News Release

Uranium Resources Reports 2016 Results

CENTENNIAL, Colo., **March 2, 2017** – **Uranium Resources, Inc. (Nasdaq: URRE; ASX: URI),** an energy metals exploration and development company, announced today its fiscal year end operating results for 2016 and key business highlights for 2016 and to date.

Christopher M. Jones, President and Chief Executive Officer, said, "Even while developing a new lithium business, we managed our costs lower in 2016. With a strong treasury position and vastly improved balance sheet, we enter 2017 in excellent shape to push our business forward."

Key Business Highlights for 2016 and to Date

- Acquisition of lithium properties. The Company's expansion into lithium development included the acquisition of dominant land positions in two prospective basins for lithium brines in the western United States – the Columbus Basin Project in Nevada and the Sal Rica Project in Utah. The Company first announced that it had initiated a lithium exploration and development business on August 24, 2016.
- Uranium operations. In 2016 the Company continued to maintain its uranium properties on standby, awaiting improved uranium prices. Activities included continued restoration/reclamation activities in South Texas, while in New Mexico, the Company is currently in negotiations for extensions on the Cebolleta and Juan Tafoya leases. The Company's Temrezli property in Turkey is also being maintained on standby.
- Laramide asset sale. On January 5, 2017, the Company closed the sale of its Crownpoint and Churchrock properties in New Mexico to Laramide Resources Ltd. ("Laramide"). At the closing, the Company received $2.25 million in cash, common stock and warrants from Laramide valued at $0.5 million, a three-year secured promissory note in the amount of $5.0 million, and other consideration. The Company had received a non-refundable payment of $250,000 from Laramide in October 2016.
- Equity capital raises. In 2016, the Company raised net proceeds of $14.5 million, comprised of $2.0 million from two registered direct offerings, $6.7 million from sales under the Company's common stock purchase agreement with Aspire Capital Fund LLC, and $5.8 million from sales through the Company's At-The-Market sales agreement. In 2017 to date, the Company has raised net proceeds of $13.4 million, comprised of a registered direct offering of $4.5 million which closed on February 16, 2017, and $8.9 million from the sale of common stock and pre-funded warrants in a confidentially marketed public offering which closed on January 19, 2017. All warrants have been exercised.
- RCF loan retired. Between December 5 and December 22, 2016, the Company issued 2,487,562 shares of common stock to Esousa Holdings LLC ("Esousa") under the terms of an Exchange Agreement to retire $2.5 million of the $8.0 million loan with Resource Capital Fund V L.P. ("RCF"). Esousa had purchased the $2.5 million note from RCF under a separate agreement. On February 9, 2017, the Company paid $5.7 million out of treasury to repay the remaining principal and

interest amounts due and outstanding under the RCF loan agreement, and the loan agreement was thereby terminated. In connection with the termination of the loan agreement, all security interests and pledges granted to RCF by the Company and certain of its subsidiaries were terminated and in due course will be released.

- Cash balance. At February 28, 2017, after payment of the RCF loan, the Company has approximately $10.4 million in treasury.

Key Financial Highlights

- Net loss. Net loss for the 12 months ended December 31, 2016 is $19.6 million compared to a net loss of $15.1 million during the same period in 2015. The primary difference in the comparative net loss was a one-time gain of $4.3 million from the sale of the Roca Honda project to Energy Fuels Inc. in 2015. 2016 includes a non-cash loss on extinguishment of RCF debt in the amount of $3.3 million related to the exchange agreement between the Company and Esousa which is the difference between the fair value of the shares exchanged with Esousa and the fair value of the shares that would have been issuable to RCF.
- Operating expenses. Mineral property costs decreased by $1.2 million year-over-year mostly due to reductions in land maintenance costs and holding costs. General and administrative costs increased year-over-year slightly by $0.2 million, primarily due to increased legal costs associated with Kingsville Dome permit renewal process and the financing transactions in 2016.
- Cash and working capital. Continued working capital improvements resulted in an improved cash balance of $3.3 million at December 31, 2016, and a reduction in accounts payable from $3.0 million at December 31, 2015 to $0.6 million at December 31, 2016. As of February 28, 2017, the Company held cash and cash equivalents totaling approximately $10.4 million**.**
- Shares outstanding. Total shares outstanding at March 2, 2017 are 24,493,374.

Table 1: Financial Summary (no change from preliminary results released on February 13, 2017)

($ and Shares in 000, Except Per Share)	**2016**	**2015**	**Variance**
Net Cash Used in Operations	**$ (12,309)**	$ (12,019)	2%
Mineral Property Expenses	**(3,248)**	(4,470)	-27%
General and Administrative, including Non-cash Stock Compensation	**(7,650)**	(7,488)	2%
Net Loss	**$ (19,605)**	$ (15,143)	29%
Net Loss Per Share	**$ (3.73)**	$ (5.63)	-34%
Avg. Weighted Shares Outstanding	**5,252**	2,691	95%

Industry Update

Lithium Industry

The primary use for lithium is a key ingredient in rechargeable batteries for electronic devices and electric vehicles. Lithium ion batteries, as they are known, have been adopted as the standard method of powering electronic devices such as smart phones and small, portable computers for some time, but it is the transportation market that is expected to drive growth for the next decade. Growth in consumption of lithium is expected to average over 6% annually between now and 2025, according to CRU International Limited, with the transportation sector accounting for much of this growth. This major component is expected to rise from 20% to 39% of total demand over the next seven years.

At the same time, lithium prices have risen in response to increased demand. Lithium Carbonate ("LCE") is one form of lithium used for battery manufacturing, and prices have risen from $5,792 per metric ton in 2015 to $7,300 per metric ton in just over a year. Lithium Hydroxide, a second form of the material, prices have risen from $6,974 per metric ton to over $23,000 per metric ton during the same period.

URI's new business targets production of lithium from lithium salts from brines. This is typically the lowest cost type of processing. While the technologies are well known in some respects, it takes time for deposits to be discovered and developed, which should result in a supply deficit over the next few years. We believe that expected higher prices should encourage investment in the sector and bring new sources of production online over time. CRU International Limited expects long term lithium prices to stabilize at approximately $6,400 per metric ton and $9,400 per metric ton for lithium carbonate and lithium hydroxide, respectively. These are considerably higher than the historic prices for these products.

URI is targeting exploration and development of lithium brines because they are characteristically in the lowest operating cost quartile of production, and would be more likely to be profitable in the markets described above.

Uranium Industry

The significant commercial use for uranium is as a fuel for nuclear power plants for the generation of electricity. According to the World Nuclear Association ("WNA"), as of January 2017, there were 406 nuclear reactors operable worldwide with annual requirements of about 138 million pounds of uranium, excluding Japan and its 41 operable but idled reactors. Thirty countries including Japan utilized nuclear power in 2016. In addition, the WNA lists 60 reactors under construction, 164 being planned and 347 being proposed.

While global nuclear power generation is expected to increase driving demand through 2030, especially in China, Russia, India and South Korea, UxC Consulting projects continued oversupply and low uncovered demand over the near-to-medium term due to higher inventory levels at utilities. During 2016, term contracting was weak and focused on shorter period mid-term contracts. This restrained the spot market as discretionary buying was also weak. UxC projects that global nuclear power generation will expand to 518 reactors in 36 countries by 2030.

Worldwide uranium production or primary supply in 2016 is estimated by UxC Consulting in its Q4 2016 report at 160 million pounds of U_3O_8. This is compared with 158 million pounds of primary supply in 2015. Total supply in 2016, including secondary supplies, is expected to total 206 million pounds. Secondary supplies are derived from sales from governments, including the US government, enricher services and commercial inventories.

In 2016, the average weekly spot price of uranium was $26.42 per pound compared with $36.83 in 2015. During 2016, the weekly spot price of uranium reached a high of $34.85 in January and a low of $18 in December. The year-end 2016 spot price was $20.25. As of March 1, 2017, the weekly spot price was $24.50 per pound.

Some analysts project that uranium prices may have bottomed and expect gradually recovering uranium prices from a supply deficit as uranium market fundamentals for supply and demand improve over time. Secondary supply inventories continue to weigh on the uranium market in the near term but are expected to reduce from depleted government inventories and a rebalancing of the enrichment sector, according to UxC. Demand for uranium is expected to improve from an increase of nuclear power generation in China and other countries.

Outlook

The Company's current cash is expected to fund critical operations through year-end 2017 and into early 2018. As an exploration and development company with no current production, the Company also expects to obtain capital market financing, including the possible further sale of non-core assets, to fund its lithium exploration program and to operate the Company in 2017.

The Company's goals for the remainder of 2017 are to:

- **Lithium:** Continue to develop and implement exploration plans for the Company's lithium assets in Nevada and Utah.
- **Uranium:** Maintain our low-cost uranium portfolio and continue reclamation work in Texas.
- **Ongoing Cost Rationalization Efforts:** Continue to reduce operating and general and administrative expenditures in 2017.
- **M&A Efforts Continue.** Maintain an opportunistic posture in mergers and acquisitions by focusing on low-cost development opportunities in energy metals.

About Uranium Resources

URI is focused on expanding its energy metals strategy, which includes developing its new lithium business while maintaining optionality on the future rising uranium price. The Company has developed a dominant land position in two prospective lithium brine basins in Nevada and Utah in preparation for exploration and potential development of any lithium resources that may be discovered there. In addition, URI remains focused on advancing the Temrezli in-situ recovery (ISR) uranium project in Central Turkey when uranium prices permit economic development of this project. URI controls extensive exploration properties in Turkey under eight exploration and operating licenses covering approximately 39,000 acres (over 16,000 ha) with numerous exploration targets, including the potential satellite Sefaatli Project, which is 30 miles (48 km) southwest of the Temrezli Project. In Texas, the Company has two licensed and currently idled uranium processing facilities and approximately 11,000 acres (4,400 ha) of prospective ISR uranium projects. In New Mexico, the Company controls mineral rights encompassing approximately 186,000 acres (75,300 ha) in the prolific Grants Mineral Belt, which is one of the largest concentrations of sandstone-hosted uranium deposits in the world. Incorporated in 1977, URI also owns an extensive information database of historic drill hole logs, assay certificates, maps and technical reports for uranium properties located in the Western United States.

Cautionary Statement

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to risks, uncertainties and assumptions and are identified by words such as “expects,” “estimates,” “projects,” “anticipates,” “believes,” “could,” and other similar words. All statements addressing events or developments that the Company expects or anticipates will occur in the future, including but not limited to statements relating to developments at the Company’s projects, including future exploration costs and results, and the Company’s liquidity are forward-looking statements. Because they are forward-looking, they should be evaluated in light of important risk factors and uncertainties. These risk factors and uncertainties include, but are not limited to, (a) estimated or expected net cash used in operations, mineral property expenses, general and administrative expenses, net loss, and cash and working capital positions for the twelve months ended December 31, 2016, (b) the Company’s ability to raise additional capital in the future; (c) spot price and long-term contract price of uranium and lithium; (d) risks associated with our foreign operations, (e) operating conditions at the Company’s projects; (f) government and tribal regulation of the uranium industry, the lithium industry, and the power industry; (g) world-wide uranium and lithium supply and demand, including the supply and demand for lithium-based batteries; (h) maintaining sufficient financial assurance in the form of sufficiently collateralized surety instruments; (i) unanticipated geological, processing, regulatory and legal or other problems the Company may encounter in the jurisdictions where the Company operates, including in Texas, New Mexico, Utah, Nevada and Turkey; (j) the ability of the Company to enter into and successfully close acquisitions or other material transactions; (k) the results of the Company’s lithium brine exploration activities at the Columbus Basin and Sal Rica Projects, (l) the ability of the Company to negotiate extensions on the Cebolleta and Juan Tafoya leases and (m) other factors which are more fully described in the Company’s Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and other filings with the Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize, or should any of the Company’s underlying assumptions prove incorrect, actual results may vary materially from those currently anticipated. In addition, undue reliance should not be placed on the Company’s forward-looking statements. Except as required by law, the Company disclaims any obligation to update or publicly announce any revisions to any of the forward-looking statements contained in this news release.

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