



U.S. NUCLEAR REGULATORY COMMISSION

SCOPING MEETING - Generic Environmental Study of Uranium Recovery Operations

Casper, Wyoming

7 August 2007

PREPARED STATEMENT

Good Evening. My name is Glenn Catchpole and I am the president and CEO of Uranerz Energy Corporation. Our company has uranium properties in Wyoming that we plan to bring into production using the in-situ recovery method of extraction, and we have informed the U.S. Nuclear Regulatory Commission (NRC) of our plans to submit a Sources Material License application to them by the end of this year.

To begin with, I want to thank the NRC and their staff that is here tonight for allowing our company to make a few brief comments on the initiative by the NRC to prepare a Generic Environmental Impact Statement (GEIS) for in situ recovery and conventional mining facilities. Before going further, I want to state that my remarks pertain to just the in-situ recovery method of uranium extraction and not to conventional mining and milling. My comments are as follows:

First, our company is concerned with the statement in the NRC news release that "This GEIS" is intended to address the common issues associated with environmental reviews of ISL and conventional facilities located in the western United States." It is our contention that there are only a limited number of "common issues" related to the aforementioned methods of uranium extraction and processing, and that industry and the public would be better served if the NRC prepared separate GEISs for each. The operational and environmental issues associated with these two types of production facilities are substantially different and therefore it is our recommendation that the GEIS process should not lump conventional mining/milling facilities and in-situ recovery facilities into the same document.

Second, we question why the NRC has decided that planned new in-situ recovery facilities in Wyoming must go through the full Environmental Impact Statement process in order to receive a Source Material License. Wyoming has had continuous uranium in-situ recovery operations for about 30 years and while the first operations were required to go through the full EIS process for licensing, the NRC must have determined that based on the demonstrated compliance of these early operations, including groundwater restoration, it was not necessary for the later projects to go through the full EIS process.

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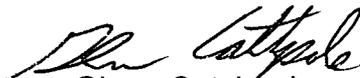
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It is our understanding that a recent change in the federal regulations on 11(e)(2) material may have prompted the NRC to require a full EIS on new in-situ recovery projects. If this is the case, then we would like to suggest that any GEIS on in-situ recovery facilities focus just on the 11(e)(2) issue which should significantly shorten the process.

Third, this comment does not relate directly to the purpose of the meeting, but Uranerz, and most likely other companies, are concerned whether the NRC will have a large enough professional staff to timely review the Source Material License applications for in-situ recovery facilities that are expected to be submitted within the next couple of years and on into the future. We recognize that the NRC is a large regulatory agency that has grown up around the nuclear power plant industry, and there is a concern that the growing human resources needs on the reactor side of the agency may leave the uranium recovery sector of the agency understaffed. It is requested that the Commission be informed of our concerns on this issue. Nuclear Reactors are not of much value if they cannot get the uranium they need for fuel.

Thank you very much for organizing and conducting this meeting, and especially for holding the meeting in the city that once was the uranium capital of the United States and in the state that has the largest uranium resource.

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