a combined construction and operating licence to build two new AP1000 reactors, the first approvals granted in approximately three decades. Presently, in the U.S. there are three new reactors under construction. In late 2012, the United Kingdom granted the first site licence in 25 years and planning for two nuclear reactors is underway.

The U.S. government announced in November of 2012 that it will fund up to half the cost of a five-year project to design and commercialize small modular reactors ("SMRs") for the United States. The technology has been used for naval propulsion since 1955 and is used today by several of the world's navies; however, to date it has not been commercialized for civilian electrical power generation. SMRs are typically about one-third the size of current nuclear power plants (180 megawatts of power versus 1,000 megawatts for many full-scale nuclear power plants) and could be contained entirely underground. By 2022, it is expected that SMRs will be manufactured in factories and moved to areas that, in the past, could not support a larger reactor installation, such as remote industrial sites or smaller towns. SMRs have the potential to significantly reduce the cost of nuclear power generation, provide scalability in that additional units could be added as required and also contribute to the reduction of greenhouse gases created from locations that are currently burning fossil fuels to generate electricity.

Global warming and clean energy concerns support increased interest in nuclear power. In view of the Event, several countries reviewed their existing and future plans related to nuclear energy, and Germany, with nine reactors accounting for less than 5% of world uranium demand, announced that it would plan to exit nuclear generation by 2022. However, significantly more reactors are under construction or being planned worldwide than are proposed to be decommissioned. China, India and Russia have 46 reactors in the construction stage and 86 reactors in the planning stage. Saudi Arabia has announced plans to construct 16 nuclear reactors by 2030, with the first two reactors to be completed in the next decade.

Japan has restarted two of its reactors since the Event. Although the governing party that was in power in Japan when the Event occurred announced a draft energy policy to phase out its dependence on nuclear energy by 2040, the Japanese government did not adopt the policy into law. The election of the Liberal Democratic Party to power in Japan in late 2012 may be a positive signal for the nuclear power sector in Japan as they have supported pro-nuclear power generation policies in the past and have made statements that they intend to restart the Japanese economy which has been doubly hit by the global economic slowdown and the higher cost of replacement electricity generation. Japan's newly created Nuclear Regulatory Authority will establish standards against which future restarts will be evaluated. As it is anticipated that these standards will not be in place until the middle of 2013, we do not expect further restarts to take place before the latter part of 2013. It is estimated that the Japanese utilities have spent upwards of $12 billion on safety upgrades to their nuclear reactor facilities. We are optimistic that the investment of this capital in nuclear energy indicates the intent of the utilities to restart more of Japan's nuclear reactor fleet.

In 2012, Canada signed an agreement allowing for the export of uranium to China which grants Canadian producers access to the fastest growing consumer of uranium in the world. In October 2012, China's State Council announced they will accept new applications for the construction of reactors, paving the way for a significant build out of third-generation nuclear reactors. In addition, Canada and India reached an administrative arrangement and confirm their commitment to work toward a bilateral agreement that will allow Canadian-origin uranium to be exported to India, to help fuel their planned increase in nuclear power generation. This arrangement with India was finalized in April 2013 and represents the next step toward the full implementation of a nuclear co-operation agreement.

Uranium Supply and Demand

Uranium supply sources include primary mine production and secondary sources. Principal primary producers of uranium include Cameco Corporation ("Cameco") and the AREVA group, both of which produce from deposits in the Athabasca Basin of northern Saskatchewan. In 2012, worldwide annual consumption was estimated at approximately 165 million pounds U_3O_8. World primary production in 2012 was estimated at approximately 152 million pounds U_3O_8. 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.

It is currently estimated that, for 2013, the worldwide annual consumption will exceed global primary production by 12 million pounds U_3O_8. These secondary sources will likely decline in importance as excess inventories and recycled uranium from nuclear weapons are progressively consumed, resulting in the need for further primary mine supply. In particular, the HEU (Highly Enriched Uranium) agreement for supply of uranium from Russia to the United States terminates at the end of 2013 and will likely reduce supply by approximately 24 million pounds U_3O_8 annually. Plans to increase uranium supply on several development projects worldwide have been impacted by the recent low uranium prices, leading to delay or shelving of these projects until prices improve, further reducing near to mid-term uranium supply levels.

(Expressed in Canadian dollars, unless otherwise noted)

Demand for uranium is directly linked to the level of electricity generated by nuclear power plants. Currently, 435 reactors are operable in 30 countries worldwide. Nuclear electricity generation worldwide has been growing, since world nuclear generating capacity has continued to expand as more reactors are built than are closed, and existing reactors are being operated at higher capacity. Presently, there are 67 reactors under construction and by the year 2021 it has been recently re-estimated that there will be 80 net new operating reactors worldwide. Countries continue to evaluate the electrical needs of their populations; however, as a result of the Event, new reactors may continue to be delayed or require additional approvals. We believe that the longer than expected delays for restarts to Japan's nuclear power plants have put downward pressure on the spot and long-term price for uranium; however, we also feel that the uranium supply and demand fundamentals leading to a recovery of the uranium commodity price remain sound.

Long-Term Outlook

In the Company's view, the long-term uranium outlook remains positive as demand for electricity continues to grow. Nuclear energy, which is safe, clean, reliable and affordable, will remain an important part of the world's energy mix. New reactors will come on stream and many existing reactors, now off-line for inspection and upgrade, are expected to be re-commissioned. It is currently estimated that by 2022 world annual uranium consumption will reach 220 million pounds U_3O_8 and existing primary production will decline to 125 million pounds U_3O_8. Consequently, there will continue to be the need for new supply from primary sources during the next decade, as well as the need for higher uranium prices to incentivize this new supply. The long-term fundamentals that have driven the growth of the nuclear industry during the past few years remain compelling.

FINANCIAL UPDATE

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 years ended December 31, 2012 and 2011 and the notes thereto.

Summary of Annual Financial Results

	December 31, 2012	December 31, 2011	December 31, 2010
Interest income	$ 221,465	$ 108,911	$ 85,131
Net loss for the year	(3,911,251)	(5,405,217)	(6,915,077)
Basic and diluted loss per share	(0.018)	(0.027)	(0.035)
Capitalized exploration and evaluation expenditures	4,325,063	10,970,686	8,271,153
Total assets	172,460,671	160,680,154	163,203,731

(Expressed in Canadian dollars, unless otherwise noted)

The following quarterly financial data is derived from the unaudited condensed interim financial statements of UEX as at (and for) the three-month periods ended on the dates indicated below.

Summary of Quarterly Financial Results (Unaudited)

	2013 Quarter 1	2012 Quarter 4	2012 Quarter 3	2012 Quarter 2
Interest income	$ 62,221	$ 48,016	$ 52,834	$ 107,511
Net loss for the period	(436,842)	(2,412,604)	(356,474)	(636,549)
Basic and diluted loss per share	(0.002)	(0.011)	(0.002)	(0.003)
Capitalized exploration and evaluation expenditures	503,756	1,113,382	2,216,322	1,310,955
Total assets	171,919,938	172,460,671	175,444,858	175,141,957

	2012 Quarter 1	2011 Quarter 4	2011 Quarter 3	2011 Quarter 2
Interest income	$ 13,104	$ 1,218	$ 78,489	$ 8,818
Net loss for the period	(505,624)	(1,913,444)	(412,693)	(927,929)
Basic and diluted loss per share	(0.002)	(0.009)	(0.002)	(0.005)
Capitalized exploration and evaluation expenditures	2,294,145	2,011,377	4,362,578	2,789,720
Total assets	175,242,789	160,680,154	164,219,390	164,409,766

UEX's business is not affected by seasonality as the Company is able to perform exploration and evaluation work year round. Variations in capitalized exploration and evaluation expenditures from quarter to quarter and year to year are affected by the timing and size of the exploration and evaluation programs in the periods. In 2012, in response to a decrease in uranium prices following the earthquake and tsunami that hit Japan's Fukushima nuclear power plant and the global economic slowdown that affected UEX's share price, certain discretionary exploration expenditures were and continue to be deferred. This decrease in exploration expenditures is reflected in the 2013 quarterly financial results. Variations in net loss are primarily affected by the number of options granted in the period and the associated inputs used in calculating share-based payment expense as well as by the timing of mineral property impairments that may have occurred during the period.

In the fourth quarter of 2012, the Company determined that the carrying value of the James Creek Project, one of the Western Athabasca Projects joint-ventured with AREVA, was impaired and a $1,609,741 charge is reflected in the net loss for the period. The determination for the James Creek impairment was due to the fact that AREVA, the project operator, did not propose a budget for 2013 and the seven James Creek claims lapsed. In the fourth quarter of 2011, the Company determined that one of its mineral claims for the Riou Lake property was impaired and, as a result of the decision to let a claim lapse and not re-stake, this led to a $1,883,767 charge which is reflected in the net loss for the period. The Q4 2012 loss was also increased by $144,853 in deferred tax expense for the period. The impact of the Q4 2011 mineral property write-down on the loss for the comparative quarter was reduced by a deferred tax recovery of $605,623.

Share Capital

The Company is authorized to issue an unlimited number of common shares without par value, of which 221,488,679 common shares were issued and outstanding as at March 31, 2013, and an unlimited number of preferred shares (no par value) issuable in series, of which 1,000,000 preferred shares have been designated Series 1 Preferred Shares, none of which are issued and outstanding. At March 31, 2013, the Company had reserved a total of 16,186,000 common shares related to director, employee and consultant share purchase options. The share purchase options are exchangeable into common shares at exercise prices ranging from $0.60 per share to $1.45 per share.

As at May 2, 2013, there were 221,488,679 common shares issued and outstanding and 16,186,000 share purchase options outstanding for a total of 237,674,679 on a fully-diluted basis.

Results of Operations for the Three-Month Period Ended March 31, 2013

For the three-month period ended March 31, 2013 the Company reported a net loss before other comprehensive income of $436,842 versus a net loss of $505,624 for the three-month period ended March 31, 2012. The net loss for the three-month period ended March 31, 2013 was lower primarily due to a $61,156 decrease in share-based compensation expense as there were fewer options vesting than in the comparative period, and due to a $49,117 increase in interest income from the investment of higher average cash balances following the Company's issuance of shares in March 2012. This loss was partly due to a small increase in salaries expense which resulted from annual performance-adjusted compensation, an increased amount of geological salary costs that were expensed versus capitalized in the previous period due to reduced exploration and a focus on corporate matters during the period, as well as the inclusion of employee health benefits which had not been implemented in the comparative quarter.

Interest income was $62,221 for the three-month period ended March 31, 2013 versus $13,104 for the three-month period ended March 31, 2012. The increase in interest income during the three-month period ended March 31, 2013 relative to the comparative period was primarily due to higher short-term investment balances in the current period.

Legal and audit fees increased during the three-month period ended March 31, 2013 by $4,413 as compared to the previous period. This increase primarily related to legal costs associated with the new agreements that were entered into in the first quarter of 2013. The $11,434 increase in office expenses was primarily due to increased office consulting costs for land claims administration associated with learning the new MARS claim management process for Saskatchewan mineral claims. Salaries increased by $40,296 in part due to annual performance-adjusted compensation, an increased amount of geological staff time spent on corporate matters which was included in mineral properties in the comparative period, and an employee health benefits plan that was implemented in the latter half of 2012. Travel and promotional expenses for the three-month period decreased by $9,513 as compared to the previous period due primarily to the timing of investor relations and promotional activities and a reduction in the associated travel costs.

The vesting of share purchase options during the three-month period ended March 31, 2013 resulted in total share-based compensation expense of $204,582, of which $47,088 was allocated to mineral property expenditures and the remaining $157,494 was charged to operations. The vesting of share purchase options during the three-month period ended March 31, 2012 resulted in total share-based compensation expense of

(Expressed in Canadian dollars, unless otherwise noted)

$306,922, of which $88,272 was allocated to mineral property expenditures and $218,650 was charged to operations. These differences in share-based compensation expense result primarily from fewer share purchase options vesting in the three-month period ended March 31, 2013 versus March 31, 2012. Despite the decrease in share-based compensation expense, a slightly larger percentage of share-based compensation was expensed versus deferred to mineral properties in the current period due to some geological staff spending more of their time on corporate matters rather than exploration matters.

In the current period, the Company received 300,000 Uracan shares as partial consideration for a farm-out agreement that UEX signed with Uracan for the Black Lake Project. The market value of these securities has decreased by $3,000 since they were received. The unrealized decrease in market value is presented in other comprehensive income in the current period. The Company has not disposed of any of these shares in the period and did not hold any marketable securities in the comparative period. The tax impact of this unrealized loss resulted in the recognition of a deferred tax recovery of $405 in other comprehensive income.

In the current period, the Company also received 150,000 Uracan share purchase warrants as partial consideration for the farm-out agreement with Uracan for the Black Lake Project. The fair value of the warrants, as determined using the Black-Scholes option-pricing model, decreased by $1,307 from the values determined when they were received, partially due to the decrease in Uracan's share price, but also as a result of updated Black-Scholes valuation input assumptions. The Company did not hold any similar investments in the comparative period.

The deferred tax recovery for the three-month period ended March 31, 2013 was $114,726 compared to a deferred tax recovery for the three-month period ended March 31, 2012 of $105,007. These tax recoveries are consistent period-to-period and reflect that, in both periods, no flow-through expenditures were incurred whose tax benefits would be renounced to investors. The deferred tax recovery recognizes the deferred tax asset created by the period's operating losses.

The continuity of expenditures on UEX's uranium projects for the three-month periods ended March 31, 2013 and 2012 is as follows:

Project	Balance December 31 2012	Exploration and evaluation expenditures during the period	Fair value consideration received	Balance March 31 2013
Hidden Bay	$ 75,363,225	$ 358,135	$ -	$ 75,721,360
Riou Lake	10,425,937	-	-	10,425,937
Western Athabasca	57,548,301	142,180	-	57,690,481
Black Lake	15,232,776	-	(35,931)	15,196,845
Beatty River	856,950	3,441	-	869,391
	$ 159,436,189	$ 503,756	$ (35,931)	$ 159,904,014

(Expressed in Canadian dollars, unless otherwise noted)

Project	Balance December 31 2011	Exploration and evaluation expenditures during the period	Fair value consideration received	Balance March 31 2012
Hidden Bay	$ 72,668,796	$ 1,099,523	$ -	$ 73,768,319
Riou Lake	10,385,783	3,074	-	10,388,857
Western Athabasca	56,011,738	182,957	-	56,194,695
Black Lake	15,188,721	5,011	-	15,193,732
Beatty River	856,088	3,580	-	859,668
	$ 155,111,126	$ 1,294,145	$ -	$ 156,405,271

During the three months ended March 31, 2013, exploration and evaluation expenditures at Hidden Bay of $358,135 included evaluation expenditures of $328,250 primarily relating to environmental and technical studies. During the three months ended March 31, 2012, exploration and evaluation expenditures of $1,099,523 included evaluation expenditures of $105,651 primarily relating to environmental and technical studies. Total evaluation costs of $6,918,170 as at March 31, 2013 are included in the $75,721,360 balance (the March 31, 2012 exploration and evaluation total of $73,768,319 includes $5,395,790 of evaluation expenditures) and represent costs associated with the continuing evaluation of and advancement of Hidden Bay, and include the West Bear Preliminary Feasibility Study (February 24, 2010) the Hidden Bay Preliminary Assessment Technical Report (February 23, 2011) and various environmental and technical studies.

At March 31, 2013, total exploration and evaluation assets to date of $57,690,481 for Western Athabasca includes evaluation expenditures of $7,370,026 (the March 31, 2012 exploration and evaluation total of $56,194,695 includes $7,370,026 of evaluation expenditures) relating to the Shea Creek Project. There were no evaluation expenditures in the first quarters of 2013 or 2012 that were related to this project as AREVA and UEX have focused on exploration activities. For further information regarding expenditures on the projects shown in the table above, please refer to "Exploration and Evaluation Activities".

During the three-month period ended March 31, 2013, the Company incurred exploration and evaluation expenditures totaling $446,484 before non-cash share-based compensation and depreciation totaling $57,272. In addition, $35,931 of fair value consideration relating to the farm-out agreement with Uracan for Black Lake has been recorded as a reduction in the carrying value of this project in the first quarter of 2013. Exploration and evaluation expenditures during the three-month period ended March 31, 2012 totaled $1,200,351 before non-cash share-based compensation and depreciation totaling $93,794. This $743,683 reduction in expenditures before non-cash items during the three-month period ended March 31, 2013 was due to there being no exploration drilling at the Hidden Bay Project during the period, and due to the timing of exploration work on the Western Athabasca Projects, as compared to the first quarter of 2012.

The Company has an interest in several joint operations relating to the exploration and evaluation of various properties in the western and northern Athabasca Basin. These interests are governed by contractual arrangements but have not been organized into separate legal entities or vehicles. The joint arrangements that the Company is party to in some cases entitle the Company, or its joint venture partner, to a right of first refusal on the projects should one of the partners choose to sell their interest. The joint arrangements are governed by management committees which set the annual exploration budgets for these projects. Should the Company be unable to, or choose not to, fund its required contributions as outlined in the agreement, there is a risk that the Company's ownership interest could be diluted. As a result of decisions to fund exploration programs for the joint arrangements, the Company may choose to complete further equity issuances or fund these amounts through the Company's general working capital.

(Expressed in Canadian dollars, unless otherwise noted)

UEX is party to the following joint arrangements:

Ownership interest **Effective March 31 and May 2, 2013**	**Western Athabasca**	**Black Lake**	**Beatty River**
UEX Corporation	49.000 %	89.970 %	25.000 %
AREVA Resources Canada Inc.	51.000	10.030	50.702
JCU (Canada) Exploration Company, Limited	-	-	24.298
	100.000 %	100.000 %	100.000 %

Financing Activities

In the three-month period ended March 31, 2013, the Company did not raise any equity through public or private offerings.

On March 13, 2012, the Company completed an underwritten bought deal public financing for 10,000,000 common shares at a price of $0.80 per share for gross proceeds of $8,000,000. Cameco exercised its pre-emptive right to participate in the offering and purchased 3,208,902 shares for $2,333,746, so as to maintain its ownership at approximately 22.58%, on the same terms as the offering except no cash commission was payable. In addition, the underwriter exercised its 10% over-allotment rights and Cameco exercised its associated pre-emptive right resulting in the Company receiving another $1,033,375. Share issue costs include a cash commission of $440,000 and other issuance costs of $275,633.

Proceeds from Short Form Prospectus Offering as of March 13, 2012

	Offering & Cameco Pre-emptive Distribution	10% Over-Allotment	Additional Cameco Pre-emptive Distribution	Total	Actual Net Proceeds	Difference
Gross Proceeds	$10,333,746	$ 800,000	$ 233,375	$11,367,121	$11,367,121	$ -
Fees payable to Underwriters	400,000	40,000	-	440,000	440,000	-
Expenses of Offering	200,000	-	-	200,000	275,633	75,633
Net Proceeds	**$ 9,733,746**	**$ 760,000**	**$ 233,375**	**$10,727,121**	**$10,651,488**	**$ 75,633**

Use of Proceeds from Short Form Prospectus Offering as at March 31, 2013

	PROPOSED USE OF PROCEEDS [1]				ACTUAL USE OF PROCEEDS	
	Offering & Cameco Pre-emptive Distribution	10% Over-Allotment	Additional Cameco Pre-emptive Distribution	Total	Use of Proceeds	Difference / Remaining to be Spent
Shea Creek Project						
Exploration and drilling (i)	$ 3,000,000	-	-	$ 3,000,000	-	-
Updated mineral resource estimate	100,000	-	-	100,000	121,605	(21,605)
Hidden Bay Project						
Exploration and drilling (ii)	1,750,000	-	-	1,750,000	-	-
Capital expenditures (iii)	200,000	-	-	200,000	109,270	-
Evaluation [2]	2,000,000	-	-	2,000,000	1,356,760	643,240
Working capital and general corporate expenses	2,683,746	760,000	233,375	3,677,121	1,897,973	6,619,878
TOTAL	**$ 9,733,746**	**$ 760,000**	**$ 233,375**	**$10,727,121**	**$ 3,485,608**	**$ 7,241,513**

(1) In the Short Form Prospectus, amounts were presented in millions
(2) Referred to as "Development to December 31, 2012 with goal of advancing toward the pre-feasibility stage" in the Short Form Prospectus

When the short form prospectus was prepared and filed, the use of proceeds table included only funds related to the offering which, in addition to the $8.8-million bought deal, included proceeds from shares to be issued to Cameco for having exercised their pre-emptive right to maintain their existing ownership percentage of the Company and proceeds related to the 10% over-allotment. At that time all conditions precedent related to the flow-through placement and the associated Cameco private placement had not been met. Upon completion of the flow-through, UEX had an obligation to fund $3.0 million in qualified exploration costs. The flow-through placement was completed on March 14, 2012 and management has reallocated these flow-through amounts to be used to fund the 2012 drilling at Shea Creek. This eliminated the potential Part XII.6 tax that could have become payable due to the timing of the spending of the flow-through funds.

In the months following the Offering and the completion of the private placements, market conditions in the resource sector deteriorated significantly and the ability to raise capital became challenging and highly dilutive for most public companies. Management took the following steps to preserve capital in difficult and uncertain market conditions:

(i) Shea Creek exploration of $3.0 million for 2012 which was to be funded out of this placement was funded by the flow-through placement which was closed on March 14, 2012 and the amount allocated for this purpose in the short form prospectus offering was transferred to working capital and general corporate expenses.

(ii) Planned exploration expenditures of $1.75 million at Hidden Bay were deferred with these amounts being allocated to working capital and general corporate expenses.

(iii) Planned capital expenditures on the Hidden Bay Project, which included the acquisition of the Raven camp, were completed at less than anticipated cost and other non-critical expenditures were deferred with the remaining funds allocated to working capital and general corporate expenses.

Should market conditions improve and circumstances are such that undertaking these expenditures are in the best interest of UEX, funds may be reallocated to exploration from working capital.

On March 14, 2012, the Company completed a non-brokered private placement of 3,260,869 flow-through shares at a price of $0.92 per share for gross proceeds of $3,000,000 with issue costs of $37,044 and no commission payable. A flow-through premium related to the sale of the associated tax benefits was determined to be $97,826 on issuance (market price on date of subscription was $0.89). Cameco exercised its pre-emptive right to participate in the offering and purchased 951,256 common shares at a non-flow-through price of $0.84 per share offered by the Company, so as to maintain its ownership interest at approximately 22.58%.

Proceeds from Flow-through and Cameco Private Placements as of March 14, 2012

	Flow-through Private Placement	Cameco Pre-emptive Distribution (Private Placement)	Total	Actual Net Proceeds	Difference
Gross Proceeds	$ 3,000,000	$ 799,055	$ 3,799,055	$ 3,799,055	-
Legal fees on private placements	-	37,044	37,044	37,044	-
Net Proceeds	**$ 3,000,000**	**$ 762,011**	**$ 3,762,011**	**$ 3,762,011**	**-**

Use of Proceeds from Flow-through and Cameco Private Placements as at March 31, 2013

	PROPOSED USE OF PROCEEDS (1)			**ACTUAL USE OF PROCEEDS**	
	Flow-through Private Placement	Cameco Pre-emptive Distribution (Private Placement)	Total	Use of Proceeds	Remaining to be Spent
Hidden Bay Project					
Exploration and evaluation (2) (iv)	$ 1,037,989	$ 762,011	$ 1,800,000	$ 367,642	$ -
Black Lake & Riou Lake Projects					
Exploration (v)	1,962,011	-	1,962,011	-	-
Shea Creek Project					
Exploration (v)	-	-	-	2,959,538	-
Other Exploration (3)	-	-	-	77,402	-
Working capital and general corporate expenses	-	-	-	-	357,429
TOTAL	**$ 3,000,000**	**$ 762,011**	**$ 3,762,011**	**$ 3,404,582**	**$ 357,429**

(1) In the Short Form Prospectus, amounts were presented in millions
(2) Referred to as "Exploration and development work at the Hidden Bay Project in 2013" in the Short Form Prospectus
(3) Exploration expenditures on the Black Lake, Riou Lake, Beatty River, and Western Athabasca properties (excluding Shea Creek)

Due to changes in equity market conditions following the closing of this financing, management took the following steps to preserve capital in difficult and uncertain times. Shea Creek exploration, which was to be funded out of the short form prospectus offering proceeds, was funded by this placement. Reallocating these funds to meet UEX's joint-venture funding obligations for Shea Creek exploration in 2012 avoids the Part XII.6 taxes that would have applied in 2013 if the funds were spent under the look-back rule.

(iv) Unspent funds to be used in 2013 for Hidden Bay exploration work were transferred to cover the Shea Creek exploration expenditures of $959,471 in 2012 and $38,056 in 2013, and other exploration expenditures of $78,238 in 2012 reduced by $836 in 2013 due to a fuel tax refund, with the remainder of $357,429 from the Cameco private placement (resulting from them exercising their pre-emptive rights) reallocated to working capital and general corporate expenses. The total budget for Shea Creek in 2012 was $2,940,000 of which $18,518 was funded prior to the closing of this placement.

(v) Planned exploration at the Black Lake and Riou Lake projects of $1,962,011 in 2013 was deferred and funds which were to be used toward this work were reallocated to fund the 2012 exploration program at Shea Creek.

Should market conditions improve and circumstances are such that undertaking these expenditures are in the best interest of UEX, funds may be reallocated to exploration from working capital.

No share purchase options were exercised during the three-month periods ended March 31, 2013 or 2012.

Effective December 31, 2012, the Company renounced flow-through expenditures relating to the flow-through funds raised in 2012 ($3.0 million under the general rule) and did not incur Part XII.6 tax. The Company does not have any unspent flow-through funds as at March 31, 2013 and May 2, 2013.

Liquidity and Capital Resources

As UEX has not begun production on any of its mineral properties, the Company does not generate cash from operations. As at March 31, 2013, the Company had current assets of $11,819,717, including $11,664,586 in cash and cash equivalents, compared to current assets as at December 31, 2012 that totaled $12,852,916 and included $12,580,134 in cash and cash equivalents. Working capital at March 31, 2013 was $11,499,565, compared to working capital of $12,342,017 at December 31, 2012. At March 31, 2013, the Company's cash balances were invested in highly liquid term deposits redeemable within 90 days or less. The Company had sufficient cash resources at March 31, 2013 to fund its approved 2013 budgets for exploration, evaluation and administrative costs.

Accounts payable and other liabilities at March 31, 2013 were $320,152, which is lower than the December 31, 2012 balance of $510,899. This difference is primarily comprised of a substantial reduction in joint operation amounts owed to AREVA, due to the timing and scale of exploration work performed on the Shea Creek Project during the current period as compared to the first quarter of 2012.

The Company's net deferred income tax liability of $12,851,393 at March 31, 2013 is comprised of a $15,794,180 deferred income tax liability related to the tax effect of the difference between the carrying value of the Company's mineral properties and their tax values, offset by the Company's deferred income tax assets totaling $2,942,787. At December 31, 2012, the Company's net deferred income tax liability was $12,966,524 and was comprised of a $15,801,130 deferred income tax liability related to the tax effect of the difference between the carrying value of the Company's mineral properties and their tax values, offset by the Company's deferred income tax assets totaling $2,834,606. The deferred tax liability decreased from December 31, 2012 to March 31, 2013 primarily due to the evaluation work completed at Hidden Bay in the first quarter of 2013 which was not funded by flow-through dollars, and thus not renounced, and did not add to the taxable timing difference in mineral properties; also, the tax value of non-capital loss carryforwards increased from the comparative period due to the addition of the losses from the current period and thus created a larger deferred tax asset to offset against the deferred tax liabilities.

(Expressed in Canadian dollars, unless otherwise noted)

Commitments

In the normal course of business, the Company enters into contracts and performs business activities that give rise to commitments for future minimum payments. The Company has an obligation under an operating lease for its office premises until November 30, 2015. Future minimum lease payments as at March 31, 2013 are as follows:

	2013	2014	2015	2016	2017
Lease for office premises	$ 44,363	$ 60,566	$ 56,743	$ nil	$ nil

The Company has no other financial commitments or obligations beyond those required to fund $1.5 million (49% share) of the approved $3.1-million 2013 exploration budgets for the Western Athabasca, a $2.0-million budget for additional exploration expenditures at Shea Creek in 2013, and the maintenance of title to its mineral properties. UEX has spent all of the 2012 flow-through dollars ($3.0 million) on eligible exploration expenditures and renounced these expenditures to shareholders, effective December 31, 2012, in January of 2013. UEX's share of any budgets relating to Black Lake for 2013 will be funded by Uracan pursuant to the terms of the farm-out agreement.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, amounts receivable, investments and accounts payable and other liabilities. Interest income is recorded in the statement of operations and comprehensive loss. Cash and cash equivalents, as well as amounts receivable, are classified as loans and receivables, and accounts payable and other liabilities are classified as other financial liabilities and recorded at amortized cost using the effective interest rate method. In addition, any impairment of loans and receivables is deducted from amortized cost. Investments include warrants which have been classified as *Financial assets at fair value through profit or loss* ("FVTPL") and as such are stated at fair value with any changes in fair value recognized in profit or loss. The investments also include shares which have been classified as *Available-for-sale financial assets* and are carried at fair value with changes in fair value recognized in other comprehensive income with amounts accumulated in other comprehensive income recognized in profit and loss when they are sold.

The Company operates entirely in Canada and is not subject to any significant foreign currency risk. The Company's financial instruments are exposed to limited liquidity risk, credit risk and market risk.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and development programs on its mineral properties. The Company manages its capital structure, consisting of shareholders' equity, and makes adjustments to it, based on funds available to the Company, in order to support the exploration and development of its mineral properties. Historically, the Company has relied exclusively on the issuance of common shares for its capital requirements. Accounts payable and other liabilities are due within the current operating period.

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk includes cash and cash equivalents and amounts receivable. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. The maximum exposure to credit risk is equal to the carrying value of cash and cash equivalents and amounts receivable. The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments that are redeemable 90 days or less from the original date of acquisition.

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Company's income. The Company is subject to interest rate risk on its cash and cash equivalents. The Company reduces this risk by investing its cash in highly liquid short-term interest-bearing investments that earn interest on a fixed rate basis.

The carrying values of amounts receivable and accounts payable and other liabilities are a reasonable estimate of their fair values because of the short period to maturity of these instruments.

Cash and cash equivalents are classified as loans and receivables and are initially recorded at fair value and subsequently at cost with accrued interest recorded in accounts receivable. At March 31, 2013, the Company's cash and cash equivalents of $11,664,586 (December 31, 2012 - $12,580,134) are classified as Level 1 within the fair value hierarchy.

Investments are recorded at fair value. The fair value change for the Uracan shares represents the change to the quoted price of these publicly traded securities from the date they were acquired. The shares are subject to a hold period and may not trade before June 14, 2013. These shares and warrants are being held for long-term investment purposes. The fair value change for the share purchase warrants reflects changes to the Black-Scholes valuation input assumptions on acquisition compared to the March 31, 2013 revaluation date. The warrants have an exercise price of $0.15 per share (which is currently above market share price), may not be exercised prior to June 14, 2013 and have an expiry date of February 13, 2016.

(Expressed in Canadian dollars, unless otherwise noted)

The impacts of fair value changes are incidental to the Company as the assets impacted by these changes do not represent significant value in comparison with the core assets of the Company. The Company has not exercised any of the Uracan share purchase warrants that it holds.

The fair value of the Uracan shares, classified as Level 1, is based on the market price for these actively traded securities at February 13, 2013 on acquisition and March 31, 2013, the financial statement fair value date.

The fair value of the warrants received from Uracan, classified as Level 3, has been determined using the Black-Scholes option-pricing model with the following weighted-average assumptions as at the dates indicated:

	March 31 2013	February 13 2013[1]	December 31 2012
Number of warrants received – Uracan	150,000	150,000	-
Expected forfeiture rate	0.00%	0.00%	-
Weighted-average grant date fair values	$ 0.05	$ 0.06	-
Expected volatility	128.60%	127.26%	-
Risk-free interest rate	1.08%	1.22%	-
Expected life	2.87 years	3.00 years	-

(1) Date of acquisition

Market factors, such as fluctuations in the trading prices for the marketable securities as well as fluctuations in the risk-free interest rates offered by the Bank of Canada for short-term deposits are updated each time the Uracan warrants are revalued. The Company expects that these valuation inputs are likely to change at every reporting period which will result in adjustments to the fair value of these warrants in future periods.

The following table shows the valuation techniques used in the determination of fair values within Level 3 of the hierarchy, as well as the key unobservable inputs used in the valuation model:

Level 3 item	Valuation approach	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Warrants – Uracan	The fair value has been determined by using the Black-Scholes option pricing model.	Expected volatility for Uracan shares, derived from the shares' historical prices (weekly).	The estimated fair value for the warrants increases as the volatility increases.

(Expressed in Canadian dollars, unless otherwise noted)

Related Party Transactions

The Company was involved in the following related party transactions for the three months ended March 31, 2013 and 2012:

Related party transactions include the following payments which were made to related parties other than key management personnel:

	Three months ended March 31	
	2013	**2012**
Other consultants [(1)]	$ -	$ 24,843
Other consultants share-based payments [(3)]	2,060	3,560
Panterra Geoservices Inc.[(2)]	13,500	5,000
Panterra Geoservices Inc. share-based payments [(3)]	6,962	13,046
	$ 22,522	$ 46,449

(1) Other consultants include close members of the family of R. Sierd Eriks, UEX's Vice-President of Exploration, who provide geological consulting services with specific services invoiced as provided.

(2) Panterra Geoservices Inc. is a company owned by David Rhys, a member of the management advisory board that provides geological consulting services to the Company. The management advisory board members are not paid a retainer or fee; specific services are invoiced as provided.

(3) Share-based compensation expense is the fair value of options granted which have been calculated using the Black-Scholes option-pricing model and the assumptions disclosed in Note 10(c) of the December 31, 2012 annual financial statements.

Key management personnel compensation includes management and director compensation as follows:

	Three months ended March 31	
	2013	**2012**
Salaries and short-term employee benefits [(4)]	$ 222,147	$ 175,947
Share-based payments [(3)]	177,574	263,507
	$ 399,721	$ 439,454

(3) Share-based compensation expense is the fair value of options granted which have been calculated using the Black-Scholes option-pricing model and the assumptions disclosed in Note 10(c) of the December 31, 2012 annual financial statements.

(4) In the event of a change of control of the Company, certain senior management may elect to terminate their employment agreements and the Company shall pay termination benefits of two times their respective annual salaries at that time and all of their share purchase options will become immediately vested with all other employee benefits, if any, continuing for a period of two years.

Accounting Policies

The accounting policies and methods employed by the Company determine how it reports its financial condition and results of operations, and may require management to make judgments or rely on assumptions about matters that are inherently uncertain. The Company's results of operations are reported using policies and methods in accordance with IFRS. In preparing financial statements in accordance with IFRS, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses for the period. Management reviews its estimates and assumptions on an ongoing basis using the most current information available.

Change in Accounting Policy

The accounting policies applied by the Company in the condensed unaudited interim financial statements are the same as those applied by the Company in its financial statements as at and for the year ended December 31, 2012, except for the following amendment with respect to financial assets at fair value through profit or loss ("FVTPL") and available-for-sale financial assets ("AFS").

The following should be read in conjunction with *Note 2(h) Financial Assets – Financial assets at FVTPL* from the Company's audited financial statements for the year ended December 31, 2012. Financial assets at FVTPL include warrants (classified as held-for-trading) which are presented as non-current assets unless management intends to dispose of these assets within 12 months of the end of the reporting period.

The following should also be read in conjunction with *Note 2(h) Financial Assets – Available-for-sale financial assets* from the Company's audited financial statements for the year ended December 31, 2012. AFS assets are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period. The Company's AFS assets include marketable securities that are not held for the purpose of trading.

The following new or amended standards have been adopted in the condensed interim financial statements for the period beginning January 1, 2013:

IFRS 7 *Financial Instruments: Disclosures*: Amendments – Offsetting Financial Assets and Financial Liabilities

The amendments to IFRS 7 require entities to disclose information about rights of offset and related arrangements for financial instruments under an enforceable master netting agreement or similar agreement. The application of these amendments may result in more disclosures being made with respect to offsetting financial assets and financial liabilities in the future.

IFRS 13 *Fair Value Measurement*

The adoption of IFRS 13 by the Company has had no material impact on the financial results of the Company. The adoption of IFRS 13 did, however, result in some additional fair value disclosures including the valuation inputs and techniques used in determining fair value. The adoption of IFRS 13 also required an amendment to the Company's accounting policies as presented in the annual audited financial statements relating to financial assets at fair value through profit or loss and available-for-sale financial assets (see Note 2c).

The International Accounting Standards Board has issued IFRS 9 *Financial Instruments* ("IFRS 9") to replace IAS 39 *Financial Instruments*. IFRS 9 has an effective date for year ends starting on or after January 1, 2015, with early adoption permitted. The Company intends to adopt IFRS 9 in its financial statements for the annual period beginning on January 1, 2015. The Company does not expect IFRS 9 to have a material impact on the financial statements. The classification and measurement of the Company's financial assets is not expected to change under IFRS 9 because of the nature of the Company's operations and the types of financial assets that it holds.

Joint Arrangements

Joint arrangements are arrangements of which the Company has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements' returns. They are classified and accounted for as follows:

(i) *Joint operation* – when the Company has rights to the assets, and obligations for the liabilities, relating to an arrangement, it accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation.

(ii) *Joint venture* – when the Company has rights only to the net assets of the arrangement, it accounts for its interest using the equity method.

The Company has an interest in several joint operations relating to the exploration and evaluation of various properties in the western and northern Athabasca Basin. The financial statements include the Company's proportionate share of the joint operations' assets, liabilities, revenue and expenses with items of a similar nature on a line-by-line basis from the date that the joint arrangement commences until the date that the joint arrangement ceases. These interests are governed by contractual arrangements but have not been organized into separate legal entities or vehicles.

The Company does not have any joint arrangements that are classified under IFRS 11 as joint ventures. However, "joint operations" as defined by IFRS are nevertheless commonly referred to as "joint ventures" by UEX, its operating partners and the general mining industry, and use of the term "joint venture" by UEX in its disclosures for the purposes of describing its operating results is considered consistent with these statements.

The joint arrangements that the Company is party to in some cases entitle the Company to a right of first refusal on the projects should one of the partners choose to sell their interest. The joint arrangements are governed by a management committee which sets the annual exploration budgets for these projects. In certain cases, should the Company choose not to fund their minimum required contributions as outlined in the agreement, there is a risk that the Company's ownership interest could be diluted. As a result of decisions to fund exploration programs for the joint arrangements, the Company may choose to complete further equity issuances or fund these amounts through the Company's general working capital.

Critical Accounting Estimates

The Company prepares its financial statements in accordance with IFRS, which require 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 financial statements. Critical estimates inherent in these accounting policies are discussed below.

Valuation of mineral properties

The recovery of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain financing to complete exploration and development of the properties, and on future profitable production or proceeds of disposition. The Company recognizes in income costs recovered on mineral properties when amounts received or receivable are in excess of the carrying amount. Upon transfer of exploration and evaluation assets into development properties, all subsequent expenditures on the exploration, construction, installation or completion of infrastructure facilities is capitalized within development properties.

All capitalized exploration and evaluation assets are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that the exploration expenditures are not expected to be recovered, this amount is recorded as a write-down of interest in mineral properties in the statement of operations and comprehensive loss in the period.

As at March 31, 2013, the market capitalization of UEX Corporation was below the carrying value of the Company's net assets which are primarily represented by mineral properties. The Company has reviewed recent arms-length transactions for the acquisition of uranium resources defined by National Instrument 43-101 and has concluded that the carrying value of the Company's net assets is supported.

Environmental rehabilitation provision

The Company recognizes the fair value of a liability for environmental rehabilitation in the period in which the Company is legally or constructively required to remediate, if a reasonable estimate of fair value can be made, based on an estimated future cash settlement of the environmental rehabilitation obligation, discounted at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. The environmental rehabilitation obligation is capitalized as part of the carrying amount of the associated long-lived asset and a liability is recorded. The environmental rehabilitation cost is amortized on the same basis as the related asset. The liability is adjusted for the accretion of the discounted obligation and any changes in the amount or timing of the underlying future cash flows. Significant judgements and estimates are involved in forming expectations of the amounts and timing of environmental rehabilitation cash flows. The Company has assessed each of its mineral projects and determined that no material environmental rehabilitations exist as the disturbance to date is minimal.

Share-based payments

The Company has a share option plan which is described in Note 10(c) of the financial statements for the year ended December 31, 2012. The fair value of all share-based awards is estimated using the Black-Scholes option-pricing model at the grant date and amortized over the vesting periods. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company. Share-based payments to non-employees are measured at the fair value of the goods or services received, or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest.

None of the Company's awards call for settlement in cash or other assets. Upon the exercise of the share purchase options, consideration paid together with the amount previously recognized in the share-based payments reserve is recorded as an increase in share capital. The offset to the recorded cost is to share-based payments reserve. Consideration received on the exercise of share purchase options is recorded as share capital and the related share-based payments value in the reserve is transferred to share capital. Charges for share purchase options that are forfeited before vesting are reversed from share-based payments reserve. For those share purchase options that expire or are forfeited after vesting, the recorded value is transferred to retained earnings (deficit).

Recent Accounting Announcements

The International Accounting Standards Board issued the following IFRSs with an effective date for year ends starting on or after January 1, 2013:

(i) IFRS 7 *Financial Instruments: Disclosures*: Amendments – Offsetting Financial Assets and Financial Liabilities

The amendments to IFRS 7 require entities to disclose information about rights of offset and related arrangements for financial instruments under an enforceable master netting agreement or similar agreement. The application of these amendments may result in more disclosures being made with respect to offsetting financial assets and financial liabilities in the future.

(ii) IFRS 10 *Consolidated Financial Statements*

The adoption of this standard had no impact on the financial statements of the Company as there are no subsidiaries or investments in separate entities.

(iii) IFRS 11 *Joint Arrangements* supersedes IAS 31 *Interests in Joint Ventures* and SIC-13 *Jointly Controlled Entities – Non-monetary Contributions by Venturers*

The adoption of this standard had no impact on the financial statements of the Company because the application of IFRS 11 resulted in the same accounting treatment for the Company's joint operations (previously referred to as jointly controlled assets).

(iv) IFRS 12 *Disclosure of Interests in Other Entities*

The adoption of this standard has led to some greater disclosure in the financial statements with respect to the Company's joint arrangements and the risks associated with these agreements.

(v) IFRS 13 *Fair Value Measurement*

The adoption of IFRS 13 has had no material impact on the results of the Company. The adoption of IFRS 13 did, however, result in some additional fair value disclosures including the valuation of inputs and techniques used in determining fair value. The adoption of IFRS 13 also required an amendment to the Company's accounting policies as presented in the annual audited financial statements relating to assets at fair value through profit or loss and available-for-sale financial assets.

The International Accounting Standards Board has issued IFRS 9 *Financial Instruments* ("IFRS 9") to replace IAS 39 *Financial Instruments*. IFRS 9 has an effective date for year ends starting on or after January 1, 2015, with early adoption permitted. The Company intends to adopt IFRS 9 in its financial statements for the annual period beginning on January 1, 2015. The Company does not expect IFRS 9 to have a material impact on the financial statements. The classification and measurement of the Company's financial assets is not expected to change under IFRS 9 because of the nature of the Company's operations and the types of financial assets that it holds.

(Expressed in Canadian dollars, unless otherwise noted)

EXPLORATION AND EVALUATION UPDATE

Mineral Resource Estimates

Tables 1 and 2 show respective summaries of UEX's Indicated and Inferred mineral resource estimates by deposit.

TABLE 1
UEX Corporation – Indicated Mineral Resource Estimates (1) (2) (3)

Deposit	Tonnes	Grade U_3O_8 (%)	Total U_3O_8 (lbs)	UEX's share U_3O_8 (lbs)
Kianna (4)	1,034,500	1.526	34,805,000	17,054,450
Anne (4)	564,000	1.992	24,760,000	12,132,400
Colette (4)	327,800	0.786	5,680,000	2,783,200
58B (4)	141,600	0.774	2,417,000	1,184,330
Shea Creek Totals	**2,067,900**	**1.484**	**67,663,000**	**33,154,870**
Horseshoe (5)	5,119,700	0.203	22,895,000	22,895,000
Raven (5)	5,173,900	0.107	12,149,000	12,149,000
West Bear (5)	78,900	0.908	1,579,000	1,579,000
Hidden Bay Totals	**10,372,500**	**0.160**	**36,623,000**	**36,623,000**
TOTALS	**12,440,400**	**0.380**	**104,286,000**	**69,777,870**

TABLE 2
UEX Corporation – Inferred Mineral Resource Estimates (1) (2) (3)

Deposit	Tonnes	Grade U_3O_8 (%)	Total U_3O_8 (lbs)	UEX's share U_3O_8 (lbs)
Kianna (4)	560,700	1.364	16,867,000	8,264,830
Anne (4)	134,900	0.880	2,617,000	1,282,330
Colette (4)	493,200	0.716	7,780,000	3,812,200
58B (4)	83,400	0.505	928,000	454,720
Shea Creek Totals	**1,272,200**	**1.005**	**28,192,000**	**13,814,080**
Horseshoe (5)	287,000	0.166	1,049,000	1,049,000
Raven (5)	822,200	0.092	1,666,000	1,666,000
Hidden Bay Totals	**1,109,200**	**0.111**	**2,715,000**	**2,715,000**
TOTALS	**2,381,400**	**0.589**	**30,907,000**	**16,529,080**

Notes:

(1) The mineral resource estimates follow the requirements of *National Instrument 43-101 – Standards of Disclosure for Mineral Projects* and classifications follow CIM definition standards.

(2) The Shea Creek updated mineral resources were estimated at a cut-off of 0.30% U_3O_8.

(3) The Hidden Bay mineral resources were estimated at a cut-off of 0.05% U_3O_8.

(4) The Shea Creek updated mineral resource estimates were reported in a UEX Corporation news release dated April 17, 2013. A new Shea Creek Technical Report will be filed on SEDAR at *www.sedar.com* within 45 days of this news release.

(5) The Hidden Bay mineral resource estimates are included in the Hidden Bay Report with an effective date of February 15, 2011 which was filed on SEDAR at *www.sedar.com* on February 23, 2011.

Exploration and Evaluation Activities

The following is a general discussion of UEX's recent exploration and evaluation activities. Mineral resources that are not mineral reserves do not have demonstrated economic viability. 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: Shea Creek

The Shea Creek Project ("Shea Creek") is one of the nine 49%-owned Western Athabasca Projects joint-ventured with AREVA, the operator, which also include the Douglas River, Erica, Alexandra, Mirror River, Laurie, Nikita, Uchrich and Brander Lake projects.

Shea Creek is the flagship exploration property among the Western Athabasca Projects, consisting of eleven claims totaling 19,581 hectares (48,386 acres) and is host to the following deposits:

- Kianna Deposit ("Kianna");
- Anne Deposit ("Anne");
- Colette Deposit ("Colette"); and
- 58B Deposit ("58B").

Shea Creek is located in northwest Saskatchewan, just south of AREVA's former Cluff Lake mine which produced over 64 million pounds of U_3O_8 during its successful 22 years of operation. Shea Creek hosts the largest undeveloped uranium resource in the Athabasca Basin. High-grade uranium is distributed along a three-kilometre long strike length at the north end of the 33-kilometre long Saskatoon Lake Conductor. The deposits at Shea Creek show three styles of mineralization: unconformity-hosted, basement-hosted and perched. Access is provided year-round by Provincial Highway 955 and by air.

In 2004, UEX entered into an agreement with AREVA to fund C$30 million of exploration costs in exchange for a 49% interest in the Western Athabasca Projects, which include Shea Creek. AREVA continued to act as operator. The Kianna Deposit was identified in 2006, and UEX successfully met its funding target and earned its 49% interest in 2007. The 58B Deposit was identified in 2010.

On April 4, 2013 an agreement was signed with AREVA which grants UEX the option to increase its ownership interest in the Western Athabasca Projects, which include the Shea Creek Project, by 0.9% to 49.9% through the expenditure by UEX of an aggregate of up to $18.0 million (the "Additional Expenditures") on exploration over the six-year period ending December 31, 2018. UEX is under no obligation to propose a budget in any year of the agreement. UEX's interest for the Projects shall be increased at the end of each calendar year by the proportional amount of the Additional Expenditures incurred in such year which are in addition to the pro-rata budget amounts proposed by AREVA. UEX may propose an additional exploration budget of up to $4.0 million in any single year without the prior approval of AREVA, who remains the project operator. These Additional Expenditures would be supplementary to any annual budget proposed by AREVA. AREVA has agreed to propose a minimum annual budget (to be shared pro-rata) of not less than $2.0 million for the Western Athabasca Projects, inclusive of Shea Creek, during the six-year period provided that UEX proposes to spend at least $2.0 million of Additional Expenditures in the same year and the average weekly spot price of U_3O_8 for the year ended September 30th prior to such year is not less than $40 per pound of U_3O_8.

This agreement provides UEX with a multi-year opportunity to build upon our past successes with AREVA by continuing exploration intended to expand known Shea Creek resources while concurrently seeking new uranium deposits.

A budget of $2.0 million relating to this new agreement has been approved for 2013. This supplemental program would most likely focus on the Kianna East mineralized zone where UEX had considerable success in 2012.

An annual budget for 2013 of $3.1 million of which UEX is responsible for funding $1.52 million has been approved, with exploration work expected to begin in the second quarter of 2013. Total expenditures to the end of 2012 by UEX on exploration and evaluation at Shea Creek were C$39.9 million and C$7.4 million, respectively, with approximately 241,000 metres of drilling completed.

Shea Creek Mineral Updated Resource Estimate

A previous N.I. 43-101 independent mineral resource estimate for the Kianna, Anne and Colette deposits which is supported by a technical report entitled "Technical Report on the Shea Creek Property, Saskatchewan, Canada, Including Mineral Resource Estimates for the Kianna, Anne and Colette Deposits" by K. Palmer, P.Geo.of Golder Associates Ltd. ("Golder") with an effective date of May 26, 2010 was filed on SEDAR on July 9, 2010.

In April 2013, UEX received an updated N.I. 43-101 independent mineral resource estimate incorporating additional drilling results from the 2010, 2011 and 2012 drilling campaigns (see UEX news release dated April 15, 2013). This estimate, commissioned by UEX, was completed by James N. Gray, P.Geo., of Advantage Geoservices Limited.

The updated uranium mineral resource estimate for the four Shea Creek deposits at a cut-off grade of 0.30% U_3O_8 totals:

- 67.66 million pounds of U_3O_8 in the Indicated mineral resource category comprising 2,067,900 tonnes grading 1.48% U_3O_8 – an increase of 6% from the mineral resource estimate prepared for UEX by Golder in 2010
- 28.19 million pounds of U_3O_8 in the Inferred mineral resource category comprising 1,272,200 tonnes grading 1.01% U_3O_8 – an increase of 15% from the mineral resource estimate prepared for UEX by Golder in 2010

This mineral resource estimate for Shea Creek incorporates resources from the Kianna, Anne, Colette and 58B deposits ("Kianna", "Anne", "Colette" and "58B", respectively) based on drilling information up to December 31, 2012 (see Figure 1). This estimate represents an update of the previous resource estimate prepared by Golder and reported in May, 2010. A technical report supporting the new mineral resource estimate will be filed on SEDAR within 45 days of the news release.

This mineral resource estimate confirms that Shea Creek remains the largest undeveloped uranium resource in the Athabasca Basin. It also ranks as the third largest uranium resource in the Basin, exceeded in size only by McArthur River and Cigar Lake. Mineralization at Shea Creek is still largely open and has excellent potential to expand as drilling continues.

(Expressed in Canadian dollars, unless otherwise noted)

The changes in the mineral resource since the 2010 estimate reflect substantial increases in the basement mineral resources of the Kianna Deposit and new mineral resources from the recently defined 58B Deposit. These resource increases are partially offset by mineral resource losses at Colette due to the restriction of mineralization in central and southern parts of that deposit based on new infill drilling. In addition, interpolation of anomalously high-grade samples was controlled not only by grade capping, as was done in 2010, but also through a process of restricted interpolation ranges applied to the very high end of the grade distribution. This change in approach was applied to all of the Shea Creek deposits. The small reduction in the Anne mineral resource estimate, where no drilling has occurred since the 2010 resource estimate, reflects the effect of this change in approach to the treatment of high-grade drill intervals throughout the deposits.

The 2013 mineral resource estimate identifies that much of the mineralization at Shea Creek is found over an approximately one kilometre strike length in southern parts of the Shea Creek deposit trend at the Kianna and Anne deposits (see Figure 2). Notably, at a 1.0% cut-off grade most of the resources are retained at much higher grades as shown below:

- Combined mineral resources at the Kianna and Anne deposits at a cut-off grade of 0.3% U_3O_8 total 59.6 million pounds of U_3O_8 in 1,598,500 tonnes grading 1.69% U_3O_8 in the Indicated category and an additional 19.5 million pounds of U_3O_8 in 695,600 tonnes grading 1.27% U_3O_8 in the Inferred category
- Combined mineral resources at the Kianna and Anne deposits at a cut-off grade of 1.0% U_3O_8 total 48.3 million pounds of U_3O_8 in 698,300 tonnes grading 3.18% U_3O_8 in the Indicated category and an additional 14.4 million pounds of U_3O_8 in 252,800 tonnes grading 2.59% U_3O_8 in the Inferred category

Mineral resource estimates at various cut-off grades are summarized in Table 3. Significantly, at higher cut-off grades most of the contained uranium is retained at substantially higher grades.

TABLE 3

Shea Creek Mineral Resource Estimates, Tonnes and Grade at Various U_3O_8 % Cut-off Grades

These mineral resource estimates were completed in April 2013 (incorporating drilling information up to December 31, 2012) using CIM standards of estimation of mineral resources and reserves.

Category	Cut-off U_3O_8 (%)	Tonnes	Grade U_3O_8 (%)	U_3O_8 (lbs)
Indicated	0.1	3,227,300	1.018	72,458,000
	0.3	**2,067,900**	**1.484**	**67,663,000**
	0.5	1,464,800	1.935	62,492,000
	1.0	795,800	2.966	52,047,000
	1.5	521,300	3.883	44,625,000
Inferred	0.1	2,601,600	0.586	33,616,000
	0.3	**1,272,200**	**1.005**	**28,192,000**
	0.5	784,500	1.388	23,999,000
	1.0	340,100	2.310	17,323,000
	1.5	215,600	2.937	13,961,000

(Expressed in Canadian dollars, unless otherwise noted)

The majority of the estimated mineral resources are from the Kianna and Anne deposits, where a significant portion of the resources lie in impermeable basement rocks beneath the Athabasca unconformity. Breakdowns of the mineral resource estimates by deposit at cut-off grades of 0.3% U_3O_8 and 1.0% U_3O_8 are provided in Tables 4 and 5, respectively.

TABLE 4
Breakdown of the Contribution of Each Deposit at Shea Creek to the Total Mineral Resource Estimate at a 0.3% U_3O_8 Cut-off Grade

Deposit		Tonnes	Grade U_3O_8 (%)	U_3O_8 (lbs)		Tonnes	Grade U_3O_8 (%)	U_3O_8 (lbs)
Kianna	Indicated	1,034,500	1.526	34,805,000	Inferred	560,700	1.364	16,867,000
Anne		564,000	1.992	24,760,000		134,900	0.880	2,617,000
Colette		327,800	0.786	5,680,000		493,200	0.716	7,780,000
58B		141,600	0.774	2,417,000		83,400	0.505	928,000
TOTALS		**2,067,900**	**1.484**	**67,663,000**		**1,272,200**	**1.005**	**28,192,000**

TABLE 5
Breakdown of the Contribution of Each Deposit at Shea Creek to the Total Mineral Resource Estimate at a 1.0% U_3O_8 Cut-off Grade

Deposit		Tonnes	Grade U_3O_8 (%)	U_3O_8 (lbs)		Tonnes	Grade U_3O_8 (%)	U_3O_8 (lbs)
Kianna	Indicated	446,800	2.796	27,544,000	Inferred	233,700	2.530	13,036,000
Anne		242,500	3.890	20,795,000		19,100	3.308	1,392,000
Colette		70,700	1.684	2,624,000		85,800	1.508	2,852,000
58B		35,900	1.370	1,084,000		1,500	1.280	43,000
TOTALS		**795,800**	**2.966**	**52,047,000**		**340,100**	**2.310**	**17,323,000**

Comparison with the Previous Mineral Resource Estimate

The new mineral resource estimate reflects the following changes at each deposit since the 2010 estimate prepared by Golder:

***Kianna Deposit*:** Discovery of new basement-hosted zones, including the Kianna East Zone, and drilling expansion of other zones has resulted in a very substantial increase of 54% in the Indicated mineral resource at a 0.3% U_3O_8 cut-off. The majority of the current mineral resource estimate at Kianna is now found in basement rocks. Areas of basement mineralization, particularly on the north side of Kianna and in the Kianna East Zone, are still open and will be targeted by future drilling.

***Anne Deposit*:** No new drilling was conducted at Anne since the 2010 mineral resource estimate. The small decline in the Anne mineral resource estimate reflects a change in approach to the treatment of high-grade drill intervals. In addition to capping high grades, a restriction was placed on interpolation distances for samples at the upper end of the grade distribution. Further geological interpretation and potential infill drilling, particularly in the Anne basement mineralization where the widely spaced drilling restricts the ability to interpret the continuity of higher grade mineralization, may be undertaken to address this interpretation. A review of this basement mineralization has identified additional areas for potential expansion.

***Colette Deposit*:** Since the previous mineral resource estimate, infill and step-out drilling was conducted throughout the Colette area. While this drilling identified a thick unconformity-hosted pod in the north part of the Colette Deposit that now represents a significant portion of the current Colette mineral resource estimate, infill drilling in parts of the central and southern parts of the deposit failed to establish continuity of mineralization in some of the higher grade parts of the central Colette unconformity mineralization and also restricted distribution of some of the previously interpreted basement zones. Basement mineralization in the southern parts of Colette has potential for expansion, and continuations of the Shea Creek trend to the north of Colette are still open.

***58B Deposit*:** This new deposit adds to the total Shea Creek mineral resource estimate. Basement mineralization has been tested only by widely spaced drill holes, and the mineralization remains open in several directions.

Mineral Resource Estimation Details

The 2013 Shea Creek mineral resource estimate was prepared by James N. Gray, P.Geo., of Advantage Geoservices Limited, an independent Qualified Person as defined by N.I. 43-101. This estimate utilized results of 477 diamond drill holes and directional cuts (totaling 402,800 metres) which were drilled since 1992. Drill spacing across the deposits is variable, ranging between 5 metres to greater than 50 metres. On average, Indicated blocks are within 8 metres of a drill hole and Inferred blocks within 16 metres.

The mineralized wireframe models from the Kianna, Anne, Colette and 58B deposits bounding perched, unconformity and basement mineralization were prepared at a 0.05% U_3O_8 cut-off and used to constrain the mineral resource estimate at each deposit area. Estimation was by ordinary kriging using Gemcom Software. The impact of anomalously high-grade samples was controlled though a process of grade capping as well as restriction placed on high-grade interpolation distances.

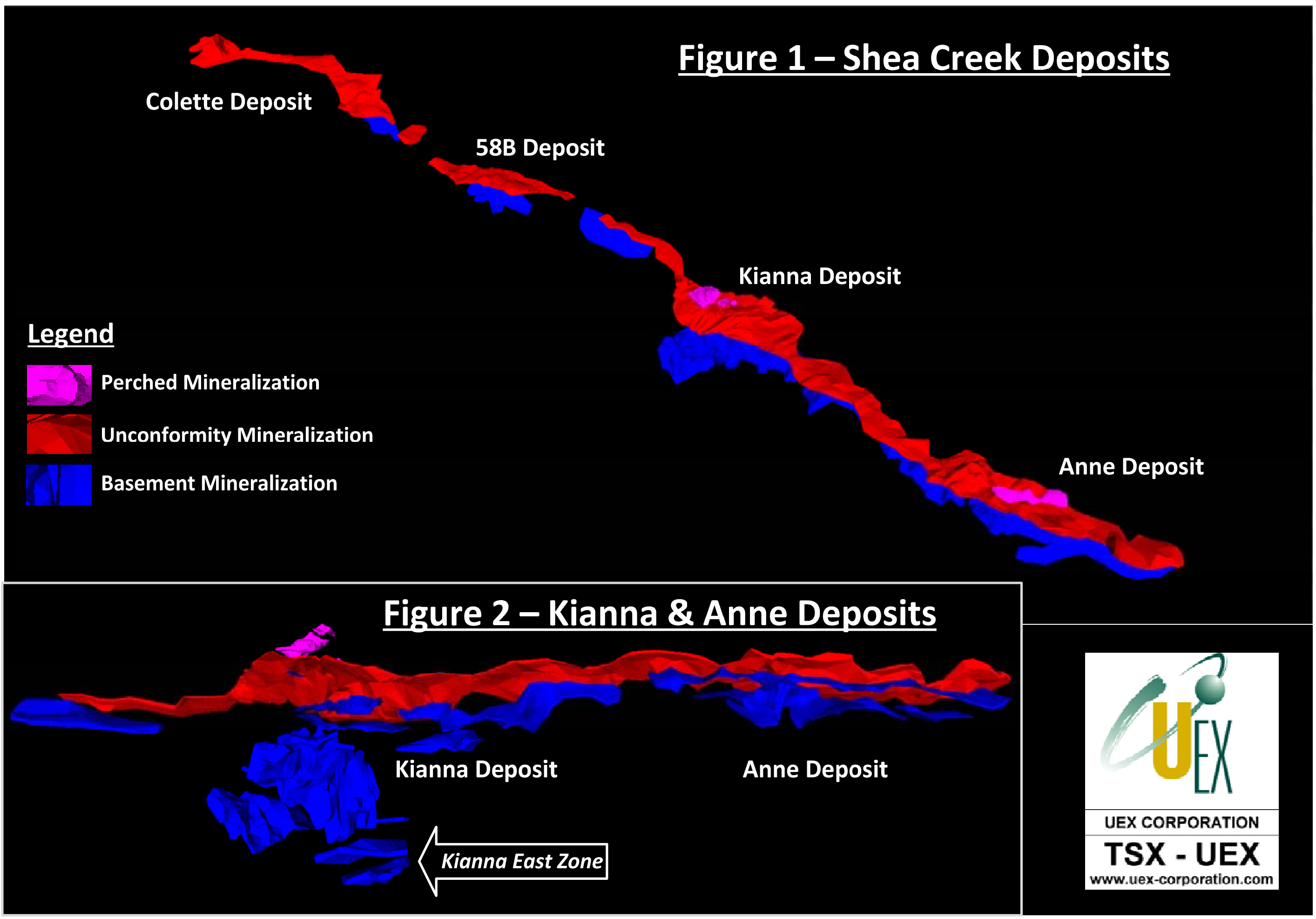
The mineral resource estimate primarily utilized uranium geochemical analyses from the Saskatchewan Research Council (SRC) Geoanalytical Laboratories in Saskatoon, Saskatchewan. The principal geochemical analytical methods used for uranium analysis on the Shea Creek samples are ICP-MS (Inductively Coupled Plasma Mass Spectroscopy) for samples with grades lower than 1,000 ppm U, and U_3O_8 uranium assay by ICP-OES (Inductively Coupled Plasma Optical Emission Spectroscopy) for samples determined by ICP-MS to contain uranium concentrations higher than 1,000 ppm U. In addition to AREVA's internal quality controls, duplicate and independent check analyses were performed by UEX on sample suites representing approximately 5% of the mineralized assay database since mineralization was discovered in 1992.

In cases where geochemical analyses were not available due to incomplete sampling or core recovery issues, downhole gamma probe data were used to calculate equivalent uranium grades obtained using a DHT27-STD gamma probe which collects continuous readings along the length of the drill hole. Probe results are calibrated using an algorithm calculated from the comparison of probe results against geochemical analyses in previous drill holes in the Shea Creek area.

A total of 674 dry bulk density samples, representing all rock types and mineralization styles from the Shea Creek deposits, form a comprehensive basis for the density component of the mineral resource estimate.

Figures 1 & 2

Shea Creek Deposits



Western Athabasca Projects: 2013 Approved Exploration Program

The 2013 approved exploration program has a budget of $3.1 million, for which UEX will be responsible for its 49% share, or $1.52 million. This exploration program will consist of a $0.5-million geophysical program in the northern Colette and southern Anne areas which will commence in May and a $2.6-million drilling program south of the Anne Deposit expected to begin in June.

The 2013 program will be focused on the highly prospective Saskatoon Lake Conductor which continues to the south of Anne. The SLC represents a faulted graphitic unit beneath the overlying Athabasca sandstone and is spatially associated with the Colette, 58B, Kianna and Anne deposits all of which occur along and adjacent to this conductor over a three-kilometre strike length in the northern parts of Shea Creek. Outside of the immediate area of the deposits, the continuation of this conductor is sparsely tested by isolated, widely-spaced drill holes. The few drill holes in this area include several mineralized intersections which have not been followed up, including drill hole SHE-2 drilled in 1992. This drill hole intersected a shallow-dipping brecciated fault zone just beneath the unconformity in association with the SLC and returned 0.342% U_3O_8 over 0.4 metres in an area located approximately two kilometres southeast of the Anne Deposit.

The 2013 exploration program will commence with a geophysical Tensor Magnetotelluric ("MT") survey to further refine the position and potential areas of offset along northeast-trending faults crosscutting the SLC (see Figure 3). Steeply dipping faults of this orientation are associated with the significant mineralization at the Kianna and Anne deposits where they intersect the SLC. These structures can be inferred from the 2008 MT survey conducted on the northern parts of the property. A total of 50.4 line-kilometres will be surveyed which will extend the previous MT coverage for approximately six kilometres southeast of Anne, and infill two additional lines to the north. In conjunction with previous geophysical data, the survey will allow refinement of the drill hole placements in this sparsely tested area.

Drilling totaling approximately 5,000 metres is planned south of the Anne Deposit (see Figure 4) and is anticipated to commence in June. There are only four previous drill holes in this area, including drill hole SHE-24 which intersected mineralization grading 0.074% U_3O_8 over 2.3 metres in the basement rocks approximately 20 metres below the unconformity. The drilling will assess untested gaps between existing drill holes, some of which are more than 800 metres apart, and also test areas where initial drill holes intersected only the margins of the prospective corridor. This area is geologically similar to that associated with the Shea Creek deposits and previous holes here have also intersected anomalous radioactivity and favourable clay alteration.

Figure 3
2013 Shea Creek Geophysical Program

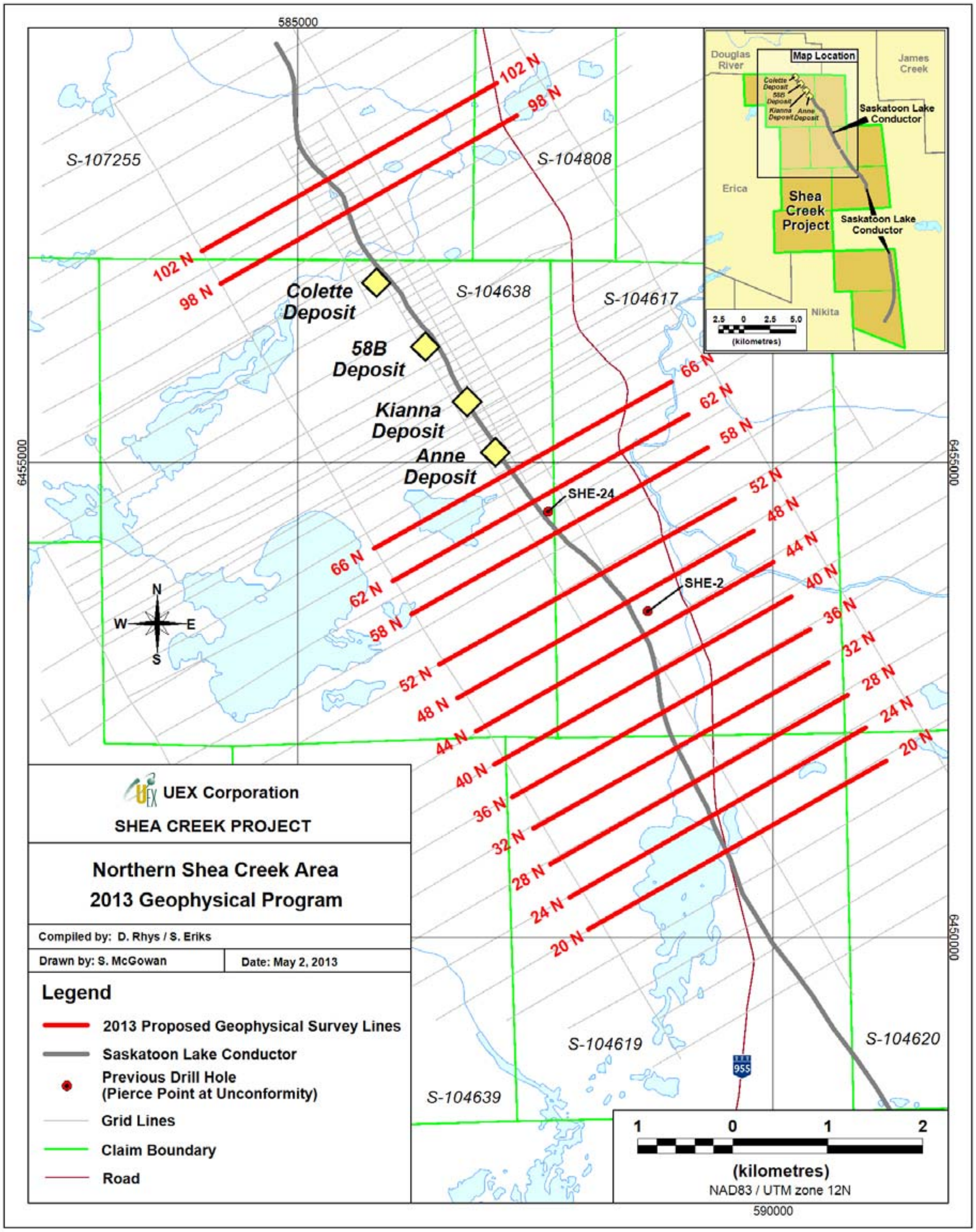
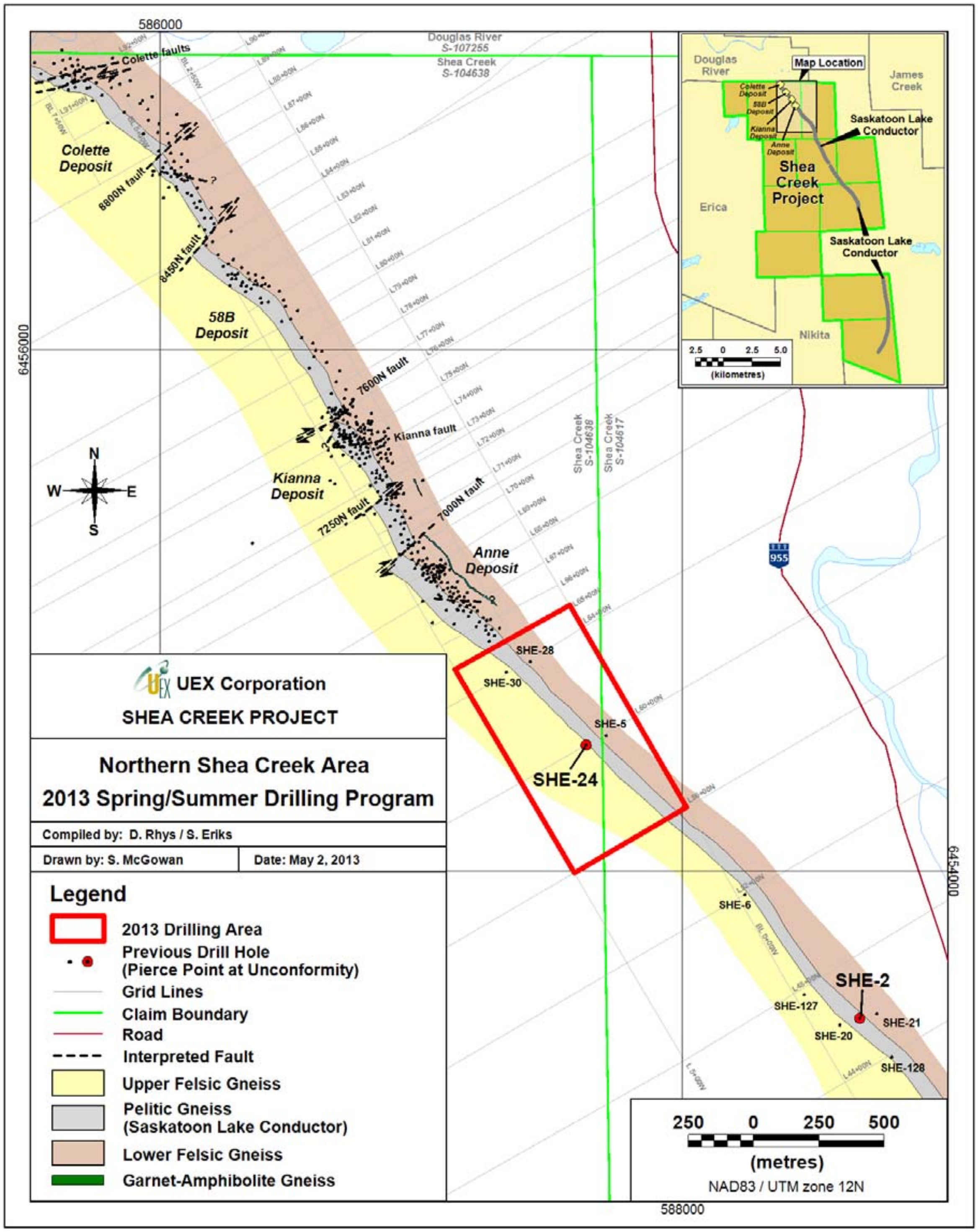


Figure 4
2013 Spring/Summer Shea Creek Drilling Program



Western Athabasca Projects: 2013 Proposed Exploration Program

In addition to the approved exploration program, UEX has approved a $2.0-million budget for exploration under the agreement signed on April 4, 2013 which allows up to $4.0 million of Additional Expenditures. This supplemental program would most likely focus on the Kianna East mineralized zone where UEX had considerable success in 2012.

Beatty River Project

Beatty River consists of seven claims totaling 6,688 hectares (16,526 acres) located in the western Athabasca Basin approximately 40 kilometres south of the Shea Creek deposits. 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 would earn a 25% interest in Beatty River by funding $865,000 in exploration expenditures by December 31, 2013. Expenditures under this agreement by UEX to December 31, 2012 amounted to $858,118. In early 2013, UEX and JCU amended their agreement and UEX fulfilled its earn-in on the Beatty River Project by making a payment to JCU of $3,441.

At present, AREVA, the operator, owns a 50.7% interest, UEX owns a 25.0% interest and JCU owns a 24.3% interest in Beatty River.

Hidden Bay Project

UEX operates its 100%-owned Hidden Bay Project ("Hidden Bay"), which consists of 41 claims totaling 57,024 hectares (140,909 acres) and is host to the following deposits:

- Horseshoe Deposit ("Horseshoe");
- Raven Deposit ("Raven"); and
- West Bear Deposit ("West Bear").

Hidden Bay was acquired from Cameco upon UEX's formation in 2002 establishing Cameco's initial equity position in UEX. Extensive drilling programs were conducted on the property in the following years, leading to the release of a mineral resource estimate for Horseshoe, Raven and West Bear in 2009.

Located in northeast Saskatchewan, the Hidden Bay property hosts the sixth largest undeveloped uranium resource in the Athabasca Basin. Resources at Horseshoe and Raven have been estimated following N.I. 43-101 guidelines. These deposits contain an estimated 35.0 million pounds U_3O_8 Indicated Mineral Resources and 2.7 million pounds U_3O_8 Inferred Mineral Resources at a cut-off grade of 0.05% U_3O_8. West Bear contains an additional 1.6 million pounds U_3O_8 in the Indicated category at a cut-off grade of 0.05% U_3O_8.

The Preliminary Assessment Technical Report found the economics of mining the Horseshoe and Raven deposits to be positive. The base case economic scenario of US$60 per pound of U_3O_8 would yield an estimated C$246 million in earnings before interest and taxes.

The proximity of Horseshoe and Raven to uranium milling facilities operated by Cameco and AREVA provide opportunities for potential toll milling arrangements. The principal hydroelectric transmission lines that service both of these mill facilities also pass 3 kilometres to the north of the deposits and could provide electricity to site. The Company recently acquired the Raven camp which provides on-site accommodation. The Raven pit may provide further cost-savings potential should it prove viable as a tailings facility. The PA addresses these possible benefits in addition to numerous other opportunities for the improvement of economics at Hidden Bay.

Total expenditures to the end of 2012 by UEX on exploration and evaluation at Hidden Bay were C$59.8 million and C$6.1 million, respectively, with approximately 488,000 metres of drilling completed.

A $2.0-million budget was approved for evaluation at the Hidden Bay Project in 2012. At December 31, 2012, UEX had expended $1.1 million of its $2.0-million evaluation budget. In the first quarter of 2013 UEX expended an additional $299,382 on evaluation at Hidden Bay.

UEX personnel have been working with SRK Consulting Inc. ("SRK"), Ausenco Solutions Canada Inc. ("Ausenco"), Melis Engineering Ltd. ("Melis") and SENES Consultants Limited ("SENES") toward completing various component studies that would contribute to a future prefeasibility study. Management believes that, following the completion of these studies, final evaluation of the project should await the recovery of spot and long-term uranium commodity prices.

Hidden Bay Project: 2013 Exploration and Evaluation Programs

Brownfields exploration for Hidden Bay continues to be deferred until market conditions in the mining sector, and in particular in the uranium space, improve.

UEX, having recently purchased the Raven exploration camp which will generate appreciable long-term cost savings, will continue to evaluate infrastructure requirements such as the connection of the camp to the nearby power grid.

We continue to conduct the necessary component technical evaluation studies, thereby laying the foundation and creating the building blocks which will allow UEX to further advance the project when uranium commodity prices dictate.

Black Lake Project

In early 2013, UEX entered into an agreement with Uracan Resources Ltd. ("Uracan") whereby Uracan can earn into the Black Lake Project (the "Project") in northern Saskatchewan, which is currently a joint venture with AREVA Resources Canada Inc. Currently, UEX holds an 89.97% interest and AREVA holds a 10.03% interest in the Project.

Uracan must fund a total of $10.0 million of project expenditures over 10 years to earn their 60% interest in the Project from UEX, with no partial earn-in permitted. Uracan has committed to spend $2.0 million on project expenditures by December 31, 2014, with a firm commitment to fund $1.5 million even if a decision is made by Uracan not to proceed with the earn-in or the agreement is otherwise terminated. Should the agreement be terminated prior to $1.5 million in project costs having been funded by Uracan, any shortfall is payable directly to UEX. During the remainder of the option period, minimum expenditures of $1.0 million per year are to be funded by Uracan. UEX remains the project operator until such time as Uracan has earned its 60% interest in the Project and is entitled to a 10% management fee under the Black Lake joint-venture agreement.

Uracan has issued 300,000 shares and 150,000 share purchase warrants to UEX. The warrants are exercisable for three years at a price of $0.15 for each warrant. Uracan has also granted to UEX a 1% NSR royalty from their ownership interest and upon UEX receiving a total of $10.0 million in royalty payments, the NSR royalty will terminate.

Black Lake Project: 2013 Exploration Program

The 2013 program will involve planning and implementation of a drilling program to be carried out on the Black Lake property in the winter of 2014. A review of the geological compilation carried out in 2012 will be used in conjunction with the 2011 geophysical compilation to identify future drilling targets. In addition, road clearing will be carried out in December 2013 in preparation for the winter 2014 drilling program. The budget for the 2013 program of approximately $104,000 is to be funded by Uracan.

Other Athabasca Projects

UEX is deferring exploration programs at Riou Lake for the near-term until uranium market conditions improve. Four claims within the Northern Athabasca Projects lapsed on February 5, 2012; however, these claims had been written off in 2010 due to a lack of planned exploration activity at that time.

Qualified Person

The disclosure of technical information regarding UEX's properties in this MD&A has been reviewed and approved by R. Sierd Eriks, P.Geo., UEX's Vice-President of Exploration, who is a Qualified Person as defined by *National Instrument 43-101 – Standards of Disclosure for Mineral Projects* and is non-independent of UEX.

Geochemical Analysis

Geochemical analyses are carried out at the SRC Geoanalytical Laboratories in Saskatoon, Saskatchewan. The primary geochemical analytical methods used for uranium analysis are ICP-MS (Inductively Coupled Plasma Mass Spectroscopy) for samples with grades lower than 1,000 ppm U, and U_3O_8 uranium assay by ICP-OES (Inductively Coupled Plasma Optical Emission Spectroscopy) for samples determined by ICP-MS to contain uranium concentrations higher than 1,000 ppm U.

Equivalent Uranium Grades

Some of the uranium grades reported for Shea Creek in our MD&A are calculated from gamma probe logging. The probe results are reported as uranium equivalent (eU_3O_8). Equivalent grade results are obtained using a DHT27-STD gamma probe which collects continuous readings along the length of the drill hole. Probe results are calibrated using an algorithm calculated from the comparison of probe results against geochemical analyses in previous drill holes in the Shea Creek area. The reader is referred to UEX's news release of March 24, 2009 for further discussion of probe calibration and comparative treatment of geochemical and probe data.

Risks and Uncertainties

An investment in UEX common shares is considered speculative due to the nature of UEX's business and the present stage of its development. A prospective investor should carefully consider the risk factors set out below.

It is not possible to determine if the exploration programs of UEX will result in profitable commercial mining operations

The successful exploration and development of mineral properties is speculative. Such activities are subject to a number of uncertainties, which even a combination of careful evaluation, experience and knowledge may not eliminate. Most exploration projects do not result in the discovery of commercially mineable deposits. There is no certainty that the expenditures made or to be made by UEX in the exploration and development of its mineral properties or properties in which it has an interest will result in the discovery of uranium or other mineralized materials in commercial quantities. While discovery of a uranium deposit may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a site. There is no assurance that the current exploration programs of UEX will result in profitable commercial uranium mining operations. UEX may abandon an exploration project because of poor results or because UEX feels that it cannot economically mine the mineralization.

Joint ventures

UEX participates in certain of its projects (such as the Western Athabasca and Black Lake projects) through joint ventures (referred to as "joint operations" in the financial statements) with third parties. UEX has other joint ventures and may enter into more in the future. There are risks associated with joint ventures, including:

- disagreement with a joint-venture partner about how to develop, operate or finance a project;
- a joint-venture partner not complying with a joint-venture agreement;
- possible litigation between joint-venture partners about joint-venture matters; and
- limited control over decisions related to a joint venture in which UEX does not have a controlling interest.

In particular, UEX is in the process of negotiating joint-venture agreements with AREVA on the Western Athabasca Projects and there is no assurance that the parties will be able to conclude a mutually satisfactory agreement.

Reliance on other companies as operators

Where another company is the operator and majority owner of a property in which UEX has an interest, UEX is and will be, to a certain extent, dependent on that company for the nature and timing of activities related to those properties and may be unable to direct or control such activities.

Uranium price fluctuations could adversely affect UEX

The market price of uranium is the most significant market risk for companies exploring for and producing uranium. The marketability of uranium is subject to numerous factors beyond the control of UEX. The price of uranium has recently experienced and may continue to experience volatile and significant price movements over short periods of time. Factors impacting price include demand for nuclear power, political and economic conditions in uranium producing and consuming countries, natural disasters such as those that struck Japan in

March, 2011, reprocessing of spent fuel and the re-enrichment of depleted uranium tails or waste, sales of excess civilian and military inventories (including from the dismantling of nuclear weapons) by governments and industry participants and production levels and costs of production in countries such as Kazakhstan, Russia, Africa and Australia.

Reliance on the economics of the Preliminary Assessment Technical Report

The market price of U_3O_8 has decreased since the date of the PA. The uranium industry has been adversely affected by the natural disasters that struck Japan on March 11, 2011 and the resulting damage to the Fukushima nuclear facility. These events resulted in many countries, which presently rely on nuclear power for a portion of their electrical generation, stating that they will review their commitment to this source of clean energy. These reviews resulted in downward pressure on the price of uranium and may have a significant effect on the country-by-country demand for uranium. The current long-term U_3O_8 market price, as reported by Ux Consulting on April 29, 2013, is US$57.00 /lb. Given that the PA presented three economic scenarios using prices ranging from US$60 to US$80 /lb of U_3O_8, the economic analysis which uses U_3O_8 prices higher than the prevailing market price may no longer be accurate and readers of the PA are therefore cautioned when reading or relying on the PA.

Competition for properties could adversely affect UEX

The international uranium industry is highly competitive and significant competition exists for the limited supply of mineral lands available for acquisition. Many participants in the mining business include large, established companies with long operating histories. UEX may be at a disadvantage in acquiring new properties as many mining companies have greater financial resources and more technical staff. Accordingly, there can be no assurance that UEX will be able to compete successfully to acquire new properties or that any such acquired assets would yield reserves or result in commercial mining operations.

Resource estimates are based on interpretation and assumptions

Mineral resource estimates presented in this document and in UEX's filings with securities regulatory authorities, news releases and other public statements that may be made from time to time are based upon estimates. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable. There can be no assurance that these estimates will be accurate or that this mineralization could be extracted or processed profitably.

Mineral resource estimates for UEX's properties may require adjustments or downward revisions based upon further exploration or development work, actual production experience, or future changes in uranium price. In addition, the grade of mineralization ultimately mined, if any, may differ from that indicated by drilling results. There can be no assurance that minerals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or in production scale.

Failure to obtain additional financing on a timely basis could cause UEX to reduce its interest in its properties

The Company currently has sufficient financial resources to carry out its anticipated short-term planned exploration and development on all of its projects and to fund its short-term general administrative costs; however, there are no revenues from operations and no assurances that sufficient funding will be available to conduct further exploration and development of its projects or to fund exploration expenditures under the terms of any joint-venture or option agreements after that time. If the Company's exploration and development programs are successful, additional funds will be required for development of one or more projects. Failure to obtain additional funding could result in the delay or indefinite postponement of further exploration and development or the possible loss of the Company's properties. It is intended that such funding will be obtained primarily from future equity issues. If additional funds are raised from the issuance of equity or equity-linked securities, the percentage ownership of the current shareholders of UEX will be reduced, and the newly issued securities may have rights, preferences or privileges senior to or equal to those of the existing holders of UEX's common shares. The ability of UEX to raise the additional capital and the cost of such capital will depend upon market conditions from time to time. There can be no assurances that such funds will be available at reasonable cost or at all.

Competition from other energy sources and public acceptance of nuclear energy

Nuclear energy competes with other sources of energy, including oil, natural gas, coal and hydro-electricity. These other energy sources are to some extent interchangeable with nuclear energy, particularly over the longer term. Lower prices of oil, natural gas, coal and hydro-electricity may result in lower demand for uranium concentrate and uranium conversion services. Furthermore, the growth of the uranium and nuclear power industry beyond its current level will depend upon continued and increased acceptance of nuclear technology as a means of generating electricity. Because of unique political, technological and environmental factors that affect the nuclear industry, the industry is subject to public opinion risks which could have an adverse impact on the demand for nuclear power and increase the regulation of the nuclear power industry.

Dependence on key management employees

UEX's development to date has depended, and in the future will continue to depend, on the efforts of key management employees. UEX will need additional financial, administrative, technical and operations staff to fill key positions as the business grows. If UEX cannot attract and train qualified people, the Company's growth could be restricted.

Compliance with and changes to current environmental and other regulatory laws, regulations and permits governing operations and activities of uranium exploration companies, or more stringent interpretation, implementation, application or enforcement thereof, could have a material adverse impact on UEX

Mining and refining operations and exploration activities, particularly uranium mining, refining and conversion in Canada, are subject to extensive regulation by provincial, municipal and federal governments. Such regulations relate to production, development, exploration, exports, taxes and royalties, labour standards, occupational health, waste disposal, protection and remediation of the environment, mines decommissioning and reclamation, mine safety, toxic substances and other matters. Compliance with such laws and regulations has increased the costs of exploring, drilling, developing and constructing. It is possible that, in the future, the costs, delays and other effects associated with such laws and regulations may impact UEX's decision to proceed with exploration or development or that such laws or regulations may result in UEX incurring significant costs to remediate or decommission properties which do not comply with applicable environmental standards at such time. UEX believes it is in substantial compliance with all material laws and regulations that currently apply to its operations. However, there can be no assurance that all permits which UEX may require for the conduct of uranium exploration operations will be obtainable or can be maintained on reasonable terms or that such laws and regulations would not have an adverse effect on any uranium exploration project which UEX might undertake. World-wide demand for uranium is directly tied to the demand for electricity produced by the nuclear power industry, which is also subject to extensive government regulation and policies.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions. These actions may result in orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Companies engaged in uranium exploration operations may be required to compensate others who suffer loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Conflicts of interest

Some of the directors of UEX are also directors of other companies that are similarly engaged in the business of acquiring, exploring and developing natural resource properties. Such associations may give rise to conflicts of interest from time to time. In particular, one of those consequences may be that corporate opportunities presented to a director of UEX may be offered to another company or companies with which the director is associated, and may not be presented or made available to UEX. The directors of UEX are required by law to act honestly and in good faith with a view to the best interests of UEX, to disclose any interest which they may have in any project or opportunity of UEX, and to abstain from voting on such matter. Conflicts of interest that arise will be subject to and governed by procedures prescribed in the Company's by-laws and Code of Ethics and by the *Canada Business Corporations Act*.

Internal controls

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

Market price of shares

Securities of mining companies have experienced substantial volatility in the past often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic conditions in North America and globally, and market perceptions of the attractiveness of particular industries. The price of UEX's securities is also likely to be significantly affected by short-term changes in uranium or other commodity prices, currency exchange fluctuation, or in its financial condition or results of operations as reflected in its periodic reports. Other factors unrelated to the performance of UEX that may have an effect on the price of the securities of UEX include the following: the extent of analytical coverage available to investors concerning the business of UEX may be limited if investment banks with research capabilities do not follow UEX's securities; lessening in trading volume and general market interest in UEX's securities may affect an investor's ability to trade significant numbers of securities of UEX; and the size of UEX's public float and its inclusion in market indices may limit the ability of some institutions to invest in UEX's securities. If an active market for the securities of UEX does not continue, the liquidity of an investor's investment may be limited and the price of the securities of the Corporation may decline. If an active market does not exist, investors may lose their entire investment in the Company. As a result of any of these factors, the market price of the securities of UEX at any given point in time may not accurately reflect the long-term value of UEX. Securities class-action litigation has been brought against companies following periods of volatility in the market price of their securities. UEX may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

The potential costs which could be associated with any liabilities not covered by insurance or in excess of insurance coverage may cause substantial delays and require significant capital outlays, adversely affecting UEX's financial position

The nature of the risks UEX faces in the conduct of its operations are such that liabilities could exceed policy limits in any insurance policy or could be excluded from coverage under an insurance policy. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage or compliance with applicable laws and regulations may cause substantial delays and require significant capital outlays, adversely affecting UEX's financial position.

Disclosure Controls and Procedures

The Company has established disclosure controls and procedures to ensure that information disclosed in this MD&A and the related unaudited interim condensed financial statements was properly recorded, processed, summarized and reported to the Company's Board and Audit Committee. The Company's certifying officers conducted or caused to be conducted under their supervision an evaluation of the disclosure controls and procedures as required under applicable Canadian securities laws as at December 31, 2012. Based on the evaluation, the Company's certifying officers concluded that the disclosure controls and procedures were effective to provide a reasonable level of assurance that information required to be disclosed by the Company in its annual filings and other reports that it files or submits under applicable Canadian securities laws is recorded, processed, summarized and reported within the time period specified and that such information is accumulated and communicated to the Company's management, including the certifying officers, as appropriate to allow for timely decisions regarding required disclosure.

It should be noted that while the Company's certifying officers believe that the Company's disclosure controls and procedures provide a reasonable level of assurance and that they are effective, they do not expect that the disclosure controls and procedures will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Internal Controls over Financial Reporting

The Company's certifying officers acknowledge that they are responsible for designing internal controls over financial reporting, or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

There were no changes in these controls during the most recent interim period ending March 31, 2013 that had materially affected, or are reasonably likely to materially affect, such controls.

Cautionary Statement Regarding Forward-Looking Information

Certain statements contained in this MD&A may constitute "forward-looking information" within the meaning of applicable Canadian securities legislation. These statements appear in a number of different places in this MD&A and can be identified by words such as "estimates", "projects", "expects", "intends", "believes", "plans", or their negatives or other comparable words. Forward-looking information includes 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 information is 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 this forward-looking information is based to be reasonable at the time it was prepared, but cautions readers that these assumptions may ultimately prove to be incorrect. Forward-looking information by its nature necessarily involves risks, uncertainties and other factors including without limitation: that UEX's exploration activities may not result in profitable commercial mining operations; the risks associated with UEX's participation in joint ventures; reliance on other companies as operators; uranium price fluctuations; the economic analysis contained in the current Hidden Bay project's technical report may not be accurate or reliable; competition for properties; mineral resource estimates are based on interpretations and assumptions; that failure to obtain additional financing on a timely basis could cause UEX to reduce its interest in its properties; competition from other energy sources and public acceptance of nuclear energy; dependence on key management employees; compliance with and changes to environmental and other regulatory laws; conflicts of interest; accounting policies; internal controls; market price of UEX's shares; potential costs which could be associated with any liabilities not covered by insurance or in excess of insurance coverage; and other factors all as more particularly described herein under the heading "Risks and Uncertainties" 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 information. Many of these factors are beyond the control of UEX. Except as required by applicable securities law, UEX disclaims any intention or obligation to update or revise forward-looking information, whether as a result of new information, future events or otherwise. Consequently, all forward-looking information in this MD&A is 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 information.