

Western States Mining Consultant, P. C.

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November 8, 2016

0802-2
0802-2- Dam Inspection Report.rpt

Mr. John Cash
UR-Energy. Inc.
5880 Enterprise
Casper, WY 82601

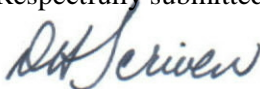
**Dam Inspection Report
Ponds 1 & 2 Reservoir
Lost Creek ISR, LLC**

Dear John,

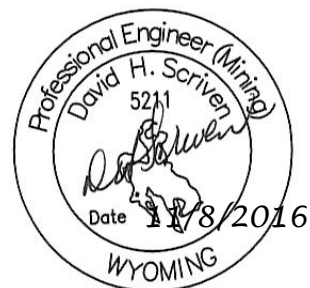
Western States Mining Consultants, P.C. completed an inspection of Ponds 1 & 2 Reservoir on October 10, 2016. Attached is the "Dam Inspection Report".

During the inspection, no issues of consequence were observed. The bird netting has been installed since my last visit, but a duck was swimming in Pond 2. I was informed that new netting was just waiting to be installed. During my last visit, I had recommended a detector be placed in the sump between the two ponds to notify the plant operators if a major lead occurred. I still think this is a good idea and could be done with a simple audio or flashed light indicator.

Respectfully submitted,



David H. Scriven, P.E.
President



Dam Inspection Report

Date: October 14, 2016

Inspected by: DH Scriven, P.E. #5211

Name of Facility: Ponds 1 & 2 Reservoir

Permit No.: P13595R

County: Sweetwater

Location: Section 18, T25N, R92W, 6th Prime Meridian

Owner's Name: Lost Creek Uranium, LLC

Address: 3424 Wamsutter - Crooks Gap Road, Bairoil, Wyoming

Type of Dam: Earth Fill

Hazard Rating: Low

Source of supply: Blue Gulch

Dam Height: 6 ft

Capacity: 2.29 Ac-ft.

Use: Industrial

EVALUATION CRITERIA		N/A	YES	NO
1)	Does the dam have year around access by road?		x	
2)	Does brush or debris inhibit visual inspection of dam?			x
3)	Are trees growing on slopes of dam?			x
4)	Are there cracks, slides, slumps or settlement on the crest of upstream or downstream slopes?		x	
5)	Are there rodent holes in the dam?			x
6)	Is there any upstream slope erosion caused by wave action?			x
7)	Is the riprap displaced, broken down or missing?	x		
8)	Are there flows of water or wet areas above the toe of the dam?			x
9)	Is there flowing water, sand boils or boggy areas below the toe of the dam?			x
10)	Are there toe drains?			x
11)	Is the water from leaks, toe drains or boggy areas found to be muddy, sandy or carrying an material?	x		
12)	Does the dam have a leak detection system?		x	
13)	Does the leak detection system have any water showing?			x
14)	Is there any noticeable damage to the pond liner?			x
15)	Does the dam have a spillway?			x
16)	Is there evidence that the dam has been overtopped?			x
17)	Is the reservoir usually full all year?		x	
18)	Were photographs taken and forwarded to Cheyenne?			x

Comment on Evaluation Criteria:

4) Crack on the crest. There were minor some cracks on the west embankment of Pond 2. These did not look to be substantial. Will watch on future inspections.

Other comments:

The sump between the ponds had a minimal amount of water from leaky pipes in the bottom. It is recommended this sump be equipped with a leak detection system with at least a visual alarm to alert the plant if a major leak occurred in the sump.