



April 20, 2011

Statement from Uranerz Energy Corporation:

Uranerz Energy Corporation (Uranerz) submitted a license application to the U.S. Nuclear Regulatory Commission (NRC) in December 2007 for the Nichols Ranch ISR Project located in Johnson and Campbell Counties, Wyoming. The NRC deemed the application acceptable and began their comprehensive safety and environmental review in April of 2008. Since that time Uranerz has fully cooperated with the NRC by providing all necessary and relevant information needed by the agency to complete the Section 106 process which includes adoption of a Memorandum of Agreement (MOA).

In December of 2008, letters were sent to all nine tribes requesting information regarding tribal historic and cultural resources potentially affected by the Nichols Ranch ISR Project. A second letter in April of 2010 to all nine tribes again requested information regarding tribal historic and cultural resources potentially affected by the Nichols Ranch ISR Project. This letter also invited each and every tribe to participate in the MOA process. It was at this time that two tribes out of the nine contacted, the Northern Cheyenne and the Ft. Peck Sioux/Assiniboine, requested a site visit. After the NRC informed the tribes that they could not fund the site visit, Uranerz went above and beyond what is required of an applicant by hosting in July 2010, at Uranerz' expense, the site visits requested by the two Tribes. In addition to hosting the site visits, Uranerz voluntarily committed to measures in their now approved Wyoming Department of Environmental Quality Permit to Mine No. 778 to mitigate the adverse visual effects to the Pumpkin Buttes TCP. The mitigation measures that Uranerz volunteered to complete and are now required to implement are the same mitigation measure approved by the Bureau of Land Management (BLM) and Wyoming State Historic Preservation Officer (SHPO) in their "Programmatic Agreement Between the BLM and the Wyoming SHPO regarding mitigation of adverse effects to the Pumpkin Buttes Traditional Cultural Property from anticipated federal minerals development Campbell County, Wyoming" that specifically addresses in situ uranium wells, infrastructure corridors, access roads, and associated facilities.

Uranerz believes that the NRC has successfully completed the Section 106 process for the Nichols Ranch ISR Project by following both the letter and intent of the Section 106 process. Furthermore, the Pumpkin Buttes TCP and four (4) other TCP's that the Tribes identified in 2010 will be avoided and not physically disturbed during the construction and operation of the Hank Unit of the Nichols Ranch ISR Project. The impact to the TCP's is only from the adverse visual effect because of the Hank Unit's location within the two mile visual Area of Potential Effect boundary. This was confirmed by the two visits by the Northern Cheyenne and Ft. Peck Sioux/Assiniboine.

USA OPERATIONS

P.O. Box 50850
1701 East E Street
Casper WY 82605-0850

T: 307 265 8900
F: 307 265 8904

CANADA OPERATIONS

Suite 1410
800 West Pender Street
Vancouver BC V6C 2V6

T: 604 689 1659
F: 604 689 1722

NYSE Amex Exchange: URZ
Toronto Stock Exchange: URZ
Frankfurt Stock Exchange: U9E
www.uranerz.com

Even though Uranerz believes that the NRC has completed their Section 106 process in regards to the Nichols Ranch ISR Project and should move forward with the completion of the MOA, Uranerz is offering the proposal that accompanies this statement.



Glenn Catchpole
President and CEO
Uranerz Energy Corporation

Cc: Shea Loper – Energy Policy Advisor, Senator John Barrasso
Tucker Fagen – Chief of Staff, Representative Cynthia Lummis
Kari Gray – Chief of Staff, Office of Governor Matt Mead

USA OPERATIONS

P.O. Box 50850
1701 East E Street
Casper WY 82605-0850

T: 307 265 8900
F: 307 265 8904

CANADA OPERATIONS

Suite 1410
800 West Pender Street
Vancouver BC V6C 2V6

T: 604 689 1659
F: 604 689 1722

NYSE Amex Exchange: URZ
Toronto Stock Exchange: URZ
Frankfurt Stock Exchange: U9E
www.uranerz.com



April 20, 2011

PROPOSAL

As part of the Memorandum of Agreement (the "MOA") among the U.S. Nuclear Regulatory Commission, Wyoming State Historic Preservation Officer, and Uranerz Energy Corporation (Uranerz) regarding the mitigation of adverse effects to historic properties from the Hank Unit of the Nichols Ranch ISR Project located in Campbell County, Wyoming, Uranerz Energy Corporation proposes the following:

In this proposal, "Tribes" refers to those tribes which are Invited Signatories to the MOA and "tribal member" refers to a member of such a Tribe.

1. Uranerz will sponsor one (1) additional one (1) day site visit to the Hank Unit of the Nichols Ranch ISR Project. The site visit will be held at an agreed upon date no later than thirty (30) calendar days from the issuance of this proposal. All Signatories and Invited Signatories will receive an invitation to the site visit by electronic transmission (email). Invitations to the Tribes will be sent to each Tribe's designated representative.
2. Signatories and Invited Signatories must confirm by email their participation in the site visit no later than five (5) working days after receiving this proposal by email (confirmation time period) and shall submit three (3) dates when the Signatories' and Invited Signatories' representative(s) are available for the site visit. All such dates shall not be later than thirty (30) calendar days from the date of this proposal. Uranerz will schedule the visit at a time most convenient to the majority of all invitees' representatives and shall provide notice of the site visit no later than 5 working days (to those parties who accept the invitation) after the confirmation time period ends. A meeting place and directions to the meeting place will also be provided.
3. The purpose of the site visit will be to allow tribal members to view the Pumpkin Buttes Traditional Cultural Property (TCP) and the four (4) other affected TCPs, to allow Uranerz to describe to the participants the Nichols Ranch ISR Project, specifically the Hank Unit construction plans, and to discuss mitigation measures in regard to the Pumpkin Buttes TCP and the four (4) other affected TCPs that are eligible for listing on the National Register of Historic Places under 36 CFR Part 60.4.
4. Uranerz will provide compensation for up to two (2) members of each Tribe to participate in the site visit. Compensation for each tribal member will be the current IRS daily lodging and meal per diem rate of \$149.00, current IRS mileage re-imbusement rate of \$0.51/mile, and a consulting fee of \$350.
5. Additional tribal members are welcome, but because of logistics are limited to a maximum of five (5) people from each Tribe. Any additional tribal members over the two members will not be compensated by Uranerz Energy Corporation.

USA OPERATIONS

P. O. Box 50850
1701 East E Street
Casper WY 82605-0850

T: 307 265 8900
F: 307 265 8904

CANADA OPERATIONS

Suite 1410
800 West Pender Street
Vancouver BC V6C 2V6

T: 604 689 1659
F: 604 689 1722

NYSE Amex Exchange: URZ
Toronto Stock Exchange: URZ
Frankfurt Stock Exchange: U9E
www.uranerz.com

6. In addition to the site visit, Uranerz will allow for one qualified Tribal Monitor representing all Tribes to be present during the construction activities at the Hank Unit. Construction activities include: ground clearing and excavation activities for the Hank Unit satellite plant site, initial trunkline installation, and header house placement. Notification of the commencement of construction activities at the Hank Unit will be communicated to the Tribes at least one month prior to the start of construction.
7. The Tribes shall decide how they would like to select the representative of all Tribes who will serve as the Tribal Monitor. An example would be to rotate the position through each one of the Tribes for a one month shift, but not shorter than a two week period. Uranerz will accommodate such a rotation provided only one Tribal Monitor is in attendance at any one time.
8. The Tribal Monitor will be compensated at the prevailing rate of a comparable job for the state of Wyoming during periods of active construction only. In the event of a suspension of construction activities Uranerz will be relieved of its obligation to compensate the Tribal Monitor until construction resumes.
9. The qualified Tribal Monitor will be considered a Contractor to Uranerz Energy Corporation and must comply with the Uranerz Energy Corporation Contractor/Guest Environmental, Safety and Health Guidelines and Site Requirements, OSHA, NRC, and any other State regulations. The Tribal Monitor must also agree to any NRC/State requirements imposed via license or permit. The Tribal Monitor will be expected to comply with the reasonable requests and instructions of Uranerz' Construction Manager. The Tribal Monitor will be permitted to observe construction, assist in cases of unanticipated discoveries, and to ask questions relating to construction activities and receive responses thereto, but he or she shall not participate in the construction activities and shall not impede or hinder construction activities in any way. In the event of any non-compliance by the Tribal Monitor with this paragraph the Tribal Monitor shall be required to leave the construction site and Uranerz shall be relieved of any further obligation to permit or compensate the attendance of that particular Tribal Monitor thereafter.
10. This proposal sets out the terms on which Uranerz is prepared to offer a site visit and allow for a Tribal Monitor. The terms of this proposal will not be varied or supplemented without Uranerz' prior written consent.

USA OPERATIONS

P.O. Box 50850
1701 East E Street
Casper WY 82605-0850
T: 307 265 8900
F: 307 265 8904

CANADA OPERATIONS

Suite 1410
800 West Pender Street
Vancouver BC V6C 2V6
T: 604 689 1659
F: 604 689 1722

NYSE Amex Exchange: URZ
Toronto Stock Exchange: URZ
Frankfurt Stock Exchange: U9E
www.uranerz.com