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File: 2BE-BUG0712/TR/B2

December 03, 2010

Mr. Paul Pitman UR-Energy Inc. 341 Main Street, Suite 206 Brampton, ON L6X 3C7

Email: pwpconsulting@bellnet.ca

Subject: Licence No. 2BE-BUG0712 "Bugs Project", Kivalliq Region, Nunavut;

Submission of the 2007, 2008, 2009 and 2010 Annual Reports

Dear Mr. Pitman:

The Nunavut Water Board ("NWB") has completed a technical review of the 2007, 2008, 2009 and 2010 Annual Reports for the above-mentioned project, which were received on November 08, 2010. The annual reports were distributed for information.

The 2008 report indicates that the camp has been abandoned and re-habilitated and passed INAC inspection on July 25, 2008. Therefore no work was conducted on the property under the authority of this license during 2009 and 2010 reporting periods and therefore no water was used and no waste was produced as indicated in the reports.

The annual reports were found to be meeting the reporting requirements of licence 2BE-BUG0712.

It is my understanding that INAC completed a field inspection in 2009 and the site has been approved for closure. It is recommended that the site closure approval report be submitted to the NWB.

Should you have any questions, please feel free to contact the undersigned at (867) 360-6338 Ext. 30 or k.kharatyan@nunavutwaterboard.org, at your earliest convenience.

Yours truly,

Original Signed By:

Karén Kharatyan Technical Advisor

cc: Distribution List – Kivalliq