

URANERZ ENERGY CORP.  
Form 424B3  
July 15, 2008

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Registration Number 333-151189

**PROSPECTUS**

## **Uranerz Energy Corporation**

### **15,940,898 SHARES OF COMMON STOCK**

This prospectus relates to the sale, transfer or distribution of up to 15,940,898 shares of the common stock, par value \$0.001 per share, of Uranerz Energy Corporation, by Selling Security Holders described herein. The price at which the Selling Security Holders may sell the shares will be determined by the prevailing market price for the shares or in negotiated transactions. The shares of common stock registered for sale:

- 10,888,400 shares of common stock held by Selling Security Holders;
- 4,932,498 shares of common stock acquirable upon exercise of warrants issued April 15, 2008 (April Warrants) at \$3.50 per share until April 15, 2010 held by Selling Security Holders; and
- 120,000 shares of common stock acquirable upon exercise of agents' warrants issued April 15, 2008 (Agents' Warrants) at \$2.60 per share until April 15, 2009 held by Selling Security Holders.

We will not receive any proceeds from the sale or distribution of the common stock by the Selling Security Holders.

We may receive proceeds from the exercise of the warrants, if any, and will use the proceeds from any exercise for general working capital purposes.

Our common stock is listed on the American Stock Exchange (AMEX) and the Toronto Stock Exchange (TSX) both under the symbol "URZ". On July 1, 2008, the closing sale price for our common stock was \$3.19 as quoted on the AMEX.

**Investing in our common stock involves risks. See "Risk Factors and Uncertainties" beginning of page 5.**

**These securities have not been approved or disapproved by the U.S. Securities and Exchange Commission (SEC) or any state securities commission nor has the SEC or any state securities commission passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.**

**THE DATE OF THIS PROSPECTUS JULY 15, 2008.**

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## FORWARD-LOOKING STATEMENTS

This prospectus and the exhibits attached hereto contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward looking statements concern the Company’s anticipated results and developments in the Company’s operations in future periods, planned exploration and, if warranted, development of its properties, plans related to its business and other matters that may occur in the future. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “expects” or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “estimates” or “intends”, or stating that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken or be achieved) are not statements of historical fact and may be forward-looking statements. Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation:

- risks related to our limited operating history;
- risks related to the probability that our properties contain reserves;
- risks related to our past losses and expected losses in the near future;
- risks related to our need for qualified personnel for exploring for, starting and operation of a mine;
- risks related to our lack of known reserves;
- risks related to the fluctuation of uranium prices;
- risks related to environmental laws and regulations;
- risks related to using our in-situ recovery mining process;
- risks related to exploration and development of our properties;
- risks related to some of our officers having other commitments for their time and attention;
- risks related to our ability to make property payment obligations;
- risks related to doing business in Mongolia;
- risks related to the competitive nature of the mining industry; and
- risks related to our securities.

This list is not exhaustive of the factors that may affect our forward-looking statements. Some of the important risks and uncertainties that could affect forward-looking statements are described further under the section titled “Risk Factors and Uncertainties” of this prospectus and the sections titled “Description of the Business” and “Management’s Discussion and Analysis” in our Annual Report on Form 10-K filed with the SEC on March 17, 2008, which is incorporated herein by reference. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, believed, estimated or expected. We caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. We disclaim any obligation subsequently to revise any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

**We qualify all the forward-looking statements contained in this prospectus by the foregoing cautionary statements.**



## SUMMARY INFORMATION

*This summary does not contain all of the information you should consider before buying shares of our common stock. You should read the entire prospectus carefully especially the "Risk Factors and Uncertainties" section before deciding to invest in shares of our common stock. Additionally, we incorporate by reference in this prospectus important business and financial information about us, see "Where You Can Find More Information" on page 35. You should review the information incorporated by reference in this prospectus carefully before deciding to invest in shares of our common stock.*

### The Offering

This is an offering of up to 15,940,898 shares of our common stock by certain Selling Security Holders.

#### *Shares Offered By the Selling*

15,940,898 shares of common stock, \$0.001 par value per share, including:

#### *Shareholders*

- 10,888,400 shares of common stock held by Selling Security Holders;
- 4,932,498 shares of common stock acquirable upon exercise of warrants issued April 15, 2008 (April Warrants) at \$3.50 per share until April 15, 2010 held by Selling Security Holders; and
- 120,000 shares of common stock acquirable upon exercise of agents' warrants issued April 15, 2008 (Agents' Warrants) at \$2.60 per share until April 15, 2009 held by Selling Security Holders.

#### *Offering Price*

Determined at the time of sale by the Selling Security Holders

#### *Common Stock Outstanding*

55,432,387 common shares

*as of July 2, 2008*

#### *Use of Proceeds*

We will not receive any of the proceeds of the shares offered by the Selling Security Holders. We may receive proceeds from the exercise of warrants, if any, and will use any such proceeds for general working capital purposes.

#### *Dividend Policy*

We currently intend to retain any future earnings to fund the development and growth of our business.

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Therefore, we do not currently anticipate paying cash dividends.

*American Stock Exchange Symbol*

URZ

The number of shares of our common stock that will be outstanding immediately after this offering includes 55,432,387 shares of common stock outstanding as of July 2, 2008. This calculation excludes:

- 5,347,140 shares of common stock issuable upon exercise of vested options outstanding as of July 2, 2008;
- 4,932,498 shares of common stock acquirable upon exercise of warrants at \$3.50 per share until April 15, 2010; and
- 120,000 shares of common stock acquirable upon exercise of agents' warrants at \$2.60 per share until April 15, 2009.

## Summary of Our Business

Uranerz Energy Corporation was incorporated under the laws of the State of Nevada on May 26, 1999. On July 5, 2005, we changed our name from Carleton Ventures Corp. to Uranerz Energy Corporation. Our principal executive office and operations office is located at 1701 East "E" Street, PO Box 50850, Casper, Wyoming 82605-0850, USA, and our phone number is 307-265-8900.

We also have administrative offices located at Suite 1410-800 West Pender Street, Vancouver, British Columbia, Canada V6C 2V6, and our telephone number there is (604) 689-1659.

We are an exploration stage company engaged in the acquisition, exploration and, if warranted, development of uranium properties.

We own interests in properties in Wyoming, USA; Saskatchewan, Canada; and Mongolia. We have entered into joint venture agreements for each of our Mongolia properties whereby the joint venture partner for each property can earn an ownership interest in the property. We had previously joint ventured our seven claims in Cochrane River, Saskatchewan. However, that joint venture was terminated on April 24, 2008. The Saskatchewan properties, which remain 100% owned by us, are in good standing with two of the claims due to expire in January, 2010 and the remaining five claims due to expire in January 2011. We are evaluating our options with regard to these Saskatchewan properties, which may include possible arrangement with other potential joint venture partners, further exploration to be performed by us, or divestiture. We have also joint ventured our uranium projects in the Great Divide Basin area of Wyoming, and plan to maintain, explore, and if warranted, develop our projects in the Powder River Basin area of Wyoming. We anticipate that our joint venture partners will conduct exploration of our Wyoming Great Divide Basin, and Mongolian mineral properties.

We hold interests in the following mineral properties:

<b>Name of Property</b>	<b>Location</b>
State Mineral Leases, Federal Mining Claims and Private (Fee) Mineral	Powder River Basin, Wyoming, USA
State Mineral Leases, Federal Mining Claims (joint venture agreement in place)	Great Divide Basin, Wyoming, USA
Cochrane River Property	Saskatchewan, Canada
Eight Exploration Licenses (joint venture agreement in place)	Mongolia

Our plan of operations is to carry out exploration of our Wyoming Powder River Basin properties while our joint venture partners will be responsible for carrying out exploration of our Wyoming Great Divide Basin properties and Mongolia properties. Most of our exploration programs are preliminary in nature in that their completion may not result in a determination that our properties contain commercially exploitable quantities of uranium mineralization.

Our exploration program in the Wyoming Powder River Basin will be directed by our management and will be supervised by Mr. George Hartman, our executive vice-president of mining and chief operating officer. We will engage contractors to carry out our exploration programs under Mr. Hartman's supervision. Contractors that we plan to engage include project geologists, drilling companies and geophysical logging companies, each according the specific exploration program on each property. Exploration of our Wyoming Great Divide Basin and Mongolian



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mineral properties will be undertaken by our partners, Black Range Minerals (Black Range) and Bluerock Resources Ltd. (Bluerock), respectively.

Our management will make determinations as to whether to proceed with the additional exploration of our Wyoming Powder River Basin mineral properties based on the results of the preliminary exploration that we undertake. In completing these determinations, we will make an assessment as to whether the results of the exploration are sufficiently positive for us to proceed with more advanced exploration. On our Wyoming Great Divide Basin and Mongolian mineral properties, our partners are committed to certain minimum exploration expenditures over the earn-in period. In March, 2008, Bluerock earned a 60% interest in the Mongolia project by satisfying its first set of earn-in obligations. The management of Black Range and Bluerock will be responsible for overseeing the exploration in Wyoming Great Divide Basin and Mongolia, respectively. Bluerock is required to submit reports on the results of their exploration efforts in Mongolia.

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We plan to continue exploration of our mineral properties for so long as the results of the geological exploration that we complete indicate that further exploration of our mineral properties is warranted, and we are able to obtain the additional financing necessary to enable us to continue exploration.

**Selected Financial Data**

The selected financial information presented below as of and for the periods indicated is derived from our financial statements contained elsewhere in this prospectus and should be read in conjunction with those financial statements.

<b>INCOME STATEMENT DATA</b>	<b>Year Ended</b>		
	<b>December 31 2007</b>	<b>2006</b>	<b>2005</b>
Revenue	NIL	NIL	NIL
Operating Expenses	14,951,402	7,126,992	4,891,392
Net Loss	(14,197,366)	(6,548,901)	(5,002,225)
Loss per Common share*	(0.37)	(0.22)	(0.38)
Weighted Average Number of Common Shares Outstanding	38,438,000	29,738,000	12,995,000

<b>INCOME STATEMENT DATA</b>	<b>Three Months Ended</b>	
	<b>March 31</b>	
	<b>(Unaudited) 2008</b>	<b>2007</b>
Revenue	NIL	NIL
Operating Expenses	28,381,499	8,685,157
Net (Loss)	(28,319,203)	(8,508,444)
(Loss) per Common share*	(0.64)	(0.23)
Weighted Average Number of Common Shares Outstanding	44,318,000	36,266,000

<b>BALANCE SHEET DATA</b>	<b>At December 31, 2007</b>	<b>At December 31, 2006</b>
Working Capital	11,114,149	11,979,951
Total Assets	12,216,146	12,491,996
Accumulated Deficit	(25,896,798)	(11,699,432)
Stockholders' Equity	11,518,291	12,113,187

**BALANCE SHEET DATA**

**At March 31, 2008  
(Unaudited)**

Working Capital	4,773,633
Total Assets	5,823,982
Accumulated Deficit	(54,216,001)
Stockholders' Equity	5,466,098

\* Basic and diluted.

## RISK FACTORS AND UNCERTAINTIES

Readers should carefully consider the risks and uncertainties described below before deciding whether to invest in shares of our common stock.

Our failure to successfully address the risks and uncertainties described below would have a material adverse effect on our business, financial condition and/or results of operations, and the trading price of our common stock may decline and investors may lose all or part of their investment. We cannot assure you that we will successfully address these risks or other unknown risks that may affect our business.

### Risks Related to Our Business

*Our future performance is difficult to evaluate because we have a limited operating history.*

We were incorporated in 1999 and we began to implement our current business strategy in the uranium industry in the beginning of 2005. Our operating cash flow needs have been financed primarily through issuances of our common stock. As a result, we have little historical financial and operating information available to help you evaluate our performance or an investment in our common stock and warrants.

*Because the probability of an individual prospect ever having reserves is remote, our properties may not contain any reserves, and any funds spent on exploration may be lost.*

We have no uranium producing properties and have never generated any revenue from our operations. Because the probability of an individual prospect ever having reserves is remote, our properties may not contain any reserves, and any funds spent on exploration may be lost. Notwithstanding our disclosures to Canadian authorities under National Instrument 43-101, we do not know with certainty that economically recoverable uranium exists on any of our properties. We may never discover uranium in commercially exploitable quantities and any identified deposit may never qualify as a commercially mineable (or viable) reserve. We will continue to attempt to acquire the surface and mineral rights on lands that we think are geologically favorable or where we have historical information in our possession that indicates uranium mineralization might be present.

The exploration and development of mineral deposits involves significant financial and other risks over an extended period of time, which even a combination of careful evaluation, experience and knowledge may not eliminate. While discovery of a uranium, precious or base metal deposit may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses are required to establish reserves by drilling and to construct mining and processing facilities at a site. Our uranium properties are all at the exploration stage and do not contain any reserves at this time. It is impossible to ensure that the current or proposed exploration programs on properties in which the Company has an interest will result in the delineation of mineral deposits or in profitable commercial operations. Our operations are subject to the hazards and risks normally incident to exploration, development and production of uranium, precious and base metals, any of which could result in damage to life or property, environmental damage and possible legal liability for such damage. While we may obtain insurance against certain risks, the nature of these risks are such that liabilities could exceed policy limits or could be excluded from coverage. There are also risks against which we cannot insure or against which we may elect not to insure. The potential costs which could be associated with any liabilities not covered by insurance, or in excess of insurance coverage, or compliance with applicable laws and regulations may cause substantial delays and require significant capital outlays, adversely affecting our future earnings and competitive position and, potentially our financial viability.

*We have a limited operating history and have losses which we expect to continue into the future. As a result, we may have to suspend or cease exploration activities.*

We were incorporated in 1999 and are engaged in the business of mineral exploration. We have not realized any revenue from our operations. We have a relatively limited exploration history upon which an evaluation of our future success or failure can be made. Our net loss since inception through December 31, 2007 is \$25,896,798, an amount which includes stock based compensation of \$13,030,491 and mineral property expenditures of \$8,684,649. Our ability to achieve and maintain profitability and positive cash flow is dependent upon:

- \* our ability to locate a profitable mineral property;
- \* our ability to generate revenues;
- \* our ability to reduce exploration costs.



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Based upon current plans, we expect to incur operating losses in future periods. This will happen because there are expenses associated with the research and exploration of our mineral properties plus development costs to produce saleable product. We may not guarantee we will be successful in generating revenues in the future. Failure to generate revenues may cause us to go out of business.

***Because some of our officers and directors do not have technical training or experience in exploring for, starting, and operating a mine, we may have to hire qualified personnel. If we can't locate qualified personnel, we may have to suspend or cease exploration activity which may result in the loss of your investment.***

Some, but not all, of our officers and directors do have experience with exploring for, starting, and operating a mine. Because some of our officers and directors are inexperienced with exploring for, starting, and operating a mine, we may have to hire qualified persons to perform surveying, exploration, and excavation of our property. Some of our officers and directors have no direct training or experience in these areas and as a result may not be fully aware of many of the specific requirements related to working within the industry. Their decisions and choices would typically take into account standard engineering or managerial approaches mineral exploration companies commonly use. However, our exploration activities, earnings and ultimate financial success could suffer irreparable harm due to certain of management's decisions. As a result we may have to suspend or cease exploration activities, or any future warranted development activities, which would likely result in the loss of your investment.

***We have no known reserves. Without reserves we may not be able to generate income and if we cannot generate income we will have to cease exploration activities which result in the loss your investment.***

We have no known reserves. Without reserves, we may not be able to generate income and if we cannot generate income we will have to cease exploration activities which would likely result in the loss of your investment. We have attempted to acquire the surface and mineral rights on lands that we think are geologically favorable or where we have historical information in our possession that indicates uranium mineralization might be present. It is not known with certainty that economically recoverable uranium exists on any of our properties.

Even in the event commercial quantities of uranium are discovered, the mining properties might not be brought into a state of commercial production. Estimates of mineral reserves are inherently imprecise and depend to some extent on statistical inferences drawn from limited methods, which may prove unreliable. Fluctuations in the market prices of uranium may render reserves and deposits containing relatively low grades of uranium uneconomic. Whether a uranium, precious or base metal deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as its size and grade; costs and efficiency of the recovery methods that can be employed; proximity to infrastructure; financing costs; and governmental regulations, including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of minerals and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of these factors may result in us not receiving an adequate return on our invested capital.

***Our future profitability will be dependent on Uranium Prices.***

Because a significant portion of our anticipated revenues are expected to be derived from the sale of uranium, our net earnings, if any, can be affected by the long- and short-term market price of U3O8. Uranium prices are subject to fluctuation. The price of uranium has been and will continue to be affected by numerous factors beyond our control. With respect to uranium, such factors include the demand for nuclear power, political and economic conditions in uranium producing and consuming countries, uranium supply from secondary sources and uranium production levels and costs of production. Spot prices for U3O8 were at \$20.00 per pound U3O8 in December 2004, rose to \$35.25 per pound in December 2005 and rose again to \$72.00 per pound in December 2006. During 2007 the spot price reached a high of \$138.00 per pound. The U.S. monthly spot price of U3O8 was approximately \$90.00 per pound in December 2007. As of June 23, 2008 the U.S. weekly spot price of U3O8 was \$57.00 per pound.

***Our operations are subject to environmental regulation and environmental risks.***

We are required to comply with applicable environmental protection laws and regulations and permitting requirements, and we anticipate that we will be required to continue to do so in the future. The material laws and regulations within the U.S. that the Company must comply with are the Atomic Energy Act, Uranium Mill Tailings Radiation Control Act of 1978 (UMTRCA), Clean Air Act, Clean Water Act, Safe Drinking Water Act, Federal Land Policy Management Act, National Park System Mining Regulations Act, and the State Mined Land Reclamation Acts or State Department of Environmental Quality regulations, as applicable. We also are required to comply with environmental protection laws in Mongolia and Canada. We are required to comply with the Atomic Energy Act, as amended by UMTRCA, by applying for and maintaining an operating license from the State of Wyoming. Uranium operations must conform to the terms of such licenses, which include provisions for protection



of human health and the environment from endangerment due to radioactive materials. The licenses encompass protective measures consistent with the Clean Air Act and the Clean Water Act. We intend to utilize specific employees and consultants in order to comply with and maintain our compliance with the above laws and regulations.

The uranium industry is subject not only to the worker health and safety and environmental risks associated with all mining businesses, but also to additional risks uniquely associated with uranium mining and milling. The possibility of more stringent regulations exists in the areas of worker health and safety, the disposition of wastes, the decommissioning and reclamation of exploration, mining and in-situ sites, and other environmental matters, each of which could have a material adverse effect on the costs or the viability of a particular project. We cannot predict what environmental legislation, regulation or policy will be enacted or adopted in the future or how future laws and regulations will be administered or interpreted. The recent trend in environmental legislation and regulation, generally, is toward stricter standards and this trend is likely to continue in the future. This recent trend includes, without limitation, laws and regulations relating to air and water quality, mine reclamation, waste handling and disposal, the protection of certain species and the preservation of certain lands. These regulations may require the acquisition of permits or other authorizations for certain activities. These laws and regulations may also limit or prohibit activities on certain lands. Compliance with more stringent laws and regulations, as well as potentially more vigorous enforcement policies or stricter interpretation of existing laws, may necessitate significant capital outlays, may materially affect our results of operations and business, or may cause material changes or delays in our intended activities.

Our operations may require additional analysis in the future including environmental and social impact and other related studies. Certain activities require the submission and approval of environmental impact assessments. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers, and employees. There can be no assurance that we will be able to obtain or maintain all necessary permits that may be required to continue its operation or its exploration of its properties or, if feasible, to commence development, construction or operation of mining facilities at such properties on terms which enable operations to be conducted at economically justifiable costs.

***We intend to extract uranium from our properties using the in-situ recovery mining process which may not be successful.***

We intend to extract uranium from our properties using in-situ recovery mining, which is suitable for extraction of certain types of uranium deposits. This process requires in-situ recovery mining equipment and trained personnel. Competition and unforeseen limited sources of supplies in the industry could result in occasional spot shortages of supplies, and certain equipment such as drilling rigs and other equipment that we might need to conduct exploration and, if warranted, development. We will attempt to locate additional products, equipment and materials as needed. If we cannot find the products and equipment we need, we will have to suspend our exploration and, if warranted, development plans until we do find the products and equipment we need.

***We face risks related to exploration and development, if warranted, on our properties.***

Our level of profitability, if any, in future years will depend to a great degree on uranium prices and whether any of our exploration stage properties can be brought into production. The exploration for and development of mineral deposits involves significant risks. It is impossible to ensure that the current and future exploration programs and/or feasibility studies on our existing properties will establish reserves. Whether an uranium ore body will be commercially viable depends on a number of factors, including, but not limited to: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; uranium prices, which cannot be predicted and which have been highly volatile in the past; mining, processing and transportation costs; perceived levels of political risk and the willingness of lenders and investors to provide project financing; labor costs and possible labor strikes; and governmental regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting materials, foreign exchange, environmental protection, employment, worker safety, transportation, and reclamation and closure obligations.

We are subject to the risks normally encountered in the mining industry, such as:

- unusual or unexpected geological formations;
- fires, floods, earthquakes, volcanic eruptions, and other natural disasters;
- power outages and water shortages;
- cave-ins, land slides, and other similar mining hazards;
- labor disruptions and labor disputes;



- inability to obtain suitable or adequate machinery, equipment, or labor;
- liability for pollution or other hazards; and
- other known and unknown risks involved in the operation of mines and the conduct of exploration.

The development of mineral properties is affected by many factors, including, but not limited to: the cost of operations, variations in the grade of ore, fluctuations in metal markets, costs of extraction and processing equipment, availability of equipment and labor, labor costs and possible labor strikes, and government regulations, including without limitation, regulations relating to taxes, royalties, allowable production, importing and exporting of minerals, foreign exchange, employment, worker safety, transportation, and environmental protection. Depending on the price of uranium, we may determine that it is impractical to commence, or, if commenced, continue, commercial production. Such a decision would negatively affect our profits and may affect the value of your investment.

***Because we may be unable to meet property payment obligations or be able to acquire necessary mining licenses, we may lose interests in our exploration properties.***

The agreements pursuant to which we acquired our interests in some of our properties provide that we must make a series of cash payments over certain time periods, expend certain minimum amounts on the exploration of the properties or contribute our share of ongoing expenditures. If we fail to make such payments or expenditures in a timely fashion, we may lose our interest in those properties. Further, even if we do complete exploration activities, we may not be able to obtain the necessary licenses to conduct mining operations on the properties, and thus would realize no benefit from our exploration activities on the properties.

***Because mineral exploration and development activities are inherently risky, we may be exposed to environmental liabilities. If such an event were to occur it may result in a loss of your investment.***

The business of mineral exploration and extraction involves a high degree of risk. Few properties that are explored are ultimately developed into production. At present, none of our properties has a known body of commercial ore. Unusual or unexpected formations, formation pressures, fires, power outages, labor disruptions, flooding, explosions and the inability to obtain suitable or adequate machinery, equipment or labor are other risks involved in extraction operations and the conduct of exploration programs. Although we intend to carry liability insurance with respect to our mineral exploration operations, we may become subject to liability for damage to life and property, environmental damage, cave-ins or hazards against which we cannot insure or against which we may elect not to insure. There are also physical risks to the exploration personnel working in the rugged terrain of Mongolia, often in poor climate conditions. Previous mining operations may have caused environmental damage at certain of our properties. It may be difficult or impossible to assess the extent to which such damage was caused by us or by the activities of previous operators, in which case, any indemnities and exemptions from liability may be ineffective. If any of our properties is found to have commercial quantities of ore, we would be subject to additional risks respecting any development and production activities. Most exploration projects do not result in the discovery of commercially mineable deposits of ore.

***Because we have not put a mineral deposit into production before, we may have to acquire outside expertise. If we are unable to acquire such expertise we may be unable to put our properties into production and you may lose your investment.***

The board of directors includes six individuals that have technical or financial experience in placing mining projects into production. However, we will be dependent upon using the services of appropriately experienced personnel or entering into agreements with other major resource companies that can provide such expertise. There can be no assurance that we will have available to us the necessary expertise when and if we place mineral deposit properties into production.

***Because certain of our mineral interests are in Mongolia, you will be exposed to political risk. Such political risk could result in us losing value of our properties in Mongolia. If this occurs you could lose your investment.***

Some of our mineral interests are in Mongolia and may be affected by varying degrees of political instability and the policies of other nations in respect of these countries. These risks and uncertainties include military repression, political and labor unrest, extreme fluctuations in currency exchange rates, high rates of inflation, terrorism, hostage taking and expropriation. A small portion of our mineral interests are currently located in Mongolia. Our mining, exploration and development activities may be affected by changes in government, political instability and the nature of various government regulations relating to the mining industry, including but not limited to, environmental regulation, labor regulations, worker health and safety regulations, and royalties, taxes, import and export laws and



regulations. Any changes in regulations or shifts in political conditions are beyond our control and may adversely affect our business and/or holdings. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, environmental legislation, imposition of new, high government royalties and ownership interests, and safety factors. Our operations in Mongolia entail significant governmental, economic, social, medical and other risk factors common to all developing countries.

***Because our Mongolian subsidiary company may require certain approvals to advance our operations we are at risk of not receiving such approvals. If we don't receive the necessary approvals we may lose our Mongolian property interests resulting in a loss of your investment.***

While we are authorized to explore for uranium on our Mongolian projects, we may be required to obtain further approvals from regulatory authorities in Mongolia in order to conduct mining operations. There is no assurance that such approvals would be granted by the Mongolian authorities at all or on terms favorable to the continued operations. The laws of Mongolia are ambiguous, inconsistently applied and subject to reinterpretation or change. While we believe that we will be properly established and that we have taken the steps necessary to obtain our interest in these projects, there can be no guarantee that such steps will be sufficient to preserve our interests in these projects.

***The mining industry is highly competitive.***

The business of the acquisition, exploration, and development of uranium properties is intensely competitive. We will be required to compete, in the future, directly with other corporations that may have better access to potential uranium resources, more developed infrastructure, more available capital, better access to necessary financing, and more knowledgeable and available employees than us. We may encounter competition in acquiring uranium properties, hiring mining professionals, obtaining mining resources, such as manpower, drill rigs, and other mining equipment. Such competitors could outbid us for potential projects or produce minerals at lower costs. Increased competition could also affect our ability to attract necessary capital funding or acquire suitable producing properties or prospects for uranium exploration in the future.

#### **Risks Related to Corporate and Financial Structure**

***We are dependent upon key management employees.***

The success of our operations will depend upon numerous factors, many of which are beyond our control, including (i) our ability to enter into strategic alliances through a combination of one or more joint ventures, mergers or acquisition transactions; and (ii) our ability to attract and retain additional key personnel in sales, marketing, technical support and finance. We currently depend upon our management employees to seek out and form strategic alliances and find and retain additional employees. There can be no assurance of success with any or all of these factors on which our operations will depend. We have relied and may continue to rely, upon consultants and others for operating expertise.

***Our growth will require new personnel, which we will be required to recruit, hire, train and retain.***

We expect significant growth in the number of our employees if we determine that a mine at any of our properties is commercially feasible, we are able to raise sufficient funding and we elect to develop the property. This growth will place substantial demands on us and our management. Our ability to assimilate new personnel will be critical to our performance. We will be required to recruit additional personnel and to train, motivate and manage employees. We will also have to adopt and implement new systems in all aspects of our operations. This will be particularly critical in the event we decide not to use contract miners at any of our properties. We have no assurance that we will be able to recruit the personnel required to execute our programs or to manage these changes successfully.

***New legislation, including the Sarbanes-Oxley Act of 2002, may make it difficult for us to retain or attract officers and directors.***

We may be unable to attract and retain qualified officers, directors and members of board committees required to provide for our effective management as a result of the recent and currently proposed changes in the rules and regulations which govern publicly-held companies. Sarbanes-Oxley Act of 2002 has resulted in a series of rules and regulations by the Securities and Exchange Commission that increase responsibilities and liabilities of directors and executive officers. The perceived increased personal risk associated with these recent changes may deter qualified individuals from accepting these roles.

***While we believe we have adequate internal control over financial reporting, we are required to evaluate our internal controls under Section 404 of the Sarbanes-Oxley Act of 2002. Any adverse results from such evaluation could result in a loss of investor confidence in our financial reports and have an adverse effect on the price of our shares of common stock.***

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, beginning with our annual report on Form 10-K for the fiscal year ended December 31, 2007, we are required to furnish a report by management on our internal control over financial reporting. Such report contains among other matters, an assessment of the effectiveness of our internal control over financial reporting, including a statement as to whether or not our internal control over financial reporting is effective. This annual assessment must include disclosure of any material weaknesses in our internal control over financial reporting identified by our management. Beginning with our annual report on Form 10-K for the fiscal year ended December 31, 2007, such report also contains a statement that our auditors have issued an attestation report on our management's assessment of such internal controls. Public Company Accounting Oversight Board Auditing Standard No. 2 provides the professional standards and related performance guidance for auditors to attest to, and report on, our management's assessment of the effectiveness of internal control over financial reporting under Section 404.

Failure to comply with the new rules in the future may make it more difficult for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage and/or incur substantially higher costs to obtain the same or similar coverage. The impact of these events could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, on committees of our board of directors, or as executive officers.

***Stock market price and volume volatility.***

The market for our common shares may be highly volatile for reasons both related to the performance of the Company or events pertaining to the industry (i.e., mineral price fluctuation/high production costs/accidents) as well as factors unrelated to the Company or its industry. In particular, market demand for uranium fluctuates from one business cycle to the next, resulting in change of demand for the mineral and an attendant change in the price for the mineral. Our common shares can be expected to be subject to volatility in both price and volume arising from market expectations, announcements and press releases regarding our business, and changes in estimates and evaluations by securities analysts or other events or factors. In recent years, the securities markets in the United States have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly small-capitalization companies, have experienced wide fluctuations that have not necessarily been related to the operations, performances, underlying asset values, or prospects of such companies. For these reasons, the price of our common shares can also be expected to be subject to volatility resulting from purely market forces over which we will have no control.

***Dilution through the granting of options.***

Because the success of the Company is highly dependent upon its respective employees, we may in the future grant to some or all of our key employees, directors and consultants options to purchase our common shares as non-cash incentives. Those options may be granted at exercise prices equal to market prices at times when the public market is depressed. To the extent that significant numbers of such options may be granted and exercised, the interests of the other stockholders of the Company may be diluted.

***You may lose your entire investment in our shares.***

An investment in our common stock is highly speculative and may result in the loss of your entire investment. Only investors who are experienced investors in high risk investments and who can afford to lose their entire investment should consider an investment in us.

***In the event that your investment in our shares is for the purpose of deriving dividend income or in expectation of an increase in market price of our shares from the declaration and payment of dividends, your investment may be compromised because we do not intend to pay dividends.***

We have never paid a dividend to our shareholders, and we intend to retain our cash for the continued development of our business. We do not intend to pay cash dividends on our common stock in the foreseeable future. As a result, your return on investment will be solely determined by your ability to sell your shares in a secondary market.

*We depend on our ability to successfully access the capital and financial markets. Any inability to access the capital or financial markets may limit our ability to execute our business plan or pursue investments that we may rely on for future growth.*

We rely on access to long-term capital markets as a source of liquidity for capital and operating requirements. If we are not able to access financial markets at competitive rates, our ability to implement our business plan and strategy may be affected. Certain market disruptions may increase our cost of borrowing or affect our ability to access one or more financial markets. Such market disruptions could result from:

- adverse economic conditions;
- adverse general capital market conditions;
- poor performance and health of the uranium industry in general;
- bankruptcy or financial distress of unrelated uranium companies or marketers;
- significant decrease in the demand for uranium;
- adverse regulatory actions that affect our exploration and development plans; and
- terrorist attacks on our potential customers.

#### **USE OF PROCEEDS**

We will not receive any of the proceeds of the shares offered by the Selling Security Holders. We may receive proceeds from the exercise of warrants, if any, and will use any such proceeds for general working capital purposes.

#### **SELLING SECURITY HOLDERS**

This prospectus covers the offering of up to 15,940,898 shares of our common stock by Selling Security Holders.

The shares issued to the Selling Security Holders are “restricted” shares under applicable federal and state securities laws and are being registered to give the Selling Security Holders the opportunity to sell their shares. The registration of such shares does not necessarily mean, however, that any of these shares will be offered or sold by the Selling Security Holders. The Selling Security Holders may from time to time offer and sell all or a portion of their shares in the over-the-counter market, in negotiated transactions, or otherwise, at market prices prevailing at the time of sale or at negotiated prices.

The registered shares may be sold directly or through brokers or dealers, or in a distribution by one or more underwriters on a firm commitment or best efforts basis. To the extent required, the names of any agent or broker-dealer and applicable commissions or discounts and any other required information with respect to any particular offer will be set forth in an accompanying prospectus supplement. See “Plan of Distribution” beginning on page 33 of this prospectus. Each of the Selling Security Holders reserves the sole right to accept or reject, in whole or in part, any proposed purchase of the registered shares to be made directly or through agents. The Selling Security Holders and any agents or broker-dealers that participate with the Selling Security Holders in the distribution of their registered shares may be deemed to be “underwriters” within the meaning of the Securities Act of 1933, as amended, and any commissions received by them and any profit on the resale of the registered shares may be deemed to be underwriting commissions or discounts under the Securities Act.

We will receive no proceeds from the sale of the registered shares, and we have agreed to bear the expenses of registration of the shares, other than commissions and discounts of agents or broker-dealers and transfer taxes, if any.

#### **Selling Security Holders Information**

The following is a list of the Selling Security Holders who own an aggregate of 15,940,898 shares of our common stock covered in this prospectus, including 4,932,498 shares acquirable upon exercise of warrants and 120,000 shares acquirable upon the exercise of agents’ warrants within 60 days of the date of this prospectus. The Selling Security Holders acquired the shares of common stock or warrants to purchase shares of common stock in our private placement. See “Transactions with Selling Security Holders” beginning on page 32 of this prospectus for further details. At July 2, 2008, we had 55,432,387 shares of common stock issued and outstanding.



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Name	Before Offering		After Offering		
	Total Number of Shares Beneficially Owned	Percentage of Shares Owned <sup>(1)</sup>	Number of Shares Offered <sup>(2)</sup>	Shares Owned After Offering	Percentage of Shares owned After Offering
Thomas Downie Holdings Ltd. 100 - 814 Richards Street Vancouver, BC V6B 3A7 <sup>(3)</sup>	37,500	**	37,500	0	0%
Marilyn Corbett 5940 Raven Place Vancouver, BC V7W 1X2 <sup>(4)</sup>	30,000	**	30,000	0	0%
Corbett Realty Ltd. 5940 Raven Place Vancouver, BC V7W 1X2 <sup>(5)</sup>	30,000	**	30,000	0	0%
Fei-Brent Investment Inc. c/o Haywood Securities Inc. 2100 - 400 Burrard Street Vancouver, BC V6C 3A6 <sup>(6)</sup>	37,500	**	37,500	0	0%
Banque Privee Edmond De Rothschild Europe Ref The Marlborough Trust 20 BD Emmanuel Servais 2535 Luxembourg <sup>(7)</sup>	37,500	**	37,500	0	0%
Banque Privee Edmond De Rothschild Europe (BP#6) Ref 53440 Springvalve Ent 20 BD Emmanuel Servais 2535 Luxembourg <sup>(8)</sup>	37,500	**	37,500	0	0%
Banque Privee Edmond De Rothschild Europe Ref 301260 Chrometech 1 20 BD Emmanuel Servais 2535 Luxembourg <sup>(9)</sup>	75,000	**	75,000	0	0%
Marna Disbrow  PO Box 461 Heriot Bay, BC V0P 1H0 <sup>(10)</sup>	140,000	**	90,000	50,000	**

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David A. Wallace 2937 44th Ave W Vancouver, BC V6N 3K3 <sup>(11)</sup>	37,500	**	37,500	0	0%
Julie Turcotte 21 Summit Ave Sault Ste Marie, ON P6B 2S2 <sup>(12)</sup>	37,500	**	37,500	0	0%
Colin &/or Theresa Jensen 351 Leadville Ave Ketchum, ID 83340 <sup>(13)</sup>	37,500	**	37,500	0	0%
Roger L. Miller 26500 SW 182 Ave Homestead, FL 33031 <sup>(14)</sup>	75,000	**	75,000	0	0%
Embark Investments Trust 2160 - 650 W Georgia Street Vancouver, BC V6B 4N7 <sup>(15)</sup>	37,500	**	37,500	0	0%
John Niemeyer 15 82nd Drive, Ste 210 Gladstone, OR 97027 <sup>(16)</sup>	37,500	**	37,500	0	0%
John Hasse 49 Elkhorn Fairway #9 Sunvalley, ID 83353 <sup>(17)</sup>	37,500	**	37,500	0	0%
Alpine Capital Corp. 2100 - 330 5th Ave SW Calgary, AB T2P 0L4 <sup>(18)</sup>	37,500	**	37,500	0	0%
Kai Commercial Trust 2100 - 330 5th Ave SW Calgary, AB T2P 0L4 <sup>(19)</sup>	37,500	**	37,500	0	0%
Avila Investments Ltd. 900 - 666 Burrard Street Vancouver, BC V6C 2X8 <sup>(20)</sup>	37,500	**	37,500	0	0%
Ken Downie 100 - 814 Richards Street Vancouver, BC V6B 3A7 <sup>(21)</sup>	37,500	**	37,500	0	0%
Richard &/or Valerie Bradshaw 4676 NW Marine Drive Vancouver, BC V6R 1B9 <sup>(22)</sup>	37,500	**	37,500	0	0%





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Paul Meidal 9 - 1140 25 Street West Vancouver, BC V7V 0A2 <sup>(23)</sup>	15,000	**	15,000	0	0%
Paul &/or Kari Meidal 9 - 1140 25 Street West Vancouver, BC V7V 0A2 <sup>(24)</sup>	15,000	**	15,000	0	0%
Bill Disbrow 1275 Pacific Street, Suite 2201 Vancouver, BC V6E 1T6 <sup>(25)</sup>	37,500	**	37,500	0	0%
Dr. David Harris 1006 - 125 Milross Ave Vancouver, BC V6A 0A1 <sup>(26)</sup>	37,500	**	37,500	0	0%
James William Bishop 622 E 18th Street North Vancouver, BC V7L 2Y5 <sup>(27)</sup>	37,500	**	37,500	0	0%
Norma Harris 1006 - 125 Milross Ave Vancouver, BC V6A 0A1 <sup>(28)</sup>	37,500	**	37,500	0	0%
Bernice Willoughby 1878 14th Ave West Vancouver, BC V6J 2J9 <sup>(29)</sup>	30,000	**	30,000	0	0%
Don Willoughby 1878 14th Ave West Vancouver, BC V6J 2J9 <sup>(30)</sup>	30,000	**	30,000	0	0%
Ron &/or Judy Hughes 7430 Mark Cres  Burnaby, BC V5A 1Z3 <sup>(31)</sup>	30,000	**	30,000	0	0%
National Cross Country Ski Development Association c/o Haywood Securities Inc. 2100 - 400 Burrard Street Vancouver, BC V6C 3A6 <sup>(32)</sup>	37,500	**	37,500	0	0%
Darilyn Platt 2869 Wembley Place North Vancouver, BC V7J 3C1 <sup>(33)</sup>	30,000	**	30,000	0	0%

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John G. Platt 2869 Wembley Place North Vancouver, BC V7J 3C1 <sup>(34)</sup>	30,000	**	30,000	0	0%
Stephen Kerr 943 Beaumont Drive North Vancouver, BC V7R 1P5 <sup>(35)</sup>	15,000	**	15,000	0	0%
Judith McGladdery 1381 Burnside Road West Vancouver, BC V7S 2P6 <sup>(36)</sup>	15,000	**	15,000	0	0%
Brigitte Relling 1547 Gordon Ave West Vancouver, BC V7V 1T8 <sup>(37)</sup>	30,000	**	30,000	0	0%
Malcolm Alford Box 7 Site 18 RR 1 Station Main Okotoks, AB T1S 1A1 <sup>(38)</sup>	45,000	**	45,000	0	0%
Alan Fisher Box 872 Rossland, BC V0G 1Y0 <sup>(39)</sup>	30,000	**	30,000	0	0%
Kaimar Investments Corp. 1885 Marine Drive North Vancouver, BC V7P 1V5 <sup>(40)</sup>	45,000	**	45,000	0	0%
Robert J. Travers  343 Moyne Drive West Vancouver, BC V7S 1J6 <sup>(41)</sup>	15,000	**	15,000	0	0%
Paul Sharpe &/or Jacqueline Cristianini 1943 Riverside Drive North Vancouver, BC V7C 2C2 <sup>(42)</sup>	15,000	**	15,000	0	0%
Sharpe Sound Studios Inc. 4 - 440 Brooksbank Ave North Vancouver, BC V7J 2C2 <sup>(43)</sup>	15,000	**	15,000	0	0%
Arthur Haladner 2482 Hudson Crt West Vancouver, BC V7S 3J2 <sup>(44)</sup>	15,000	**	15,000	0	0%
Wendy Hardy 502 - 1888 Alberni Street Vancouver, BC V6G 1B3 <sup>(45)</sup>	15,000	**	15,000	0	0%

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Robert Hazeldine 1495 Coats Drive Gabriola Island, BC V0R 1X6 <sup>(46)</sup>	15,000	**	15,000	0	0%
Anne Marie Kains 1885 Marine Drive North Vancouver, BC V7P 1V5 <sup>(47)</sup>	15,000	**	15,000	0	0%
Kevin McGladdery 1 - 920 Tobruck Ave North Vancouver, BC V7P 1V8 <sup>(48)</sup>	15,000	**	15,000	0	0%
Murray Baron 23623 N Scottsdale Road Scottsdale, AZ 85255 <sup>(49)</sup>	30,000	**	30,000	0	0%
Marna Disbrow PO Box 461 Heriot Bay, BC V0P 1H0 <sup>(50)</sup>	65,000	**	15,000	50,000	**
Anar Shariff 5259 Windjammer Road Delta, BC V4K 5A6 <sup>(51)</sup>	30,000	**	30,000	0	0%
Vista Del Mar Po Box HM 2903 Hamilton HM LX, Bermuda <sup>(52)</sup>	52,500	**	52,500	0	0%
Bruno Richter 115 Kala Lagoon Ct. Port Townsend, WA 98368 <sup>(53)</sup>	15,000	**	15,000	0	0%
Dan Shepansky Holdings Ltd. 4601 Wickenden Road North Vancouver, BC V7G 1H3 <sup>(54)</sup>	30,000	**	30,000	0	0%
Fanning Properties Inc. 3258 13th Ave W Vancouver, BC V6K 2V5 <sup>(55)</sup>	9,375	**	9,375	0	0%
Arnold Armstrong 2080 - 777 Hornby Street Vancouver, BC V6Z 1S4 <sup>(56)</sup>	14,250	**	14,250	0	0%
Blake Pottinger 1100 - 900 W Hastings Street Vancouver, BC V6C 1E5 <sup>(57)</sup>	9,375	**	9,375	0	0%

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Robert Duncan Productions Inc. 3075 39th Ave W Vancouver, BC V6N 2Z7 <sup>(58)</sup>	15,000	**	15,000	0	0%
James Kelsey 20651 97B Ave Langley, BC V1M 3Y3 <sup>(59)</sup>	12,000	**	12,000	0	0%
Paul Sabiston 2810 Bellevue Ave West Vancouver, BC V7V 1E8 <sup>(60)</sup>	22,500	**	22,500	0	0%
Steve Fitzmaurice 82 McKenzie Lake Island SE Calgary, AB T2Z 3P4 <sup>(61)</sup>	22,500	**	22,500	0	0%
Douglas Birnie 2101 - 550 Pacific Street Vancouver, BC V6Z 3G2 <sup>(62)</sup>	15,000	**	15,000	0	0%
Salim Shariff 2033 2nd Ave, Unit 1805 Seattle, WA 98121 <sup>(63)</sup>	30,000	**	30,000	0	0%
Michael Fitzmaurice 1806 St Denis Road West Vancouver, BC V7V 3W5 <sup>(64)</sup>	22,500	**	22,500	0	0%
Charles Lyall	52,500	**	52,500		