

URANIUM RESOURCES, INC. AUDIT COMMITTEE CHARTER

Purpose

The purpose of the Audit Committee (the “Committee”) is to assist the Board of Directors in its oversight of the accounting and financial reporting processes of Uranium Resources, Inc. (the “Company”) and the audits of the financial statements of the Company by monitoring:

- the independence, engagement and performance of the independent auditors;
- the performance of the internal audit function;
- the integrity of the financial statements and effectiveness of internal controls over financial reporting; and
- the Company’s compliance with applicable legal requirements.

The Committee’s function is one of oversight only, and it is not the duty of the Committee to determine that the Company’s financial statements are complete and accurate or are in accordance with generally accepted accounting principles (“GAAP”), to determine that the Company’s internal control over financial reporting is effective or to plan or conduct audits. These are the responsibilities of management and the independent auditors. It is also the responsibility of management and the independent auditors to bring appropriate matters to the attention of the Committee, and to keep the Committee informed of matters that management or the independent auditors believe require attention, guidance, resolution or other actions, the basis therefor and other relevant considerations.

Authority

The Committee shall have the resources and authority necessary to discharge its duties and responsibilities. The Committee shall have the authority (without seeking approval of the Board) to retain special legal, accounting or other consultants to advise the Committee. The Company will provide the Committee with appropriate funding, as the Committee determines, to compensate the independent auditors, outside counsel and other advisors as it deems appropriate. The Committee may request any officer or employee of the Company or the Company’s outside counsel or independent auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. The Committee shall have access to the Company’s books, records, facilities and personnel. The Committee may form and delegate authority to one or more designated subcommittees or the chairperson of the Committee when it deems appropriate and in the best interests of the Company.

Membership

The Committee shall consist of at least three directors, all of whom must be independent. Each member of the Committee must be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement and cash flow statement. Further, at least one member of the Committee must have past employment experience in finance or accounting, or comparable experience or background, which results in an understanding of

GAAP, an ability to apply GAAP principles in assessing accounting policies, and experience in preparing and evaluating financial statements with a level of complexity comparable to the Company's financial statements.

Appointment to the Committee, including the designation of the chairperson of the Committee and the designation of any Committee members as "audit committee financial experts," shall be made by the full Board. Unless the full Board designates a chairperson of the Committee, the members of the Committee may elect a chairperson for each meeting by majority vote. Members of the Committee shall serve until their successors have been duly elected and qualified or until their earlier resignation or removal. The Board may remove a member of the Committee, or replace the chairperson, in either case with or without cause, provided that the Board must, at all times, assure that the Committee has sufficient members to satisfy the requirements set forth above relating to the number and qualifications of Committee members.

The Committee shall comply with all applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations of the Securities and Exchange Commission and the NASDAQ Stock Market, including those related to independence.

Responsibilities

In addition to any other responsibilities that may be assigned from time to time by the Board, the Committee has the following responsibilities and reporting requirements:

1. Meet on a regular basis and call special meetings, as circumstances require.
2. Report Committee activities to the Board on a regular basis, such as after each meeting, so that the Board is kept informed of its activities on a current basis.
3. Review and reassess the adequacy of this charter annually and recommend any proposed changes to the Board for approval.
4. Be directly responsible for the appointment, compensation, retention and oversight of the independent auditors (including resolution of disagreements, if any, between management and the independent auditors regarding financial reporting). The independent auditors shall report directly and be accountable to the Committee.
5. Receive from the independent auditors a formal written statement delineating all relationships between the independent auditors and the Company, actively engage in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditors and take, or recommend that the full Board take, appropriate action to oversee the independence of the independent auditors.
6. Pre-approve all audit, audit-related and permissible non-audit services to be provided by the independent auditors either before the independent auditors are engaged to render such services or pursuant to pre-approval policies and procedures established by the Committee.

7. Review the Company's hiring policies and practices with respect to current or former employees of the independent auditors.
8. Review the internal audit function of the Company including the independence and authority of its reporting obligations, the proposed audit plans for the coming year and the coordination of such plans with the independent auditors.
9. Evaluate the performance of the independent and internal auditors, making recommendations to the Board accordingly.
10. Meet periodically with management to review the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.
11. Meet with the independent auditors and financial management of the Company to review the scope of the proposed audit for the current year and the audit procedures to be utilized, and at the conclusion thereof, review such audit including any comments or recommendations of the independent auditors. Discussions should also include communication of any matters as required by SAS 61, as amended.
12. Establish, and oversee compliance with, procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
13. Review the annual audited financial statements with management and the independent auditors, including major issues regarding accounting and auditing principles and practices, as well as the adequacy of internal controls that could significantly affect the Company's financial statements.
14. Review with management and the independent auditors the Company's quarterly financial statements prior to the release of quarterly earnings, and recommend to the Board approval of the financial statements or otherwise.
15. Review with the independent auditors, the Company's internal auditor, and financial management, the adequacy and effectiveness of the accounting and financial controls of the Company, and elicit any recommendations for the improvement of such internal control procedures or particular areas where new and more detailed controls or procedures are desirable.
16. Provide sufficient opportunity for the internal and independent auditors to meet with the members of the Committee without members of management present. Among the items to be discussed in these meetings are the independent auditors' evaluation of the Company's financial, accounting and auditing personnel, and the cooperation that the independent auditors received during the course of the audit.
17. Review with the Company's general counsel and outside counsel when appropriate, any legal matters that may have a material impact on the organization's financial statements,

the Company's compliance policies and any material reports or inquiries received from regulators or governmental agencies.

18. Review with the independent auditors any problems or difficulties the independent auditors may have encountered and any management letter provided by the independent auditors and the Company's response to that letter. Such review should include any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities of access to required information, any changes required in the planned scope of the internal audit, and the internal audit department responsibilities, budget and staffing.
19. Prepare the report required by the rules of the Securities and Exchange Commission to be included in the Company's annual proxy statement.
20. Review (and approve, if applicable) transactions presented to the Committee under the Company's related party transactions policy.
21. Obtain from management explanations for all significant variances in the financial statements between years. The Committee should consider whether the data are consistent with the Management's Discussion and Analysis (MD&A) section of the annual report.
22. Determine the open years on federal income tax returns and whether there are any significant items that have been or might be disputed by the IRS, and inquire as to the status of the related tax reserves.
23. Determine, with the full Board, whether the independent auditors should meet with the full Board to discuss any matters relative to the financial statements and to answer any questions that other directors may have.

Last updated on July 30, 2013.