

NOTICE TO BROKER OPTION HOLDERS OF CUE RESOURCES LTD.

February 23, 2012

Dear Broker Option Holder:

Re: Arrangement between Cue Resources Ltd. and Uranium Energy Corp.

On January 23, 2012, Cue Resources Ltd. (“CUE”) announced that it has entered into an arrangement agreement (the “**Arrangement Agreement**”) with Uranium Energy Corp. (“UEC”), pursuant to which, and subject to the terms and conditions of the Arrangement Agreement, UEC will acquire all of the issued and outstanding common shares of CUE (the “**CUE Shares**”) in accordance with a plan of arrangement under the Business Corporations Act (British Columbia) (the “**Arrangement**”).

As a holder of broker options (the “**CUE Broker Options**”) of CUE (a “**CUE Broker Option Holder**”), the Arrangement will affect the CUE Broker Options you hold. Pursuant to the terms of the Arrangement Agreement, and in accordance with the terms of the CUE Broker Options, UEC will be responsible for the obligations of CUE in respect of each outstanding CUE Broker Option that has not been duly exercised prior to the effective time of the Arrangement (the “**Effective Time**”). Accordingly, provided the Arrangement is completed, you will be entitled to receive units of UEC (“**UEC Broker Units**”), rather than units of CUE (“**CUE Broker Units**”), upon exercise of your CUE Broker Options after the Effective Time, on the same basis as CUE Shares were previously issuable on exercise thereof, except that (i) all CUE Broker Options shall be exercisable for, and represent the right to acquire, that whole number of UEC Broker Units (rounded down to the nearest whole UEC Broker Unit) equal to the number of CUE Broker Units subject to such CUE Broker Option multiplied by 0.0195 (the “**Exchange Ratio**”); and (ii) the exercise price per UEC Broker Unit shall be an amount equal to the exercise price per CUE Broker Unit subject to such CUE Broker Option in effect immediately prior to the Effective Time divided by the Exchange Ratio. Each UEC Broker Unit will consist of one common share of UEC (a “**UEC Share**”) and one common share purchase warrant of UEC with an exercise price of \$6.15 per UEC Share and an expiry date of November 10, 2012.

On March 26, 2012, CUE will hold a special meeting (the “**Meeting**”) of shareholders of CUE (the “**CUE Shareholders**”) to vote on the Arrangement. As a CUE Broker Option Holder, you are not required to attend the Meeting, but may do so if you are also a CUE Shareholder. CUE has prepared an information circular for the Meeting (the “**Information Circular**”) that describes the Arrangement in detail, and also describes the effect of the Arrangement on CUE Broker Option Holders. For your information, we enclose with this letter a copy of the Information Circular. A copy of each of (i) the Interim Order issued by the Supreme Court of British Columbia with respect to the holding of the Meeting and (ii) the notice of hearing of petition for the Final Order that CUE anticipates will be sought before the Supreme Court of British Columbia on March 28, 2012 are attached as appendices to the Information Circular. The Effective Time and completion date of the Arrangement are expected to take place on March 30, 2012.

If you have any questions or concerns respecting any of the foregoing, please contact Christina Boddy, Corporate Secretary of CUE, at (604) 568-2080, or email cboddy@cue-resources.com.

Yours truly,

Cue Resources Ltd.


John R. Icke
Executive Chairman of the Board