NOTICE OF SPECIAL MEETING OF SHAREHOLDERS AND OPTIONHOLDERS
to be held on March 7, 2013

and

MANAGEMENT INFORMATION CIRCULAR

with respect to a

PLAN OF ARRANGEMENT

involving

URANIUM ONE INC.

and

EFFECTIVE ENERGY N.V.

and

JSC ATOMREDMETZOLOTO

These materials are important and require your immediate attention. They require Shareholders and Optionholders of Uranium One to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal or other professional advisor. If you have any questions regarding the information in this Notice or Management Information Circular, or require assistance in voting your common shares or options, please contact the proxy solicitation agent, Kingsdale Shareholder Services Inc., at 1-877-659-1818 toll-free in North America, or at 1-416-867-2272 outside of North America (collect calls accepted), or by email at contactus@kingsdaleshareholder.com.

February 8, 2013

URANIUM ONE INC.

February 8, 2013

Dear Securityholder:

You are invited to attend a special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") and the holders ("**Optionholders**", and together with Shareholders, "**Securityholders**") of options ("**Options**") to purchase Common Shares of Uranium One Inc. ("**Uranium One**") to be held at the Toronto Board of Trade, First Canadian Place, 77 Adelaide Street West, Suite 350, Toronto, Ontario, on Thursday, March 7, 2013 commencing at 9:00 a.m. (Toronto time).

At the Meeting, you will be asked to consider and vote upon the arrangement (the "**Arrangement**") contemplated by the arrangement agreement entered into between Uranium One, Effective Energy N.V. ("**Effective Energy**") and JSC Atomredmetzoloto ("**ARMZ**") on January 13, 2013 as amended, and pursuant to which:

- Shareholders (other than ARMZ and its affiliates) will receive Cdn $2.86 in cash (or, for South African Shareholders, the Rand equivalent thereof) (the "**Consideration**") for each Common Share held, representing a premium of approximately 32% to the 20 trading day volume-weighted average price of the Common Shares on the Toronto Stock Exchange (the "**TSX**") for the period ended January 11, 2013, the last trading day preceding the announcement of the transaction, and a premium of approximately 38% over the volume-weighted average price for the shares, on the TSX, for the 60 trading days prior to January 14, 2013;
- Optionholders holding Options that have an exercise price that is less than the Consideration (an "**In-the-Money Option**") will receive a cash amount equal to the amount by which the Consideration exceeds the exercise price payable under such Options (the "**In-the-Money Option Consideration**"); and
- Optionholders that are employees or officers of Uranium One as of the effective date of the Arrangement (the "**Effective Date**") and on December 31, 2013, or who have been terminated without cause prior to December 31, 2013, will receive on December 31, 2013:
    - in respect of each In-the-Money Option, a cash payment equal to the fair value of such Option determined using the "Black-Scholes" valuation model calculated as of the Effective Date as per standard industry practice less the In-the-Money Option Consideration already received, and
    - in respect of each Option that has an exercise price that is more than the Consideration, a cash payment equal to the fair value of such Option determined using the "Black-Scholes" valuation model calculated as of the Effective Date as per standard industry practice.

In order to become effective, as the transaction will constitute a "business combination" for the purposes of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), the Arrangement must be approved by a majority of the votes cast by Shareholders other than (i) ARMZ and its affiliates and any related parties (as defined in MI 61-101), and (ii) any senior officers of Uranium One who hold Options, (collectively, the "**Minority Shareholders**"), in addition to being passed by not less than two-thirds of the votes cast by Shareholders and by not less than two-thirds of the votes cast by Securityholders voting as a single class. Completion of the Arrangement is subject to certain customary conditions, including the approval of the Ontario Superior Court of Justice (the "**Court**"), which are described in the accompanying management information circular (the "**Circular**").

The board of directors of Uranium One (the "Board") is unanimously recommending that the Securityholders vote FOR the Arrangement. After taking into consideration, among other things, the fairness opinion of Canaccord Genuity Corp. delivered on January 13, 2013, the Board has unanimously concluded that the Arrangement is in the best interests of the Company, that the consideration to be received by the Shareholders (other than ARMZ and its affiliates) is fair to those Shareholders and to recommend that those Shareholders and the Optionholders vote in favour of the Arrangement. The attached Circular describes the background to the determinations and recommendations of the Board, including the process and recommendations of a special committee of independent directors.

All of the directors and executive officers of Uranium One have entered into voting agreements with Effective Energy pursuant to which they have agreed, subject to the terms of those agreements, to vote in favour of the Arrangement.

The Circular contains a detailed description of the Arrangement and includes other information to assist you in considering the matters to be voted upon and which we encourage you to carefully consider. If you require assistance, you should consult your financial, legal or other professional advisors.

Voting

Your vote is important regardless of the number of Common Shares or Options you own.

If you are not registered as the holder of your Common Shares but hold your shares through a broker or other intermediary, you should follow the instructions provided by your broker or other intermediary to vote your Common Shares. See the section in the accompanying Circular entitled "*General Proxy Information – Non-Registered Holders*" for further information on how to vote your Common Shares.

If you are a registered holder of Common Shares and you hold your Common Shares on the TSX (i.e. you do not hold your Common Shares on the Johannesburg Stock Exchange ("**JSE**") on the South African branch register (the "**SA Branch Register**")) or if you are a holder of Options, you should vote by marking the box on the enclosed form of proxy and by dating, signing and returning your proxy in the enclosed return envelope addressed to Computershare Investor Services Inc. (the "**Canadian Depositary**"), at its offices at 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1, or by toll free North American fax number 1-866-249-7775, or by international fax number 1-416-263-9524 by no later than forty-eight hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting. Please do this as soon as possible. Voting by proxy will not prevent you from voting in person if you attend the Meeting and revoke your proxy but will ensure that your vote will be counted if you are unable to attend.

If you are a registered holder of Common Shares, and you hold your Common Shares on the JSE on the SA Branch Register ("**South African Shareholder**"), you should vote by marking the box on the enclosed form of proxy and by dating, signing and returning your proxy in the enclosed return envelope addressed to Computershare Investor Services (Proprietary) Limited (the "**South African Transfer Secretary**"), at its offices at 70 Marshall Street, Johannesburg, South Africa, 2001 (PO Box 61051, Marshalltown, 2107, South Africa), or by fax to +27 11 688 5238, or by email to proxy@computershare.co.za by no later than 4:00 p.m. (South African Time) on March 5, 2013. Please do this as soon as possible. Proxies for Shareholders who hold their Common Shares through a broker and/or another central securities depository participant other than the South African Transfer Secretary, should submit their proxies directly to their respective Brokers/institutions. Voting by proxy will not prevent you from voting in person if you attend the Meeting and revoke your proxy but will ensure that your vote will be counted if you are unable to attend.

Uranium One has retained Kingsdale Shareholder Services Inc. to assist in securing the return of completed proxies and to solicit proxies in favour of the resolution approving the Arrangement. If you have any questions, please contact Kingsdale Shareholder Services Inc. by email at or by telephone at 1-877-659-1818, toll free in North America, or at 1-416-867-2272 outside of North America (collect calls accepted), or by email at contactus@kingsdaleshareholder.com.

Letters of Transmittal and Forms of Surrender for Common Shares

If you hold your Common Shares through a broker or other intermediary, please contact that broker or other intermediary for instructions and assistance in receiving the Consideration in respect of your Common Shares.

Registered Shareholders (other than South African Shareholders), should complete and return the enclosed Letter of Transmittal (printed on blue paper) together with the certificate(s) representing your Common Shares and any other required documents and instruments, to the Canadian Depositary, Computershare Investor Services Inc., in the enclosed return envelope in accordance with the instructions set out in the Letter of Transmittal.

If you are a South African Shareholder and you hold your Common Shares as certificated shares (as opposed to dematerialised or electronically), you should complete and return the enclosed Form of Surrender (printed on pink

paper) together with the certificate(s) representing your Common Shares and any other required documents and instruments, to the South African Transfer Secretary, Computershare Investor Services (Proprietary) Limited, in the enclosed return envelope in accordance with the instructions set out in the Form of Surrender.

Optionholder Matters

Optionholders will also have the right to attend and vote at the Meeting. Optionholders who are unable or unwilling to attend the Meeting will be able to vote by proxy as if they were registered holders of Common Shares, as described above under the heading "*Voting*".

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While certain matters, such as the timing of the receipt of regulatory approvals, are beyond the control of Uranium One, if the resolution approving the Arrangement is passed by the requisite majorities of Securityholders at the Meeting, it currently is anticipated that the Arrangement will be completed and become effective in the second quarter of 2013.

Sincerely,

"*Christopher Sattler*"

Christopher Sattler
Chief Executive Officer

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that a special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") of Uranium One Inc. ("**Uranium One**" or the "**Company**") and the holders ("**Optionholders**", and together with Shareholders, "**Securityholders**") of options ("**Options**" and together with the Common Shares, "**Securities**") to purchase Common Shares will be held at the Toronto Board of Trade, First Canadian Place, 77 Adelaide Street West, Suite 350, Toronto, Ontario, on March 7, 2013 at 9:00 am (Toronto time) for the following purposes:

1. to consider pursuant to an interim order of the Ontario Superior Court of Justice dated February 6, 2013 (the "**Interim Order**") and, if thought advisable, to pass, with or without amendment, a special resolution (the "**Arrangement Resolution**"), the full text of which is set forth in Appendix "A" to the accompanying Management Information Circular (the "**Circular**"), to approve an arrangement (the "**Arrangement**") under section 192 of the *Canada Business Corporations Act* ("**CBCA**") whereby, among other things, (i) Effective Energy N.V. ("**Effective Energy**") will acquire all of the issued and outstanding Common Shares not already held by ARMZ or its affiliates for consideration of Cdn $2.86 in cash for each Common Share (or its Rand equivalent in respect of those Common Shares held by South African Shareholders), and (b) the Options will be cancelled and certain specified amounts will be paid to the Optionholders by the Company in respect of the Options held by them; and

2. to transact such further or other business as may properly come before the Meeting or any adjournment or postponement thereof.

The Circular provides additional information relating to the matters to be addressed at the Meeting, including the Arrangement.

The record date for the determination of Securityholders entitled to receive notice of and to vote at the Meeting is February 8, 2013 (the "**Record Date**"). Only Securityholders whose names have been entered in the registers of Securityholders as of the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting.

Each Security entitled to be voted at the Meeting will entitle the holder thereof as of the Record Date to one vote at the Meeting in respect of the Arrangement Resolution. To be effective, the Arrangement Resolution will have to be approved by (i) a majority of the votes cast by Shareholders other than (A) ARMZ and its affiliates and any related parties, and (B) any senior officers of the Company who hold Options; (ii) not less than two-thirds of the votes cast by Shareholders; and (iii) not less than two-thirds of the votes cast by Securityholders, voting together as one class.

Securityholders are entitled to vote at the Meeting either in person or by proxy, as described in the Circular under the heading "*General Proxy Information*".

Registered holders of Common Shares have the right to dissent with respect to the Arrangement Resolution and, if the Arrangement Resolution becomes effective, to be paid the fair value of their Common Shares in accordance with the provisions of section 190 of the CBCA as modified by the Plan of Arrangement and the Interim Order, as described in the accompanying Circular under the heading "*The Arrangement – Dissent Rights*". Failure to strictly comply with the requirements with respect to the dissent rights may result in the loss of any right to dissent. Persons who are beneficial owners of Common Shares registered in the name of a broker, custodian, nominee or other intermediary and who wish to dissent must make arrangements for the Common Shares beneficially owned by them to be registered in their name prior to the time the written objection to the Arrangement Resolution is required to be received by Uranium One or, alternatively, make arrangements for the registered holder of such Common Shares to dissent on their behalf.

DATED at Vancouver, British Columbia this 31st day of January, 2013.

BY ORDER OF THE BOARD OF DIRECTORS OF
URANIUM ONE INC.

"*Ian Telfer*"

Ian Telfer
Chairman of the Board

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INFORMATION CONTAINED IN THIS INFORMATION CIRCULAR

The information contained in this Circular, unless otherwise indicated, is given as of February 8, 2013.

No person is authorized by Uranium One to give any information (including any representations) in connection with the matters to be considered at the Meeting other than the information contained in this Circular. This Circular does not constitute an offer to sell, or a solicitation of an offer to acquire, any securities, or a solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or is unlawful.

Information contained in this Circular should not be construed as legal, tax or financial advice, and Securityholders should consult their own professional advisors concerning the consequences of the Arrangement in their own circumstances.

Neither the Arrangement (including its fairness or merits) nor this Circular (including the accuracy or adequacy of the information contained in this Circular) has been approved or disapproved by any securities regulatory authority (including any Canadian provincial or territorial securities regulatory authority, the United States Securities and Exchange Commission (the "**SEC**") or any other securities regulatory authority), and any representation to the contrary is unlawful.

CURRENCY AND EXCHANGE RATES

Unless otherwise indicated, all amounts in this Circular are expressed in Canadian dollars. On February 8, 2013, the noon rates of exchange as reported by the Bank of Canada were: (i) $1.00 = US$1.00 and US$1.00 = $1.00; (ii) $1.00 = £0.63 and £1 = $1.58; and (iii) $1.00 = ZAR 8.87 and ZAR 1 = $0.11.

In order to comply with the applicable requirements in South Africa, Shareholders that hold their Common Shares on the SA Register are to receive their Consideration in Rand, as calculated using the rate of exchange for Canadian dollars into Rand quoted by the Bank of Canada at 17:00 (South African Time) on the date that is six South African Business Days before the last date to trade Common Shares on the JSE. See "*The Arrangement – Procedure for Surrender of Common Shares and Payment of Consideration – Payment of Consideration – South African Shareholders*."

Information Contained in this Circular regarding the Purchaser

The information concerning the Purchaser and its affiliates (other than Uranium One and its subsidiaries) contained in this Circular has been provided by the Purchaser for inclusion in this Circular. Although Uranium One has no knowledge that would indicate any such information is untrue or incomplete, neither Uranium One nor any of its officers or directors assumes any responsibility for the accuracy or completeness of such information.

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

This solicitation of proxies is not subject to the requirements of Section 14(a) of the United States *Securities Exchange Act of 1934*, as amended. Accordingly, this Circular has been prepared in accordance with disclosure requirements in effect in Canada, which differ from disclosure requirements in the United States. Without limiting the foregoing, the disclosure in this Circular and the technical reports referred to herein with respect to mineralization, including references to "reserves", "resources" and derivatives of those terms, were (except as may be specifically noted) prepared in accordance with Canadian disclosure standards, which differ from the standards adopted by the SEC for U.S. companies. The definition of "reserves" under Canadian and SEC standards differ, and the SEC does not recognize or permit U.S. companies to disclose "resources" in documents filed with the SEC. Accordingly, statements regarding mineralization included in this Circular and such technical reports may not be comparable to disclosures by a United States company.

Financial statements and other financial information referred to in this Circular have been prepared in accordance with GAAP, which differ in certain respects from generally accepted accounting principles in the United States and therefore may not be comparable to financial statements of United States companies.

The enforcement by investors of civil liabilities under United States federal securities laws may be affected adversely by the fact that Uranium One exists under the laws of Canada, that most of the officers and directors of Uranium One are citizens and residents of countries other than the United States and that most of the assets and mineral projects of Uranium One are located outside of the United States. You may not be able to sue a Canadian company or its officers or directors in a Canadian court for violations of U.S. securities laws. It may be difficult to compel a Canadian company and its affiliates to subject themselves to a U.S. court's judgment.

NOTICE TO SOUTH AFRICAN AND OTHER SHAREHOLDERS OUTSIDE OF CANADA

Uranium One is a Canadian issuer. Uranium One has prepared this Circular in accordance with the disclosure requirements of Canada and the Arrangement is to be carried out in accordance with the applicable laws of Canada. Shareholders should be aware that such requirements are different from those of South Africa.

Shareholders who are not residents of Canada should be aware that the disposition of Common Shares pursuant to the Arrangement may have tax consequences both in Canada and in the jurisdiction in which they are resident which may not be described fully herein. The tax treatment of such Shareholders pursuant to the Arrangement is dependent on their individual circumstances and the tax jurisdiction applicable to such Shareholders. It is recommended that Shareholders consult their own tax advisors in this regard.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS AND RISKS

This Circular and the documents incorporated into this Circular by reference, contain "forward-looking statements" within the meaning of the United States *Private Securities Litigation Reform Act of 1995* and "forward-looking information" within the meaning of the applicable Canadian securities legislation (forward-looking information and forward-looking statements being collectively referred to as "**forward-looking statements**") that are based on expectations, estimates and projections as at the date of this Circular or the dates of the documents incorporated by reference, as applicable. These forward-looking statements include (but are not limited to) statements and information concerning: the Arrangement; the intentions, plans and future actions of the Purchaser and Uranium One; the timing for the implementation of the Arrangement and the potential benefits of the Arrangement; the likelihood of the Arrangement being completed; principal steps of the Arrangement; statements made in, and based upon, the Fairness Opinion and Formal Valuation; statements relating to the business and future activities of the Purchaser and Uranium One after the date of this Circular and prior to the Effective Time and after the Effective Time; Securityholder approval and Court approval of the Arrangement; regulatory approval of the Arrangement; and other statements that are not historical facts.

Any statements that involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements and are intended to identify forward-looking statements.

These forward-looking statements are based on the beliefs of Uranium One's management, as well as on assumptions and other factors, which such management believes to be reasonable based on information available at the time such statements were made. Such assumptions include, among other things, the satisfaction of the terms and conditions of the Arrangement, including the approval of the Arrangement and its fairness by the Court, and the receipt of the required governmental and regulatory approvals and consents.

By their nature, forward-looking statements are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Uranium One to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements are subject to a variety of 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: the Arrangement Agreement may be terminated in certain circumstances; general business, economic, competitive, political, regulatory and social uncertainties; risks related to factors beyond the control of the Purchaser or Uranium One; foreign countries' regulatory requirements; risks related to certain

Directors and executive officers of Uranium One possibly having interests in the Arrangement that are different from other Securityholders; risks relating to the possibility that holders of more than 10% of the Common Shares may exercise their Dissent Rights; risks that other conditions to the consummation of the Arrangement are not satisfied; global economic climate; dilution; ability to complete acquisitions; environmental risks; community and non-governmental actions and regulatory risks.

This list is not exhaustive of the factors that may affect any of forward-looking statements of Uranium One. Forward-looking statements are statements about the future and are inherently uncertain. There can be no assurance that the forward-looking statements will prove to be accurate. Actual results could differ materially from those reflected in the forward-looking statements as a result of, among other things, the matters set out or incorporated by reference in this Circular generally and economic and business factors, some of which may be beyond the control of Uranium One. Some of the more important risks and uncertainties that could affect forward-looking statements are described further under the heading "*The Arrangement – Risks Associated with the Arrangement*". Additional risks are discussed under the heading "*Description of the Business – Risk Factors*" in Uranium One's Annual Information Form dated March 30, 2012 for the year ended December 31, 2011, a copy of which is available under the Company's profile on SEDAR at www.sedar.com. Uranium One expressly disclaims any intention or obligation to update or revise any information contained in this Circular (including forward-looking statements) except as required by applicable laws, and Securityholders should not assume that any lack of update to information contained in this Circular means that there has been no change in that information since the date of this Circular and should not place undue reliance on forward-looking statements.

GLOSSARY OF TERMS

In this Circular and accompanying Notice of Meeting, unless there is something in the subject matter inconsistent therewith, the following terms shall have the respective meanings set out below, words importing the singular number shall include the plural and vice versa and words importing any gender shall include all genders.

"**2010 Transaction Agreement**"	means the purchase and subscription agreement dated June 8, 2010 among ARMZ, the Purchaser, UMC and Uranium One.
"**Acquisition Proposal**"	means, other than the transactions contemplated by the Arrangement Agreement, any *bona fide* offer, proposal or inquiry (written or oral) from any Person or group of Persons other than ARMZ (or any affiliate of ARMZ) made after the date of the initial Arrangement Agreement relating to: (i) any direct or indirect sale, disposition or joint venture (or any lease, long-term supply agreement or other arrangement having the same economic effect as a sale), in a single transaction or a series of related transactions, of assets representing 20% or more of the consolidated assets or contributing 20% or more of the consolidated revenue of the Company and its Subsidiaries or of 20% or more of the voting, equity or other securities of the Company or any of its Subsidiaries (or rights or interests therein or thereto) representing 20% or more of the consolidated assets of the Company and its Subsidiaries, taken as a whole; (ii) any direct or indirect take-over bid, tender offer, exchange offer, treasury issuance or other transaction that, if consummated, would result in a Person or group of Persons beneficially owning 20% or more of any class of voting, equity or other securities or any other equity interests (including securities convertible into or exercisable or exchangeable for voting or equity securities) of the Company or any of its Subsidiaries representing 20% or more of the consolidated assets of the Company and its Subsidiaries, taken as a whole; (iii) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution, winding up or exclusive license involving the Company or any of its Subsidiaries representing 20% or more of the consolidated assets or contributing 20% or more of the consolidated revenue of the Company and its Subsidiaries; (iv) any other similar transaction or series of transactions involving the Company or any of its Subsidiaries; or (v) any other transaction, the consummation of which could reasonably be expected to impede, prevent or delay the transactions contemplated by the Arrangement Agreement or the Arrangement.
"**affiliate**"	has the meaning specified in National Instrument 45-106 – *Prospectus and Registration Exemptions*.
"**allowable capital loss**"	has the meaning ascribed thereto under the heading "*Tax Considerations – Certain Canadian Federal Income Tax Considerations*".
"**ARMZ**"	means JSC Atomredmetzoloto, parent of the Purchaser.
"**Arrangement**"	means an arrangement under section 192 of the CBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of the Arrangement Agreement or made at the direction of the Court in the Final Order.
"**Arrangement Agreement**"	means the Arrangement Agreement dated as of January 13, 2013, as amended and restated on February 8, 2013, between ARMZ, the Purchaser and the Company, as the same may be amended, supplemented or otherwise modified from time to time in accordance with its terms.
"**Arrangement Resolution**"	means the special resolution approving the Plan of Arrangement to be considered at the Meeting substantially in the form set out in Appendix "A".

"**Articles of Arrangement**"	means the articles of arrangement of the Company in respect of the Arrangement, which shall include the Plan of Arrangement.
"**associate**"	has the meaning ascribed thereto in the *Securities Act* (Ontario).
"**Atomic Energy Act**"	has the meaning ascribed thereto under the heading "*The Arrangement – Regulatory Law Matters and Securities Law Matters – United States Regulatory Matters*".
"**Betpak Dala LLP**"	means Joint Venture "Betpak Dala" LLP.
"**Board**"	means the board of directors of the Company as constituted from time to time.
"**Broker**"	means any Person registered as a broking member (equities) in terms of the Rules of the JSE made in accordance with the provisions of the South African Securities Services Act, 2004 (Act 36 of 2004).
"**Business Day**"	means any day of the year, other than a Saturday, Sunday, a public holiday or a day when banks in Toronto, Ontario, Johannesburg, South Africa, Amsterdam, Netherlands and Moscow, Russia are not generally open for business.
"**Canaccord Genuity**"	means Canaccord Genuity Corp.
"**Canadian Depositary**"	means Computershare Trust Company of Canada, which has been appointed by the Company as depositary (other than in respect of South African Shareholders) for the purpose of, among other things, receiving Letters of Transmittal (as defined in the Plan of Arrangement) and cheques in respect of the Consideration payable to Shareholders (other than South African Shareholders) under the Arrangement.
"**Cassels**"	means Cassels, Brock & Blackwell LLP.
"**CBCA**"	means the *Canada Business Corporations Act*.
"**Certificated Shares**"	means, as applicable, Common Shares which have not been dematerialised, title to which is evidenced by physical Documents of Title.
"**Certificated South African Shareholders**"	means South African Shareholders who hold Certificated Shares.
"**CFIUS**"	means the Committee on Foreign Investment in the United States.
"**Circular**"	means, collectively, the Notice of Meeting and this Management Information Circular of the Company, including all appendices hereto, sent to Securityholders in connection with the Meeting.
"**Code**"	has the meaning ascribed thereto under the heading "*Tax Considerations - Certain United States Federal Income Tax Considerations*".
"**Common Monetary Area**"	means South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland.
"**Common Shares**"	means the common shares in the capital of the Company.
"**Communications Act**"	has the meaning ascribed thereto under the heading "*The Arrangement – Regulatory Law Matters and Securities Law Matters – United States Regulatory Matters*".
"**Company**" or "**Uranium One**"	means Uranium One Inc.
"**Consideration**"	means the consideration to be received by the Shareholders pursuant to the Plan of Arrangement consisting of, for each Common Share, $2.86 in cash (or, in respect of the South African Shareholders, the Rand equivalent, as determined on the Conversion Reference Date).

"**Contracts**"	means any agreement, commitment, engagement, contract, licence, lease, obligation, undertaking or joint venture (written or oral) to which the Company or any of its Subsidiaries is a party or by which it or any of its Subsidiaries is bound or affected or to which any of its or their respective properties or assets is subject.
"**Conversion Reference Date**"	means the date which will be six South African Business Days before the last date to trade Common Shares on the JSE.
"**Court**"	means the Ontario Superior Court of Justice.
"**Covered Transaction**"	has the meaning ascribed thereto under the heading "*The Arrangement – Regulatory Law Matters and Securities Law Matters – United States Regulatory Matters*".
"**CRA**"	means the Canada Revenue Agency.
"**CSDP**"	means a Central Securities Depository Participant, a participant as defined in section 1 of the South African Securities Services Act, 2004 (Act 36 of 2004).
"**Debentures**"	means the $259,985,000 aggregate principal amount of 7.5% (re-set to 5%) convertible unsecured subordinated debentures of the Company due March 13, 2015.
"**Demand for Payment**"	means a written notice containing the Dissenting Holder's name and address, the number of Dissenting Shares held by the Dissenting Holder, and a demand for payment of the fair value of such Dissenting Shares.
"**Dematerialised Shares**"	Means Common Shares which have been incorporated into the Strate system and which are no longer evidenced by physical Documents of Title.
"**Dematerialised South African Shareholders**"	means South African Shareholders who hold Dematerialised Shares.
"**Depositary**"	means, as determined by the context, the Canadian Depositary and/or the South African Transfer Secretary.
"**Director**"	means the Director appointed pursuant to section 260 of the CBCA.
"**Directors**"	means the directors of the Company.
"**Dissent Notice**"	means a written objection to the Arrangement Resolution by a Registered Shareholder in accordance with the Dissent Procedures.
"**Dissent Procedures**"	means the dissent procedures and requirements set forth in section 190 of the CBCA as modified by the Plan of Arrangement and the Interim Order and described in this Circular under the heading "*The Arrangement – Dissent Rights*".
"**Dissent Right**"	means the right of a Registered Shareholder to dissent in respect of the Arrangement in strict compliance with the Dissent Procedures.
"**Dissent Shares**"	means Common Shares held by a Dissenting Shareholder.
"**Dissenting Holder**"	means a registered holder of Common Shares who has validly exercised his, her or its Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the Common Shares in respect of which Dissent Rights are validly exercised by such registered holder of Common Shares.
"**Documents of Title**"	means Common Share certificates, certified transfer deeds, balance receipts or any other documents of title to Certificated Shares, acceptable to the Purchaser in its reasonable discretion.
"**Effective Date**"	means the date upon which the Arrangement becomes effective, as set out in the Plan of Arrangement.

"**Effective Time**"	means 12:01 a.m. (Toronto time) on the Effective Date.
"**Eligible Institution**"	means a Canadian Schedule I Chartered Bank, a member of the Securities Transfer Agents Medallion Program (STAMP), a member of the Stock Exchanges Medallion Program (SEMP) or a member of the New York Stock Exchange Inc. Medallion Signature Program (MSP).
"**Employee Optionholder**"	means an Optionholder that is an employee or officer of the Company or any of its Subsidiaries as of: (i) the Effective Date; and (ii) December 31, 2013, unless such employee or officer was terminated without just cause following the Effective Date and prior to December 31, 2013.
"**Fairness Opinion**"	means the opinion of Canaccord Genuity dated January 13, 2013 delivered to the Board in connection with the Arrangement, a copy of which is attached as Appendix "C" to this Circular.
"**FAS**"	has the meaning ascribed thereto under the heading "*The Arrangement – Regulatory Law Matters and Securities Law Matters – Russian Regulatory Matters*".
"**FATA**"	means the *Foreign Acquisitions and Takeovers Act 1975* (Cth).
"**FCC**"	has the meaning ascribed thereto under the heading "*The Arrangement – Regulatory Law Matters and Securities Law Matters – United States Regulatory Matters*".
"**Final Order**"	means the final order of the Court in a form acceptable to the Company and the Purchaser, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both the Company and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Company and the Purchaser, each acting reasonably) on appeal.
"**FIRB**"	means the Australian Government's Foreign Investment Review Board.
"**FIRB Approval**"	means the occurrence of any of the following events: (a) the Treasurer of Australia (or his or her delegate) giving an approval to the transactions contemplated by the Arrangement Agreement under the FATA (that approval to be subject to no conditions or only to those conditions that the Purchaser considers in its absolute discretion to be acceptable); (b) the Treasurer of Australia ceasing to be entitled to make an order under Part II of the FATA in respect of the transactions contemplated by the Arrangement Agreement; or (c) the Treasurer of Australia (or his or her delegate) indicating to the Purchaser that there is no objection in terms of the Australian Government's Foreign Investment Policy to the transactions contemplated by the Arrangement Agreement (that indication to be subject to no conditions or only to those conditions that the Purchaser considers in its absolute discretion to be acceptable).
"**FIRB Policy**"	has the meaning ascribed thereto under the heading "*The Arrangement – Regulatory Law Matters and Securities Law Matters – Australian Regulatory Matters*".
"**Formal Valuation**"	means the formal valuation of the Common Shares dated January 13, 2013 that was prepared by GMP in accordance with MI 61-101, a copy of which is attached as Appendix "D" to this Circular.
"**Form of Surrender**"	means the form of surrender(s) (printed on pink paper) delivered by the Company to South African Shareholders together with this Circular, providing for the delivery of the Common Shares held by South African Shareholders to the South African Transfer Secretary.

"**Framework Agreement**"	means the amended and restated framework agreement between the Company and ARMZ dated June 8, 2010.
"**GAAP**"	means generally accepted accounting principles as set out in the Canadian Institute of Chartered Accountants Handbook – Accounting for an entity that prepares its financial statements in accordance with International Financial Reporting Standards, at the relevant time, applied on a consistent basis.
"**Goodmans**"	means Goodmans LLP.
"**Governmental Entity**"	means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, commissioner, minister, cabinet, governor in council, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, or (iv) any stock exchange.
"**GMP**"	means GMP Securities L.P.
"**Independent Committee**"	means the special committee of independent Directors consisting of Kenneth Williamson (Chair), Ian Telfer, and Andrew Adams.
"**Interim Order**"	means the interim order of the Court dated February 6, 2013 providing for, among other things, the calling and holding of the Meeting, as such order may be amended by the Court with the consent of the Company and the Purchaser, each acting reasonably.
"**Intermediary**"	means an intermediary with which a Non-Registered Holder may deal, including banks, trust companies, securities dealers or brokers and trustees or administrators of self-directed trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans (collectively, as defined in the Tax Act) and similar plans, and their nominees.
"**In-the-Money Option**"	means an Option that has an exercise price payable in respect of the Common Share underlying such Option that is less than the Consideration.
"**In-the-Money Option Consideration**"	means, in respect of each In-the-Money Option, a cash amount equal to the amount by which the Consideration exceeds the exercise price payable under such In-the-Money Option by the holder thereof to acquire the Common Share underlying such Option.
"**IRS**"	means the Internal Revenue Service of the United States.
"**Joint Ventures**"	means Kyzylkum LLP, SKZ-U LLP, Zarechnoye JSC, JSC Akbastau, Karatau LLP and Betpak Dala LLP.
"**JSE**"	means the stock exchange operated by the JSE Limited (registration number 2005/0222939/06), a public company incorporated and registered in South Africa, licensed as an exchange under the Securities Services Act, 2004 (Act 36 of 2004).

"**Kazakh Approval**"	means, if required (i) a waiver of any and all pre-emptive rights asserted by the Government of Kazakhstan or other authorized Governmental Entities of Kazakhstan over the Common Shares, pursuant to Article 12 of the Subsoil Use Law and the associated consent of the Ministry of Industry and New Technologies of Kazakhstan to the transfer of the Common Shares to the Purchaser, pursuant to Article 36 of the Subsoil Use Law, and (ii) a resolution of the Government of Kazakhstan approving the transfer of the Common Shares to the Purchaser, pursuant to Article 193-1 of the *Civil Code of Kazakhstan* (General Part) dated December 27, 1994, or a letter from the authorized Governmental Entity of Kazakhstan that no such resolution is required, in the form acceptable to the Purchaser and ARMZ.
"**Kingsdale**"	means Kingsdale Shareholder Services Inc., the Company's proxy solicitation agent for the Meeting.
"**Law**" **or** "**Laws**"	means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended unless expressly specified otherwise.
"**Letter of Transmittal**"	means the letter of transmittal(s) (printed on blue paper) delivered by the Company to Shareholders together with this Circular, providing for the delivery of the Common Shares held by Shareholders (other than South African Shareholders) to the Canadian Depositary.
"**Lien**"	means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachment, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute.
"**Loan**"	means an interest-bearing demand loan on commercially reasonable terms in an amount to be agreed between the Parties.
"**Mantra**"	means Mantra Resources Pty Limited.
"**Material Adverse Effect**"	means any change, event, occurrence, effect, state of facts or circumstance that, individually or in the aggregate with other such changes, events, occurrences, effects, state of facts or circumstances: (a) is or would reasonably be expected to be material and adverse to the business, operations, results of operations, assets, properties, capitalization, condition (financial or otherwise), liabilities (contingent or otherwise) of Uranium One and its Subsidiaries, taken as a whole, except any such direct or indirect , either alone or in combination, change, event, occurrence, effect, state of facts or circumstances resulting from: (i) any change affecting the global uranium industry, including the price of uranium, as a whole; (ii) any change in Law or GAAP or in the interpretation or application of any Laws by any Governmental Entity; (iii) the announcement of the Arrangement Agreement or the transactions contemplated thereby; (iv) any change in the market price or trading volume of any securities of the Company (it being understood that the causes underlying such change in market price or trading volume may be taken into account in determining whether a Material Adverse Effect has occurred); (v) changes, developments or conditions in or relating to general international, political, economic or financial or capital market conditions in any jurisdiction in which the Company or any of its Subsidiaries operate or carry on business; (vi) changes or developments in or relating to currency exchange or interest rates or

rates of inflation; (vii) any failure to meet any internal or publicly disclosed projections, forecasts or estimates of, or guidance relating to, revenue, earnings, cash flow or other financial metrics of the Company or the production of uranium by the Company or its Subsidiaries, whether made by or attributed to the Company or any financial analyst or other person; or (viii) any legal proceedings commenced by or involving any current or former securityholders of the Company arising out of or relating to the Arrangement Agreement, provided, however, that with respect to clauses (i) (ii), (v) or (vi), such matter does not have a materially disproportionate effect on the business, operations, results of operations, assets, properties, capitalization, condition (financial or otherwise), or liabilities (contingent or otherwise) of the Company and its Subsidiaries, taken as a whole, relative to other comparable companies and entities operating in the uranium industry in which the Company and its Subsidiaries operate; or (b) materially impairs or delays, or could reasonably be expected to materially impair or delay, the performance by the Company of its obligations under the Arrangement Agreement or impair or delay the Company's ability to consummate the Arrangement or any other transaction contemplated by the Arrangement Agreement by the Outside Date.

"**Material Contract**" means any Contract: (i) that if terminated or modified or if it ceased to be in effect, would reasonably be expected to have a Material Adverse Effect; (ii) any partnership agreement, limited liability company agreement, joint venture agreement or similar agreement or arrangement relating to the formation, creation or operation of any partnership, limited liability company, joint venture or other arrangement in which the interest of the Company and/or its Subsidiaries and/or the Joint Ventures exceeds a certain limit (book value or fair market value); (iii) relating directly or indirectly to the guarantee of any liabilities or obligations or to indebtedness (currently outstanding or which may become outstanding) for borrowed money in excess of a certain limit; (iv) restricting the incurrence of indebtedness by the Company or any of its Subsidiaries or the Joint Ventures or (including by requiring the granting of an equal and rateable Lien) the incurrence of any Liens on any properties or assets of the Company or any of its Subsidiaries or the Joint Ventures, or restricting the payment of dividends by the Company or by any of its Subsidiaries or Joint Ventures; (v) under which the Company or any of its Subsidiaries or the Joint Ventures is obligated to make payments on an annual basis in excess of a certain limit or in excess of a certain limit over the remaining term; (vi) under which the Company or any of its Subsidiaries or the Joint Ventures is or is entitled to receive payments on an annual basis in excess of a certain limit or in excess of a certain limit over the remaining term; (vii) that creates an exclusive dealing arrangement or right of first offer or refusal; (vii) providing for severance or change in control payments in excess of a certain limit; (viii) providing for the purchase, sale or exchange of, or option to purchase, sell or exchange, any property or asset where the purchase or sale price or agreed value or fair market value of such property or asset exceeds a certain limit; or (ix) that is otherwise material to the Company, its Subsidiaries or the Joint Ventures, taken as a whole.

"**Meeting**" means the special meeting of Securityholders, including any adjournment or postponement of such special meeting in accordance with the terms of the Arrangement Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution.

"**Minority Shareholders**" means Shareholders other than (i) ARMZ, its affiliates and any related parties (as defined in MI 61-101), and (ii) any senior officers of Uranium One who hold Options.

"**MI 61-101**"	means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.
"**NI 43-101**"	means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.
"**Non-Registered Holder**"	means a Shareholder who is not a Registered Shareholder.
"**Non-Resident Shareholder**"	has the meaning ascribed to thereto under the heading "*Tax Considerations – Certain Canadian Federal Income Tax Considerations*".
"**Notice of Meeting**"	means the notice to the Securityholders of the Meeting that accompanies this Circular.
"**NRC**"	has the meaning ascribed thereto under the heading "*The Arrangement – Regulatory Law Matters and Securities Law Matters – United States Regulatory Matters*".
"**NRC Approval**"	means issuance by the U.S. Nuclear Regulatory Commission of any licenses or other approvals that are necessary as a result of the transactions contemplated by the Arrangement Agreement.
"**Offer to Pay**"	has the meaning ascribed to thereto under the heading "*The Arrangement – Dissent Rights*".
"**officer**"	has the meaning ascribed thereto in the *Securities Act* (Ontario).
"**Optionholders**"	means the holders of Options granted pursuant to the Stock Option Plans.
"**Options**"	means the outstanding options to purchase Common Shares issued pursuant to the Stock Option Plans.
"**Outside Date**"	means December 1, 2013, or such later date as may be agreed to in writing by the Parties.
"**Out-of-the-Money Option**"	means an Option that has an exercise price payable in respect of the Common Share underlying such Option that is more than the Consideration.
"**Parties**"	means the Company, the Purchaser and ARMZ, and "**Party**" means any one of them.
"**Person**"	includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.
"**PFIC**"	has the meaning ascribed thereto under the heading "*Tax Considerations – Certain United States Federal Income Tax Considerations*".
"**Plan of Arrangement**"	means the plan of arrangement under the CBCA setting out the terms and conditions of the Arrangement, substantially in the form set out in Appendix "B", subject to any amendments or variations to such plan made in accordance with section 8.1 of the Arrangement Agreement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.
"**Proposed Amendments**"	has the meaning ascribed to thereto under the heading "*Tax Considerations – Certain Canadian Federal Income Tax Considerations*".
"**Purchaser**"	means Effective Energy N.V.
"**Rand**"	means the lawful currency of South Africa.
"**Record Date**"	means February 8, 2013.

"**Registered Securityholder**"	means a registered holder of Common Shares or Options.
"**Registered Shareholder**"	means a registered holder of Common Shares.
"**Regulatory Approvals**"	means, if required, FIRB Approval, Kazakh Approval, Utah DRC Approval, U.S. FCC Approval, NRC Approval, SARB Approval and any other consent, waiver, permit, exemption, review, order, decision or approval, or registration or filing with, any Governmental Entity, or the expiry, waiver or termination of any waiting period imposed by Law or a Governmental Entity, in each case required or advisable under Laws in connection with the Arrangement, which if not obtained or made would, individually or in the aggregate, materially impede the ability of the Parties to consummate the Arrangement and the transactions contemplated thereby.
"**Representatives**"	means any officer, director, employee, representative (including any financial or other adviser) or agent of the Company or of any of its Subsidiaries, but excluding Vadim Jivov and Ilya Yampolskiy.
"**Resident Shareholder**"	has the meaning ascribed to thereto under the heading "*Tax Considerations – Certain Canadian Federal Income Tax Considerations*".
"**SA Branch Register**"	means the branch register in South Africa for holders of Common Shares traded on the JSE.
"**SA Payment Date**"	means the date which will be the first South African Business Day after the SA Payment Record Date.
"**SA Payment Record Date**"	means the date for determining the South African Shareholders who will be entitled to receive payment of the Rand equivalent of the Consideration, which will be five South African Business Days after the last date to trade Common Shares on the JSE.
"**SARB Approval**"	means the approval of the Financial Surveillance Department of the South African Reserve Bank.
"**Section 721**"	has the meaning ascribed thereto under the heading "*The Arrangement – Regulatory Law Matters and Securities Law Matters – United States Regulatory Matters*".
"**Securities**"	means the outstanding Common Shares and Options.
"**Securities Act**"	means the *Securities Act* (Ontario) and the rules, regulations, and published policies made thereunder, as now in effect and as they may be promulgated or amended from time to time.
"**Securityholders**"	means the holders from time to time of Common Shares and Options.
"**SEDAR**"	means the System for Electronic Document Analysis and Retrieval as outlined in National Instrument 13-101 – *System for Electronic Document Analysis and Retrival*, which can be accessed online at www.sedar.com.
"**SENS**"	means the Securities Exchange News Service of the JSE.
"**Shareholders**"	means the registered or beneficial holders of the Common Shares, as the context requires.
"**South Africa**"	means the Republic of South Africa.
"**South African Business Day**"	means any day of the year, other than a Saturday, Sunday, a public holiday or a day when banks in Johannesburg, South Africa are not generally open for business.
"**South African Shareholders**"	means Shareholders who are registered as holders of Common Shares on the SA Branch Register.

"**South African Transfer Secretary**"	means Computershare Investor Services (Proprietary) Limited, which has been appointed by the Company as the transfer secretary in respect of the South African Shareholders for the purpose of, among other things, receiving Forms of Surrender and the Consideration payable to South African Shareholders under the Arrangement.
"**Stock Option Plans**"	means the Company Stock Option Plan dated May 5, 2006 as amended and re-approved May 8, 2009 and May 7, 2012 and the Signature Resources Ltd. stock option plan dated April 26, 2005.
"**Strate**"	means Strate Limited (registration number 1998/022242/06), a licensed securities depository in terms of section 1 of the Securities Services Act, 2004 (Act 36 of 2004).
"**Subsidiary**"	means with respect to a Person, any entity, whether incorporated or unincorporated: (i) of which such Person or any other Subsidiary of such Person is a general partner; or (ii) at least 50% of the securities or other interests of which having by their terms ordinary voting power to elect a majority of the board of directors or other Persons performing similar functions with respect to such corporation or other organization is directly or indirectly owned or controlled by such Person and/or by any one or more of its Subsidiaries; and shall include any body corporate, partnership, joint venture or other entity over which it exercises direction or control but for the purposes of section 4.1 and schedule "C" of the Arrangement Agreement, shall not include Mantra and its direct and indirect subsidiaries and JSC Akbastau, Karatau LLP and Betpak Dala LLP.
"**Subsoil Use Law**"	means the *Law of Kazakhstan dated 24th of June 2010 No 291-IV "On Subsoil and Subsoil Use"*, as subsequently amended.
"**Superior Proposal**"	means any unsolicited *bona fide* written Acquisition Proposal from a Person who is an arm's length third party made after the date of the Arrangement Agreement: (i) to acquire not less than all of the outstanding Common Shares (other than Common Shares held by ARMZ or its affiliates) or not less than 50% of the assets of the Company on a consolidated basis; (ii) that did not result from or involve a breach of the Arrangement Agreement; (iii) that the Board has determined in good faith is reasonably capable of being completed without undue delay, taking into account, all financial, legal, regulatory and other aspects of such proposal and the Person making such proposal; (iv) that is not subject to any financing condition; (v) that is not subject to any due diligence and/or access condition; and (vi) in respect of which the Board and any relevant committee thereof determines, in its good faith judgment, after receiving the advice of its outside legal counsel and financial advisors and after taking into account all the terms and conditions of the Acquisition Proposal, including all legal, financial, regulatory and other aspects of such Acquisition Proposal and the party making such Acquisition Proposal, would, if consummated in accordance with its terms, but without assuming away the risk of non-completion, result in a transaction which is more favourable, from a financial point of view, to Shareholders (other than ARMZ and its affiliates) than the Arrangement (including any amendments to the terms and conditions of the Arrangement proposed by the Purchaser pursuant to section 5.4(2) of the Arrangement Agreement).
"**Superior Proposal Notice**"	means a written notice delivered by the Company to the Purchaser and ARMZ of the determination of the Board that an Acquisition Proposal constitutes a Superior Proposal and of the intention of the Board to enter into such definitive agreement or withdraw or modify the Board's recommendation in respect of the Arrangement with respect to such Superior Proposal.
"**Supporting Shareholders**"	means each of the executive officers and the directors of the Company that executed a Voting Agreement.

"**Tax Act**"	means the *Income Tax Act* (Canada), including all regulations made thereunder, as amended from time to time.
"**taxable capital gain**"	has the meaning ascribed thereto under the heading "*Tax Considerations – Certain Canadian Federal Income Tax Considerations*".
"**Termination Fee**"	means a fee of $45 million.
"**Transaction**"	has the meaning ascribed thereto under the heading "*The Arrangement – Background to the Arrangement*".
"**TSX**"	means the Toronto Stock Exchange.
"**UDRC**"	has the meaning ascribed thereto under the heading "*The Arrangement – Regulatory Law Matters and Securities Law Matters – United States Regulatory Matters*".
"**UMC**"	means JSC Uranium Mining Company, a wholly-owned subsidiary of ARMZ.
"**United States**" **or** "**U.S.**" **or** "**USA**"	means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.
"**U.S. FCC Approval**"	means the issuance by the U.S. Federal Communications Commission of any licenses or other approvals that are necessary as a result of the transactions contemplated by the Arrangement Agreement.
"**U.S. Shareholder**"	has the meaning ascribed thereto under the heading "*Tax Considerations – Certain United States Federal Income Tax Considerations*".
"**U.S. Treaty**"	means the *Canada-United States Income Tax Convention*, as amended.
"**Utah DRC Approval**"	means issuance by the State of Utah Department of Environmental Quality, Division of Radiation Control of any licenses or other approvals that are necessary as a result of the transactions contemplated by the Arrangement Agreement.
"**Voting Agreements**"	means the agreements to vote in favour of the Arrangement from each of Uranium One's directors and executive officers.
"**Warrant**"	means the non-negotiable bonus warrant to obtain Common Shares dated November 7, 2005, as amended.
"**Zarechnoye JSC**"	means JSC Kazakhstan-Russian-Kyrgyzstan Joint Venture with Foreign Investments "Zarechnoye".

SUMMARY

This summary is qualified in its entirety by the more detailed information appearing elsewhere in this Circular, including the Appendices (which are incorporated into and form part of this Circular). Terms with initial capital letters in this summary are defined in the Glossary of Terms immediately preceding this summary.

The Meeting

The Meeting will be held at the Toronto Board of Trade, First Canadian Place, 77 Adelaide Street West, Suite 350, Toronto, Ontario, on Thursday, March 7, 2013 commencing at 9:00 a.m. (Toronto time).

Record Date

Only Securityholders of record at the close of business on February 8, 2013 will be entitled to receive notice of and to vote at the Meeting, or any adjournment or postponement thereof.

Purpose of the Meeting

The purpose of the Meeting is for Securityholders to consider and vote upon the Arrangement Resolution. To be effective, the Arrangement Resolution must be approved by (i) a majority of the votes cast in person or by proxy at the Meeting by Minority Shareholders, as contemplated by MI 61-101 in the context of a "business combination", (ii) not less than two-thirds of the votes cast by Shareholders present in person or represented by proxy at the Meeting, and (iii) not less than two-thirds of the votes cast by Securityholders, voting together as one class, present in person or represented by proxy at the Meeting.

Principal Steps of the Arrangement

Under the Plan of Arrangement, commencing at the Effective Time, the following principal steps shall occur and shall be deemed to occur in the following order (at five minute intervals) without any further act or formality:

(a) Dissent Shares. Each Common Share held by Dissenting Holders shall be, and be deemed to have been, assigned and transferred by the Dissenting Holder, to the Purchaser (free and clear of all Liens) in consideration for a debt claim against the Purchaser for the amount determined in accordance with Article 3 of the Plan of Arrangement;

(b) Common Shares. Each Common Share outstanding immediately prior to the Effective Time, other than (A) a Common Share held by ARMZ or its affiliates; or (B) a Common Share held by a Dissenting Holder, shall be, and be deemed to have been, assigned and transferred, without any further act of formality, by the holder thereof to the Purchaser (free and clear of all Liens) in exchange for the applicable Consideration for each Common Share;

(c) Options. Notwithstanding the terms of the Stock Option Plans, with respect to the Options, each Option shall be cancelled in exchange for the following consideration:

  (i) each holder of an In-the-Money Option shall receive a cash payment equal to the In-the-Money Option Consideration in respect of such Option;

  (ii) Employee Optionholders shall receive on December 31, 2013:

    (A) in respect of each In-the-Money Option held by such Employee Optionholder, a cash payment equal to (a) the fair value of such Option determined using the "Black-Scholes" valuation model calculated as of the Effective Date as per standard industry practice, less (b) the In-the-Money Option Consideration; and

(B) in respect of each Out-of-the-Money Option held by such Employee Optionholder, a cash payment equal to the fair value of such Option determined using the "Black-Scholes" valuation model calculated as of the Effective Date as per standard industry practice;

(iii) the holder of each Option will cease to be the holder thereof or to have any rights as a holder in respect of such Option (other than to be paid the consideration pursuant to (ii)(A) and/or (ii)(B) above, as applicable) or under the Stock Option Plans and the name of the holder thereof will be removed from the applicable securities register of the Company with respect to such Option; and

(iv) the Options shall be cancelled, and none of the Company nor the Purchaser or any of their respective affiliates or successors shall have any liability in respect thereof (other than to pay the consideration pursuant to (ii)(A) and/or (ii)(B) above, as applicable).

See "*The Arrangement – Principal Steps of the Arrangement"*.

Background to the Arrangement

The Arrangement is the result of arm's-length negotiations conducted between members of the Independent Committee and their legal representatives with representatives of ARMZ and their legal representatives.

On December 19, 2012, Mr. Jivov contacted Mr. Ian Telfer, Chairman of the Board, to discuss the possibility of ARMZ proposing a Transaction to the Company. The specific terms upon which a Transaction might be proposed were not disclosed at that time, although Mr. Jivov indicated that ARMZ would not be prepared to make a formal proposal unless it was certain that such proposal would be supported by the Board.

At a meeting of the Board held on December 21, 2012, the Board was advised by Mr. Jivov that ARMZ had indicated that it might be prepared to consider a Transaction but that it would only be willing to make a formal proposal if, among other things, the proposed Transaction would be supported by the Board. Mr. Jivov also advised the Board that if a proposal to effect a Transaction were made, the maximum price ARMZ would be prepared to pay was $2.86 per Common Share.

The Board determined to form a committee of independent directors to conduct all aspects of the process to be carried out by the Company and its professional advisors in connection with a possible Transaction with ARMZ. The Board established the Independent Committee.

At a meeting of the Independent Committee held on December 27, 2012, the Independent Committee received presentations from Canaccord Genuity and GMP. The Independent Committee resolved to select GMP to act as independent valuator and to prepare a formal valuation of the Common Shares in accordance with MI 61-101, and to retain Canaccord Genuity to act as financial advisor to the Independent Committee.

Late in the day on January 2, 2013, counsel to ARMZ provided the first draft of the Arrangement Agreement setting out the comprehensive terms of a proposed Transaction to Cassels and counsel for the Company, Goodmans, for review. Under the draft Arrangement Agreement, ARMZ proposed to acquire all of the outstanding Common Shares it did not beneficially own for an unspecified amount of cash consideration by way of an arrangement to be effected with its wholly-owned subsidiary, Effective Energy.

From January 7 to January 13, 2013, the Independent Committee and ARMZ, together with their legal counsel and with input from management and counsel to the Company, negotiated the Arrangement Agreement, including finalizing the Consideration which was the maximum cash consideration that Mr. Jivov had advised could be available to ARMZ for a possible Transaction.

On January 13, 2013, the Independent Committee met with GMP to receive the Formal Valuation. GMP presented its Valuation to the Independent Committee which stated that, based upon the analyses, assumptions, qualifications and limitations discussed in the Formal Valuation, GMP was of the opinion that as at January 13, 2013, the fair market value of the Common Shares was in the range of US$2.66 to US$3.21 per Common Share (equivalent to

$2.62 to $3.16 using the closing exchange rate of $1.00 = US$1.0154 as of Friday, January 11, 2013, the last trading day before the date of delivery of the Formal Valuation and the execution of the Arrangement Agreement). The full text of the Formal Valuation is attached as Appendix "D" to this Circular.

Following the GMP presentation of the Formal Valuation, Canaccord Genuity presented its materials and analysis in support of the Fairness Opinion to the Independent Committee. Canaccord Genuity presented its opinion to the Independent Committee that, as of January 13, 2013 and subject to the analyses, assumptions, qualifications and limitations set forth in the Fairness Opinion, the Consideration to be received by Shareholders (other than ARMZ and its affiliates) pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders. The full text of the Fairness Opinion is attached as Appendix "C" to this Circular.

Following the presentations from GMP, Canaccord Genuity and Cassels and, after discussion, the Independent Committee unanimously determined that the acquisition by ARMZ of the outstanding Common Shares pursuant to the proposed Arrangement on the terms set out in the Arrangement Agreement would be in the best interests of the Company, the Consideration to be received by Shareholders (other than ARMZ and its affiliates) pursuant to the proposed Transaction would be fair to those Shareholders and that it would recommend to the Board that the Company enter into the Arrangement Agreement and that the Board recommend those Shareholders and the Optionholders vote in favour of the proposed Arrangement.

With the interests of Messrs. Vadim Jivov, Ilya Yampolskiy and Christopher Sattler having been declared (as representatives of ARMZ and management, respectively), and Messrs. Vadim Jivov, Ilya Yampolskiy not being present and Christopher Sattler abstaining, the Board then unanimously adopted resolutions approving the Arrangement Agreement, determining that the acquisition by ARMZ of the outstanding Common Shares pursuant to the proposed Arrangement on the terms set out in the Arrangement Agreement would be in the best interests of the Company, the Consideration to be received by Shareholders (other than ARMZ and its affiliates) pursuant to the proposed Transaction would be fair to those Shareholders and recommending that those Shareholders and the Optionholders vote in favour of the proposed Arrangement.

Following the meeting of the Board, the Company and ARMZ entered into the Arrangement Agreement and other related documents and, prior to market opening on January 14, 2013, the Company issued a news release announcing the Arrangement.

See "*The Arrangement – Background to the Arrangement*".

Position of the Independent Committee as to Fairness

In reaching its conclusion that the Arrangement is substantively fair to Shareholders (other than ARMZ and its affiliates) and that the Arrangement is in the best interests of the Company, the Independent Committee considered and relied upon a number of factors, including the following:

- The Consideration represents a premium of approximately 32% to the 20 trading day volume-weighted average price of the Common Shares on the TSX for the period ended January 11, 2013, the last trading day preceding the announcement of the transaction, and a premium of approximately 38% over the volume-weighted average price for the Common Shares, on the TSX, for the 60 trading days prior to January 14, 2013.

- The Consideration payable to Shareholders (other than ARMZ and its affiliates) pursuant to the Arrangement will be paid entirely in cash, which provides certainty of value.

- After discussions with ARMZ, the Independent Committee concluded that $2.86 per share was the highest price that it could obtain from the Purchaser.

- The opinion of Canaccord Genuity to the effect that, as of January 13, 2013, and based upon and subject to the assumptions, limitations and qualifications set forth therein, the Consideration to be received by

Shareholders (other than ARMZ and its affiliates) under the Arrangement is fair, from a financial point of view, to those Shareholders.

- The Formal Valuation of GMP to the effect that, as of January 13, 2013, and based upon and subject to the analyses, assumptions, qualifications and limitations set forth therein, the fair market value of the Common Shares is in the range of US$2.66 to US$3.21 per Common Share (equivalent to $2.62 to $3.16 using the closing exchange rate of $1.00 = US$1.0154 as of Friday, January 11, 2013, the last trading day before the execution of the Arrangement Agreement).

The Independent Committee believes that the Arrangement is procedurally fair to Shareholders (other than ARMZ and its affiliates) primarily for the following reasons:

- The Independent Committee retained independent financial and legal advisors.
- The Independent Committee conducted arm's-length negotiations with ARMZ regarding the key terms of the Arrangement Agreement.
- The Arrangement Resolution must be approved by, among others, a simple majority of the votes cast by Minority Shareholders present in person or represented by proxy at the Meeting.
- Completion of the Arrangement will be subject to a judicial determination as to its fairness by the Court.

The Independent Committee also considered a number of risks and potential negative factors relating to the Arrangement including:

- The fact that, if the Arrangement is successfully completed, the Company will no longer exist as an independent public company and the consummation of the Arrangement will eliminate the opportunity for Shareholders (other than ARMZ and its affiliates) to participate in the longer term potential benefits of the business of the Company to the extent that those benefits exceed those potential benefits reflected in the Consideration to be received under the Arrangement.
- The conditions to the Purchaser's obligation to complete the Arrangement and the rights of the Purchaser to terminate the Arrangement Agreement in certain circumstances.
- The limitations contained in the Arrangement Agreement on the Company's ability to solicit additional interest from third parties, as well as the fact that if the Arrangement Agreement is terminated in certain circumstances, the Company will be required to pay a $45 million termination fee to the Purchaser and that under certain circumstances, the Company must reimburse the Purchaser for certain expenses.

See "*The Arrangement – Position of the Independent Committee as to Fairness"*.

Recommendation of the Independent Committee

Having undertaken a thorough review of, and carefully considered the Arrangement, including consulting with independent financial and legal advisors, the Independent Committee unanimously concluded that the Arrangement is in the best interests of the Company, that the Consideration to be received by Shareholders (other than ARMZ and its affiliates) is fair to those Shareholders and that those Shareholders and the Optionholders should vote in favour of the Arrangement.

Recommendation of the Board

After careful consideration by the Board (with the interested Directors, being Messrs. Vadim Jivov, Ilya Yampolskiy and Christopher Sattler, abstaining), the Board has unanimously concluded that the Arrangement is in the best interests of the Company, that the Consideration to be received by Shareholders (other than ARMZ and its affiliates) is fair to those Shareholders and to recommend that those Shareholders and the Optionholders vote in favour of the

Arrangement. As part of this consideration, the Board relied upon and adopted those factors identified by the Independent Committee as to the fairness of the Arrangement. Each Director and executive officer of the Company intends to vote his or her Common Shares and Options FOR the Arrangement Resolution.

Fairness Opinion

The Fairness Opinion was provided exclusively for the use of the Independent Committee for the purposes of considering the Arrangement Agreement and the Arrangement. Canaccord Genuity was not engaged to provide and did not provide: (i) a formal valuation of the Company's securities or any of the Company's material assets pursuant to MI 61-101 or otherwise; or (ii) an opinion as to the fairness of the process underlying the Arrangement.

The Independent Committee selected Canaccord Genuity as its financial advisor in connection with the Arrangement because it is an internationally recognized independent investment banking firm with substantial experience in similar Arrangements in the mining sector.

On January 13, 2013, at a meeting of the Independent Committee held to evaluate the Arrangement, Canaccord Genuity delivered an oral opinion to the Independent Committee and the Board which was subsequently confirmed by delivery of the Fairness Opinion, to the effect that, as of the date of the opinion, and based upon and subject to the assumptions, limitations and qualifications set forth therein, the Consideration to be received pursuant to the Arrangement is fair, from a financial point of view, to Shareholders (other than ARMZ and its affiliates).

See "*The Arrangement – Fairness Opinion"*.

Formal Valuation

The Formal Valuation describes, among other things, the assumptions made, methodologies used, matters considered and limitations on the review undertaken by GMP. **Shareholders are encouraged to read the Formal Valuation carefully in its entirety.** The full text of the Formal Valuation is attached to this Circular as Appendix "D". See "*The Arrangement – Formal Valuation"*.

Valuation

Approach to Valuation

The Formal Valuation was prepared based on techniques that GMP considered appropriate in the circumstances, after considering all relevant facts and taking into account GMP's assumptions, in order to arrive at the Fair Market Value of the Common Shares.

GMP considered three principal methodologies in their approach to the Formal Valuation:

(i) NAV analysis;

(ii) Comparable companies with control premium analysis; and

(iii) Precedent transactions analysis.

Benefits to ARMZ of Acquiring the Company

GMP considered whether any distinctive material benefits would accrue to ARMZ as a consequence of the completion of the Arrangement, but had insufficient information to quantify any benefits to ARMZ and did not include such benefits in its determination of Fair Market Value. ARMZ currently has an offtake arrangement with Uranium One such that it has an option to purchase up to the greater of (i) 51% of aggregate attributable production of uranium concentrate derived from the assets of Uranium One or its affiliates in respect of which Uranium One has marketing rights (excluding quantities committed under existing contracts and quantities subject to the JUMI offtake

agreement) or (ii) 50% of the aggregate production of uranium concentrates from the Akbastau, Karatau and Zarechnoye mines, provided Uranium One has marketing rights to such materials.

Valuation Conclusion

GMP had made qualitative judgements based on its experience in rendering such opinions and on the circumstances then prevailing as to the significance and relevance of each factor. In arriving at GMP's opinion of the Fair Market Value of the Common Shares, GMP, in the exercise of its professional judgement, for reasons discussed in more detail in the full text of the Formal Valuation, principally considered the following valuation methodologies and attributed the following weights to each valuation technique: (i) 50% to the NAV approach, applying the Company's weighted average cost of capital to discount future free cash flows; (ii) 25% to the NAV approach, with specific focus on the values derived by applying comparable company multiples adjusted for control; and (iii) 25% to the Price/Cash Flow approach, with specific focus on the values derived by applying comparable company multiples adjusted for control.

Based upon and subject to the foregoing and such other factors as GMP considered relevant, GMP was of the opinion that, as of January 13, 2013, the Fair Market Value of the Common Shares was in the range of US$2.66 to US$3.21 per share (equivalent to $2.62 to $3.16 using the closing exchange rate of $1.00 = US$1.0154 as of Friday, January 11, 2013, the last trading day before the execution of the Arrangement Agreement).

See "*The Arrangement – Formal Valuation*".

Additional Transaction Benefits to ARMZ

The acquisition of Uranium One will provide ARMZ with access to 100% of the material produced to which Uranium One is entitled (subject to existing offtake and sales commitments) at costs that are expected to be well below the market price of uranium.

ARMZ is an indirect wholly-owned subsidiary of Rosatom Nuclear Energy State Corporation ("**Rosatom**"), which is a nuclear energy provider and consumer of uranium that may benefit from the vertical integration of its business. In addition, as a global manufacturer of nuclear reactors, Rosatom will be more competitive internationally, with the ability to provide utilities an integrated product including the long term supply of nuclear fuels.

Voting Agreements

On January 13, 2013, the Purchaser entered into the Voting Agreements with each of the Directors and executive officers of Uranium One. The Voting Agreements set forth, among other things, the agreement of those Directors and executive officers to vote their Securities in favour of the Arrangement and any matter necessary for the consummation of the Arrangement and against any Acquisition Proposal and/or any other matter that could reasonably be expected to delay, prevent or frustrate the completion of the Arrangement. As of January 13, 2013 (the date on which the Arrangement was announced), 1,414,495 of the outstanding Common Shares and 9,811,875 of the Options were subject to the Voting Agreements, representing approximately 0.15% of the outstanding Common Shares and approximately 70.3% of the outstanding Options.

See "*The Arrangement – Voting Agreements*".

Completion of the Arrangement

Subject to the provisions of the Arrangement Agreement, the Arrangement will become effective at 12:01 a.m. (Toronto time) on the date following the date upon which all of the conditions to completion of the Arrangement as set out in Article 6 of the Arrangement Agreement have been satisfied or waived in accordance with the Arrangement Agreement, and the filings required under section 192(6) of the CBCA have been filed with the Director under the CBCA. Completion of the Arrangement is anticipated to occur in the second quarter of 2013; however, it is possible that completion may be delayed beyond this date if the conditions to completion of the Arrangement cannot be met on a timely basis, but in no event shall completion of the Arrangement occur later than

the December 1, 2013, unless extended by mutual agreement between the Purchaser and Uranium One in accordance with the terms of the Arrangement Agreement.

Following completion of the Arrangement, the listings of Uranium One on the TSX and JSE will be terminated.

Procedure for Surrender of Common Shares

Shareholders (other than South African Shareholders) should follow the process set out under the heading "*Letter of Transmittal*". South African Shareholders should follow the process set out under the heading "*Form of Surrender*".

Letter of Transmittal

If the Arrangement Resolution is passed and the Arrangement is implemented, in order to receive the payment for their Common Shares, Registered Shareholders (who are not South African Shareholders) must complete and sign the Letter of Transmittal and deliver it, together with certificates representing their Common Shares, and the other relevant documents required by the instructions set out therein, to the Canadian Depositary in accordance with the instructions contained in the Letter of Transmittal.

The Letter of Transmittal contains procedural information relating to the Arrangement and should be reviewed carefully. The deposit of Common Shares pursuant to the procedures in the Letter of Transmittal will constitute a binding agreement between the depositing Shareholder and the Purchaser upon the terms and subject to the conditions of the Arrangement. Only Registered Shareholders should submit a Letter of Transmittal. Beneficial Shareholders holding Common Shares through an Intermediary should carefully follow the instructions provided by such Intermediary or contact the Intermediary for assistance.

Form of Surrender

If the Arrangement Resolution is passed and the Arrangement is implemented, in order to receive the payment for their Common Shares, Certificated South African Shareholders who are Registered Shareholders, must complete and sign the Form of Surrender and deliver it, together with certificates representing their Common Shares, and the other relevant documents required by the instructions set out therein, to the South African Transfer Secretary in accordance with the instructions contained in the Form of Surrender.

The Form of Surrender contains procedural information relating to the Arrangement and should be reviewed carefully. The deposit of Common Shares pursuant to the procedures in the Form of Surrender will constitute a binding agreement between the depositing Shareholder and the Purchaser upon the terms and subject to the conditions of the Arrangement. Only Certificated South African Shareholders who are Registered Shareholders should submit a Form of Surrender. Beneficial South African Shareholders holding Certificated Shares through an Intermediary should carefully follow the instructions provided by such Intermediary or contact the Intermediary for assistance.

It is recommended that South African Shareholders complete, sign and return the Form of Surrender with the accompanying Documents of Title to the South African Transfer Secretary as soon as possible and preferably not later than 12:00 p.m. Johannesburg time (5:00 a.m. Toronto time) on the SA Payment Record Date.

Note: South African Shareholders, who are Registered Shareholders and hold their Common Shares as Dematerialised Shares, do not need to undertake any act of surrender (i.e., they do not need to complete a Form of Surrender).

See "*The Arrangement – Procedure for Surrender of Common Shares*".

Shareholders (other than South African Shareholders)

Registered Shareholders (who are not South African Shareholders) who deposit a validly completed and duly signed Letter of Transmittal, together with accompanying certificate(s) representing their Common Shares, will be

forwarded the Consideration to which they are entitled under the Arrangement, with such surrendered certificate(s) being cancelled. As soon as a former Registered Shareholder who has complied with the procedures set out above and in the Letter of Transmittal is entitled to a net payment of Consideration in accordance with the Arrangement and after receipt of all required documents, a cheque representing the aggregate Consideration payable under the Arrangement to the former Registered Shareholder will be issued to the former Registered Shareholder.

Registered Shareholders who do not forward to the Canadian Depositary a duly completed Letter of Transmittal, together with the certificate(s) representing their Common Shares and the other relevant documents, will not receive the Consideration to which they are otherwise entitled. Whether or not Shareholders forward their certificate(s) upon the completion of the Plan of Arrangement on the Effective Date, Shareholders will cease to be holders of Common Shares as of the Effective Date and will only be entitled to receive the Consideration to which they are entitled under the Arrangement or, in the case of Registered Shareholders who properly exercise Dissent Rights, the right to receive fair value for their Common Shares in accordance with section 190 of the CBCA, as modified by the Plan of Arrangement and the Interim Order. See "*The Arrangement – Dissent Rights*".

South African Shareholders

How the Consideration will be paid to South African Shareholders is dependent on whether the Common Shares held by the South African Shareholder are held as Certificated Shares or Dematerialised Shares.

Certificated South African Shareholders

Certificated South African Shareholders who are Registered Shareholders, and who deposit a validly completed and duly signed Form of Surrender, together with accompanying certificate(s) representing their Common Shares, will be forwarded the Consideration to which they are entitled under the Arrangement, with such surrendered certificate(s) being cancelled. As soon as a former Registered Shareholder who has complied with the procedures set out above and in the Form of Surrender is entitled to a net payment of Consideration in accordance with the Arrangement and after receipt of all required documents, a cheque representing the aggregate Consideration payable under the Arrangement to the former Registered Shareholder will be issued to the former Registered Shareholder. Alternatively, and if so elected by the South African Shareholder on the Form of Surrender, the Consideration will be electronically transferred into a Certificated South African Shareholder's bank account.

Certificated South African Shareholders who do not forward to the South African Transfer Secretary a duly completed Form of Surrender, together with the certificate(s) representing their Common Shares and the other relevant documents, will not receive the Consideration to which they are otherwise entitled. Whether or not Certificated South African Shareholders forward their certificate(s) upon the completion of the Plan of Arrangement on the Effective Date, they will cease to be holders of Common Shares as of the Effective Date and will only be entitled to receive the Consideration to which they are entitled under the Arrangement or, in the case of Registered Shareholders who properly exercise Dissent Rights, the right to receive fair value for their Common Shares in accordance with section 190 of the CBCA, as modified by the Plan of Arrangement and the Interim Order. See "*The Arrangement – Dissent Rights*".

Dematerialised South African Shareholders

The Rand equivalent of the Consideration due to Dematerialised South African Shareholders will not be posted but will be transferred, at their risk, to their respective CSDPs or Brokers, for payment to them on the SA Payment Date in accordance with, and subject to the requirements of, the rules of Strate.

See "*The Arrangement – Payment of Consideration"*.

Cancellation of Rights of Shareholders

Until surrendered, after the Effective Time, each certificate that previously represented Common Shares shall represent only the right to receive upon surrender a cash payment in accordance with the Plan of Arrangement. Any certificate formerly representing Common Shares not duly surrendered on or before the sixth anniversary of the

Effective Date shall cease to represent a claim by or interest of any former holder of Common Shares of any kind or nature against or in the Company or the Purchaser.

See "*The Arrangement – Procedure for Surrender of Common Shares and Options and Payment of Consideration – Cancellation of Rights of Shareholders"*.

Procedures for Optionholders

Optionholders will not be required to complete and return Letters of Transmittal or Forms of Surrender (as applicable), or surrender the stock option agreements representing their Options in order to receive the consideration due to them for their Options under the Plan of Arrangement. On the Effective Date, the Company will make the initial payments contemplated under the Plan of Arrangement in respect of the In-the-Money Options, and on December 31, 2013, the Company will make the payments contemplated under the Plan of Arrangement to Employee Optionholders. No further action on the part of the Optionholders will be required.

See "*The Arrangement – Procedure for Surrender of Common Shares and Options and Payment of Consideration – Procedures for Optionholders"*.

Fees and Expenses

All expenses incurred in connection with the Arrangement Agreement and the transactions contemplated thereby shall be paid by the Party incurring such expense. In certain circumstances, Uranium One will be required to pay the reasonable expenses of the Purchaser actually incurred in connection with the Arrangement Agreement. See "*The Arrangement – Fees and Expenses*".

Conditions to the Arrangement Becoming Effective

In order for the Arrangement to become effective, certain conditions must have been satisfied or waived, including, but not limited to:

- the Arrangement Resolution shall have been approved and adopted by the Securityholders at the Meeting in accordance with the Interim Order and applicable Laws;
- the Interim Order and the Final Order shall each have been obtained on terms consistent with the Arrangement Agreement, and shall not have been set aside or modified in a manner unacceptable to either the Company or the Purchaser and ARMZ, each acting reasonably, on appeal or otherwise;
- each of the Regulatory Approvals shall have been made, given or obtained on terms acceptable to the Purchaser and ARMZ and each such Regulatory Approval shall be in force and has not been modified;
- the Articles of Arrangement to be filed with the Director under the CBCA in accordance with the Arrangement shall be in a form and content satisfactory to the Company, the Purchaser and ARMZ, each acting reasonably;
- there shall not have been or occurred a Material Adverse Effect;
- the accuracy of representations and warranties made in the Arrangement Agreement and compliance by the Parties with the covenants set forth in the Arrangement Agreement; and
- the Purchaser or ARMZ will have advanced to the Company the Loan.

See *"The Arrangement – The Arrangement Agreement – Conditions to the Arrangement Becoming Effective"*.

See *"The Arrangement – Regulatory Law Matter and Securities Law Matters – Regulatory Matters*".

Risks Associated with the Arrangement

In evaluating the Arrangement, Securityholders should consider the risk factors relating to the Arrangement (which are not an exhaustive list of potentially relevant risk factors relating to the Arrangement). Some of these risks include, but are not limited to: (i) level of Securityholder approval required; (ii) the Arrangement Agreement may be terminated in certain circumstances, including in the event of a change having a Material Adverse Effect on Uranium One; (iii) there can be no certainty that all conditions precedent to the Arrangement will be satisfied; (iv) application of interim operating covenants; (v) Uranium One will incur costs and may have to pay a termination fee in certain circumstances; and (vi) Uranium One Directors and executive officers have interests in the Arrangement that are different from those of the Securityholders.

Additional risks and uncertainties, including those that currently are not known to, or considered immaterial by, the Company also may be relevant to completion of the Arrangement and/or the future of Uranium One and the value of the Securities. If any of the risk factors materialize, the expectations, and the predictions based on them, may need to be re-evaluated.

See *"The Arrangement – The Arrangement Agreement – Risks Associated with the Arrangements"*.

Dissent Rights

Registered Shareholders are entitled to dissent from the Arrangement Resolution in the manner provided in section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement. Any Dissenting Holder will be entitled, in the event that the Arrangement becomes effective, to be paid the fair value of the Dissenting Shares held by such Dissenting Holder, determined as at the close of business on the day immediately preceding the Meeting, and will not be entitled to any other payment or consideration. There can be no assurance that a Dissenting Holder will receive consideration for its Dissenting Shares of equal value to the Consideration that such Dissenting Holder would have received upon completion of the Arrangement.

A Registered Shareholder who wishes to dissent must ensure that a written Dissent Notice is received by the Company, Attention: Corporate Secretary, at its registered office located at 333 Bay Street, Suite 1710, Bay Adelaide Centre, Toronto, Ontario, M5H 2R2, no later than 5:00 p.m. (Eastern Time) on March 5, 2013 (or the day that is two Business Days immediately preceding any adjourned or postponed Meeting). A vote against the Arrangement Resolution will not constitute a Dissent Notice. A Registered Shareholder's failure to follow exactly the procedures set forth in the Plan of Arrangement and the Interim Order will result in the loss of such Shareholder's Dissent Rights. If you are a Registered Shareholder and wish to dissent, you should obtain your own legal advice and carefully read the Plan of Arrangement, the provisions of section 190 of the CBCA and the Interim Order which are attached to this Circular at Appendix "B", Appendix "F" and Appendix "E", respectively.

See "*The Arrangement – Dissent Rights"*.

Interests of Certain Persons in the Arrangement

In considering the recommendation of the Board with respect to the Arrangement, Securityholders should be aware that certain Directors and senior officers of Uranium One have certain interests in connection with the Arrangement that may present them with actual or potential conflicts of interest in connection with the Arrangement.

See "*Interests of Informed Persons in Material Transactions – Interests of Certain Persons in the Arrangement*".

Tax Considerations

Certain Canadian Federal Income Tax Considerations

A Shareholder who is resident in Canada whose Common Shares constitute "capital property" for the purposes of the Tax Act generally will realize a capital gain (or a capital loss) to the extent that such Shareholder's proceeds of

disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to the Shareholder of his or her Common Shares.

A Shareholder who is not resident in Canada will not be subject to tax under the Tax Act on any capital gain realized on the disposition of Common Shares under the Arrangement, unless (i) the Common Shares disposed of are "taxable Canadian property" of the Shareholder at the time of the disposition, and (ii) the Shareholder is not exempt from taxation in Canada on the disposition of such shares under the terms of an applicable income tax convention or treaty.

A summary of the principal Canadian federal income tax considerations of the Arrangement is included under "*Certain Canadian Federal Income Tax Considerations*" and the foregoing is qualified in full by the information in that section. All Securityholders are encouraged to seek their own tax advice.

Certain United States Federal Income Tax Considerations

Subject to the PFIC rules discussed below, a U.S. Shareholder who holds Common Shares as capital assets and who sells such Common Shares pursuant to the Arrangement and receives the Consideration generally will recognize capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between (i) the U.S. dollar value of the amount of the Canadian dollar cash payment received (which amount will not be reduced by any related Canadian taxes paid by the U.S. Shareholder directly or by withholding) and (ii) the U.S. Shareholder's adjusted tax basis in the Common Shares (determined in U.S. dollars) that are sold pursuant to the Arrangement. Such gain or loss will be long-term capital gain or loss if the U.S. Shareholder's holding period for the Common Shares sold is greater than one year at the time of the sale. Long-term capital gains of non-corporate U.S. Shareholders are currently eligible for reduced rates of U.S. federal income taxation. A U.S. Shareholder's ability to deduct capital losses is subject to certain limitations.

If Uranium One is or becomes a PFIC for any tax year in which a U.S. Shareholder held Common Shares, the preceding paragraph may not describe the U.S. federal income tax consequences to U.S. Shareholders of the disposition of their Common Shares pursuant to the Arrangement and such U.S. Shareholders may be subject to tax at higher ordinary income tax rates and an interest charge on a deemed income deferral benefit. Uranium One believes that it did not constitute a PFIC during its tax years ended December 31, 2008, 2009, 2010, 2011 and 2012, and based on its current business operations and financial expectations, Uranium One expects that it should not become a PFIC during its current tax year. Uranium One has not made a determination as to its PFIC status as to its prior tax years. However, the determination of whether or not Uranium One is a PFIC for any tax year is made on an annual basis and is based on the types of income Uranium One earns and the types and value of Uranium One's assets from time to time, all of which are subject to change. Additionally, the analysis depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. Furthermore, whether Uranium One will be a PFIC for the current taxable year and each subsequent taxable year depends on its assets and income over the course of each such taxable year and, as a result, cannot be predicted with certainty as of the date of this Circular. Accordingly, there can be no assurance that the IRS will not challenge the determination made by Uranium One concerning its PFIC status or that Uranium One will not be a PFIC for any taxable year.

The foregoing description of U.S. federal income tax consequences of the Arrangement is qualified in its entirety by the longer discussion under "Certain United States. Federal Income Tax Considerations" below, and neither this description nor the longer discussion is intended to be legal or tax advice to any particular U.S. Shareholder of Common Shares. Accordingly, U.S. Shareholders of Common Shares should consult their own tax advisors with respect to their particular circumstances.

Certain Tax Considerations for Shareholders who are not Residents of Canada

Shareholders who are not residents of Canada should be aware that the disposition of Common Shares pursuant to the Arrangement may have tax consequences both in Canada and in the jurisdiction in which they are resident which may not be described fully herein. The tax treatment of such Shareholders pursuant to the Arrangement is dependent on their individual circumstances and the tax jurisdiction applicable to such Shareholders. It is recommended that Shareholders consult their own tax advisors in this regard.

GENERAL PROXY INFORMATION

Solicitation of Proxies

This Circular is furnished in connection with the solicitation of proxies by management of the Company for use at the Meeting, to be held on March 7, 2013, at the time and place and for the purposes set forth in the Notice of Meeting. While it is expected that the solicitation will be primarily by mail in the case of Shareholders and e-mail in the case of Optionholders, proxies may be solicited personally or by telephone or e-mail by the Directors and employees of the Company at nominal cost. The Company also has retained Kingsdale to assist in the solicitation of proxies for a fee of $190,000 for its services, plus expenses, plus a "per call" fee of $8.00 for each telephone call made by Securityholders to Kingsdale or by Kingsdale to Securityholders in connection with the solicitation. The fees and expenses of Kingsdale and all other costs of solicitation by management, will be borne by the Company.

How a Vote is Passed

At the Meeting, Securityholders will be asked to consider and vote upon the Arrangement Resolution. To be effective, the Arrangement Resolution must be approved by (i) a majority of the votes cast by Minority Shareholders present in person or represented by proxy at the Meeting, as contemplated by MI 61-101 in the context of a "business combination", (ii) not less than two-thirds of the votes cast by Shareholders present in person or represented by proxy at the Meeting, and (iii) not less than two-thirds of the votes cast by Securityholders, voting together as one class, present in person or represented by proxy at the Meeting.

The quorum for the Meeting is two persons who are, or who represent by proxy, Shareholders that together hold in the aggregate not less than 5% of the outstanding Common Shares.

Who can Vote?

If you were a Registered Securityholder as of the close of business on February 8, 2013, you are entitled to attend at the Meeting and (i) cast one vote for each Common Share registered in your name on all resolutions put before the Meeting, and (ii) cast one vote for each Option registered in your name on the Arrangement Resolution. If Common Shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf, but appropriate documentation confirming that officer's authority will be required to be presented at the Meeting. If you are a Registered Securityholder but do not wish to, or cannot, attend the Meeting in person, you can appoint someone who will attend the Meeting and act as your proxyholder to vote in accordance with your instructions. If your Common Shares are registered in the name of an Intermediary, you should refer to the section entitled "*Non-Registered Holders*" below.

It is important that your Securities be represented at the Meeting regardless of the number of Securities you hold. If you will not be attending the Meeting in person, you should complete, date, sign and return your form of proxy as soon as possible so that your Securities will be represented.

Appointment of Proxies by Registered Securityholders

If you are a Registered Securityholder and do not attend the Meeting, you can still make your vote(s) count by appointing someone who will be there to act as your proxyholder at the Meeting. You can appoint the persons named in the accompanying form of proxy, who are Directors. Alternatively, you can appoint any other person to attend the Meeting as your proxyholder. Regardless of who you appoint as your proxyholder, you can either instruct that person or company how you want to vote or you can let him or her decide for you. You can do this by completing a form of proxy. In order to be valid, you must return the completed form of proxy by no later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting to our transfer agent (in respect of South African Shareholders, they must lodge their proxies by no later than 4:00 p.m. (South African Time) on March 5, 2013.

Securityholders (other than South African Shareholders) should dispatch their proxies to Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1, or by toll free North American fax number 1-866-249-7775, or by international fax number 1-416-263-9524.

South African Shareholders should dispatch their proxies to Computershare Investor Services (Proprietary) Limited, 70 Marshall Street, Johannesburg, South Africa, 2001 (PO Box 61051, Marshalltown, 2107, South Africa), or by fax to +27 11 688 5238, or by email to proxy@computershare.co.za. Proxies for Shareholders who hold their shares through a Broker and/or another CSDP other than the South African Transfer Secretary, should submit their proxies directly to their respective Brokers/institutions.

In the alternative to the above, Securityholders may dispatch their proxies to Kingsdale Shareholder Services Inc., 130 King Street West, Suite 2950, P.O. Box 361, Toronto, Ontario, M5X 1E2.

The above time limit for deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion without notice.

What is a Proxy?

A form of proxy is a document that authorizes someone to attend the Meeting and cast your votes for you. We have enclosed a form of proxy with this Circular. You should use it to appoint a proxyholder, although you can also use any other legal form of proxy.

Appointing a Proxyholder

The persons named in the enclosed form of proxy are Directors. **A Registered Securityholder who wishes to appoint some other person as its representative at the Meeting may do so by crossing out the name on the form of proxy and inserting the name of the person proposed in the blank space provided in the enclosed form of proxy. That other person need not be a Securityholder.** To vote your Securities, your proxyholder must attend the Meeting. If you use the enclosed form of proxy and do not fill a name in the blank space, the persons named in the form of proxy will be appointed to act as your proxyholder.

Instructing your Proxy and Exercise of Discretion by your Proxy

You may indicate on your form of proxy how you wish your proxyholder to vote your Securities at the Meeting. To do this, simply mark the appropriate boxes on the form of proxy. If you do this, your proxyholder must vote your Securities at the Meeting in accordance with the instructions you have given.

If you do not give any instructions as to how to vote on a particular matter to be decided at the Meeting, your proxyholder can vote your shares as he or she thinks fit. If you have appointed the persons designated in the form of proxy as your proxyholder they will, unless you give contrary instructions, vote your Securities at the Meeting

- ✓ **FOR the Arrangement Resolution**

The enclosed form of proxy gives the persons named on it the authority to use their discretion in voting on amendments or variations to matters identified in the Notice of Meeting. At the time of printing this Circular, management of the Company is not aware of any other matter to be presented for action at the Meeting. If, however, other matters do properly come before the Meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred on them by the form of proxy with respect to such matters.

Changing your Mind (Revoking your Proxy)

If you want to revoke your proxy after you have delivered it, you can do so by delivering a revocation that is received by 4:00 p.m. (Toronto time) on the last Business Day before the day of the Meeting, or delivered to the

person presiding at the Meeting before it commences. You may do this by (i) attending the Meeting and voting in person if you were a Registered Securityholder at the Record Date; (ii) signing a proxy bearing a later date and depositing it in the manner and within the time described above under the heading "*Appointment of Proxies*"; (iii) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to the Registered Office of the Company at 333 Bay Street, Suite 1710, Bay Adelaide Centre, Toronto, Ontario, M5H 2R2; or (iv) in any other manner permitted by law. If you revoke your proxy and do not replace it with another proxy that is deposited with us before the deadline, you can still vote your shares if you are a Registered Securityholder, but to do so you must attend the Meeting in person.

Non-Registered Holders

If your Common Shares are not registered in your own name, they will be held in the name of an Intermediary that, as your nominee, will be the person legally entitled to vote your Common Shares and generally is required to seek your instructions as to how to vote your Common Shares.

Accordingly, unless you have previously informed your Intermediary that you do not wish to receive material relating to meetings of Shareholders, you will have received this Circular from your nominee, together with a form of proxy or a request for voting instruction form. If that is the case, you should comply strictly with the instructions that have been given to you by your Intermediary. If you have voted and wish to change your voting instructions, you should contact your Intermediary to discuss whether this is possible and what procedures you must follow.

If your Common Shares are not registered in your own name, the Company's transfer agent will not have a record of your name and, as a result, unless your Intermediary has appointed you as a proxyholder, will have no knowledge of your entitlement to vote. In these circumstances, if you wish to vote in person at the Meeting, you should insert your own name in the space provided on the form of proxy or voting instruction form that you have received from your Intermediary in accordance with their instructions. If you do this, you will be instructing your Intermediary to appoint you as proxyholder. Please adhere strictly to the signature and return instructions. It is not necessary to complete the form in any other respect, since you will be voting at the Meeting in person. Please register with the transfer agent, Computershare Investor Services Inc., upon arrival at the Meeting.

The Notice of Meeting and this Circular are being sent to both registered and non-registered owners of Common Shares. If you are a non-registered owner and we have sent these materials to you directly, your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the nominee holding the securities on your behalf. By choosing to send these materials to you directly, the Company (and not your nominee) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions form.

Voting Securities and Principal Holders

The authorized capital of the Company consists of an unlimited number of Common Shares. The Common Shares and the Options are the classes of Securities entitled to vote at the Meeting. Each holder of Securities is entitled to one vote for each Security registered in his or her name at the close of business on February 8, 2013, the date fixed by the Directors as the Record Date for determining who is entitled to receive notice of, and to vote at, the Meeting.

At the close of business on February 8, 2013, there were 957,189,036 Common Shares and 13,964,200 Options outstanding. To the knowledge of the Directors and executive officers of the Company, as of such date, other than as set out in the following table, no person beneficially owned, directly or indirectly, or exercised control or direction over, voting securities of the Company carrying 10% or more of the voting rights attached to any class of outstanding voting securities of the Company entitled to vote at the Meeting.

Name of Beneficial Owner	Class of Voting Securities	Number of Voting Securities of the Class Beneficially Owned or	Percentage of Voting Securities of the Class Beneficially Owned or

		Controlled	Controlled
JSC Atomredmetzoloto[(1)]	Common Shares	492,217,929	51.4%
Phillip Shirvington	Options	1,671,875	11.97%

Notes:

(1) These Common Shares are held through the Purchaser (as to 387,553,219 Common Shares) and UMC (as to 104,664,710 Common Shares), which are wholly-owned subsidiaries of ARMZ.

THE ARRANGEMENT

At the Meeting, Securityholders will be asked to consider and, if thought advisable, to pass the Arrangement Resolution to approve the Arrangement. The Arrangement, the Plan of Arrangement and the terms of the Arrangement Agreement are summarized below. This summary does not purport to be complete and is qualified in its entirety by reference to the Arrangement Agreement and the Plan of Arrangement, both of which are attached to this Circular as Appendix "B".

To be effective, the Arrangement Resolution must be approved by (i) a majority of the votes cast by Minority Shareholders present in person or represented by proxy at the Meeting, as contemplated by MI 61-101 in the context of a "business combination", (ii) not less than two-thirds of the votes cast by Shareholders present in person or represented by proxy at the Meeting, and (iii) not less than two-thirds of the votes cast by Securityholders, voting together as one class, present in person or represented by proxy at the Meeting. See "*The Arrangement – Regulatory Law Matters and Securities Law Matters – Canadian Securities Laws – Multilateral Instrument 61-101*". A copy of the Arrangement Resolution is set out in Appendix "A" of this Circular.

Unless otherwise directed in properly completed forms of proxy, it is the intention of the individuals named in the enclosed form of proxy to vote **FOR** the Arrangement Resolution. If you do not specify how you want your Securities voted at the Meeting, the persons named as proxyholders in the enclosed form of proxy will cast the votes represented by your proxy at the Meeting **FOR** the Arrangement Resolution.

If the Arrangement is approved at the Meeting, the Final Order approving the Arrangement is issued by the Court and the applicable conditions to the completion of the Arrangement are satisfied or waived, the Arrangement will take effect at the Effective Time (which will be at 12:01 a.m. (Toronto Time) on the Effective Date (which is currently anticipated to be in the second quarter of 2013).

Principal Steps of the Arrangement

Under the Plan of Arrangement, commencing at the Effective Time, the following principal steps shall occur and shall be deemed to occur in the following order (at five minute intervals) without any further act or formality:

Dissent Shares

(d) each Common Share held by Dissenting Holders shall be, and be deemed to have been, assigned and transferred by the Dissenting Holder, to the Purchaser (free and clear of all Liens) in consideration for a debt claim against the Purchaser for the amount determined in accordance with Article 3 of the Plan of Arrangement;

Common Shares

(e) each Common Share outstanding immediately prior to the Effective Time, other than (A) a Common Share held by ARMZ or its affiliates; or (B) a Common Share held by a Dissenting Holder, shall be, and be deemed to have been, assigned and transferred, without any further act of formality, by the holder thereof to the Purchaser (free and clear of all Liens) in exchange for the applicable Consideration for each Common Share;

Options

(f) notwithstanding the terms of the Stock Option Plans, with respect to the Options, each Option shall be cancelled in exchange for the following consideration:

(v) each holder of an In-the-Money Option shall receive a cash payment equal to the In-the-Money Option Consideration in respect of such Option;

(vi) Employee Optionholders shall receive on December 31, 2013:

(C) in respect of each In-the-Money Option held by such Employee Optionholder, a cash payment equal to (a) the fair value of such Option determined using the "Black-Scholes" valuation model calculated as of the Effective Date as per standard industry practice, less (b) the In-the-Money Option Consideration received in accordance (c)(i), above; and

(D) in respect of each Out-of-the-Money Option held by such Employee Optionholder, a cash payment equal to the fair value of such Option determined using the "Black-Scholes" valuation model calculated as of the Effective Date as per standard industry practice;

(vii) the holder of each Option will cease to be the holder thereof or to have any rights as a holder in respect of such Option (other than to be paid the consideration pursuant to (c)(ii)(A) and/or (c)(ii)(B) above, as applicable) or under the Stock Option Plans and the name of the holder thereof will be removed from the applicable securities register of the Company with respect to such Option; and

(viii) the Options shall be cancelled, and none of the Company nor the Purchaser or any of their respective affiliates or successors shall have any liability in respect thereof (other than to pay the consideration pursuant to (c)(ii)(A) and/or (c)(ii)(B) above, as applicable).

Background to the Arrangement

The Arrangement is the result of arm's-length negotiations conducted between members of the Independent Committee and their legal representatives with representatives of ARMZ and their legal representatives.

Prior to December 19, 2012, the possibility of ARMZ pursuing a going private transaction with the Company had been raised in informal discussions between Mr. Vadim Jivov and certain of the Directors. These discussions were general in nature, and no specific proposals were made by or on behalf of ARMZ.

On December 19, 2012, Mr. Jivov contacted Mr. Ian Telfer, Chairman of the Board, to discuss the possibility of ARMZ proposing a going private transaction (a "**Transaction**") to the Company. The specific terms upon which a Transaction might be proposed were not disclosed at that time, although Mr. Jivov indicated that ARMZ would not be prepared to make a formal proposal unless it was certain that such proposal would be supported by the Board.

At a meeting of the Board held on December 21, 2012, the Board was advised by Mr. Jivov that ARMZ had indicated that it might be prepared to consider a Transaction but that it would only be willing to make a formal proposal if, among other things, the proposed Transaction would be supported by the Board. Mr. Jivov also advised the Board of the maximum amount of the cash consideration that could be available to ARMZ for a possible Transaction. Mr. Jivov also advised the Board that if a proposal to effect a Transaction were made, the maximum price ARMZ would be prepared to pay was $2.86 per Common Share.

The Board determined to form a committee of independent directors to conduct all aspects of the process to be carried out by the Company and its professional advisors in connection with a possible Transaction with ARMZ. The Board established the Independent Committee comprised of Mr. Ken Williamson as Chair, Mr. Ian Telfer and

Mr. Andrew Adams. The members of the Independent Committee were selected on the basis of their extensive experience as directors of public companies and their independence in relation to the Transaction.

The members of the Independent Committee held their first meeting on the afternoon of December 21, 2012 at which time they determined to appoint Cassels to act as counsel to the Independent Committee. With the assistance of Cassels, the Independent Committee confirmed that each of its members was independent of ARMZ and Company management. Cassels was instructed to prepare a form of mandate for the Independent Committee that would provide the Independent Committee with the appropriate level of authority and to submit this mandate to counsel for the Company and the Board for approval. The mandate was adopted by the Board by written resolution and provided, among other things, that the Independent Committee had the authority to negotiate any Transaction with ARMZ on behalf of the Company, to assess alternatives to a Transaction, and to retain legal and financial advisors including an independent valuator to prepare a formal valuation in accordance with MI 61-101.

The Independent Committee next met on December 24, 2012. At that meeting, Cassels reviewed the duties and obligations of members of special committees generally and the duties and obligations of the Independent Committee in the context of responding to any proposal that might be received from ARMZ with respect to a potential Transaction. In particular, the requirements to appoint an independent valuator to prepare a formal valuation and to obtain the approval of any Transaction by a majority of the minority shareholders of the Company were discussed. Following discussion, the Independent Committee determined that, in light of its obligations, the Independent Committee should retain, in addition to an independent valuator, a financial advisor to advise in regard to the capital markets and the effect of the Transaction on affected stakeholders and to provide an opinion as to the fairness of any Transaction to Shareholders (other than ARMZ and its affiliates). The Independent Committee and Cassels discussed the process for selecting an independent valuator and financial advisor, the scope of each advisor's engagement, the financial terms upon which comparable engagements had been concluded and the expertise required of each advisor. The Independent Committee determined to seek proposals from qualified investment banks for the roles of independent valuator and independent financial advisor. The investment banks were instructed to prepare and present proposals at a meeting of the Independent Committee to be held on December 27, 2012. Each potential advisor was instructed to present a proposal to act as independent valuator and a proposal to act as financial advisor. The investment banks that were selected to present proposals were selected by the Independent Committee on the basis of their extensive experience and expertise in mining transactions and public mergers and acquisitions and their familiarity with the Company.

At a meeting of the Independent Committee held on December 27, 2012, the Independent Committee received presentations from Canaccord Genuity and GMP. The Independent Committee resolved to select GMP to act as independent valuator to prepare a formal valuation of the Common Shares in accordance with MI 61-101, and to retain Canaccord Genuity to act as financial advisor to the Independent Committee. Based on discussions with GMP, the Independent Committee determined that GMP was independent of the Company within the meaning of MI 61-101. Both Canaccord Genuity and GMP were advised of their selection in the late afternoon of December 27th and instructed to commence work immediately.

On December 31, 2012, the Independent Committee received a presentation from Canaccord Genuity setting forth its initial views concerning a potential Transaction. The Independent Committee discussed a number of matters with Canaccord Genuity including, without limitation, valuation considerations, the impact of the exercise by the Company of its option to acquire (from ARMZ) the remaining 86.1% interest in Mantra and various other matters associated with the Company's outstanding securities. Following discussion of these matters, the Independent Committee instructed Canaccord Genuity to continue its analysis of a potential Transaction.

On December 31, 2012, the Independent Committee held a conference call with GMP to discuss its approach to the preparation of the Formal Valuation. GMP outlined its methodology, including the metrics it believed were most relevant to a valuation of the Common Shares, reported on its progress in preparing the Formal Valuation and provided the Independent Committee with guidance as to the timing for completion of the Formal Valuation.

On January 2, 2013, the Independent Committee met to discuss the status of the proposed Transaction, the work being done by Canaccord Genuity and the Formal Valuation being prepared by GMP. Cassels was in attendance at the meeting and reported on the current status of each of these areas. Cassels also reported to the Independent

Committee on its analysis of the documentation governing the Company's outstanding securities and, in particular on the effect of a Transaction on the holders of such securities.

Late in the day on January 2, 2013, counsel to ARMZ provided the first draft of the Arrangement Agreement setting out the comprehensive terms of a proposed Transaction to Cassels and counsel for the Company, Goodmans, for review. Under the draft Arrangement Agreement, ARMZ proposed to acquire all of the outstanding Common Shares it did not beneficially own for an unspecified amount of cash consideration by way of an arrangement to be effected with its wholly-owned subsidiary, Effective Energy.

The following day, on January 3, 2013, GMP, as part of its ongoing due diligence, held a due diligence conference call with Company management so that management could answer questions relevant to GMP's valuation. In the period from December 27, 2012 to January 12, 2013, GMP as part of its ongoing due diligence and based on its review of publicly filed documents and those contained in the Company's electronic dataroom, had numerous interactions in the form of meetings, formal and informal conference calls and e-mail exchanges, with Company management, representatives of Cassels and representatives of Roscoe Postle Associates Inc. who were responsible for the preparation of the NI 43-101 technical reports regarding the Company's Kazakhstan properties. In conversations with the Independent Committee, GMP advised the Independent Committee that all requests for information or assistance were being met to GMP's satisfaction.

The Independent Committee met with Cassels and Canaccord Genuity on January 6, 2013 to discuss the draft Arrangement Agreement. Following extensive discussions, Cassels was instructed to prepare a revised draft of the Arrangement Agreement and submit it to counsel for ARMZ.

A revised draft of the Arrangement Agreement was provided to counsel for ARMZ on January 7, 2013. From January 7 to January 13, 2013, the Independent Committee and ARMZ, together with their legal counsel and with input from management and counsel to the Company, negotiated the Arrangement Agreement, including finalizing the Consideration which was the maximum cash consideration that Mr. Jivov had advised could be available to ARMZ for a possible Transaction. Also during this period, the Independent Committee met on each of January 8, January 9, January 10 and January 11, 2013, with Cassels present at each of these meetings and with Canaccord Genuity present at the meetings held on January 9 and January 11, to review and discuss the matters associated with the Arrangement Agreement and the Arrangement.

On January 12, 2013, detailed materials were distributed to the Board members, including an update with respect to the status and timing of the possible Transaction and the current drafts of the transaction documents together with materials provided by GMP and Canaccord Genuity.

On January 13, 2013, the Independent Committee met with GMP to receive the Formal Valuation, the full text of which is attached as Appendix "D" to this Circular. GMP presented its Valuation to the Independent Committee which stated that, based upon the analyses, assumptions, qualifications and limitations discussed in the Formal Valuation, GMP was of the opinion that as at January 13, 2013, the fair market value of the Common Shares was in the range of US$2.66 to US$3.21 per Common Share (equivalent to $2.62 to $3.16 using the closing exchange rate of $1.00 = US$1.0154 as of Friday, January 11, 2013, the last trading day before the date of delivery of the Formal Valuation and the execution of the Arrangement Agreement).

Following the GMP presentation of the Formal Valuation, Canaccord Genuity presented its materials and analysis in support of the Fairness Opinion to the Independent Committee. Canaccord Genuity presented its opinion to the Independent Committee that, as of January 13, 2013 and subject to the analyses, assumptions, qualifications and limitations set forth in the Fairness Opinion, the Consideration to be received by Shareholders (other than ARMZ and its affiliates) pursuant to the Arrangement is fair, from a financial point of view, to such shareholders. The full text of the Fairness Opinion is attached as Appendix "C" to this Circular.

Following these presentations, Cassels described the material terms of the Arrangement Agreement and the Voting Agreements and responded to questions from the members of the Independent Committee. The effect of the

proposed Arrangement on the holders of the Company's outstanding securities was also discussed and considered by the Independent Committee.

Following the presentations from GMP, Canaccord Genuity and Cassels and, after discussion, the Independent Committee unanimously determined that the acquisition by ARMZ of the outstanding Common Shares pursuant to the proposed Arrangement on the terms set out in the Arrangement Agreement would be in the best interests of the Company, the Consideration to be received by Shareholders (other than ARMZ and its affiliates) pursuant to the proposed Transaction would be fair to those Shareholders and that it would recommend to the Board that the Company enter into the Arrangement Agreement and that the Board recommend that those Shareholders and the Optionholders vote in favour of the proposed Arrangement.

On January 13, 2013, immediately following the meeting of the Independent Committee, the Board met to consider the proposed Arrangement. Messrs. Vadim Jivov and Ilya Yampolskiy, who are officers of ARMZ did not attend the meeting. The Board received presentations from Canaccord Genuity and GMP concerning their conclusions as to the fairness of the Consideration to be paid pursuant to the Arrangement and the results of the Formal Valuation, respectively.

The Board received a report from the Independent Committee which included the Independent Committee's determination that the acquisition by ARMZ of the outstanding Common Shares pursuant to the proposed Arrangement on the terms set out in the Arrangement Agreement would be in the best interests of the Company, the Consideration to be received by Shareholders (other than ARMZ and its affiliates) pursuant to the proposed Transaction would be fair to those Shareholders and the Independent Committee's recommendation that the Board authorize the Company to enter into the Arrangement Agreement and to recommend that those Shareholders and the Optionholders vote in favour of the proposed Arrangement.

With the interests of Messrs. Vadim Jivov, Ilya Yampolskiy and Christopher Sattler having been declared (as representatives of ARMZ and management, respectively), and Messrs. Vadim Jivov, Ilya Yampolskiy not being present and Christopher Sattler abstaining, the Board then unanimously adopted resolutions approving the Arrangement Agreement, determining that the acquisition by ARMZ of the outstanding Common Shares pursuant to the proposed Arrangement on the terms set out in the Arrangement Agreement would be in the best interests of the Company, the Consideration to be received by Shareholders (other than ARMZ and its affiliates) pursuant to the proposed Transaction would be fair to those Shareholders and recommending that those Shareholders and the Optionholders vote in favour of the proposed Arrangement.

Following the meeting of the Board, the Company, the Purchaser and ARMZ entered into the Arrangement Agreement and other related documents and, prior to market opening on January 14, 2013, the Company issued a news release announcing the Arrangement.

Position of the Independent Committee as to Fairness

In reaching its conclusion that the Arrangement is substantively fair to Shareholders (other than ARMZ and its affiliates) and that the Arrangement is in the best interests of the Company, the Independent Committee considered and relied upon a number of factors, including the following:

- The Consideration represents a premium of approximately 32% to the 20 trading day volume-weighted average price of the Common Shares on the TSX for the period ended January 11, 2013, the last trading day preceding the announcement of the transaction, and a premium of approximately 38% over the volume-weighted average price for the Common Shares, on the TSX, for the 60 trading days prior to January 14, 2013.

- The Consideration payable to Shareholders (other than ARMZ and its affiliates) pursuant to the Arrangement will be paid entirely in cash, which provides certainty of value.

- After discussions with ARMZ, the Independent Committee concluded that $2.86 per share was the highest price that it could obtain from the Purchaser.

- The absence of a financing condition to the Purchaser's obligations to consummate the transactions contemplated by the Arrangement.

- The Purchaser's obligations under the Arrangement Agreement are guaranteed by ARMZ.

- The presence of a controlling shareholder (ARMZ) limits the price that an acquiror might be willing to pay in the future for the Common Shares, and it may have the effect of preventing or delaying a take-over bid for the Company.

- Given the presence of a controlling shareholder of the Company (ARMZ), the pre-emptive rights held by the Government of Kazakhstan on certain of the Company's principal assets and the limited number of strategic buyers for uranium companies, the probability of an Acquisition Proposal is low.

- The opinion of Canaccord Genuity to the effect that, as of January 13, 2013, and based upon and subject to the assumptions, limitations and qualifications set forth therein, the Consideration to be received by Shareholders (other than ARMZ and its affiliates) under the Arrangement is fair, from a financial point of view, to those Shareholders.

- The Formal Valuation of GMP to the effect that, as of January 13, 2013, and based upon and subject to the analyses, assumptions, qualifications and limitations set forth therein, the fair market value of the Common Shares is in the range of US$2.66 to US$3.21 per Common Share (equivalent to $2.62 to $3.16 using the closing exchange rate of $1.00 = US$1.0154 as of Friday, January 11, 2013, the last trading day before the execution of the Arrangement Agreement).

- Among other factors, GMP considered and relied upon for purposes of the Formal Valuation, uranium price assumptions that were higher than the prevailing spot price for uranium, including (i) the average uranium price forecasts of various investment dealers that publish research on the sector, and (ii) the average long term contract price for U_3O_8 as published by Ux Consulting and TradeTech, LLC, both of which are described in more detail in the Formal Valuation (see Appendix "D").

The Independent Committee believes that the Arrangement is procedurally fair to Shareholders (other than ARMZ and its affiliates) primarily for the following reasons:

- The Independent Committee retained independent financial and legal advisors.

- The Independent Committee conducted arm's-length negotiations with ARMZ regarding the key terms of the Arrangement Agreement.

- Messrs. Vadim Jivov and Ilya Yampolskiy would not be participating in the meeting of the Board to consider the Arrangement, and Messrs. Vadim Jivov, Ilya Yampolskiy and Christopher Sattler, being the interested Directors of the Company, would not be voting on the resolution of the Board approving the Arrangement Agreement.

- The Arrangement Resolution must be approved by, among others, a simple majority of the votes cast by Minority Shareholders present in person or represented by proxy at the Meeting.

- Completion of the Arrangement will be subject to a judicial determination as to its fairness by the Court.

- Registered Shareholders who do not vote in favour of the Arrangement will have the right to require a judicial appraisal of their Common Shares and obtain "fair value" pursuant to the proper exercise of the Dissent Rights.

- The Arrangement Agreement allows the Board to engage in discussions or negotiations with respect to an unsolicited, *bona fide* written Acquisition Proposal at any time prior to the approval of the Arrangement Resolution, if the Board determines in good faith, after consultation with its financial advisor and outside legal counsel, that such Acquisition Proposal would be reasonably likely to result in a Superior Proposal.

The Independent Committee also considered a number of risks and potential negative factors relating to the Arrangement including:

- The fact that, if the Arrangement is successfully completed, the Company will no longer exist as an independent public company and the consummation of the Arrangement will eliminate the opportunity for Shareholders (other than ARMZ and its affiliates) to participate in the longer term potential benefits of the business of the Company to the extent that those benefits exceed those potential benefits reflected in the Consideration to be received under the Arrangement.

- The conditions to the Purchaser's obligation to complete the Arrangement and the rights of the Purchaser to terminate the Arrangement Agreement in certain circumstances.

- The fact that the Arrangement will be a taxable transaction for Canadian federal income tax purposes (and may also be a taxable transaction under other applicable tax laws) and, as a result, Shareholders will generally be required to pay taxes on any gains that result from the receipt of the Consideration.

- The limitations contained in the Arrangement Agreement on the Company's ability to solicit additional interest from third parties, as well as the fact that if the Arrangement Agreement is terminated in certain circumstances, the Company will be required to pay a $45 million termination fee to the Purchaser and that under certain circumstances, the Company must reimburse the Purchaser for certain expenses.

Recommendation of the Independent Committee

Having undertaken a thorough review of, and carefully considered the Arrangement, as described above, including consulting with independent financial and legal advisors, the Independent Committee unanimously concluded that the Arrangement is in the best interests of the Company, that the Consideration to be received by Shareholders (other than ARMZ and its affiliates) is fair to those Shareholders and that those Shareholders and the Optionholders should vote in favour of the Arrangement.

Recommendation of the Board

After careful consideration by the Board (with the interested Directors, being Messrs. Vadim Jivov, Ilya Yampolskiy and Christopher Sattler, abstaining), the Board has unanimously concluded that the Arrangement is in the best interests of the Company, that the Consideration to be received by Shareholders (other than ARMZ and its affiliates) is fair to those Shareholders and to recommend that those Shareholders and the Optionholders vote in favour of the Arrangement. As part of this consideration, the Board relied upon and adopted those factors identified by the Independent Committee as to the fairness of the Arrangement as enumerated above. Each Director and executive officer of the Company intends to vote his or her Common Shares and Options FOR the Arrangement Resolution.

Fairness Opinion

The following is a summary only of the Fairness Opinion. **This summary of the Fairness Opinion does not purport to be complete and is qualified in its entirety by, and should be read in conjunction with, the full text of the Fairness Opinion attached to this Circular as Appendix "C". The Fairness Opinion describes among**

other things, the assumptions, limitations and qualifications made therein. Shareholders are encouraged to read the Fairness Opinion carefully in its entirety.

The Fairness Opinion was provided exclusively for the use of the Independent Committee for the purposes of considering the Arrangement Agreement and the Arrangement. Canaccord Genuity was not engaged to provide and did not provide: (i) a formal valuation of the Company's securities or any of the Company's material assets pursuant to MI 61-101 or otherwise; or (ii) an opinion as to the fairness of the process underlying the Arrangement. The Fairness Opinion was not and should not be construed as a recommendation to any Shareholder as to whether or how to vote in respect of the Arrangement.

The Independent Committee selected Canaccord Genuity as its financial advisor in connection with the Arrangement because it is an internationally recognized independent investment banking firm with substantial experience in similar Arrangements in the mining sector.

Canaccord Genuity is not an insider, associate or affiliate (as such terms are defined in the Securities Act) of Uranium One, ARMZ, or their respective associates or affiliates (collectively, the "**Interested Parties**"), and is not an advisor to any Person or entity other than the Independent Committee.

During the three years prior to being engaged by the Independent Committee, Canaccord Genuity did not act for Uranium One as a financial advisor. During that time period, Canaccord Genuity acted as an underwriter in Uranium One's $260 million public offering of convertible unsecured subordinated debentures that was completed on March 12, 2010. Otherwise, Canaccord Genuity did not act as an agent or underwriter or in any other capacity for Uranium One during the preceding three years.

Canaccord Genuity has not acted as a financial advisor, agent, underwriter, or in any other capacity for ARMZ.

Other than pursuant to its engagement by the Independent Committee, Canaccord Genuity does not have any agreements, commitments or understandings in respect of any future business involving any of the Interested Parties. However, Canaccord Genuity may, from time to time in the future, seek or be provided with assignments from one or more of the Interested Parties.

Pursuant to an engagement letter dated December 31, 2012 between the Independent Committee and Canaccord Genuity, Canaccord Genuity agreed to provide, at the Company's expense, financial advisory services to the Independent Committee in relation to the Arrangement and to prepare and deliver an opinion as to the fairness of the Arrangement, from a financial point of view, to Shareholders (other than ARMZ and its affiliates). On January 13, 2013, at a meeting of the Independent Committee held to evaluate the Arrangement, Canaccord Genuity delivered an oral opinion to the Independent Committee and the Board which was subsequently confirmed by delivery of the Fairness Opinion, to the effect that, as of the date of the opinion, and based upon and subject to the assumptions, limitations and qualifications set forth therein, the Consideration to be received pursuant to the Arrangement is fair, from a financial point of view, to Shareholders (other than ARMZ and its affiliates).

Pursuant to the engagement letter, the Company is to pay Canaccord Genuity a cash fee for rendering the Fairness Opinion, no portion of which was conditional upon the Fairness Opinion being favourable, or that was contingent upon the consummation of the Arrangement. In addition, the Company is to pay Canaccord Genuity a cash fee for rendering financial advisory services, payable upon completion of the Arrangement. The Company is also to reimburse Canaccord Genuity for all reasonable out-of-pocket expenses and to indemnify Canaccord Genuity in relation to certain claims or liabilities that may arise in connection with the services performed in connection with the Arrangement.

Formal Valuation

The following is a summary only of the Formal Valuation. This summary is qualified in its entirety by, and should be read in conjunction with, the full text of the Formal Valuation attached to this Circular as Appendix "D". The Formal Valuation describes, among other things, the assumptions made, methodologies used, matters considered and

limitations on the review undertaken by GMP. **Shareholders are encouraged to read the Formal Valuation carefully in its entirety.**

The Formal Valuation was provided for the exclusive use of the Independent Committee and may not be used by any other person or relied upon by any other person other than the Independent Committee and the Board, or used for any other purpose, without the express prior written consent of GMP. The Formal Valuation was not intended to be and did not constitute a recommendation to the Board as to whether it should approve the Arrangement, nor as a recommendation to any Shareholder as to how to vote or act at the Meeting or as an opinion concerning the trading price or value of any securities of the Company following the announcement or completion of the Arrangement.

Valuation Requirement

Because the Arrangement constitutes a "business combination" under MI 61-101, the Company was required to obtain a formal valuation of the affected securities from a qualified independent valuator and to provide the holders of the affected securities with a summary of such valuation. For the purposes of the Arrangement, the Common Shares are considered "affected securities" within the meaning of MI 61-101.

Engagement of GMP

GMP was first contacted by the Company on December 21, 2012, with respect to the Arrangement. GMP was formally retained by the Independent Committee pursuant to a letter agreement dated as of January 2, 2013, to prepare and deliver to the Independent Committee a formal valuation of the Common Shares in accordance with the requirements of MI 61-101 under the supervision of the Independent Committee, at the Company's expense.

GMP was entitled to a fee upon (i) the execution of its engagement letter with the Independent Committee; and ii) delivery of its Formal Valuation to the Independent Committee. None of the fees payable to GMP were contingent upon the conclusions reached by GMP in the Formal Valuation or upon the completion of the Arrangement. In addition, the Company is to reimburse GMP for its reasonable expenses and to indemnify GMP in respect of certain liabilities that might arise out of its engagement. The fees paid to GMP pursuant to the engagement by the Company were not financially material to GMP. No understandings or agreements exist between GMP, the Company and/or ARMZ with respect to the provision of future financial advisory or investment banking services.

Credentials of GMP

GMP is a wholly-owned subsidiary of GMP Capital Inc., which is a publicly traded investment banking firm listed on the TSX with offices in Toronto, Calgary and Montreal, Canada, in New York, Dallas and Miami, U.S.A., in London, England and in Perth and Sydney, Australia. GMP is a leading independent Canadian investment dealer focused on investment banking and institutional equities sales and trading for corporate clients and institutional investors. As part of its investment banking activities, it is regularly engaged in the valuation of securities in connection with mergers and acquisitions, public offerings and private placements of listed and unlisted securities, and regularly engaged in market making, underwriting and secondary trading of securities in connection with a variety of transactions. GMP is not in the business of providing auditing services and is not controlled by a financial institution.

The opinions expressed in the Formal Valuation were the opinions of GMP, and the form and content thereof were approved for release by a group of professionals of GMP, each of whom is experienced in merger, acquisition, divestiture, fairness opinion and valuation matters.

Qualification and Independence of GMP

GMP has been determined to be qualified and independent. None of GMP or its affiliates (i) is an "issuer insider", "associated entity" nor an "affiliated entity" of ARMZ, the Company, or any "interested party", as each such term is used in MI 61-101; (ii) is acting as a financial advisor to ARMZ or the Company in connection with the Arrangement; (iii) is a manager or co-manager of any soliciting dealer group formed in connection with the

Arrangement nor will GMP, as a member of any such group, perform services beyond the customary soliciting dealers' functions nor will GMP receive more than the per share or per shareholder fee payable to other members of the group; or (iv) has a financial incentive with respect to the conclusions reached in the Formal Valuation or the outcome of the Arrangement or has a material financial interest in the completion of the Arrangement.

GMP has not provided any financial advisory services to ARMZ or the Company, or any of their respective associates or affiliates for which it has received compensation during the 24 month period prior to December 27, 2012. GMP was the lead underwriter of the Company's $260 million offering of convertible debentures which closed in March 2010.

GMP may, however, in the future in the ordinary course of its business, provide financial advisory or investment banking services to ARMZ, the Company or any of their respective affiliates. In addition, during the ordinary course of business, GMP may actively trade in the Common Shares and other securities of the Company for its own account and for the accounts of GMP's clients and, accordingly, may at any time hold a long or short position in such securities. As an investment dealer, GMP conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including those related to any of the Company or the Arrangement.

General Assumptions, Limitations and Reliance

In the Formal Valuation, GMP stated that it believes that its financial analyses must be considered as a whole and that selecting portions of its analyses or the factors considered by GMP, without considering all the factors and analyses together, could create a misleading view of the process underlying the Formal Valuation. The preparation of a formal valuation is a complex process and is not necessarily susceptible to partial analysis or summary description and any attempt to do so could lead to undue emphasis on any particular factor or analysis.

In connection with the preparation of the Formal Valuation, GMP, among other things, reviewed information provided by the Company, met with senior management of the Company and conducted other investigative exercises as more specifically described in the Formal Valuation. With the Independent Committee's approval and as provided in the engagement letter, GMP relied upon, and assumed the completeness, accuracy and fair presentation of all financial and other information, data, advice, opinions and representations obtained by GMP from public sources, or provided to GMP by the Company or its affiliates, associates or advisors or otherwise obtained by GMP pursuant to its engagement, and the Formal Valuation was conditional upon such completeness, accuracy and fair presentation of such information. Subject to the exercise of GMP's professional judgement and except as expressly described in the Formal Valuation, GMP was not requested to and did not attempt to verify independently the accuracy, completeness or fairness of the presentation of any such information, data, advice, opinions and representations. GMP did not meet with the independent auditors of the Company in connection with preparing the Formal Valuation, and GMP assumed the accuracy and fair presentation of, and relied upon, the audited consolidated financial statements and the reports of the auditors thereon, as well as the unaudited interim financial statements of the Company.

With respect to the historical financial data, operating and financial forecasts and budgets provided to GMP concerning the Company and its business and relied upon in GMP's financial analyses, GMP assumed that they had been reasonably prepared on the bases reflecting the most reasonable assumptions, estimates and judgements of management of the Company in regard to the Company's business, plans, taxation levels, financial condition and prospects of the Company.

GMP also assumed that all of the representations and warranties contained in the Arrangement Agreement were correct as of the date of the Arrangement Agreement and that the Arrangement will be completed substantially in accordance with the terms of the Arrangement Agreement and all applicable laws and that this Circular discloses all material facts relating to the Arrangement and satisfies all applicable legal requirements.

The Company represented to GMP, in a certificate of two senior officers of the Company dated January 13, 2013, among other things, that (i) the information, data and other material (financial or otherwise) provided to GMP by or

on behalf of the Company, including written information and information provided orally in discussions concerning the Company were complete, true and correct as at the date the information was provided to it and did not contain any untrue statement of a material fact in respect of the Company, its subsidiaries or the Arrangement and did not omit to state a material fact in respect of the Company, its subsidiaries or the Arrangement necessary to make the information not misleading in light of the circumstances under which the information was made or provided; and (ii) since the date on which the information was provided to GMP, except as disclosed in writing to GMP, there was no material change, financial or otherwise, in the financial condition, assets or liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its subsidiaries and no material change occurred in the information provided to GMP or any part thereof which would have had or which would reasonably be expected to have had a material adverse impact on the conclusions provided in the Formal Valuation.

The Formal Valuation was rendered on the basis of securities markets, economic and general business and financial conditions prevailing as at January 13, 2013 and the conditions and prospects, financial and otherwise, of the Company and its respective subsidiaries as they were reflected in the information provided to GMP and as they were represented to GMP in its discussions with the management and employees of the Company and its advisors. In GMP's analyses and in connection with the preparation of the Formal Valuation, GMP made numerous assumptions with respect to industry performance, general business, markets and economic conditions and other matters, many of which were beyond the control of any party involved in the Arrangement. Among other factors, GMP considered and relied upon, uranium price assumptions that were higher than the prevailing spot price for uranium, including (i) the average uranium price forecasts of various investment dealers that publish research on the sector, and (ii) the average long term contract price for U3O8 as published by Ux Consulting and TradeTech, LLC, both of which are described in more detail in the Formal Valuation (attached hereto as Appendix "D").

Resource Assumptions

Included in the free cash flows to the Company were expected yields of mineral resources under the Standards and Guidelines for Valuation of Mineral Properties published by the Canadian Institute of Mining, Metallurgy and Petroleum ("**CIM**") on Valuation of Mineral Properties in February 2003. However, the Company also has a significant proportion of its attributable resource potential which is measured under the Commonwealth of Independent States ("**CIS**") classification system. These resources, categorized as Prognosticated Resources (P1, P2 and P3), have no equivalent categories in CIM. However, the Company and its advisors believe that these resources have the potential to increase the mine life and resource base significantly, and are in fact included in the current mine plans. GMP understands that P1 resources are typically included in the mine plans by uranium operators in Kazakhstan, based on their long history of operating in the region, historical rates of conversion into inferred and other resource classifications and the geological nature of the deposits. Drilling has been done at each of the Company's assets in Kazakhstan that make use of the CIS classification system in order to both support the Prognosticated Resource estimates and for the purposes of converting some portion of these P1 resources to CIM category classifications.

The guidelines contained in CIM provide that (i) in the CIM's view, it is not acceptable for a valuator to use, in the income approach (which would include a discounted cash flow analysis), "potential resources", "hypothetical resources" and other such categories of resource estimates that do not conform to CIM categories of mineral reserves and mineral resources, and (ii) inferred resources should only be used in the income approach (A) if mineral reserves are present and are, in general, mined ahead of the inferred mineral resources in the income approach model, and/or (B) if measured and/or indicated resources are used and are, in general, mined ahead of inferred mineral resources in the income approach model. Although the P1 resources are contained in deposits that have not been sufficiently drilled to produce a mineral resource within a CIM category, the experience of the Company on contiguous properties has been that the P1 resources have been converted into indicated and inferred resources on a consistent basis.

Due to the positive history of conversion of P1 resources into the CIM resource categories, comments from the RPA reports regarding conversion of P1 resources, and the positive track record of mining such resources in the region and with certain of the Company's assets in particular, GMP determined, in the exercise of its professional judgement, that it would be appropriate to include a portion of the resources categorized as Prognosticated

Resources under the CIS system in its Net Asset Value ("**NAV**") analysis (representing approximately 11% of the attributable NAV of the Company), even though there are no equivalent categories in the CIM classification system.

Accordingly, although P1 resources were included in GMP's NAV analysis (using a conversion range based on discussions with the Company's management, technical consultants and historical track record), there can be no assurance that the estimated conversion from P1 into C1 or C2 mineable resources will ultimately be achieved. Further, in respect of inferred resources, they are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty any of such resources will ultimately be categorized as reserves. The RPA reports for the Company's operations located in Kazakhstan include only resources recognized in the CIM categories, consistent with the formal requirements for preparation of NI 43-101 compliant reports.

Valuation

Definition of Fair Market Value

For purposes of the Formal Valuation and in accordance with MI 61-101, fair market value ("**Fair Market Value**") means the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm's length with the other and each under no compulsion to act. GMP did not make any downward adjustment to the value of the Common Shares to reflect the liquidity of the Common Shares, the effect of a transaction on the Common Shares, or whether or not the Common Shares form part of a controlling interest. Consequently, the Formal Valuation provides a conclusion on a per Common Share basis with respect to the Company's "en bloc" value, being the price at which all the Common Shares could be sold to one or more buyers at the same time.

Approach to Valuation

The Formal Valuation was prepared based on techniques that GMP considered appropriate in the circumstances, after considering all relevant facts and taking into account GMP's assumptions, in order to arrive at the Fair Market Value of the Common Shares.

GMP considered three principal methodologies in their approach to the Formal Valuation:

(i) NAV analysis;

(ii) Comparable companies with control premium analysis; and

(iii) Precedent transactions analysis.

Net Asset Value Analysis

The NAV approach builds up a value by separately considering each operating, development, exploration and financial asset, the individual values of which are estimated through the application of the methodology viewed as the most appropriate in the circumstances, net of obligations and liabilities, including reclamation and closure costs, associated with each individual asset. Under the NAV approach, the value of each operating, development and exploration asset is summed to produce a total asset value from which is added and/or subtracted the Company's financial assets and liabilities, as well as an estimate of the present value of corporate general and administrative costs that were not directly assignable to the operating assets.

To value the mining operations of the Company, GMP relied primarily on a discounted cash flow ("**DCF**") analysis whereby GMP calculated the present value of the unlevered, after-tax, cash flows on a constant dollar basis over the remaining life of each mine utilizing a prescribed discount rate. Unlevered after-tax operating cash flows were reduced on an annual basis by the estimated amount of capital expenditures needed to develop and then maintain each mine in good working condition during the period of the projected cash flows and the anticipated working

capital requirements to arrive at a measure of free cash flow. All forecasts of free cash flow were based on operating estimates provided by the Company and GMP's assessment thereof, in the exercise of its professional judgment, over the permitted life of the mine. Uranium price forecasts were considered under two scenarios and were derived from research analyst consensus estimates and the price at which buyers and sellers of uranium currently contract for future delivery.

GMP relied on management projections as a basis for the development of the projected cash flows of the Company's properties. The information supplied as part of the management projections included production and volumes of recoverable materials, fixed and variable costs, taxes, royalties, maintenance capital and anticipated maintenance and development capital expenditures, among other operational and financial information.

Industry practice and the practice amongst the equity research community in general is to estimate NAV at standardized discount rates and use multiples to those estimates of NAV to determine an appropriate market value for a company's equity. The multiple to NAV, in this instance, is the factor used to reflect the relative risk and quality of a company within a market segment. GMP utilized this approach in the application of the comparable company with control premium approach. In addition, GMP, in its professional judgement, relied upon for purposes of the Formal Valuation, an estimate of the NAV of the Company using a risk adjusted discount rate, estimated using the Company's weighted average cost of capital, as a measure of "en bloc" value of the Company. This "risk-adjusted" NAV represents the fundamental value of the Company as a whole, based on the expected cash flow generation of the Company's assets and taking into account a measure of the risks associated with such cash flows.

GMP considered a variety of valuation techniques and, in its professional judgement, believed the NAV approach was the most appropriate methodology for estimating the "en bloc" value of the Common Shares. Further, the NAV approach was less biased with respect to a transaction's timing within the context of a commodity pricing cycle due to its reliance principally on long term commodity price forecasts and explicitly addressed the unique characteristics of the Company's assets from a long term operating, production and exploration perspective. By incorporating the DCF analysis into the NAV approach, GMP was able to incorporate in its estimates the relative timing and uncertainty of cash flows in order to properly reflect the growth prospects and risks inherent in the Company's operations.

Comparable Company Analysis with Control Premium Approach

In the comparable company approach, various financial metrics at which similar, publicly listed, primarily uranium companies trade were reviewed and employed to estimate appropriate multiples of similar metrics for the Company. Asset location, production method and scale, stage of project development, operating costs and profitability, and expected mine life were all key considerations for assessing comparability. The following financial metrics were analyzed and considered in the approach to valuation of the Common Shares: share price as a multiple of NAV per share ("**Price/NAV**") and share price as a multiple of operating cash flow per share ("**Price/Cash Flow**").

GMP considered the multiple to NAV to be the most applicable trading metric to measure the value of the Company for the following reasons:

(i) Mine Life of the Company's Assets: The Company's average mine life is 16 years, which differs in some regard from those of the peers and is not captured in multiples against near term measures of profitability; and

(ii) Anticipated Production Growth: The Company expects to grow its production from the current rate through both organic growth of existing operations and the development of its currently non-producing properties.

Multiples such as Price/NAV incorporate the value of organic production growth without requiring all comparable companies to be at the same stage in their development cycles.

GMP considered the multiple to cash flow to be a relevant metric in the derivation of value for the Common Shares as this metric is commonly employed by market participants. In addition, the community of equity research analysts currently publishing research on the Company utilize Price/NAV multiples and Price/Cash Flow multiples as their principal methodologies to arrive at their respective value targets for the Common Shares.

In order to apply the control premium to the Common Shares, GMP reviewed change of control premia paid in comparable transactions deemed appropriate, in the exercise of GMP's professional judgement. The application of a change of control premium considers value in the context of the purchase or sale of a comparable company to estimate the "en bloc" value of a particular company. Based on its analysis, GMP believed 30% represented an appropriate premium for a change of control transaction and applied a 30% premium to the value ranges determined using the comparable company approach.

Precedent Transaction Analysis

The precedent transactions approach considers transaction valuations in the context of the purchase or sale of a comparable company or asset. The prices paid for uranium producing companies and assets and their implied multiples provide a general measure of relative value. Factors such as stage of development, asset size, location and grade, operating cost, mining technique, as well as the spot price of uranium at the time of the transaction are all factors that should be considered in assessing comparability. As precedent transactions represent a change of control, the implied transaction multiples could be used to measure "en bloc" value. GMP considered the multiple of Price/NAV to be the most applicable precedent transaction metric to measure the value of the Common Shares.

GMP analyzed several precedent corporate and asset transactions in the uranium sector, and notwithstanding the above, placed no reliance on the precedent transaction approach for purposes of determining a Fair Market Value for the Common Shares. The precedent transactions identified by GMP were generally completed in significantly different uranium pricing environments and under significantly different uranium market conditions. In addition, there have been a very limited number of corporate transactions involving producing uranium mines, none of which have been completed in the context of the currently prevailing uranium market.

Benefits to ARMZ of Acquiring the Company

GMP considered whether any distinctive material benefits would accrue to ARMZ as a consequence of the completion of the Arrangement, but had insufficient information to quantify any benefits to ARMZ and did not include such benefits in its determination of Fair Market Value. ARMZ currently has an offtake arrangement with Uranium One such that it has an option to purchase up to the greater of (i) 51% of aggregate attributable production of uranium concentrate derived from the assets of Uranium One or its affiliates in respect of which Uranium One has marketing rights (excluding quantities committed under existing contracts and quantities subject to the JUMI offtake agreement) or (ii) 50% of the aggregate production of uranium concentrates from the Akbastau, Karatau and Zarechnoye mines, provided Uranium One has marketing rights to such materials.

Valuation Conclusion

GMP had made qualitative judgements based on its experience in rendering such opinions and on the circumstances then prevailing as to the significance and relevance of each factor. In arriving at GMP's opinion of the Fair Market Value of the Common Shares, GMP, in the exercise of its professional judgement, for reasons previously discussed, principally considered the following valuation methodologies and attributed the following weights to each valuation technique: (i) 50% to the NAV approach, applying the Company's weighted average cost of capital to discount future free cash flows; (ii) 25% to the NAV approach, with specific focus on the values derived by applying comparable company multiples adjusted for control; and (iii) 25% to the Price/Cash Flow approach, with specific focus on the values derived by applying comparable company multiples adjusted for control.

Based upon and subject to the foregoing and such other factors as GMP considered relevant, GMP was of the opinion that, as of January 13, 2013, the Fair Market Value of the Common Shares was in the range of US$2.66 to

US$3.21 per share (equivalent to $2.62 to $3.16 using the closing exchange rate of $1.00 = US$1.0154 as of Friday, January 11, 2013, the last trading day before the execution of the Arrangement Agreement).

Additional Transaction Benefits to ARMZ

The acquisition of Uranium One will provide ARMZ with access to 100% of the material produced to which Uranium One is entitled (subject to existing offtake and sales commitments) at costs that are expected to be well below the market price of uranium.

ARMZ is an indirect wholly-owned subsidiary of Rosatom, which is a nuclear energy provider and consumer of uranium that may benefit from the vertical integration of its business. In addition, as a global manufacturer of nuclear reactors, Rosatom will be more competitive internationally, with the ability to provide utilities an integrated product including the long term supply of nuclear fuels.

Approval of Arrangement Resolution

At the Meeting, the Securityholders will be asked to approve the Arrangement Resolution, the full text of which is set out in Appendix "A" to this Circular. In order for the Arrangement to become effective, as provided in the Interim Order and by the CBCA and MI 61-101, the Arrangement Resolution must be approved by (i) a majority of the votes cast by Minority Shareholders present in person or represented by proxy at the Meeting, as contemplated by MI 61-101 in the context of a "business combination", (ii) not less than two-thirds of the votes cast by Shareholders present in person or represented by proxy at the Meeting, and (iii) not less than two-thirds of the votes cast by Securityholders, voting together as one class, present in person or represented by proxy at the Meeting. Should Securityholders fail to approve the Arrangement Resolution by the requisite majorities, the Arrangement will not be completed.

The Board has approved the Arrangement Agreement and the Plan of Arrangement and recommends that the Securityholders vote FOR the Arrangement Resolution. See "*The Arrangement – Recommendation of the Board*", above.

Voting Agreements

On January 13, 2013, the Purchaser entered into the Voting Agreements with each of the Directors and executive officers of Uranium One. The Voting Agreements set forth, among other things, the agreement of those Directors and executive officers to vote their Securities in favour of the Arrangement and any matter necessary for the consummation of the Arrangement and against any Acquisition Proposal and/or any other matter that could reasonably be expected to delay, prevent or frustrate the completion of the Arrangement. The Directors and executive officers of the Company who entered into Voting Agreements are identified under the heading "*Interests of Informed Persons in Material Transactions – Interests of Certain Persons in the Arrangement*". As of January 13, 2013 (the date on which the Arrangement was announced), 1,414,495 of the outstanding Common Shares and 9,811,875 of the Options were subject to the Voting Agreements, representing approximately 0.15% of the outstanding Common Shares and approximately 70.3% of the outstanding Options.

Under the terms of the Voting Agreements, the Purchaser has acknowledged that the Supporting Shareholders are bound under their respective Voting Agreements only in their capacity as a Securityholder, and not in their capacity as a Director or executive officer.

The Voting Agreements terminate upon: (i) mutual agreement; (ii) a party's election following a breach of the other party's covenant, representation or warranty; or (iii) the date of termination of the Arrangement Agreement in accordance with its terms.

Completion of the Arrangement

Subject to the provisions of the Arrangement Agreement, the Arrangement will become effective at 12:01 a.m. (Toronto time) on the date following the date upon which all of the conditions to completion of the Arrangement as set out in Article 6 of the Arrangement Agreement have been satisfied or waived in accordance with the Arrangement Agreement, and the filings required under section 192(6) of the CBCA have been filed with the Director under the CBCA. Completion of the Arrangement is anticipated to occur in the second quarter of 2013; however, it is possible that completion may be delayed beyond this date if the conditions to completion of the Arrangement cannot be met on a timely basis, but in no event shall completion of the Arrangement occur later than the December 1, 2013, unless extended by mutual agreement between the Purchaser and Uranium One in accordance with the terms of the Arrangement Agreement.

Following completion of the Arrangement, the listings of Uranium One on the TSX and JSE will be terminated.

Procedure for Surrender of Common Shares and Payment of Consideration

Procedures for Surrender of Common Shares

Shareholders (other than South African Shareholders) should follow the process set out under the heading "*Letter of Transmittal*"; and South African Shareholders should follow the process set out under the heading "*Form of Surrender*".

The heading below entitled "*General*", is applicable to all Shareholders.

Letter of Transmittal

If you are a Registered Shareholder, you should have received with this Circular a Letter of Transmittal printed on blue paper. If the Arrangement Resolution is passed and the Arrangement is implemented, in order to receive the payment for their Common Shares, Registered Shareholders (who are not South African Shareholders) must complete and sign the Letter of Transmittal and deliver it, together with certificates representing their Common Shares, and the other relevant documents required by the instructions set out therein, to the Canadian Depositary in accordance with the instructions contained in the Letter of Transmittal. You can obtain additional copies of the Letter of Transmittal by contacting the Depositary. The Letter of Transmittal is also available on SEDAR at www.sedar.com under the Company's filings.

The Letter of Transmittal contains procedural information relating to the Arrangement and should be reviewed carefully. The deposit of Common Shares pursuant to the procedures in the Letter of Transmittal will constitute a binding agreement between the depositing Shareholder and the Purchaser upon the terms and subject to the conditions of the Arrangement.

Only Registered Shareholders (who are not South African Shareholders) should submit a Letter of Transmittal. **If you are a beneficial Shareholder holding your Common Shares through an Intermediary, you should carefully follow the instructions provided to you by such Intermediary or contact your Intermediary for assistance**.

The signature on the Letter of Transmittal must be guaranteed by an Eligible Institution if a Letter of Transmittal is executed by a person other than the Registered Shareholder.

Form of Surrender

The following applies to Certificated South African Shareholders and does not apply to Dematerialised South African Shareholders. Dematerialised South African Shareholders do not need to undertake any act of surrender ie, they do not need to complete a Form of Surrender.

If you are a Certificated South African Shareholder and a Registered Shareholder, you should have received with this Circular a Form of Surrender printed on pink paper. If the Arrangement Resolution is passed and the Arrangement is implemented, in order to receive the payment for their Common Shares, Certificated South African Shareholders who are Registered Shareholders must complete and sign the Form of Surrender and deliver it, together with certificates representing their Common Shares, and the other relevant documents required by the instructions set out therein, to the South African Transfer Secretary in accordance with the instructions contained in the Form of Surrender. You can obtain additional copies of the Form of Surrender by contacting the South African Transfer Secretary.

The Form of Surrender contains procedural information relating to the Arrangement and should be reviewed carefully. The deposit of Common Shares pursuant to the procedures in the Form of Surrender will constitute a binding agreement between the depositing Shareholder and the Purchaser upon the terms and subject to the conditions of the Arrangement.

Only Certificated South African Shareholders who are Registered Shareholders should submit a Form of Surrender. If you are a beneficial South African Shareholders holding your Certificated Shares through an Intermediary, you should carefully follow the instructions provided to you by such Intermediary or contact your Intermediary for assistance.

It is recommended that South African Shareholders complete, sign and return the Form of Surrender with the accompanying Documents of Title to the South African Transfer Secretary as soon as possible and preferably not later than 12:00 p.m. Johannesburg time (5:00 a.m. Toronto time) on the SA Payment Record Date.

Any surrender of Documents of Title by a South African Shareholder in accordance with the above may be made prior to, and in anticipation of, the Arrangement becoming effective, in which event surrendered Documents of Title will be held on behalf of and for the benefit of the surrendering South African Shareholders pending the Arrangement becoming effective. If the Arrangement does not become effective for any reason whatsoever, the South African Transfer Secretary will return the Documents of Title, by registered post, to the South African Shareholder at the risk of such South African Shareholder within five Business Days of the date upon which it becomes known that the Arrangement will not become effective.

Certificated South African Shareholders who surrender their Documents of Title before the SA Payment Record Date will not be able to trade or dematerialise their Common Shares after the surrender.

General

All questions as to validity, form, eligibility (including timely receipt) and acceptance of the Letter of Transmittal or Form of Surrender (as applicable) and any Common Shares surrendered in connection with the Arrangement, will be determined by the Company and the Purchaser. Such determination will be final and binding. There shall be no duty or obligation of the Company, the Purchaser, the Depositary (the Canadian or South African, as applicable) or any other person to give notice of any defect or irregularity in any deposit or notice of withdrawal and no liability will be incurred by any of them for failure to give any such notice. The Company reserves for itself and the Purchaser the absolute right to reject, without notice, any and all surrenders of Common Shares which it determines not to be in proper form or which, in the opinion of its counsel, it may be unlawful to accept under the Laws of any jurisdiction. The Company reserves for itself and the Purchaser the absolute right to waive any defect or irregularity in the surrender of any Common Shares.

The method of delivery of the Letter of Transmittal or Form of Surrender (as applicable), and certificates representing Common Shares and all other required documents is at the option and risk of the person depositing their Common Shares. Any use of the mail to forward certificates representing Common Shares and/or the related Letters of Transmittal or Form of Surrender (as applicable) shall be at the election and sole risk of the person depositing such Common Shares, and documents so mailed shall be deemed to have been received by the Company only upon actual receipt by the Depositary (the South African Transfer Secretary or the Canadian Depositary, as

applicable). If such certificates and other documents are to be mailed, the Company recommends that registered mail be used with proper insurance and an acknowledgement of receipt requested.

Payment of Consideration

Prior to the filing of the Articles of Arrangement, the Purchaser will deposit or cause to be deposited the aggregate amount of Consideration to be paid pursuant to the Plan of Arrangement with the South African Transfer Secretary and Depositary (as applicable) for the benefit of the Shareholders. If the Purchaser has not otherwise provided the Depositary with such funds in accordance with the preceding sentence, on the first Business Day after the Effective Date the Purchaser shall be deemed to have irrevocably demanded repayment of that portion of the Loan equal to the deficiency in the funds provided to the Depositary and directed that the proceeds of such repayment be provided to the Depositary to be held in such escrow. If, after such proceeds of the Loan have been provided to the Depositary, the Depositary still has not been provided with all of the funds contemplated by the first sentence above, the Purchaser shall immediately provide the Depositary with funds equal to that remaining deficiency.

Shareholders (other than South African Shareholders)

Payment

Registered Shareholders (who are not South African Shareholders) who deposit a validly completed and duly signed Letter of Transmittal, together with accompanying certificate(s) representing their Common Shares, will be forwarded the Consideration to which they are entitled under the Arrangement, with such surrendered certificate(s) being cancelled.

Registered Shareholders (who are not South African Shareholders) who do not forward to the Canadian Depositary a duly completed Letter of Transmittal, together with the certificate(s) representing their Common Shares and the other relevant documents, will not receive the Consideration to which they are otherwise entitled until deposit thereof is made. Whether or not Shareholders forward their certificate(s) upon the completion of the Plan of Arrangement on the Effective Date, Shareholders will cease to be holders of Common Shares as of the Effective Date and will only be entitled to receive the Consideration to which they are entitled under the Arrangement or, in the case of Registered Shareholders who properly exercise Dissent Rights, the right to receive fair value for their Common Shares in accordance with section 190 of the CBCA, as modified by the Plan of Arrangement and the Interim Order. See "*The Arrangement – Dissent Rights*".

As soon as a former Registered Shareholder who has complied with the procedures set out above and in the Letter of Transmittal is entitled to a net payment of Consideration in accordance with the Arrangement and after receipt of all required documents, a cheque representing the aggregate Consideration payable under the Arrangement to the former Registered Shareholder will be: (a) forwarded to the former Registered Shareholder at the address specified in the Letter of Transmittal by first-class mail; or (b) made available at the office of the Depositary at which the Letter of Transmittal and the certificate(s) for the Common Shares were delivered for pick-up by the former Registered Shareholder, as requested by the former Registered Shareholder in the Letter of Transmittal. If no address is provided on the Letter of Transmittal, cheques will be forwarded to the address of the holder as shown on the register maintained by the Transfer Agent.

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Common Shares that were transferred pursuant to the Arrangement is lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Canadian Depositary will pay to such holder, in exchange for such lost, stolen or destroyed certificate, the net Consideration which such holder has the right to receive under the Arrangement for such Common Shares, deliverable in accordance with such holder's Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such cash is to be delivered shall, as a condition precedent to the delivery of such cash, give a bond satisfactory to the Company, the Purchaser, ARMZ and the Canadian Depositary in such sum as the Purchaser may direct, or otherwise indemnify the Purchaser and the Company in a manner

satisfactory to the Purchaser and the Company, acting reasonably, against any claim that may be made against the Purchaser or the Company with respect to the certificate alleged to have been lost, stolen or destroyed.

Currency of Payment

All payments to Shareholders (other than South African Shareholders) of the Consideration will be made in Canadian dollars. However, a Shareholder who is not a South African Shareholder can elect to receive the consideration for its Common Shares in U.S. dollars or British Pounds Sterling by checking the appropriate box in the Letter of Transmittal. In such case, the Canadian Depositary will convert the Canadian dollar Consideration to which the Shareholder is entitled into U.S. dollars or British Pounds Sterling, as the case may be, and the Shareholder will have acknowledged and agreed that the exchange rate for one Canadian dollar expressed in U.S. dollars or British Pounds Sterling, as the case may be, will be based on the prevailing market rates available from the Canadian Depositary on the date the funds are converted by the Canadian Depositary, which rates will be at the sole risk of the Shareholder. **A Shareholder (other than a South African Shareholder) electing to receive the Consideration in U.S. dollars or British Pounds Sterling will have further acknowledged and agreed that any change to the currency exchange rates for the exchange of Canadian dollars into U.S. dollars or British Pounds Sterling, as the case may be, will be at the sole risk of the Shareholder**.

If an election or instruction to receive payment in U.S. dollars or British Pounds Sterling is not made or given, Shareholders (other than South African Shareholders) will receive payment in Canadian dollars.

South African Shareholders

How the Consideration will be paid to South African Shareholders is dependent on whether the Common Shares held by the South African Shareholder are held as Certificated Shares or Dematerialised Shares.

Certificated South African Shareholders

Subject to receipt of all applicable documents and to the Arrangement becoming effective, cheques for the Rand equivalent of the Consideration due to Certificated South African Shareholders (subject to applicable withholdings) will be posted to them, by ordinary post, at their risk, to their respective addresses reflected in their Forms of Surrender, or if there is no address on a Form of Surrender, to the address reflected on the SA Branch Register. Alternatively, and if so elected by the South African Shareholder in the Form of Surrender, the Rand equivalent of the Consideration (subject to applicable withholdings) will be electronically transferred into a Certificated South African Shareholder's bank account. This will take place on the SA Payment Date if the Form of Surrender together with the relevant Documents of Title (in negotiable form) will have been surrendered to the South African Transfer Secretary by 12:00 p.m. Johannesburg time on the SA Payment Record Date, or within five Business Days of receipt of the Form of Surrender together with the relevant Documents of Title (in negotiable form), whichever is the later.

Where on or after the SA Payment Date, a person who was not a registered South African Shareholder on the SA Payment Record Date, tenders to the South African Transfer Secretary Documents of Title for any Common Shares, together with a duly stamped Form of Surrender, purporting to have been executed by or on behalf of the registered holder of such Common Shares and, provided that the Rand equivalent of the Consideration has not already been posted or delivered to the registered holder, or his, her or its CSDP or Broker, then the transfer may be accepted by the South African Transfer Secretary as if it were a valid transfer to such person of the Common Shares concerned, provided that the South African Transfer Secretary will have been, if so required by them, given an indemnity on terms acceptable to them in respect of the Rand equivalent of the Consideration.

The Rand equivalent of the Consideration (subject to applicable withholdings) due to a Certificated South African Shareholder will only be payable upon receipt by the South African Transfer Secretary of the Documents of Title in respect of all of such South African Shareholder's Common Shares.

Dematerialised South African Shareholders

The Rand equivalent of the Consideration (subject to applicable withholdings) due to Dematerialised South African Shareholders will not be posted to them but will be transferred, at their risk, to their respective CSDPs or Brokers, for payment to them on the SA Payment Date in accordance with, and subject to the requirements of, the rules of Strate.

Currency of Payment

South African Shareholders are required to be paid the Consideration payable to them under the Arrangement in Rand. Accordingly, South African Shareholders will be paid the Rand equivalent of the Consideration, as calculated using the noon rate of exchange quoted on the website of the Bank of Canada as the reference rate of the Canadian dollar against the Rand at 5:00 p.m. (South African Time) on the Conversion Reference Date.

Exchange Control

The settlement of the Rand equivalent of the Consideration for both Dematerialised South African Shareholders and Certificated South African Shareholders will be made subject to the South African Exchange Control Regulations.

See "*The Arrangement - Regulatory Law Matters and Securities Law Matters - South African Regulatory Matters – Exchange Control Regulations*".

Important Dates and Times Applicable to South African Shareholders (subject to the notes below)

Please note that the following dates are provided for illustrative purposes only, and are presented on the assumption that all necessary securityholder, court and Regulatory Approvals will be received at times consistent with the timeline set out below. The following dates remain subject to change. Any such change will be published on SENS and in the press.

o Record Date to vote at the Meeting	Friday, February 8, 2013
o Proxy Forms for the Meeting to be received by 16:00 (South African Time)	Tuesday, March 5, 2013
o The Meeting, to be held at 09:00 a.m. (Toronto time) in Toronto	Thursday, March 7, 2013
o Conversion Reference Date to be determined at 17:00 (South African Time)	Wednesday, June 12, 2013
o Finalisation announcement and South African currency conversion announcement on SENS by 11:00 South African time	Thursday, June 13, 2013
o Closing of SA Branch Register for removal to and from the principal register	Thursday, June 13, 2013
o Last day to trade Common Shares on the JSE in order to be recorded in the SA Branch Register to become entitled to receive payment of the Rand equivalent of the Consideration	Friday, June 21, 2013
o Suspension of listing of Common Shares on the JSE	Monday, June 24, 2013

- SA Payment Record Date for payment of the Rand equivalent of the Consideration — Friday, June 28, 2013
- Expected SA Payment Date when the Rand equivalent of the Consideration is expected to be: — Monday, July 1, 2013
  - credited to Dematerialised South African Shareholders' accounts held at their respective CSDPs or Brokers; or
  - transferred or posted (as the case may be) to Certificated South African Shareholders (see note 1)
- Termination of listing at commencement of trading — Tuesday, July 2, 2013

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Notes:

(1) Only for Certificated South African Shareholders who surrender their Documents of Title to the South African Transfer Secretary, Computershare Investor Services (Proprietary) Limited, 70 Marshall Street, Johannesburg, 2001, South Africa (P O Box 61051, Marshalltown, 2107, South Africa), before 12:00 p.m. on the SA Payment Record Date. Other Certificated South African Shareholders will have the Rand equivalent of the Consideration due to them posted or transferred (as the case may be) five Business Days after the surrender of their documents.

(2) All dates and times indicated above are South African times and dates, and are subject to change. Any such change will be published on SENS and in the press.

(3) Dematerialised South African Shareholders are advised that as trading in Common Shares on the JSE is settled in accordance with the rules of Strate within five South African Business Days after the trade, South African Shareholders acquiring Dematerialised Shares after February 1, 2013 will not be eligible to vote at the Meeting.

South African Shareholders may not dematerialise or rematerialise their Common Shares after Friday, June 21, 2013.

Cancellation of Rights of Shareholders

Until surrendered, after the Effective Time, each certificate that previously represented Common Shares shall represent only the right to receive upon surrender a cash payment in accordance with the Plan of Arrangement. Any certificate formerly representing Common Shares not duly surrendered on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former holder of Common Shares of any kind or nature against or in the Company or the Purchaser. On such date, all cash to which such former holder was entitled shall be deemed to have been surrendered to the Purchaser or the Company, as applicable, and shall be paid over by the relevant Depositary to the Purchaser or as directed by the Purchaser.

Any payment made by way of cheque by a Depositary (or the Company, if applicable) pursuant to the Arrangement that has not been deposited or has been returned to such Depositary (or the Company) or that otherwise remains unclaimed, in each case, by the sixth anniversary of the Effective Time, and any right or claim to payment hereunder that remains outstanding on the sixth anniversary of the Effective Time shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the applicable consideration for the Common Shares pursuant to the Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser or the Company, as applicable, for no consideration.

Procedures for Optionholders

Optionholders will not be required to complete and return Letters of Transmittal or Forms of Surrender (as applicable), or surrender the stock option agreements representing their Options in order to receive the consideration due to them for their Options under the Plan of Arrangement. On the Effective Date, the Company will make the initial payments contemplated under the Plan of Arrangement in respect of the In-the-Money Options, and on December 31, 2013, the Company will make the payments contemplated under the Plan of Arrangement to

Employee Optionholders. No further action on the part of the Optionholders will be required. See the heading "*The Arrangement – Principal Steps of the Arrangement*".

Court Approval of the Arrangement

An arrangement under the CBCA involving the Company requires approval by the Court.

Interim Order

On February 6, 2013, Uranium One obtained the Interim Order providing for the calling and holding of the Meeting, the Dissent Rights and certain other procedural matters. The text of the Interim Order is set out in Appendix "E" to this Circular.

Final Order

Subject to the terms of the Arrangement Agreement, and if the Arrangement Resolution is approved by Securityholders at the Meeting in the manner required by the Interim Order, Uranium One intends to make an application to the Court for the Final Order.

The application for the Final Order approving the Arrangement is currently scheduled for March 18, 2013 at 10:00 a.m. (Toronto time), or as soon thereafter as counsel may be heard, at the Courthouse, 330 University Avenue, Toronto, Ontario, or at any other date and time as the Court may direct. Any Securityholder or any other interested party who wishes to appear or be represented and to present evidence or arguments at that hearing of the application for the Final Order must file and serve a notice of appearance no later than 5:00 p.m. (Toronto time) on March 13, 2013, along with any other documents required, all as set out in the Interim Order and the Notice of Application, the text of which are set out in Appendix "E" to this Circular, and satisfy any other requirements of the Court. Such persons should consult with their legal advisors as to the necessary requirements. In the event that the hearing is adjourned then, subject to further order of the Court, only those persons having previously filed and served a notice of appearance will be given notice of the adjournment.

The Court has broad discretion under the CBCA when making orders with respect to the Arrangement and will consider, among other things, the fairness and reasonableness of the Arrangement, both from a substantive and a procedural point of view. The Court may approve the Arrangement, either as proposed or as amended, on the terms presented or substantially on those terms. Depending upon the nature of any required amendments, Uranium One and/or the Purchaser may determine not to proceed with the Arrangement.

For further information regarding the Court hearing and your rights in connection with the Court hearing, see the form of Notice of Application attached at Appendix "E" to this Circular. The Notice of Application constitutes notice of the Court hearing of the application for the Final Order and is your only notice of the Court hearing.

Regulatory Law Matters and Securities Law Matters

Regulatory Matters

In addition to the Final Order, the Arrangement is subject to receipt of, among other things, certain Regulatory Approvals. The following is a summary of the more substantive Regulatory Approvals that are required to be obtained for the completion and implementation of the Arrangement.

In the event that any Regulatory Approvals are determined to be required, such Regulatory Approvals will be sought, although any such additional requirements could delay the Effective Date or prevent the completion of the Arrangement. While there can be no assurance that any Regulatory Approvals that are determined to be required will be obtained (including those consents and approvals described below), Uranium One currently anticipates that any such Regulatory Approvals that are determined to be required will have been obtained or otherwise resolved by the Effective Date, which, subject to receipt of the Securityholder approval of the Arrangement at the Meeting,

receipt of the Final Order and the satisfaction or waiver of all other conditions specified in the Arrangement Agreement, is anticipated to occur in the second quarter of 2013.

Australian Regulatory Matters

Certain investments by foreign persons which have a connection with Australia are regulated under the FATA and the Australian Government's Foreign Investment Policy ("**FIRB Policy**"). Uranium One owns a 100% interest in the Honeymoon Uranium Project in Australia and has an interest in a number of exploration licences in the area surrounding the Honeymoon Uranium Project. Due to Uranium One's Australian assets, ARMZ was required under the FATA and the FIRB Policy to make an application to FIRB seeking the approval of the Australian Treasurer to implement the Arrangement.

In accordance with FATA and the FIRB Policy, ARMZ will seek confirmation that the Australian Treasurer will not object to the Arrangement. It is anticipated that ARMZ will notify FIRB of the Arrangement by application and will submit that the Arrangement is not contrary to Australia's national interest.

The Australian Treasurer considers foreign investment proposals on a case-by-case in the context of Australia's national interest. In making these decisions, the Australian Treasurer relies upon the advice of FIRB. Under the FATA, the Australian Treasurer has 30 days to consider an application and make a decision and a further 10 days to notify an applicant of his decision. The Australian Treasurer also has the power to extend the period to consider an application by a further 90 days by publishing an interim order. The decision by the Australian Treasurer will either be to approve the Arrangement, to approve the Arrangement subject to certain conditions or to prohibit the Arrangement from being implemented**.**

Kazakh Regulatory Matters

State Pre-emptive Right and Transfer Approval

Pursuant to the Law of the Republic of Kazakhstan "On Subsoil and Subsoil Use" dated June 24, 2010, the Government of Kazakhstan has a statutory pre-emptive right to purchase the shares of a corporation having direct or indirect control over an entity which holds subsoil use rights in Kazakhstan. This right is exercisable in the event that a subsoil user wishes to sell or otherwise transfer any subsoil use rights under its Kazakh subsoil use contracts or any shares or other equity interests in: (i) a legal entity holding a Kazakh subsoil use right; or (ii) a legal entity which could directly or indirectly make decisions and/or exert influence on decisions adopted by a Kazakh subsoil user, if the main activity of such entity was connected to subsoil use in Kazakhstan. The pre-emptive right entitles the Government of Kazakhstan to purchase such rights or equity interests on terms no less beneficial than those offered to the intended purchaser.

The transactions contemplated by the Arrangement Agreement may be subject to a waiver of the Government of Kazakhstan's pre-emptive right and consent by the Minister of Industry and New Technologies of Kazakhstan ("**MINT**") under the current Law on Subsoil and Subsoil Use. In the event such approvals are required, the Company will file an application for the waiver of any and all pre-emptive rights asserted by the Government of Kazakhstan or other authorized Government Entities of Kazakhstan and the associated consent of the MINT to the transfer of the Common Shares to the Purchaser, pursuant to Articles 12 and 36 of the Subsoil Use Law. If such approvals are required, there can be no assurance that such waiver and consents will be obtained.

Strategic Objects Approval

Pursuant to section 193-1(3) of the *Civil Code of the Republic of Kazakhstan* (General Part), dated December 27, 1994, and section 187(1) of the Law of the Republic of Kazakhstan "On State Property", disposition of strategic objects shall be possible on the basis of a resolution of the Government of the Republic of Kazakhstan permitting such a disposition and in the manner prescribed by the legislation on state property. In the event such approvals are required, it is anticipated that the Company will file an application for the granting of an approval for alienation of

strategic objects and an accompanying cover letter. If such approvals are required, there can be no assurance that such approval will be obtained.

Russian Regulatory Matters

The Federal Antimonopoly Service of the Russian Federation ("**FAS**") enforces Russian merger control provisions in relation to transactions which could negatively affect competition on the Russian market. A prior consent of FAS is required, inter alia, in case of acquisition of shares in a non-Russian company which has direct sales to Russia that exceed RUB 1 billion (approximately $33 million) in the year preceding such acquisition and the following criteria are met:

(a) The acquirer and its group acquire shares resulting in the acquirer and its group holding over 50% of voting shares in such non-Russian company; and

(b) Aggregate book value on a worldwide basis of all companies within the acquirer's group and the target's group exceeds RUB 7 billion (approximately $233 million) and the aggregate book value on a worldwide basis of all companies within the target's group exceeds RUB 250 million (approximately $8.3 million); or

(c) The aggregate turnover on a worldwide basis of all companies mentioned in (b) above exceeds 10 billion (approximately $333 million) roubles and the aggregate book value on a worldwide basis of all companies within the target's group exceeds RUB 250 million (approximately $8.3 million); or

(d) Any company within the acquirer's or the target's group is recorded in the Russian register of dominant businesses and businesses with a market share exceeding 35%.

It was determined that the Arrangement will require either the prior approval of FAS for an equity transaction, in accordance with the provisions of Art. 28 of Federal Law No. 135-FZ - On Protection of Competition (July 26, 2006), or an official statement of the FAS that no prior FAS approval is required in connection with the Arrangement. It is anticipated that FAS will be notified of the Arrangement.

South African Regulatory Matters – Exchange Control Regulations

Uranium One has applied for SARB Approval regarding the contents of this Circular and regarding the payment of the Consideration to its South African Shareholders.

The following is a summary of the South African Exchange Control Regulations, which apply in respect of those Shareholders who hold Common Shares that are listed on the JSE. If in doubt, Shareholders should consult their professional advisers without delay.

Emigrants from the Common Monetary Area

The Rand equivalent of the Consideration pursuant to the Arrangement is not freely transferable from South Africa and must be dealt with in terms of the South African Exchange Control Regulations.

The Rand equivalent of the Consideration payable in terms of the Arrangement to a Certificated South African Shareholder who is an emigrant from South Africa, whose registered address is outside the Common Monetary Area and whose Documents of Title have been restrictively endorsed under the South African Exchange Control Regulations, will be deposited in a blocked Rand account with the authorized dealer in foreign exchange in South Africa controlling the Shareholder's blocked assets in accordance with his instructions, against delivery of the relevant Documents of Title.

The authorized dealer releasing the relevant Documents of Title must countersign the Form of Surrender thereby indicating that the Rand equivalent of the Consideration payable in terms of the Arrangement will be placed directly in its control.

The Form of Surrender makes provision for the details and signature of the authorized dealer concerned to be provided.

All other non-residents of the Common Monetary Area

The Rand equivalent of the Consideration payable to a Certificated South African Shareholder who is a non-resident of South Africa and who has never resided in South Africa, whose registered address is outside the Common Monetary Area and whose Documents of Title have been restrictively endorsed under the South African Exchange Control Regulations, will be deposited with the authorized dealer in foreign exchange in South Africa nominated by such Certificated South African Shareholder against delivery of the relevant Documents of Title. It will be incumbent on the Certificated South African Shareholder concerned to instruct the nominated authorized dealer as to the disposal of the amounts concerned.

The Form of Surrender makes provision for the nomination of an authorized dealer. If the information regarding the authorized dealer is not given, the Rand equivalent of the Consideration pursuant to the Arrangement will be held in trust by the Company for the South African Shareholder concerned pending receipt of the necessary information or instruction. No interest will be paid on the cash so held in trust.

United States Regulatory Approvals

United States Nuclear Regulatory Commission

Uranium One's subsidiary Uranium One USA, Inc. holds U.S. Nuclear Regulatory Commission ("**NRC**") Materials License No. SUA-1341 for the Willow Creek Project in Johnson and Campbell Counties, Wyoming. Uranium One's subsidiary Uranium One Americas, Inc. holds NRC Materials License SUA-1596 for the Moore Ranch Project in Campbell County, Wyoming and NRC Materials License 49-29384-01, which authorizes the use of equipment for mineral well logging used in exploration drilling activities in Wyoming, and is the applicant under NRC Materials License Applications filed for the Jab & Antelope Project (Docket No. 40-9079) and the Ludeman Project (Docket No. 40-9095) covering mining properties located in Campbell County, Converse County, and Sweetwater County, Wyoming. *The Atomic Energy Act of 1954*, as amended (the "**Atomic Energy Act**"), and the rules and regulations promulgated thereunder by the NRC provide that no "Materials License" issued pursuant to the Atomic Energy Act may be transferred, directly or indirectly through change of control, unless the NRC, after securing full information, finds that the transfer is in accordance with the provisions of the Atomic Energy Act and gives its consent in writing. The NRC has sole responsibility for determining whether a transaction constitutes a change of control under the Atomic Energy Act.

Uranium One notified the NRC of the Arrangement by letter dated January 29, 2013, and requested written concurrence from the NRC that the Arrangement does not constitute a change of control requiring NRC approval under the Atomic Energy Act.

If the NRC determines that the Arrangement constitutes a change of control requiring NRC approval under the Atomic Energy Act, Uranium One will prepare and deliver to the NRC an Application for Change of Control and Ownership for the Materials Licenses and pending applications for Materials Licenses. The NRC's review of the information and materials contained in the Application may take several months. The NRC often requests additional information from parties requesting consent. Responses to requests for additional information are generally due within 30 days of receipt of the request. The NRC generally requires 30 days from receipt of the responses for the NRC staff to review and evaluate the responses. If, upon the completion of its evaluation, the NRC determines that the Arrangement is in accordance with the provisions of the Atomic Energy Act, the NRC issues an Order and an amendment to the Materials Licenses approving the Arrangement.

Utah Division of Radiation Control

Uranium One's subsidiary Uranium One Americas, Inc. holds Radioactive Materials License UT0900480, issued by the Utah Department of Environmental Quality, Division of Radiation Control ("**UDRC**"), for the Shootaring

Canyon Uranium Milling Facility in Garfield County, Utah. The Utah Radiation Control Act, as amended, and the rules and regulations promulgated thereunder by the UDRC provide that a Radioactive Materials License issued pursuant to the Utah Radiation Control Act may not be transferred, directly or indirectly through transfer of control, unless the Executive Secretary of the UDRC, after securing full information, gives his consent in writing. The UDRC has sole responsibility for determining whether a transaction constitutes a change of control under the Utah Radiation Control Act.

Uranium One notified the UDRC of the Arrangement, by letter dated January 29, 2013, and requested written concurrence from the UDRC that the Arrangement does not constitute a change of control requiring UDRC approval under the Utah Radiation Control Act.

If the UDRC determines that the Arrangement constitutes a change of control requiring UDRC approval under the Utah Radiation Control Act, Uranium One will prepare and deliver to the UDRC an Application for Change of Control and Ownership for Radioactive Materials License UT0900480. The UDRC's review of the information and materials contained in the Application may take several months. If, upon the completion of its evaluation, the Executive Secretary of the UDRC determines that the Arrangement is in accordance with the provisions of the Utah Radiation Control Act, the UDRC will issue a decision letter and amendment to the license approving the Arrangement.

United States Federal Communication Commission

Uranium One's subsidiary Uranium One Americas, Inc. holds License WQAP846 for communication purposes at the Shootaring Canyon Uranium Milling Facility. Uranium One's subsidiary Uranium One USA, Inc. holds License WPIX366 and License WSX447 for communication purposes at the Willow Creek Project. *The Communications Act of 1934*, as amended (the "**Communications Act**"), and the rules and regulations promulgated thereunder by the US Federal Communications Commission ("**FCC**") provide that a Radio Transmitters License issued by the FCC may not be transferred, directly or indirectly through transfer of control, except upon application to and prior approval by the FCC. In 2010 Uranium One received FCC approval for the transactions contemplated by the Framework Agreement and the 2010 Transaction Agreement. Uranium One and ARMZ have determined, after consulting with the FCC's staff, that the FCC's prior approval of the Arrangement is not required. At the FCC's request, Uranium One will make a notice filing with the FCC after the completion of the Arrangement.

U.S. National Security Review (CFIUS)

Section 721 of *the Defense Production Act of 1950*, as amended ("**Section 721**") authorizes the President of the United States to investigate, and to suspend or to prohibit, any transaction that could result in control of a U.S. person by a foreign person (a "**Covered Transaction**") where the President determines that such transaction threatens to impair U.S. national security, and no other adequate and appropriate means are available to address that threat. Uranium One and ARMZ have determined that the Arrangement does not constitute a Covered Transaction that would require filing a new notice with CFIUS. Accordingly, the parties have notified CFIUS of the Arrangement and their intent not to file another notice with CFIUS.

Securities Law Matters

Status under Securities Laws

Uranium One is a reporting issuer in each of the provinces of Canada. The Common Shares currently trade on the TSX and JSE. After the Arrangement, Uranium One will be an indirect wholly-owned subsidiary of ARMZ and the Common Shares will be delisted from the TSX and the JSE (anticipated to be effective two South African Business Days following the SA Payment Record Date). Within 30 days of the closing of the Arrangement, Uranium One will commence an offer to repurchase the Debentures in accordance with their terms. The Company intends to remain a "reporting issuer" under Canadian securities laws after the completion of the Arrangement, notwithstanding that its Common Shares will no longer be publicly traded on any stock exchange.

In addition, the Company's ruble-denominated bonds having an aggregate principal amount of RUB$14,300,000,000 (approximately US$463.5 million at the time of the offering) (the "**2011 Bonds**") are currently listed on the Moscow Exchange under the symbol RU000A0JRTS1. After the Arrangement, the Company will continue to be subject to Russian public disclosure obligations as the issuer of the 2011 Bonds.

Multilateral Instrument 61-101

As a reporting issuer (or its equivalent) in the Provinces of Ontario and Quebec, Uranium One is subject to MI 61-101.

MI 61-101 is intended to regulate certain transactions to ensure the protection and fair treatment of minority shareholders. The Arrangement constitutes a "business combination" under MI 61-101 as it may involve the termination of certain Shareholders' interests in Uranium One without such Shareholders' consent.

MI 61-101 provides that, unless an exemption is available, a reporting issuer proposing to carry out a business combination is required to obtain a formal valuation of the affected securities from a qualified and independent valuator and to provide the holders of the affected securities with a summary of that formal valuation. For the purposes of the Arrangement, the Common Shares are considered "affected securities" within the meaning of MI 61-101. A summary of the Formal Valuation prepared by GMP can be found under the heading "*The Arrangement – Formal Valuation*", with a copy of the Formal Valuation attached as Appendix "D" to this Circular.

MI 61-101 also requires that, in addition to any other required securityholder approval, a business combination is subject to "minority approval" (as defined in MI 61-101) of every class of affected securities of the issuer, in each case voting separately as a class. As a result, under MI 61-101, the Arrangement Resolution must be approved by the affirmative vote of a simple majority of the votes cast by Shareholders other than "interested parties" (as defined in MI 61-101). To the knowledge of the Company after reasonable inquiry, as at the date hereof, those interested parties beneficially owned, or exercised control or direction over, an aggregate 492,895,655 Common Shares representing approximately an aggregate 51.49% of the outstanding Common Shares, and 7,011,137 Options representing approximately 50.21% of the outstanding Options. Details of such holdings, as at February 8, 2013, are as follows:

Name	Common Shares	Percentage of Outstanding Common Shares	Options	Percentage of Outstanding Options
JSC Atomredmetzoloto[(1)]	492,217,929	51.4%	-	-
Christopher Sattler	105,000	0.0110%	1,070,000	7.66%
Vadim Jivov	100,000	0.0104%	1,270,000	9.10%
Graham du Preez	40,300	0.0042%	610,000	4.37%
Steven Magnuson	10,000	0.0010%	595,000	4.26%
John Sibley	153,100	0.0160%	610,000	4.37%
Scott Melbye	50,500	0.0053%	420,000	3.01%
Ilya Yampolskiy	24,000	0.0025%	520,000	3.72%
Alexander Boytsov	-	-	90,000	0.65%
Robin Merrifield	91,000		360,000	2.58%
Thys Heyns	-	-	195,000	1.40%
Susan Speight	-	-	355,000	2.54%
Maarten Theunissen	3,700	0.00039%	158,000	1.13%
Donna Wichers	63,682	0.0067%	190,000	1.36%
Willie Bezuidenhuit	1,780	0.00019%	138,000	0.99%

Name	Common Shares	Percentage of Outstanding Common Shares	Options	Percentage of Outstanding Options
Johan Erasmus	-	-	40,000	0.29%
Anton Jivov	2,130	0.00022%	43,137	0.31%
Jane Luck	300	0.00003%	40,000	0.29%
Marat Niyetbayev	-	-	80,000	0.57%
William Schindler	-	-	116,000	0.83%
Norman Schwab	32,234	0.0034%	111,000	0.80%
Total	**492,895,655**	**51.46%**	**7,011,137**	**50.21%**

Notes:
(1) These shares are held through Effective Energy N.V. (as to 387,553,219 Common Shares) and UMC (as to 104,664,710 Common Shares), which are wholly-owned subsidiaries of ARMZ.

Prior Valuations

To the knowledge of the Company, after reasonable inquiry, there has been no prior valuation of the Company, its Common Shares or its material assets in the 24 months prior to February 8, 2013.

Prior Offers

There has been no *bona fide* prior offer that relates to the subject matter of or is otherwise relevant to the Arrangement that was received by the Company during the 24 months before February 8, 2013.

Loan

The Loan will constitute a related-party transaction which is exempt from valuation because it will not be a related party transaction described in any of paragraphs (a) to (g) of the definition of "related party transaction" pursuant to MI 61-101. It will be exempt from the requirement to obtain approval by a majority of the Minority Shareholders because it will be on reasonable commercial terms that will be not less advantageous to the Company than if it were obtained from a Person dealing at arm's length with the Company and it will not be convertible directly or indirectly into equity or voting securities of the Company or any Subsidiary of the company, or otherwise participating in any manner, or repayable as to principal or interest, directly or indirectly, in equity or voting securities or the Company or any Subsidiary of the Company.

Fees and Expenses

All expenses incurred in connection with the Arrangement Agreement and the transactions contemplated thereby shall be paid by the Party incurring such expense. In certain circumstances, Uranium One will be required to pay the reasonable expenses of the Purchaser actually incurred in connection with the Arrangement Agreement. See "*The Arrangement – The Arrangement Agreement – Termination – Termination Fee and Expense Reimbursement*".

The Arrangement Agreement

The description of the Arrangement Agreement, both below and elsewhere in this Circular, is a summary only, is not exhaustive and is qualified in its entirety by reference to the terms of the Arrangement Agreement, which is incorporated by reference herein and may be found under Uranium One's profile on SEDAR at www.sedar.com.

Effective Date and Conditions of Arrangement

If the Arrangement Resolution is passed, the Final Order of the Court is obtained approving the Arrangement, every requirement of the CBCA relating to the Arrangement has been complied with and all other conditions disclosed under the heading "*The Arrangement – The Arrangement Agreement – Conditions to the Arrangement Becoming Effective*" are met or waived, the Arrangement is anticipated to become effective at 12:01 a.m. (Toronto time) on the Effective Date. It is currently expected that the Effective Date will be in the second quarter of 2013.

Representations and Warranties

The Arrangement Agreement contains representations and warranties made by Uranium One to the Purchaser and representations and warranties made by the Purchaser to Uranium One. Those representations and warranties were made solely for purposes of the Arrangement Agreement and may be subject to important qualifications, limitations and exceptions agreed to by the parties in connection with negotiating its terms and as set out in the disclosure letter delivered by Uranium One to the Purchaser in connection with the Arrangement Agreement. In particular, a number of the representations and warranties given by Uranium One are limited to certain of Uranium One's Subsidiaries and/or properties. Moreover, some of the representations and warranties are subject to a contractual standard of materiality or Material Adverse Effect different from that generally applicable to public disclosure to Shareholders, or are used for the purpose of allocating risk between the parties to the Arrangement Agreement. For the foregoing reasons, you should not rely on the representations and warranties contained in the Arrangement Agreement as statements of factual information at the time they were made or otherwise.

The representations and warranties made by Uranium One to the Purchaser in respect of the Joint Ventures were given by Uranium One, only to its knowledge, except for the representations and warranties given respecting the Company's or its Subsidiaries' direct or indirect ownership and other rights and obligations in respect of such Joint Ventures.

The representations and warranties provided by Uranium One in favour of the Purchaser relate to, among other things: due organization and qualification; authority to enter into the Arrangement Agreement; the enforceability of the Agreement; governmental authorization in respect of the Arrangement; no violations as a result of the Arrangement; capitalization; Subsidiaries; securities law matters; mineral resources and mineral reserves; forward-looking information; financial statements; disclosure controls and internal controls over financial reporting; auditors; the absence of undisclosed liabilities; the absence of certain changes or events in business of the Company, its Subsidiaries and the Joint Ventures; long-term and derivative transactions; compliance with Laws; authorizations and licenses; the receipt of the Fairness Opinion and Formal Valuation; absence of finders' fees; Board and Independent Committee approval; material contracts; restrictions on the conduct of business; real property; environmental matters; operating mines; employees, collective agreements and employee plans; litigation; insurance; and taxes.

The representations and warranties provided by the Purchaser in favour of Uranium One relate to, among other things: due organization and qualification; authority to complete the transactions contemplated by the Arrangement Agreement; the enforceability of the Arrangement Agreement; governmental authorization in respect of the Arrangement; no violations as a result of the Arrangement Agreement; the absence of litigation; sufficient funding to complete the Arrangement; and no material change of the Purchaser or ARMZ as at the date of the Arrangement Agreement.

Conditions to the Arrangement Becoming Effective

In order for the Arrangement to become effective, certain conditions must have been satisfied or waived which conditions are summarized below.

Mutual Conditions

The respective obligations of Uranium One and the Purchaser to complete the transactions contemplated in the Arrangement Agreement are subject to the fulfillment of the following conditions on or before the Effective Time or such other time as is specified below:

(a) the Arrangement Resolution shall have been approved and adopted by the Securityholders at the Meeting in accordance with the Interim Order and applicable Laws;

(b) the Interim Order and the Final Order shall each have been obtained on terms consistent with the Arrangement Agreement, and shall not have been set aside or modified in a manner unacceptable to either the Company or the Purchaser and ARMZ, each acting reasonably, on appeal or otherwise;

(c) no Law shall have been enacted, made or issued that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the Company, the Purchaser or ARMZ from consummating the Arrangement;

(d) each of the Regulatory Approvals shall have been made, given or obtained on terms acceptable to the Purchaser and ARMZ and each such Regulatory Approval shall be in force and has not been modified;

(e) there shall be no action or proceeding (whether, for greater certainty, by a Governmental Entity or any other Person) known to the Purchaser, ARMZ or the Company to be pending or threatened in any jurisdiction to: (i) cease trade, enjoin, prohibit, or impose any limitations, damages or conditions on, the Purchaser's ability to acquire, hold or exercise full rights of ownership over, any Common Shares, including the right to vote the Common Shares; (ii) prohibit, restrict or impose terms or conditions on the Arrangement, or the ownership or operation by the Purchaser of the business or assets of the Purchaser, its affiliates and related entities, the Company or any of the Company's Subsidiaries and related entities, or compel the Purchaser to dispose of or hold separate any of the business or assets of the Purchaser, its affiliates and related entities, the Company or any of the Company's Subsidiaries and related entities as a result of the Arrangement; or (iii) prevent or materially delay the consummation of the Arrangement, or if the Arrangement were to be consummated, have a Material Adverse Effect;

(f) the Articles of Arrangement to be filed with the Director under the CBCA in accordance with the Arrangement shall be in a form and content satisfactory to the Company, the Purchaser and ARMZ, each acting reasonably; and

(g) the Purchaser or ARMZ will have advanced to the Company the Loan.

The foregoing conditions may only be waived by mutual consent of Uranium One and the Purchaser.

The Purchaser's Conditions

The obligations of the Purchaser and ARMZ to complete the transactions contemplated in the Arrangement Agreement is subject to the fulfillment of the following additional conditions on or before the Effective Date:

(a) the representations and warranties of the Company which are qualified by references to materiality or by the expression "Material Adverse Effect" shall be true and correct as of the date of the Arrangement Agreement and true and correct as of the Effective Time, in all respects, and all other representations and warranties of the Company shall be true and correct as of the date of the Arrangement Agreement and true and correct as of the Effective Time, in each case except for representations and warranties made as of a specified date, the accuracy of which shall be

determined as of such specified date, and except where the failure of such representations and warranties to be true and correct would not have a Material Adverse Effect, provided that notwithstanding the foregoing, the representations and warranties set forth in section 1, section 2, and section 6 of schedule "C" of the Arrangement Agreement shall be true and correct as of the date of the Arrangement Agreement and true and correct as of the Effective Time, in all respects, except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date, and the Company shall have delivered a certificate confirming same to the Purchaser and ARMZ, executed by two senior officers of the Company (in each case without personal liability) addressed to the Purchaser and ARMZ and dated the Effective Date;

(b) the Company shall have fulfilled or complied in all material respects with each of the covenants of the Company contained in the Arrangement Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and the Company shall have delivered a certificate confirming same to the Purchaser and ARMZ, executed by two senior officers of the Company (in each case without personal liability) addressed to the Purchaser and ARMZ and dated the Effective Date;

(c) all third party consents, waivers, permits, orders and approvals that are necessary, to consummate the transactions contemplated by the Arrangement Agreement and the failure of which to obtain, individually or in the aggregate, would be reasonably expected to have a Material Adverse Effect or would be reasonably expected to be material and adverse to the Purchaser, shall have been obtained or received on terms that are acceptable to the Purchaser, acting reasonably;

(d) Dissent Rights shall not have been exercised with respect to more than 10% of the issued and outstanding Common Shares; and

(e) there shall not have been or occurred a Material Adverse Effect.

The foregoing conditions are for the exclusive benefit of the Purchaser and ARMZ and may be waived by the Purchaser and ARMZ in whole or in part in their sole discretion.

Uranium One Conditions

The obligations of Uranium One to complete the transactions contemplated by the Arrangement Agreement is subject to the fulfillment of the following additional conditions on or before the Effective Date:

(a) the representations and warranties of the Purchaser and ARMZ which are qualified by references to materiality and the representations and warranties set forth in section 1, section 2 and section 7 of schedule "D" of the Arrangement Agreement shall be true and correct as of the date of the Arrangement Agreement and true and correct as of the Effective Time, in all respects, and all other representations and warranties of the Purchaser and ARMZ shall be true and correct as of the date of the Arrangement Agreement and be true and correct as of the Effective Time, in all material respects, in each case except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date, except where the failure of such representations and warranties to be true and correct, individually or in the aggregate, would not materially impede completion of the Arrangement, and the Purchaser and ARMZ shall have delivered a certificate confirming same to the Company, executed by two senior officers of each of the Purchaser and ARMZ (in each case without personal liability) addressed to the Company and dated the Effective Date;

(b) the Purchaser and ARMZ shall have fulfilled or complied in all material respects with each of the covenants of the Purchaser and ARMZ contained in the Arrangement Agreement to be fulfilled or complied with by it on or prior to the Effective Time, except where the failure to comply with its covenants, individually or in the aggregate, would not materially impede completion of the

Arrangement, and the Purchaser and ARMZ shall have delivered a certificate confirming same to the Company, executed by two senior officers of each of the Purchaser and ARMZ (in each case without personal liability) addressed to the Company and dated the Effective Date; and

(c) the Purchaser will have deposited or caused to be deposited with the Depositary sufficient funds to effect payment in full of the Consideration.

The foregoing conditions are for the exclusive benefit of Uranium One and may be waived by Uranium One in whole or in part at any time in its sole discretion.

Covenants of Uranium One

Covenants relating to Conduct of Business

Uranium One has agreed to certain covenants intended to ensure that Uranium One and its Subsidiaries carry on business until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms in the ordinary course of business consistent with past practice, except as required or expressly authorized by the Arrangement Agreement. These covenants include, among other things and subject to certain exceptions, prohibitions on: amending constating documents; capital alterations; redemption of securities; issuing securities; acquiring material assets; reducing the stated capital of Common Shares or shares of the Company's Subsidiaries; adopting plans for liquidation; selling, pledging, abandoning and certain other actions in respect of assets; making capital expenditures; undertaking certain tax-related actions; incurring or repaying indebtedness; entering into certain derivative contracts; changing accounting methods; modifying employment arrangements and benefits; amending any material claims or rights; commencing litigation; amending rights under or entering into a Material Contract; amending insurance policies; amending licenses in respect of assets; failing to undertaking certain actions relating to material licenses, leases, permits or authorizations; and entering into or amending any Contract with brokers, finders or investment bankers.

Covenants relating to the Arrangement

Uranium One has also agreed that it will perform, and shall cause its Subsidiaries to perform, all obligations required to be performed by the Company or any of its Subsidiaries under the Arrangement Agreement, co-operate with the Purchaser in connection therewith, and do all such other commercially reasonable acts and things as may be necessary in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated by the Arrangement Agreement, and, without limitation, the Company will and, where appropriate, will cause each of its Subsidiaries:

(a) use commercially reasonable efforts to satisfy all conditions precedent in the Arrangement Agreement and take all steps set forth in the Interim Order and Final Order applicable to it;

(b) use commercially reasonable efforts to obtain and maintain all third party or other consents, waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations that are (A) necessary or advisable to be obtained under the Material Contracts in connection with the Arrangement or (B) required in order to maintain the Material Contracts in full force and effect following completion of the Arrangement, in each case, on terms that are reasonably satisfactory to the Purchaser, and without paying, and without committing itself or the Purchaser to pay, any consideration or incur any liability or obligation without the prior written consent of the Purchaser;

(c) use commercially reasonable efforts to effect all necessary, or in the reasonable opinion of the Purchaser advisable, registrations, filings and submissions of information required by Governmental Entities from the Company and its Subsidiaries in connection with the Arrangement;

(d) use commercially reasonable efforts to oppose, lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging the Arrangement or the Arrangement Agreement; and

(e) not take any action, or refrain from taking any commercially reasonable action, or permitting any action to be taken or not taken, which is inconsistent with the Arrangement Agreement or which would reasonably be expected to prevent, delay or otherwise impede the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement.

Uranium One has covenanted to promptly notify the Purchaser in writing when it becomes of aware of certain items, including, without limitation: any Material Adverse Effect; any notice from any Person alleging that the consent or such Person is required in connection with the Arrangement; any notice from any Governmental Entity in connection with the Arrangement; and certain filings, actions or claims relating to the Company, its Subsidiaries, the Joint Ventures or the assets of the Company.

Covenants relating to Access to Information and Confidentiality

From the date of the Arrangement Agreement until the earlier of the Effective Time and the termination of the Arrangement Agreement, subject to applicable Law, and the terms of existing Contracts, the Company has agreed to, and shall cause its Subsidiaries to, give the Purchaser, ARMZ and their officers, employees, agents, advisors and representatives: (a) upon reasonable notice, access during normal business hours to its and its Subsidiaries' (i) premises, (ii) property and assets (including all books and records, whether retained internally or otherwise), (iii) Contracts, and (iv) senior officers, independent auditors, agents, advisors and representatives; and (b) such financial and operating data or other information with respect to the assets or business of the Company as the Purchaser or ARMZ from time to time reasonably requests, subject to such access not interfering with the ordinary conduct of the business of the Company or its Subsidiaries. In the event that the Arrangement Agreement is terminated in accordance with its terms, the Purchaser and ARMZ agree to hold the confidential information received from the Company confidential.

Covenants relating to Pre-Acquisition Reorganization

The Company has agreed that, upon request of the Purchaser, subject to certain limitations and exceptions, it shall (i) perform such other reorganizations of its corporate structure, capital structure, business, operations and assets or such transactions as the Purchaser may request, acting reasonably, and (ii) cooperate with the Purchaser and its advisors to determine the nature of the pre-acquisition reorganizations that might be undertaken and the manner in which they would most effectively be undertaken. The Purchaser has made certain covenants in respect of the pre-acquisition reorganizations it will request of the Company, including that such reorganizations shall not impede, delay or prevent the completion of the Arrangement, prejudice Shareholders (other than ARMZ and its affiliates) or Optionholders in any material respect, require Shareholder approval, unreasonably interfere in the Company's or its Subsidiaries' material operations, be considered in determining whether a covenant, representation or warranty of the Company under the Arrangement Agreement has been breached, require the Company or any of its Subsidiaries to breach any Laws, or result in tax consequences on any Securityholder that would be more adverse than the tax consequences of the Arrangement to such Securityholder.

Non-Solicitation Covenant

Uranium One has agreed that, except as otherwise provided in the Arrangement Agreement, Uranium One and its Subsidiaries shall not, directly or indirectly, or through any of its Representatives:

(a) solicit, assist, initiate, knowingly encourage or otherwise facilitate (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of the Company or any Subsidiary or entering into any form of

agreement, arrangement or understanding) any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal;

(b) enter into or otherwise engage or participate in any substantive discussions or negotiations with any Person (other than ARMZ and its affiliates) regarding any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal it being acknowledged and agreed that the Company may communicate with any Person for the purposes of clarifying the terms of any proposal, advising such Person of the restrictions of the Arrangement Agreement or advising such Person that their proposal does not constitute a Superior Proposal and is not reasonably expected to constitute or lead to a Superior Proposal;

(c) withdraw, amend, modify or qualify, or publicly propose or state an intention to withdraw, amend, modify or qualify, the Board's recommendation of the Arrangement;

(d) accept, approve, endorse or recommend, or publicly propose to accept, approve, endorse or recommend, or take no position or remain neutral with respect to, any publicly disclosed Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to a publicly announced, or otherwise publicly disclosed, Acquisition Proposal for a period of no more than five Business Days following such public announcement or public disclosure will not be considered to be in violation of section 5.1 of the Arrangement Agreement provided the Board has rejected such Acquisition Proposal and affirmed the Board's recommendation of the Arrangement before the end of such five Business Day period (or in the event that the Meeting is scheduled to occur within such five Business Day period, prior to the third Business Day prior to the date of the Meeting)); or

(e) accept or enter into (other than a confidentiality agreement permitted by and in accordance with section 5.3 of the Arrangement Agreement) or publicly propose to accept or enter into any agreement, understanding or arrangement in respect of an Acquisition Proposal.

The Company has agreed and covenanted to, and will cause its Subsidiaries and its Representatives to, immediately cease and terminate, and cause to be terminated, any solicitation, encouragement, discussion, negotiation, or other activities commenced prior to the date of the Arrangement Agreement with any Person (other than ARMZ and its affiliates) with respect to any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal. In connection with this, the Company agreed and covenanted to immediately discontinue access to any data room and any confidential information, properties, facilities, books and records of the Company or any of its Subsidiaries that is provided to any party outside of the ordinary course or business and request, and exercise all rights it has to require (i) the return or destruction of all copies of any confidential information regarding the Company or any Subsidiary provided to any Person, and (ii) the destruction of all material including or incorporating or otherwise reflecting such confidential information regarding the Company or any Subsidiary, using its commercially reasonable efforts to ensure that such requests are fully complied with in accordance with the terms of such rights or entitlements. Further, the Company has represented and warranted that is has not waived any confidentiality, standstill or similar agreement or restriction to which the Company or any Subsidiary is a party to and has covenanted to take all necessary action to enforce and not amend or waive each such agreement.

Notwithstanding the above, if at any time prior to obtaining the approval from Securityholders, Uranium One receives a written Acquisition Proposal, the Company may participate in discussions or negotiations with such Person regarding such Acquisition Proposal, and may provide copies of, access to or disclosure of information, properties, facilities, books or records of the Company or its Subsidiaries, if and only if:

(a) the Board first determines, in good faith, after consultation with its financial advisors and outside legal counsel that such Acquisition Proposal constitutes or would reasonably be expected to constitute (disregarding for purposes of such determination any due diligence or access condition to which such Acquisition Proposal is subject) a Superior Proposal, and, after consultation with its

outside legal counsel, that the failure to engage in such discussions or negotiations would be inconsistent with its fiduciary duties;

(b) such Person was not restricted from making such Acquisition Proposal pursuant to an existing confidentiality, standstill, non-disclosure, use, business purpose or similar restriction;

(c) the Company continues to be in compliance with its obligations under the Arrangement Agreement relating to non-solicitation;

(d) prior to providing any such copies, access, or disclosure, the Company enters into a confidentiality and standstill agreement with such Person on terms and conditions no less onerous or more beneficial to such Person than those applicable to ARMZ in the Framework Agreement and any such copies, access or disclosure provided to such Person shall have already (or simultaneously be) provided to the Purchaser and ARMZ; and

(e) the Company provides the Purchaser and ARMZ with prior written notice of the Company's intention to participate in such discussions and an executed copy of the confidentiality and standstill agreement discussed above.

Uranium One has agreed that it shall promptly notify the Purchaser of any proposal, inquiry or offer received by Uranium One or its Representatives that constitutes or may reasonably be expected to lead to or result in an Acquisition Proposal or for copies or access to or disclosure of confidential information relating to the Company or any Subsidiary including, but not limited to, the properties, books or records of Uranium One or its subsidiaries. Uranium One has agreed to keep the Purchaser and ARMZ informed of the status of any such proposal, inquiry, offer or request and will provide copies of any written documents or correspondence provided to Uranium One relating thereto.

Right to Match

If the Company receives an Acquisition Proposal that constitutes a Superior Proposal prior to the approval of the Arrangement Resolution the Board may, subject to compliance with the Arrangement Agreement, enter into a definitive agreement with respect to such Superior Proposal or withdraw or modify the Board's recommendation of the Arrangement, if and only if:

(a) the Person making the Superior Proposal was not restricted from making such Superior Proposal;

(b) the Company continues to be in compliance with its obligations under the Arrangement Agreement relating to non-solicitation;

(c) the Company has delivered to the Purchaser and ARMZ a Superior Proposal Notice;

(d) the Company has provided the Purchaser a copy of the proposed definitive agreement for the Superior Proposal;

(e) at least five Business Days have elapsed from the date that is the later of the date on which the Purchaser and ARMZ received the Superior Proposal Notice and the date on which the Purchaser and ARMZ received the copy of the proposed definitive agreement for the Superior Proposal;

(f) during such five Business Day period, the Purchaser and ARMZ have had the opportunity (but not the obligation), to offer to amend the Arrangement Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal;

(g) if the Purchaser and ARMZ have offered to amend the Arrangement Agreement and the Arrangement, the Board (i) has determined in good faith, after consultation with its outside legal

counsel and financial advisors, that such Acquisition Proposal continues to constitute a Superior Proposal, and (ii) has determined in good faith, after consultation with its outside legal counsel, that it is necessary for the Board enter into a definitive agreement with respect to such Superior Proposal or withdraw or modify its recommendation of the Arrangement in order to properly discharge its fiduciary duties; and

(h) prior to entering into such definitive agreement, the Company terminates the Arrangement Agreement in accordance with its provisions, including the payment of the Termination Fee.

Covenants of the Purchaser and ARMZ

Covenants relating to Arrangement

The Purchaser has agreed with Uranium One that it will perform all obligations required or desirable to be performed by it under the Arrangement Agreement, co-operate with the Company in connection therewith, and do all such other commercially reasonable acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated by the Arrangement Agreement and, without limitation, the Purchaser will:

(a) use all commercially reasonable efforts to satisfy all conditions precedent in the Arrangement Agreement (including assisting the Company to diligently pursue obtaining the Interim Order and the Final Order) and take all steps set forth in the Interim Order and Final Order applicable to it;

(b) use all commercially reasonable efforts to assist the Company and its Subsidiaries in obtaining the consents, waivers, permits, exemptions, orders, agreements, amendments or confirmations referred to in section 4.2(1)(b) of the Arrangement Agreement;

(c) use all commercially reasonable efforts to effect all necessary, or in the opinion of the Purchaser advisable, registrations, filings and submissions of information required by Governmental Entities from it relating to the Arrangement;

(d) use all commercially reasonable efforts to oppose, lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging the Arrangement or the Arrangement Agreement; and

(e) not take any action, or refrain from taking any commercially reasonable action, or permitting any action to be taken or not taken, which is inconsistent with the Arrangement Agreement or the Arrangement or which would reasonably be expected to prevent, delay or otherwise impede the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement.

Performance of the Purchaser

ARMZ has agreed to cause the Purchaser to perform all of its obligations under the Arrangement Agreement and guarantees, covenants and agrees to be jointly and severally liable with the Purchaser for the due and punctual performance of the obligations of the Purchaser arising under the Arrangement Agreement and the Plan of Arrangement.

Insurance and Indemnification

The Company has agreed to purchase customary "tail" policies of directors' and officers' liability insurance providing protection no less favourable in the aggregate than the protection provided by the policies maintained by

the Company which are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Date and the Purchaser will, or will cause the Company to maintain such tail policies in effect without any reduction in scope or coverage for seven years from the Effective Date; provided that the Purchaser will not be required to pay any amounts in respect of such coverage prior to the Effective Time and provided further that the cost of such policies shall not exceed 200% of the Company's current annual aggregate premium for policies currently maintained by the Company.

The Purchaser has agreed to honour all rights to indemnification or exculpation existing at the time of the Arrangement Agreement in favour of present and former employees, officers and directors of the Company and its Subsidiaries, and acknowledged that such rights will survive the completion of the Plan of Arrangement and continue in full force and effect in accordance with their terms for a period of not less than seven years from the Effective Date.

In addition, following completion of the Arrangement, the Purchaser agreed to cause the Company to honour all obligations under the Company's existing employment agreements including by paying to the individuals party to such agreements, in each case, such amounts as are required by such agreements to be paid upon the consummation of a transaction such as the Arrangement and the Company and the Purchaser agree that any short or long term incentive plan (other than the Stock Option Plans) will continue in accordance with its terms following the completion of the Arrangement. The Purchaser and the Company agree that each director of the Company shall continue to be entitled to be paid a director's fee and any other compensation and benefits from the Company until such date as he/she ceases to act as a director of the Company.

Mutual Covenants of the Parties

Regulatory Approvals

The Parties have agreed to, as promptly as practicable, prepare and file all necessary documents, registrations, statements, petitions, filings and applications for the Regulatory Approvals and use their commercially reasonable efforts to obtain and maintain all Regulatory Approvals. The Parties have made further covenants in respect of Regulatory Approvals, relating to, without limitation: cooperation with one another in obtaining the Regulatory Approvals; notifying one another if either becomes aware of any misrepresentations in any application, filing or other document relating to Regulatory Approvals; requesting that the Regulatory Approvals be processed on an expedited basis; and using commercially reasonable efforts to resolve certain proceedings that threaten or challenge any of the transactions contemplated by the Arrangement Agreement. The foregoing covenants will not apply to the extent that they would affect the right to own, use or exploit, or require the sale or disposition of, any material businesses, operations or assets of the Company or the Purchaser.

Public Communications

The Parties have agreed to co-operate in the preparation of presentations, if any, to Securityholders regarding the Arrangement.

Termination

The Arrangement Agreement may be terminated prior to the Effective Time in certain circumstances including:

1. Either Uranium One or the Purchaser is entitled to terminate the Arrangement Agreement in the following circumstances, subject to certain exceptions:

   (a) by mutual written agreement;

   (b) the required Securityholder approval of the Arrangement is not obtained at the Meeting in accordance with the Interim Order;

(c) any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement illegal or otherwise permanently prohibits or enjoins the Company or the Purchaser or ARMZ from consummating the Arrangement;

(d) the Effective Time does not occur on or prior to the Outside Date; or

(e) the Company or the Purchaser or ARMZ, as applicable, determines in good faith and acting reasonably that the Plan of Arrangement would result in substantially all of the Shareholders (other than Dissenting Shareholders, the Purchaser, the Parent, their associates or affiliates) receiving less than $2.86 per Common Share; provided that the Company does not have the right to terminate the Arrangement Agreement for this reason if that result would arise because of the action or inaction of the Company, and neither the Purchaser nor ARMZ has the right to terminate the Arrangement Agreement for this reason if that result would arise because of the action or inaction of either the Purchaser or ARMZ.

2. If it is not in breach of the terms under the Arrangement Agreement, Uranium One is also entitled to terminate the Arrangement Agreement in the following circumstances, subject to certain exceptions:

(a) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Purchaser under the Arrangement Agreement occurs that would cause any condition contained in Sections 6.3(1) or 6.3(2) of the Arrangement Agreement not to be satisfied, and such breach or failure is incapable of being cured or is not cured on or prior to the Outside Date; or

(b) prior to the approval by Securityholders of the Arrangement Resolution, the Board approves and authorizes the Company to enter into a written definitive agreement providing for the implementation of a Superior Proposal, provided that the Company is then in compliance with the Arrangement Agreement and that concurrent with such termination, the Company pays the Termination Fee.

3. If neither is in breach of its terms, the Purchaser or ARMZ are also entitled to terminate the Arrangement Agreement in the following circumstances, subject to certain exceptions:

(a) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Company under the Arrangement Agreement occurs that would cause any condition contained in Sections 6.2(1) or 6.2(2) of the Arrangement Agreement not to be satisfied, and such breach or failure is incapable of being cured or is not cured on or prior to the Outside Date; notwithstanding the foregoing, the Purchaser shall not be entitled to exercise the right to terminate the Agreement in relation to a breach of a representation or warranty which was known to the Purchaser prior to the date of the Arrangement Agreement;

(b) (A) the Board fails to recommend or withdraws, amends, modifies or qualifies, or publicly proposes or states an intention to withdraw, amend, modify or qualify, the Board's recommendation in respect of the Arrangement, (B) the Board accepts, approves, endorses or recommends, or publicly proposes to accept, approve, endorse or recommend an Acquisition Proposal or takes no position or remains neutral with respect to a publicly announced, or otherwise publicly disclosed, Acquisition Proposal for more than five Business Days (or beyond the third Business Day prior to the date of the Meeting, if sooner)), (C) the Board accepts or enters into (other than a confidentiality agreement permitted by the Arrangement Agreement) or publicly proposes to accept or enter into any agreement, understanding or arrangement in respect of an Acquisition Proposal, (D) the Board fails to publicly recommend or reaffirm the Board's recommendation in respect of the Arrangement within five Business Days after having been requested in writing by the Purchaser to do so (or in the event the Meeting is scheduled to occur within such five Business Day period, prior to the third Business Day prior to the Meeting), or (E)

the Company breaches its non-solicitation obligations under the Arrangement Agreement in any material respect; or

(c) there has occurred a Material Adverse Effect.

In certain circumstances, termination may lead to consequences such as payment of the Termination Fee or the reimbursement of reasonable expenses.

Termination Fee and Expense Reimbursement

Upon the occurrence of any of the following events, Uranium One shall pay or cause to be paid and the Purchaser shall be entitled to the Termination Fee:

(a) termination by the Purchaser or ARMZ pursuant to paragraph 3(b) above;

(b) termination by Uranium One pursuant to paragraph 2(b) above; or

(c) termination by Uranium One or the Purchaser or ARMZ pursuant to paragraphs 1(b) or 1(d) above if, prior to such termination, an Acquisition Proposal is made or publicly announced or otherwise publicly disclosed by any Person (other than ARMZ or any of its affiliates) or any Person (other than ARMZ or any of its affiliates) shall have publicly announced an intention to do so and such Acquisition Proposal has not been withdrawn; and within nine months following the date of such termination (A) an Acquisition Proposal (that is the same Acquisition Proposal referred to above) is consummated or effected, or (B) the Company or one or more of its Subsidiaries, directly or indirectly, in one or more transactions, enters into a contract in respect of the same Acquisition Proposal referred to above and such Acquisition Proposal is later consummated or effected, provided, however that for the purposes of this paragraph, all references in the definition of "Acquisition Proposal" to "20%" will be read as "45%".

If the Arrangement Agreement is terminated by the Purchaser pursuant to paragraph 3(a) above, the Company has agreed to pay the reasonable expenses of the Purchaser.

Risks Associated with the Arrangement

In evaluating the Arrangement, Securityholders should consider the following risk factors (which are not an exhaustive list of potentially relevant risk factors relating to the Arrangement). Additional risks and uncertainties, including those that currently are not known to, or considered immaterial by, the Company also may be relevant to completion of the Arrangement and/or the future of Uranium One and the value of the Securities. If any of the risk factors materialize, the expectations, and the predictions based on them, may need to be re-evaluated. The risks associated with the Arrangement include:

Level of Securityholder Approval Required

Since the Arrangement constitutes a "business combination" under MI 61-101, to be effective, the Arrangement Resolution must be approved by a majority of the votes cast by Minority Shareholders in person or represented by proxy at the Meeting. This approval is in addition to the requirement that the Arrangement Resolution be approved by (i) not less than two-thirds of the votes cast by Shareholders present in person or represented by proxy at the Meeting, and (ii) not less than two-thirds of the votes cast by Securityholders, voting together as one class, present in person or represented by proxy at the Meeting. There can be no certainty, nor can Uranium One provide any assurance, that the requisite Shareholder or Securityholder approval of the Arrangement Resolution will be obtained. If such approval is not obtained and the Arrangement is not completed, the market price of the Common Shares may decline.

The Arrangement Agreement may be terminated in certain circumstances, including in the event of a change having a Material Adverse Effect on Uranium One.

Each of Uranium One and the Purchaser has the right to terminate the Arrangement Agreement and Arrangement in certain circumstances. Accordingly, there is no certainty, nor can Uranium One provide any assurance, that the Arrangement Agreement will not be terminated by either the Company or the Purchaser before the completion of the Arrangement. For example, the Purchaser has the right, in certain circumstances, to terminate the Arrangement Agreement if changes occur that have a Material Adverse Effect on Uranium One. Although a Material Adverse Effect excludes certain events that are beyond the control of Uranium One (such as changes, developments or conditions in or relating to general international, political, economic or financial or capital market conditions in any jurisdiction in which the Company or any of its Subsidiaries operate or carry on business, provided they do not have a materially disproportionate effect on the business, operations, results of operations, assets, properties, capitalization, conditions or liabilities of the Company and its Subsidiaries, taken as a whole relative to other comparable companies operating in the uranium industry in which the Company and its Subsidiaries operate), there is no assurance that a change having a Material Adverse Effect on Uranium One will not occur before the Effective Date, in which case the Purchaser could elect to terminate the Arrangement Agreement and the Arrangement would not proceed.

There can be no certainty that all conditions precedent to the Arrangement will be satisfied.

The completion of the Arrangement is subject to a number of conditions precedent, certain of which are outside the control of Uranium One, including receipt of the Regulatory Approvals and the Final Order and Dissent Rights not being exercised with respect to more than 10% of the issued and outstanding Common Shares. Under the Arrangement Agreement, Uranium One and the Purchaser have covenanted to promptly prepare and file all necessary documents, registrations and applications for the Regulatory Approvals and use commercially reasonable efforts to obtain and maintain all Regulatory Approvals. Notwithstanding the foregoing, the Purchaser is under no obligation to take any steps or actions nor to agree to any behavioural remedy relating to any Regulatory Approval that would, in the Purchaser's sole discretion, affect the Purchaser's right to own, use or exploit its affiliates or, individually or in the aggregate, the Company's or the Company's Subsidiaries' businesses, operations or assets or any part thereof valued beyond a certain amount, or to negotiate or agree to the sale, divestiture or disposition by the Purchaser of those businesses, operations or assets or any part thereof valued beyond a certain amount.

There can be no certainty, nor can Uranium One provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. If the Arrangement is not completed, the market price of the Common Shares may decline to the extent that the current market price reflects a market assumption that the Arrangement will be completed. If the Arrangement is not completed and the Board decides to seek another merger or arrangement, there can be no assurance that it will be able to find a party willing to pay an equivalent or more attractive price than the total consideration to be paid pursuant to the Arrangement.

Application of Interim Operating Covenants

Pursuant to the Arrangement Agreement, Uranium One has agreed to certain interim operating covenants intended to ensure that Uranium One and its Subsidiaries carry on business in the ordinary course of business consistent with past practice, except as required or expressly authorized by the Arrangement Agreement. These operating covenants cover a broad range of activities and business practices. Consequently, it is possible that a business opportunity will arise that is out of the ordinary course or is not consistent with past practices, and that Uranium One will not be able to pursue or undertake the opportunity due to its covenants in the Arrangement Agreement.

Uranium One will incur costs and may have to pay a termination fee.

Certain costs related to the Arrangement, such as legal, accounting and certain financial advisor fees, must be paid by Uranium One even if the Arrangement is not completed. Uranium One and the Purchaser are each liable for their own costs incurred in connection with the Arrangement, except that Uranium One is liable for certain of the Purchaser's costs in certain circumstances where the Arrangement is not completed. The Company has also agreed

to pay the costs of Kingsdale, Uranium One's proxy solicitation agent for the Meeting. If the Arrangement is not completed, Uranium One may be required in certain circumstances to pay the Purchaser the Termination Fee. See "*The Arrangement – The Arrangement Agreement – Termination – Termination Fees and Expense Reimbursement*".

Uranium One directors and executive officers have interests in the Arrangement that are different from those of the Securityholders.

In considering the recommendation of the Board to vote in favour of the Arrangement Resolution, Securityholders should be aware that certain Directors and executive officers of Uranium One have certain interests in connection with the Arrangement that may present them with actual or potential conflicts of interest in connection with the Arrangement. See "*Interests of Informed Persons in Material Transactions – Interests of Certain Persons in the Arrangement*".

Dissent Rights

If you are a Registered Shareholder, you are entitled to dissent from the Arrangement Resolution in the manner provided in section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement.

The following description of the rights of Registered Shareholders to dissent from the Arrangement Resolution is not a comprehensive statement of the procedures to be followed by a Dissenting Holder who seeks payment of the fair value of their Common Shares. A Registered Shareholder's failure to follow exactly the procedures set forth in the Plan of Arrangement and the Interim Order will result in the loss of such Shareholder's Dissent Rights. If you are a Registered Shareholder and wish to dissent, you should obtain your own legal advice and carefully read the Plan of Arrangement, the provisions of section 190 of the CBCA and the Interim Order which are attached to this Circular at Appendix "B", Appendix "F" and Appendix "E", respectively.

A Registered Shareholder holder may exercise the Dissent Rights only in respect of all of the Common Shares that are registered in that Shareholder's name. In many cases, Common Shares beneficially owned by a Non-Registered Holder are registered either:

- in the name of an Intermediary; or
- in the name of a clearing agency (such as CDS or similar entities) of which the Intermediary is a participant.

Accordingly, a Non-Registered Holder will not be entitled to exercise the Dissent Rights directly unless the Common Shares are re-registered in the Non-Registered Holder's name.

A Non-Registered Holder who wishes to exercise the Dissent Rights should contact the Intermediary with whom the Non-Registered Holder deals in respect of its Common Shares and either:

- instruct the Intermediary to exercise the Dissent Right on the Non-Registered Holder's behalf (which, if the Common Shares are registered in the name of CDS or other clearing agency, would require that the Common Shares first be re-registered in the name of the Intermediary); or
- instruct the Intermediary to re-register the Common Shares in the name of the beneficial Shareholder, in which case, the beneficial Shareholder would be able to exercise the Dissent Rights directly. In this regard, the beneficial Shareholder will have to demonstrate that such Person beneficially owned the Common Shares in respect of which the Dissent Rights are being exercised, on the Record Date established for the Meeting.

Any Dissenting Holder will be entitled, in the event that the Arrangement becomes effective, to be paid the fair value of the Dissenting Shares held by such Dissenting Holder, determined as at the close of business on the day immediately preceding the Meeting, and will not be entitled to any other payment or consideration. There can be no

assurance that a Dissenting Holder will receive consideration for its Dissenting Shares of equal value to the Consideration that such Dissenting Holder would have received upon completion of the Arrangement.

A Registered Shareholder who wishes to dissent must ensure that a written Dissent Notice is received by the Company, Attention: Corporate Secretary, at its registered office located at 333 Bay Street, Suite 1710, Bay Adelaide Centre, Toronto, Ontario, M5H 2R2, no later than 5:00 p.m. (Eastern Time) on March 5, 2013 (or the day that is two Business Days immediately preceding any adjourned or postponed Meeting). The filing of a Dissent Notice does not deprive a Registered Shareholder of the right to vote; however, a Registered Shareholder who has submitted a Dissent Notice and who votes in favour of the Arrangement Resolution will no longer be considered a Dissenting Holder with respect to Common Shares voted in favour of the Arrangement Resolution. If such Dissenting Holder votes in favour of the Arrangement Resolution in respect of a portion of the Common Shares registered in his, her or its name and held by same on behalf of any one beneficial owner, such vote approving the Arrangement Resolution will be deemed to apply to the entirety of Common Shares held by such Dissenting Holder in the name of that beneficial owner, given that section 190 of the CBCA provides there is no right of partial dissent. A vote against the Arrangement Resolution will not constitute a Dissent Notice.

Under the terms of the Plan of Arrangement and Interim Order, a Dissenting Holder will be deemed to have transferred their Dissenting Shares to the Purchaser, free and clear of any Liens, as of the Effective Date, and if they (a) ultimately are entitled to be paid fair value for their Dissenting Shares, shall be deemed to have transferred such Common Shares to the Purchaser in consideration for a debt claim against the Purchaser in an amount equal to the fair value of such Common Shares, and will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement in respect of such Common Shares had such holders not exercised their Dissent Rights, or (b) are ultimately not entitled, for any reason, to be paid fair value for their Dissenting Shares, will be deemed to have participated in the Arrangement as of the Effective Time on the same terms and at the same time as non-Dissenting Holders and shall only be issued the same Consideration which a Shareholder is entitled to receive under the Arrangement. Pursuant to the Plan of Arrangement, in no case will the Purchaser, the Company or any other Person be required to recognize any Dissenting Holder as a Shareholder after the Effective Date, and the names of such Dissenting Holders will be deleted from the list of Registered Shareholders on the Effective Date. In addition to any other restrictions under section 190 of the CBCA, none of the following shall be entitled to exercise Dissent Rights: (i) Optionholders, holders of Debentures or holders of the Warrant, and (ii) holders of Common Shares who vote or have instructed a proxyholder to vote such Common Shares in favour of the Arrangement Resolution.

Within 10 days after the approval of the Arrangement Resolution, the Purchaser is required to notify each Dissenting Holder that the Arrangement Resolution has been approved. Such notice is however not required to be sent to a Registered Shareholder who voted for the Arrangement Resolution or who has withdrawn a Dissent Notice previously filed.

A Dissenting Holder must, within 20 days after the Dissenting Holder receives notice that the Arrangement Resolution has been approved or, if the Dissenting Holder does not receive such notice, within 20 days after the Dissenting Holder learns that the Arrangement Resolution has been approved, send a Demand for Payment. Within 30 days after sending a Demand for Payment, the Dissenting Holder must send to the Purchaser, Attention: Corporate Secretary, at its registered office located at 333 Bay Street, Suite 1710, Bay Adelaide Centre, Toronto, Ontario, M5H 2R2 the certificates representing the Dissenting Shares. A Dissenting Holder who fails to send the certificates representing the Dissenting Shares forfeits his or her right to make a claim under section 190 of the CBCA.

No later than seven days after the later of the Effective Date and the date on which, as applicable, a Demand for Payment of a Dissenting Holder is received, the Purchaser must send to each Dissenting Holder who has sent a Demand for Payment a written offer (an "**Offer to Pay**") for its Dissenting Shares in an amount considered by the board of the Purchaser to be the fair value of the Dissenting Shares, accompanied by a statement showing the manner in which the fair value was determined.

Payment for the Dissenting Shares of a Dissenting Holder must be made within 10 days after an Offer to Pay has been accepted by a Dissenting Holder, but any such Offer to Pay lapses if an acceptance thereof is not received

within 30 days after the Offer to Pay has been made. If an Offer to Pay for the Dissenting Shares of a Dissenting Holder is not made, or if a Dissenting Holder fails to accept an Offer to Pay that has been made, the Purchaser may apply to a court to fix a fair value for the Dissenting Shares of Dissenting Holders; such application may be made within 50 days after the Effective Date or within such further period as a court may allow.

If no such application is made, a Dissenting Holder may apply to the Court for the same purpose within a further period of 20 days or within such further period as a court may allow. A Dissenting Holder is not required to give security for costs in such an application.

Upon an application to the Court, all Dissenting Holders whose Dissenting Shares have not been purchased will be joined as parties and bound by the decision of the Court, and each affected Dissenting Holder shall be notified of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel. Upon any such application to the Court, the Court may determine whether any other Person is a Dissenting Holder who should be joined as a party, and the court will then fix a fair value for the Dissenting Shares of all such Dissenting Holders. The final order of the Court will be rendered against the Purchaser in favour of each Dissenting Holder joined as a party and for the amount of the Dissenting Shares as fixed by the Court. The Court may, in its discretion, allow a reasonable rate of interest on the amount payable to each such Dissenting Holder from the Effective Date until the date of payment.

Registered Shareholders who are considering exercising Dissent Rights should be aware that there can be no assurance that the fair value of their Common Shares as determined under the applicable provisions of the CBCA (as modified by the Plan of Arrangement and the Interim Order) will be more than or equal to the Consideration payable under the Arrangement. In addition, any judicial determination of fair value may result in a delay of receipt by a Dissenting Holder of consideration for such Dissenting Holder's Dissenting Shares.

The above is only a summary of the provisions of the CBCA pertaining to Dissent Rights, as modified by the Interim Order and the Plan of Arrangement, which are technical and complex. If you are a Registered Shareholder and wish to exercise your Dissent Rights, you should seek your own legal advice as failure to strictly comply with the provisions of the CBCA, as modified by the Interim Order and the Plan of Arrangement, will result in the loss of your Dissent Rights. For a general summary of certain income tax implications to a Dissenting Holder, see "*Tax Considerations – Shareholders Resident in Canada – Dissenting Shareholders*". Registered Shareholders considering exercising Dissent Rights should also seek the advice of their own tax and investment advisors.

TAX CONSIDERATIONS

The following summaries describe the principal tax considerations generally applicable to Shareholders resident in Canada and the United States in connection with the Arrangement. These summaries are of a general nature only and are not intended to be, nor should they be considered to be, legal or tax advice to any particular Person. These summaries do not address the tax issues relevant to Optionholders. It is recommended that Securityholders consult their own tax advisers concerning the application and effect of the income and other taxes of any country, province, territory, state or local tax authority, having regard to their particular circumstances.

Certain Canadian Federal Income Tax Considerations

The following summary fairly describes the principal Canadian federal income tax considerations under the Tax Act relating to the Arrangement generally applicable to Shareholders who, at all relevant times, for purposes of the Tax Act (i) hold their Common Shares as capital property, (ii) deal at arm's length with the Purchaser and Uranium One and (iii) are not affiliated with the Purchaser or Uranium One.

Common Shares generally will be considered to be capital property to a holder thereof unless the shares are held in the course of carrying on a business or were acquired in a transaction considered to be an adventure in the nature of trade. Certain Shareholders who are resident in Canada for purposes of the Tax Act and who might not otherwise be considered to hold such shares as capital property may be entitled, in certain circumstances, to make an irrevocable

election in accordance with subsection 39(4) of the Tax Act to have such shares and all other "Canadian securities" (as defined in the Tax Act) owned by such Shareholder in the taxation year in which the election is made, and in all subsequent taxation years, deemed to be capital property. Any person contemplating making such an election should consult their own tax advisor for advice as to whether the election is available or advisable in their own particular circumstances.

This summary is not applicable to a Shareholder (i) that is a "financial institution" (as defined in the Tax Act) for the purposes of the mark-to-market rules, (ii) an interest in which is a "tax shelter investment" (as defined in the Tax Act), or (iii) who has elected to report its "Canadian tax results" (as defined in the Tax Act) in a currency other than Canadian currency. This summary also does not address all issues relevant to Shareholders who acquired Common Shares on the exercise of an option or other convertible security. Finally, this summary does not address issues relevant to Optionholders. All such Securityholders should consult their own tax advisors having regard to their own particular circumstances.

This summary is based upon the current provisions of the Tax Act and counsel's understanding of the current published administrative practices and assessing policies of the Canada Revenue Agency (the "**CRA**"). This summary also takes into account all specific proposals to amend the Tax Act (the "**Proposed Amendments**") announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, and assumes that all Proposed Amendments will be enacted in their present form. However, there can be no assurance that the Proposed Amendments will be enacted in the form proposed, or at all. Except for the Proposed Amendments, this summary does not take into account or anticipate any changes in law, or the administrative practices and assessing policies of CRA, whether by legislative, governmental, or judicial action or decision, nor does it take into account provincial, territorial or foreign income tax considerations, which may differ from the Canadian federal income tax considerations discussed below. This summary assumes that the Common Shares will, at all relevant times, be listed on the TSX.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations. This summary is not intended to be, nor should it be construed to be, legal or tax advice to any particular Securityholder. Accordingly, Securityholders should consult their own tax advisors for advice as to the income tax consequences to them of the Arrangement in their particular circumstances.

For purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of Common Shares must be expressed in Canadian dollars (including adjusted cost base and proceeds of disposition). For purposes of the Tax Act, amounts denominated in a foreign currency generally must be converted into Canadian dollars using the rate of exchange quoted by the Bank of Canada at noon on the date such amounts arose, or such other rate of exchange as is acceptable to the CRA.

Shareholders Resident in Canada

The following portion of the summary is applicable to a Shareholder who is, or is deemed to be, resident in Canada for purposes of the Tax Act (a "**Resident Shareholder**").

Disposition of Common Shares for the Consideration

A Resident Shareholder that transfers Common Shares under the Arrangement to the Purchaser for the Consideration will be considered to have disposed of such Common Shares for proceeds of disposition equal to the amount of the Consideration. As a result, such Resident Shareholder generally will realize a capital gain (or a capital loss) to the extent that such Shareholder's proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to the Resident Shareholder of his or her Common Shares.

One-half of any capital gain (a "**taxable capital gain**") realized by a Resident Shareholder in a taxation year will be included in the Resident Shareholder's income for the year. One-half of any capital loss (an "**allowable capital loss**") realized by a Resident Shareholder in a taxation year generally must be deducted against taxable capital gains realized in that taxation year, to the extent and in the circumstances specified in the Tax Act. Any excess of

allowable capital losses over taxable capital gains realized in a particular taxation year may be carried back up to three taxation years and carried forward indefinitely and deducted against net taxable capital gains realized in those other years, to the extent and in the circumstances specified in the Tax Act.

If a Resident Shareholder is a corporation, the amount of any capital loss arising from a disposition or deemed disposition of a Common Share may be reduced by the amount of dividends received or deemed to be received by the corporation on the share, to the extent and under circumstances specified by the Tax Act. Analogous rules apply to a partnership or trust of which a corporation, trust or partnership is a member or beneficiary.

Capital gains realized by individuals and certain trusts may give rise to a liability for alternative minimum tax under the Tax Act.

Dissenting Shareholders

A Resident Shareholder who, as a result of the exercise of Dissent Rights, disposes of Common Shares to the Purchaser in consideration for a cash payment from the Purchaser, will be considered to have disposed of the Common Shares for proceeds of disposition equal to the cash payment (other than any portion of the payment that is interest awarded by the court). Such Dissenting Shareholder will realize a capital gain (or capital loss) equal to the amount by which such proceeds of disposition, net of any reasonable costs of disposition, exceed (or are exceeded by) the adjusted cost base to such Dissenting Shareholder of the Common Shares immediately before the disposition. See above under the heading *"*– Disposition of Common Shares for the Consideration" above for a general description of the treatment of capital gains and capital losses under the Tax Act. Interest awarded by a court to a Resident Shareholder who is a Dissenting Shareholder will be included in such Shareholder's income for purposes of the Tax Act.

Canadian-Controlled Private Corporations

A Resident Shareholder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional refundable tax of 6⅔% on certain investment income, including amounts in respect of net taxable capital gains and interest.

Shareholders Not Resident in Canada

The following portion of the summary is applicable to a Shareholder who (i) is not, and is not deemed to be, resident in Canada for purposes of the Tax Act, and (ii) does not and will not use or hold, and is not and will not be deemed to use or hold, Common Shares in connection with carrying on a business in Canada (a "**Non-Resident Shareholder**"). Special rules, which are not discussed in this summary, may apply to a Non-Resident Shareholder that is an insurer carrying on business in Canada and elsewhere.

Disposition of Common Shares for the Consideration

A Non-Resident Shareholder who participates in the Arrangement will not be subject to tax under the Tax Act on any capital gain realized on the disposition of Common Shares for the Consideration, unless (i) the Common Shares disposed of are "taxable Canadian property" of the Non-Resident Shareholder at the time of the disposition, and (ii) the Non-Resident Shareholder is not exempt from taxation in Canada on the disposition of such shares under the terms of an applicable income tax convention or treaty.

Generally, a share of a corporation owned by a Non-Resident Shareholder will not be taxable Canadian property of the Non-Resident Shareholder at a particular time provided that either: (i) the particular share is listed on a designated stock exchange (which currently includes the TSX) at that time and at no time during the 60-month period immediately preceding the date of disposition of the particular share did the Non-Resident Shareholder, persons with whom the Non-Resident Shareholder did not deal at arm's length, or such holder together with such persons, own 25 per cent or more of the issued shares of any class or series of the particular corporation, or (ii) at no time during such 60-month period did the particular share derive more than 50 per cent of its value from any

combination of: (a) real property situated in Canada, (b) "timber resource property" (within the meaning of the Tax Act), (c) "Canadian resource property" (within the meaning of the Tax Act), or (d) options in respect of, or interests in, or for civil law rights in, any of the foregoing, whether or not the property exists. However, a share owned by a Non-Resident Shareholder may be deemed to be taxable Canadian property of the Non-Resident Shareholder if such share was acquired in certain types of tax deferred exchanges in consideration for property that was itself taxable Canadian property.

In the case of a Non-Resident Shareholder that is a resident of the United States and that is a "qualifying person" for purposes of the U.S. Treaty, any gain realized by the Non-Resident Shareholder on a disposition of Common Shares that would otherwise be subject to tax under the Tax Act will be exempt from tax pursuant to the U.S. Treaty provided that the value of such shares is not derived principally from real property situated in Canada (as defined in the U.S. Treaty).

In the event that a Common Share constitutes taxable Canadian property of a Non-Resident Shareholder and any capital gain that would be realized on the exchange or disposition of the share is not exempt from tax under the Tax Act pursuant to an applicable income tax convention or treaty, the tax consequences discussed above for Shareholders who are resident in Canada, under the heading "*Shareholders Resident in Canada - Disposition of Common Shares for the Consideration*" generally will apply.

Dissenting Shareholders

A Non-Resident Shareholder who, as a result of the exercise of Dissent Rights, disposes of Common Shares to the Purchaser in consideration for a cash payment from the Purchaser, will be considered to realize a capital gain or capital loss as discussed above under the heading "*Shareholders Resident in Canada – Dissenting Shareholders*". The same general considerations apply as discussed above under the heading "*Shareholders Not Resident in Canada – Disposition of Common Shares for the Consideration*" in determining whether a capital gain will be subject to tax under the Tax Act. Any interest awarded to the Non-Resident Shareholder by the Court will not be subject to withholding tax under the Tax Act, unless such interest constitutes "participating debt interest" (as defined in the Tax Act).

Certain United States Federal Income Tax Considerations

The following discussion summarizes certain material U.S. federal income tax considerations for U.S. Shareholders (as defined below) with respect to the disposition of Common Shares pursuant to the Arrangement. This summary does not address the U.S. federal income tax considerations with respect to Shareholders who are not U.S. Shareholders. This summary also does not address the U.S. federal income tax consequences to beneficial owners of any rights to acquire Common Shares, including Uranium One's Options, or any rights to share in the appreciation of Common Shares. Except as specifically set forth below, this summary does not discuss applicable tax reporting requirements. In addition, it does not address state, local or non-U.S. tax consequences.

This summary is based upon the U.S. Internal Revenue Code, as amended ("**Code**"), Treasury Regulations, administrative pronouncements, the U.S. Treaty and judicial decisions, in each case as in effect on the date hereof, all of which are subject to change or differing interpretations (possibly with retroactive effect). No legal opinion from U.S. legal counsel or ruling from the U.S. Internal Revenue Service ("**IRS**") has been requested, or will be obtained, regarding the U.S. federal income tax consequences of the Arrangement. Accordingly, there can be no assurance that the IRS will not challenge one or more of the tax consequences described in this summary or that the U.S. courts will uphold such tax consequences in the event of an IRS challenge. This summary does not discuss the potential effects, whether adverse or beneficial, of any proposed legislation.

This summary does not address aspects of U.S. federal taxation other than income taxation, nor does it address all aspects of U.S. federal income taxation, including aspects of U.S. federal income taxation that may be applicable to particular beneficial owners of Common Shares including but not limited to beneficial owners of Common Shares who are dealers in securities or currencies or traders in securities that elect to apply a mark-to-market accounting method, insurance companies, tax-exempt organizations, qualified retirement plans, individual retirement accounts

or other tax deferred accounts, financial institutions, real estate investment trusts, regulated investment companies, persons that are not U.S. Shareholders, certain former citizens or residents of the United States, persons who hold Common Shares through partnerships or other pass-through entities, persons who own, directly or indirectly, 5% or more, by voting power or value, of the outstanding shares of Uranium One or ARMZ, persons whose functional currency is not the U.S. dollar or who acquired their Common Shares in a compensatory transaction, persons subject to the alternative minimum tax and persons who hold Common Shares as part of a constructive sale, wash sale, conversion transaction or other integrated transaction for tax purposes or a straddle, hedge or synthetic security. This summary is limited to U.S. Shareholders who hold their Common Shares as a "capital asset" within the meaning of Section 1221 of the Code. The following discussion assumes that the Purchaser will not make an election under Section 338 of the Code to treat its acquisition of the Common Shares as if Uranium One had sold all of its assets for U.S. federal income tax purposes.

As used herein, the term "**U.S. Shareholder**" means a beneficial owner of Common Shares that is, for U.S. federal income tax purposes (i) a citizen or individual resident of the United States; (ii) a corporation (or other entity taxable as a corporation for these purposes) created or organized in or under the laws of the U.S., any State thereof or the District of Columbia or treated as such for U.S. federal income tax purposes; (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source, or (iv) a trust if either (a) a U.S. court is able to exercise primary jurisdiction over administration of the trust and one or more U.S. persons have authority to control all substantial decisions of the trust or (b) the trust has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person for these purposes.

If a partnership (including an entity or arrangement classified as a partnership for U.S. federal income tax purposes) holds Common Shares, the tax treatment of a partner will generally depend upon the status of the partner, the activities of the partnership and certain determinations made at the partner level. This summary does not address the tax consequences to any such partner or partnership. Such a partnership, and a partner in such a partnership, should consult its own tax advisor with regard to the U.S. federal income tax consequences of selling Common Shares pursuant to the Arrangement.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular U.S. Shareholder. This summary is not exhaustive of all U.S. federal income tax considerations. Consequently, U.S. Shareholders are urged to consult their own tax advisors for advice regarding the income tax consequences to them of disposing of their Common Shares pursuant to the Arrangement, having regard to their own particular circumstances, and any other consequences to them of the Arrangement under U.S. federal, state, or local tax laws and under non-U.S. tax laws.

PURSUANT TO U.S. TREASURY DEPARTMENT CIRCULAR 230, U.S. SHAREHOLDERS ARE HEREBY NOTIFIED THAT (A) THIS SUMMARY AND ANY DISCUSSION OF U.S. FEDERAL INCOME TAX CONSEQUENCES CONTAINED IN THIS CIRCULAR ARE NOT INTENDED AND WERE NOT WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE U.S. FEDERAL TAX LAWS THAT MAY BE IMPOSED ON THE TAXPAYER, (B) THIS SUMMARY AND ANY OTHER DISCUSSION OF U.S. FEDERAL INCOME TAX CONSEQUENCES CONTAINED IN THIS CIRCULAR WERE WRITTEN IN CONNECTION WITH THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED BY THIS CIRCULAR, AND (C) EACH TAXPAYER SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Disposition of Common Shares

Subject to the discussion below under "*Passive Foreign Investment Companies*", a U.S. Shareholder who sells Common Shares pursuant to the Arrangement and receives the Consideration generally will recognize capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between (i) the U.S. dollar value of the amount of the Canadian dollar cash payment received (which amount will not be reduced by any related Canadian taxes paid by the U.S. Shareholder directly or by withholding) and (ii) the U.S. Shareholder's adjusted tax basis in the Common Shares (determined in U.S. dollars) that are sold pursuant to the Arrangement. Such gain or loss will be long-term capital gain or loss if the U.S. Shareholder's holding period for the Common Shares sold is greater than

one year at the time of the sale. Long-term capital gains of non-corporate U.S. Shareholders are currently eligible for reduced rates of U.S. federal income taxation. A U.S. Shareholder's ability to deduct capital losses is subject to certain limitations.

The U.S. dollar value of the amount of the Canadian dollar cash payment received by a U.S. Shareholder will be determined by reference to the spot rate of exchange on the date of the sale pursuant to the Arrangement. However, if the Common Shares are treated as traded on an "established securities market" and the U.S. Shareholder is either a cash basis taxpayer or an accrual basis taxpayer that has made a special election (which election must be applied consistently from year to year and cannot be changed without the consent of the IRS), the U.S. Shareholder will determine the U.S. dollar value of the amount of the Canadian dollar cash payment received based on the spot rate of exchange on the settlement date of the sale pursuant to the Arrangement. If a U.S. Shareholder is an accrual basis taxpayer and does not make this special election, such U.S. Shareholder generally will recognize foreign currency gain or loss for U.S. federal income tax purposes equal to the difference (if any) between the U.S. dollar values of the amount of the Canadian dollar cash payment received determined by reference to the spot rates of exchange in effect on the date of the sale of Common Shares and on the settlement date of the sale of Common Shares. Any such foreign currency gain or loss generally will be treated as U.S. source ordinary income or loss and will be in addition to the gain or loss, if any, that such U.S. Shareholder recognizes on the sale of Common Shares pursuant to the Arrangement.

A U.S. Shareholder will have a tax basis in Canadian dollars received equal to the U.S. dollar value of the Canadian dollars on the date of receipt. If the Canadian dollars received are converted into U.S. dollars on the date of receipt, the U.S. Shareholder generally should not be required to recognize foreign currency gain or loss. Gain or loss, if any, recognized by a U.S. Shareholder on the sale or other disposition of Canadian dollars received on a date subsequent to receipt generally will be U.S. source ordinary income or loss.

U.S. Shareholders Exercising Dissent Rights

If a U.S. Shareholder exercises Dissent Rights pursuant to the Arrangement and is paid the fair value of its Common Shares in cash by the Purchaser, such U.S. Shareholder generally will recognize gain or loss in a similar manner as a non-dissenting U.S. Shareholder, as discussed above under "*Disposition of Common Shares*".

Foreign Tax Credits for Canadian Taxes Paid or Withheld

A U.S. Shareholder that pays (directly or through withholding) Canadian income taxes resulting from a sale of Common Shares pursuant to the Arrangement may be entitled to claim such Canadian income taxes as a credit for U.S. federal income tax purposes, subject to a number of complex rules and limitations. Gain or loss, if any, recognized by a U.S. Shareholder on the sale of Common Shares generally will be U.S. source gain or loss for foreign tax credit purposes, unless, in the case of a U.S. Shareholder eligible for benefits under the U.S. Treaty, the gain is subject to tax in Canada and resourced as foreign source gain under the provisions of that treaty and an election is made under the Code. Alternatively, a U.S. Shareholder may be entitled to take a deduction for any such Canadian income taxes if the U.S. Shareholder does not elect to claim a foreign tax credit for any non-U.S. taxes paid during the taxable year. U.S. Shareholders should consult their own tax advisors regarding the foreign tax credit implications of selling Common Shares pursuant to the Arrangement.

Passive Foreign Investment Companies

If Uranium One is or becomes a "passive foreign investment company" under the meaning of Section 1297 of the Code (a "**PFIC**") for any tax year in which a U.S. Shareholder held Common Shares, the preceding sections of this summary may not describe the U.S. federal income tax consequences to U.S. Shareholders of the disposition of their Common Shares pursuant to the Arrangement.

A non-U.S. entity treated as a corporation for U.S. federal income tax purposes will be a PFIC in any taxable year in which, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to the applicable "look through" rules, either (a) at least 75 percent of its gross income is "passive" income or (b) at least

50 percent of the quarterly average of the fair market value of its assets is attributable to assets that produce passive income or are held for the production of passive income. In determining whether or not a corporation is classified as a PFIC, a non-U.S. corporation is required to take into account its pro rata portion of the income and assets of each corporation in which it owns, directly or indirectly, at least a 25% interest. "Gross income" generally includes all sales revenues less the cost of goods sold, plus income from investments and from incidental or outside operations or sources, and "passive income" generally includes, for example, dividends, interest, certain rents and royalties, certain gains from the sale of stock and securities, and certain gains from commodities transactions. Active business gains arising from the sale of commodities generally are excluded from passive income if substantially all (85% or more) of a foreign corporation's commodities are stock in trade or inventory, depreciable property used in a trade or business, or supplies regularly used or consumed in the ordinary course of its trade or business, and certain other requirements are satisfied.

Special, and generally unfavourable, rules are applicable to U.S. Shareholders owning shares in a non-U.S. corporation which is a PFIC during any tax year in which such shareholder held shares in such corporation, including taxation at maximum ordinary income rates plus an interest charge on both gains on sale or other disposition and certain dividends, unless the U.S. Shareholder makes a timely and effective election to be taxed under an alternative regime.

Uranium One believes that it did not constitute a PFIC during its tax years ended December 31, 2008, 2009, 2010, 2011 and 2012, and based on its current business operations and financial expectations, Uranium One expects that it should not become a PFIC during its current tax year. Uranium One has not made a determination as to its PFIC status as to its prior tax years. However, the determination of whether or not Uranium One is a PFIC for any tax year is made on an annual basis and is based on the types of income Uranium One earns and the types and value of Uranium One's assets from time to time, all of which are subject to change. Additionally, the analysis depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. Furthermore, whether Uranium One will be a PFIC for the current taxable year and each subsequent taxable year depends on its assets and income over the course of each such taxable year and, as a result, cannot be predicted with certainty as of the date of this Circular. Accordingly, there can be no assurance that the IRS will not challenge the determination made by Uranium One concerning its PFIC status or that Uranium One will not be a PFIC for any taxable year.

If Uranium One is or becomes a PFIC during any tax year in which a U.S. Shareholder held Common Shares, a U.S. Shareholder will be required to file IRS Form 8621 for the taxable year in which the U.S. Shareholder recognizes gain from the sale of Common Shares pursuant to the Arrangement. In the event a U.S. Shareholder does not file the IRS Form 8621, the statute of limitations on the assessment and collection of U.S. federal income taxes of such U.S. Shareholder for the related tax year may not close until after the date such information is filed.

The PFIC rules are complex, and each U.S. Shareholder should consult its own tax advisors regarding the PFIC rules and how the PFIC rules may affect the U.S. federal income tax consequences of the disposition of Common Shares pursuant to the Arrangement.

Additional Tax on Passive Income

Certain individuals, estates and trusts whose income exceeds certain thresholds will be required to pay a 3.8% Medicare surtax on "net investment income" including, among other things, dividends and net gain from dispositions of property (other than property held in certain trades or businesses). U.S. Shareholders should consult with their own tax advisors regarding the effect, if any, of this tax on their disposition of Common Shares pursuant to the Arrangement.

Information Reporting and Backup Withholding

Cash payments received by a U.S. Shareholder with respect to the sale of Common Shares pursuant to the Arrangement may be subjected to information reporting to the IRS and possible U.S. backup withholding. Backup withholding will not apply, however, to a U.S. Shareholder that furnishes a correct taxpayer identification number

and makes any other required certifications or that is otherwise exempt from backup withholding. U.S. Shareholders that are required to establish their exempt status generally must provide such certification on IRS Form W-9. Backup withholding is not an additional tax. Rather, any amount withheld under the backup withholding rules may be credited against a U.S. Shareholder's U.S. federal income tax liability, and a U.S. Shareholder may generally obtain a refund of any excess amounts withheld under the backup withholding rules, by timely furnishing any required information to the IRS.

Tax Considerations for Shareholders Resident in Countries other than Canada and the United States

This Circular does not address tax consequences applicable to Shareholders resident in countries other than Canada and the United States. Accordingly, it is recommended that such Shareholders consult their own tax advisers with respect to their particular circumstances.

INFORMATION CONCERNING URANIUM ONE

Uranium One is one of the world's largest publicly-traded uranium producers. It is a Canadian corporation engaged through its subsidiaries and joint ventures in the mining and production of uranium, and in the acquisition, exploration and development of properties for the production of uranium in Kazakhstan, Tanzania, the United States and Australia.

In Kazakhstan, the Company holds a 70% interest in Betpak Dala LLP, which owns the Akdala and South Inkai uranium mines, a 50% interest in the Karatau joint venture, which owns Plot No. 2 of the Budenovskoye uranium mine, a 50% interest in the Akbastau joint venture, which owns Plots Nos.1, 3 and 4 of the Budenovskoye uranium mine, a 49.67% interest in Zarechnoye JSC, which owns the Zarechnoye uranium mine, and a 30% interest in the Kyzylkum joint venture, which owns the Kharasan uranium mine. In the United States, the Company owns a 100% interest in the Willow Creek uranium mine, as well as projects in the Powder River and Great Divide basins in Wyoming. The Company owns a 100% interest in the Honeymoon Uranium Project in Australia. The Company is the operator of the Mkuju River project in Tanzania, and acquired a 13.9% interest in Mantra, which owns the Mkuju River project, from ARMZ on March 15, 2012. The Company also has an option to acquire from ARMZ, and ARMZ has an option to sell to the Company, the remaining interest in Mantra. The Company also owns, either directly or through joint ventures, uranium exploration properties in the western United States and South Australia.

Market Price and Trading Volume Data

The Common Shares are listed for trading on the TSX under the symbol "UUU". The following table shows the market prices and volumes of trading of the Common Shares on the TSX since February 2012:

Period	High	Low	Volume
	$	$	
February 2012	3.45	2.54	98,736,967
March 2012	3.36	2.73	64,821,779
April 2012	3.05	2.54	55,234,197
May 2012	3.04	2.07	50,008,855
June 2012	2.76	2.26	29,693,117
July 2012	2.73	2.28	19,830,870
August 2012	2.61	2.05	54,803,924
September 2012	2.62	2.26	28,442,760
October 2012	2.37	2.12	27,006,444
November 2012	2.17	1.80	82,579,006
December 2012	2.47	1.78	201,731,763
January 2013	2.82	2.23	175,946,331
February 2013[(1)]	2.74	2.72	11,524,667

Notes:
(1) Until February 8, 2013..

The closing price of the Common Shares on the TSX on January 11, 2013, the last trading day preceding the announcement of the Arrangement Agreement, was $2.41.

The Common Shares are also listed for trading on the JSE under the symbol "UUU". The following table shows the market prices and volumes of trading of the Common Shares on the JSE since February 2012:

Period	High	Low	Volume
	ZAR	ZAR	
February 2012	25.15	19.70	778,428
March 2012	25.25	21.50	409,928
April 2012	23.70	20.60	458,669
May 2012	23.21	18.99	591,755
June 2012	21.90	18.20	334,191
July 2012	21.75	19.40	235,352
August 2012	21.49	17.93	576,020
September 2012	22.00	19.54	300,101
October 2012	20.85	18.75	203,204
November 2012	18.85	16.26	647,416
December 2012	20.83	16.10	507,824
January 2013	24.90	19.00	1,590,304
February 2013[(1)]	24.48	23.56	151,371

Notes:
(1) Until February 8, 2013.

The closing price of the Common Shares on the JSE on January 11, 2013, the last trading day preceding the announcement of the Arrangement Agreement, was ZAR 21.50.

On December 7, 2011, Uranium One completed an offering in Russia of the 2011 Bonds having an aggregate principal amount of RUB$14,300,000,000 (approximately US$463.5 million at the time of the offering). The 2011 Bonds bear interest a rate of 9.75% per annum (being at an effective annual rate in U.S. dollars of 6.74%), payable semi-annually from the date of issue, and have an effective term of five years from the date of issue. The 2011 Bonds were admitted to trading on ZAO Moscow Interbank Currency Exchange (now part of the Moscow Exchange) on December 14, 2011 under the symbol RU000A0JRTS1.

OTHER INFORMATION

Other Matters

Management of Uranium One is not aware of any matters to come before the Meeting other than as set forth in the Notice of Meeting that accompanies this Circular. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.

Auditor

The Auditor of the Company is Deloitte LLP.

Additional Information

Additional information relating to the Company can be found on SEDAR at www.sedar.com. Financial information is provided in the Company's audited consolidated financial statements and management's discussion and analysis for the financial year ended December 31, 2011, as well as in the Company's unaudited consolidated financial

statements and management's discussion and analysis for the three and nine months ended September 30, 2012, both of which can be found on SEDAR at www.sedar.com, together with the Company's other public disclosure, as well as on the Corporation's website at www.uranium1.com. Shareholders may also contact Mr. Anton Jivov, Vice-President, Corporate Affairs, by phone at (647) 788-8500 or by email at anton.jivov@uranium1.com to request copies of these documents.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Interests of Certain Persons in the Arrangement

In considering the recommendation of the Board with respect to the Arrangement, Securityholders should be aware that certain Directors and senior officers of Uranium One have certain interests in connection with the Arrangement that may present them with actual or potential conflicts of interest in connection with the Arrangement.

Directors

The Directors (other than Directors who are also executive officers who entered into Voting Agreements with the Purchaser) hold, in the aggregate, 931,595 Common Shares, representing approximately 0.97% of the Common Shares outstanding on the Record Date. The Directors (other than Directors who are also executive officers) also hold, in the aggregate, 4,716,875 Options, representing approximately 33.78% of the Options outstanding on the Record Date. All of the Common Shares and Options held by the Directors will be treated in the same fashion under the Arrangement as Common Shares and Options held by every other Shareholder and Optionholder, respectively. For greater certainty, Directors who are not also officers of the Company will not be considered Employee Optionholders and will not be entitled to the retention element of the treatment of Options held by Employee Optionholders (which consists of a cash payment of the fair value of such Options held determined using a "Black-Scholes" valuation model), instead only receiving consideration for In-the-Money Options they hold. For a discussion of the Consideration to be received for Common Shares and Options under the Arrangement, see "*The Arrangement – Principal Steps of the Arrangement*".

Consistent with standard practice in similar transactions, in order to ensure that the Directors do not lose or forfeit their protection under liability insurance policies maintained by Uranium One, the Arrangement Agreement provides for the maintenance of such protection for seven years. See "*– Interests of Certain Persons in the Arrangement – Indemnification and Insurance*" below.

The following table sets out the number Common Shares and Options beneficially owned by, or for which control or direction is exercised by, the Directors and that are known after reasonable enquiry to be owned, or over which control or direction is exercised, by their associates or affiliates:

Name	Common Shares	Percentage of the Outstanding Common Shares	Options	Percentage of the Outstanding Options	Options Currently Exercisable (Vested)
Ian Telfer	500,000	0.0522%	1,345,000	9.63%	698,334
Andrew Adams	100,000	0.0104%	425,000	3.04%	101,668
Peter Bowie	39,000	0.0041%	425,000	3.04%	101,668
Vadim Jivov	100,000	0.0104%	1,270,000	9.10%	256,667
Jean Nortier	60,400	0.0063%	425,000	3.04%	101,668
Christopher Sattler	105,000	0.0110%	1,070,000	7.66%	190,000
Phillip Shirvington[(1)]	104,750	0.0109%	1,671,875	11.97%	1,348,543
Kenneth Williamson	127,445	0.0133%	425,000	3.04%	101,668
Ilya Yampolskiy	24,000	0.0025%	520,000	3.72%	118,335

Notes:

(1) An associate of Mr. Shirvington beneficially owns an additional 77,500 Common Shares in respect of which Mr Shirvington does not have a beneficial interest or exercise control or direction.

In addition to serving as Directors and officers of the Company, Mr. Jivov is also the Chairman of ARMZ and Mr. Yampolskiy is also an officer of ARMZ.

Executive Officers

The current responsibility for the general management of Uranium One is held and discharged by a group of seven executive officers. The following table sets out the executive officers of the Company, along with the number of Common Shares and Options beneficially owned by, or for which control or direction is exercised by, such executive officers and that are known after reasonable enquiry to be owned, or over which control or direction is exercised, by their associates or affiliates:

Name	Position	Common Shares	Percentage of the Outstanding Common Shares	Options	Percentage of the Outstanding Options	Options Currently Exercisable (Vested)
Christopher Sattler	Director, Chief Executive Officer	105,000	0.0110%	1,070,000	7.66%	190,000
Vadim Jivov	Director, President	100,000	0.0104%	1,270,000	9.10%	256,667
Graham du Preez	Executive Vice-President, Chief Financial Officer	40,300	0.0042%	610,000	4.37%	148,334
Steven Magnuson	Executive Vice-President, Chief Operating Officer	10,000	0.0010%	595,000	4.26%	143,334
John Sibley	Executive Vice-President, General Counsel and Secretary	153,100	0.0160%	610,000	4.37%	148,334
Scott Melbye	Executive Vice President, Marketing	50,500	0.0053%	420,000	3.01%	100,00
Ilya Yampolskiy	Director, Executive Vice-President, Corporate Development	24,000	0.0025%	520,000	3.72%	118,335

The executive officers of Uranium One, in the aggregate, hold 482,900 Common Shares representing approximately 0.05% of the Common Shares outstanding on the Record Date. The executive officers of Uranium One, in the aggregate, hold 5,095,000 Options, representing approximately 36.49% of the Options outstanding on the Record Date. All of the Common Shares and Options held by the executive officers of Uranium One will be treated in the same fashion under the Arrangement as Common Shares and Options held by every other Shareholder and Optionholder respectively. The executive officers of Uranium One are considered Employee Optionholders and will be entitled to the retention element of the treatment of Options held by Employee Optionholders. For a discussion of the Consideration to be received for Common Shares and Options under the Arrangement, see "*The Arrangement – Principal Steps of the Arrangement*".

Pursuant to the Arrangement Agreement, a "change of control" will be deemed to have occurred immediately prior to the completion of the Arrangement.

Following the Arrangement, pursuant to their respective employment agreements, the executive officers will be entitled to receive their respective termination payments in the event of (a) termination by Uranium One without cause, or (b) termination by the executive officer for "Good Reason", within 12 months of the Arrangement. The Employment Agreements define "Good Reason" as the occurrence of any of the following event's without the executive's consent: (i) termination of the executive's employment without cause; (ii) a material or detrimental alteration in the executive's office, reporting relationships, powers, authority, duties or responsibilities; (iii) a material reduction in the executive's salary or benefits; or (iv) a relocation of the executive's principal place of employment outside the area where the executive is currently located.

Each executive officer's termination payments are outlined in the table below. "Then-Current Salary" is defined in the employment agreements to be executive's salary as of the date of termination of the executive's employment with the Company.

Executive	Entitlement[(1)]	Estimated Amount of Entitlement[(2)]
Christopher Sattler	(a) 24 months' Then-Current Salary; (b) 20% of Then-Current Salary (in lieu of bonus); and (c) immediate vesting of Options.	US$1,336,056
Vadim Jivov	(a) 24 months' Then-Current Salary; (b) 20% of Then-Current Salary (in lieu of bonus); and (c) immediate vesting of Options.	US$1,892,004
Graham du Preez	(a) 18 months' Then-Current Salary; (b) 20% of Then-Current Salary (in lieu of bonus); and (c) immediate vesting of Options.	US$639,060
Steve Magnuson	(a) 18 months' Then-Current Salary; (b) 20% of Then-Current Salary (in lieu of bonus); and (c) immediate vesting of Options.	US$638,010
John Sibley	(a) 18 months' Then-Current Salary; (b) 20% of Then-Current Salary (in lieu of bonus); and (c) immediate vesting of Options.	US$639,060
Scott Melbye	(a) 18 months' Then-Current Salary; (b) 20% of Then-Current Salary (in lieu of bonus); and (c) immediate vesting of Options.	US$629,000
Ilya Yampolskiy	(a) 18 months' Then-Current Salary; (b) 20% of Then-Current Salary (in lieu of bonus); and (c) immediate vesting of Options.	US$639,060

Notes:

(1) All of the Options held by the executive officers of Uranium One will be treated in the same fashion under the Arrangement as Options held by every other Optionholder except as expressly set forth in the Plan of Arrangement. For a discussion of the Consideration to be received for Options under the Arrangement, see "*The Arrangement – Principal Steps of the Arrangement – Options*".

(2) For Christopher Sattler, Vadim Jivov, Graham du Preez, John Sibley and Ilya Yampolskiy this amount was calculated using the US dollar salary figures calculated as at December 31, 2011 in the most recent management information circular (for the purpose of that calculation, the Canadian dollar amounts had been converted to US dollars at the average annual exchange rates reported by www.oanda.com for 2011); further conversion to Canadian dollars was not done as the two currencies are around parity.

In addition to serving as Directors and officers of the Company, Mr. Jivov is also the Chairman of ARMZ and Mr. Yampolskiy is also an officer of ARMZ.

Other Senior Officers

In addition to the executive officers and Directors listed above, there are a number of other senior officers of the Company that own Common Shares and Options. The following table sets out such senior officers of the Company, along with the number of Common Shares and Options beneficially owned by, or for which control or direction is exercised by, such executive officers and that are known after reasonable enquiry to be owned, or over which control or direction is exercised, by their associates or affiliates:

Name	Position	Common Shares	Percentage of Outstanding Common Shares	Options	Percentage of Outstanding Options	Options Currently Exercisable (Vested)
Alexander Boytsov	Executive Vice President, Exploration	-	-	90,000	0.65%	30,000
Robin Merrifield	Executive Vice-President	91,000		360,000	2.58%	360,000
Thys Heyns	Senior Vice-President, Technical Services	-	-	195,000	1.40%	81,667
Kuzma Otto	Senior Vice President, Australia Projects	-	-	-	-	-
Frank Russo-Bello	Senior Vice-President, Africa	-	-		-	-
Susan Speight	Senior Vice-President, Marketing	-	-	355,000	2.54%	245,001
Maarten Theunissen	Senior Vice-President, Finance	3,700	0.00039%	158,000	1.13%	52,000
Donna Wichers	Senior Vice President, ISR Operations	63,682	0.0067%	190,000	1.36%	80,001
Willie Bezuidenhuit	Vice-President, Corporate Development	1,780	0.00019%	138,000	0.99%	50,334
Johan Erasmus	Vice-President, Taxation	-	-	40,000	0.29%	-
Anton Jivov	Vice-President, Corporate Affairs	2,130	0.00022%	43,137	0.31%	8,526
Jane Luck	Vice-President, Legal	300	0.00003%	40,000	0.29%	-
Marat Niyetbayev	Vice-President, Operations, Branch Chief, Kazakhstan	-	-	80,000	0.57%	10,000
William Schindler	Vice-President, Management Reporting	-	-	116,000	0.83%	42,334
Norman Schwab	Vice-President, Mining	32,234	0.0034%	111,000	0.80%	40,667

The exercise price and terms of the Options owned by each officer vary based on the date the Options were granted.

Consideration to be received by Employee Optionholders pursuant to the Arrangement

Pursuant to the Arrangement, on December 31, 2013, in addition to the In-the-Money Option Consideration received on the Effective Date, Employee Optionholders will receive: (i) in respect of each In-the-Money Option held, a cash payment equal to the fair value of such Option determined using the "Black-Scholes" valuation model calculated as of the Effective Date as per standard industry practice, less the In-the-Money Option Consideration received; and (ii) in respect of each Out-of the-Money Option held, a cash payment equal to the fair value of such Option determined using the "Black-Scholes" valuation model calculated as of the Effective Date as per standard industry practice. If the Effective Date was February 8, 2013, the maximum aggregate entitlement to Employee Optionholders in respect of their Options, including any In-the-Money Option Consideration and all payments made equal to the fair value of such Options determined using the "Black-Scholes" valuation model would be less than $10 million.

Indemnification and Insurance

The Company has agreed to purchase customary "tail" policies of directors' and officers' liability insurance providing protection no less favourable in the aggregate than the protection provided by the policies maintained by the Company which are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Date and the Purchaser will, or will cause the Company to maintain such tail policies in effect without any reduction in scope or coverage for seven years from the Effective Date; provided that the Purchaser will not be required to pay any amounts in respect of such coverage prior to the Effective Time and provided further that the cost of such policies shall not exceed 200% of the Company's current annual aggregate premium for policies currently maintained by the Company.

The Purchaser has agreed to honour all rights to indemnification or exculpation existing at the time of the Arrangement Agreement in favour of present and former employees, officers and directors of the Company and its Subsidiaries, and acknowledged that such rights will survive the completion of the Plan of Arrangement and continue in full force and effect in accordance with their terms for a period of not less than seven years from the Effective Date.

In addition, following completion of the Arrangement, the Purchaser shall cause the Company to honour all obligations under the Company's existing employment agreements including by paying to the individuals party to such agreements, in each case, such amounts as are required by such agreements to be paid upon the consummation of a transaction such as the Arrangement and the Company and the Purchaser agree that any short or long term incentive plan (other than the Stock Option Plans) will continue in accordance with its terms following the completion of the Arrangement. The Purchaser and the Company agree that each director of the Company shall continue to be entitled to be paid a director's fee and any other compensation and benefits from the Company until such date as he/she ceases to act as a director of the Company.

Interests of Certain Persons in Matters other than the Arrangement

On December 15, 2010, the Company entered into a put/call option agreement with ARMZ (which was subsequently amended and restated on March 21, 2011) pursuant to which the Company had the right to acquire from ARMZ, and ARMZ had the right to sell to the Company, all of the outstanding shares of Mantra until June 7, 2012. On January 16, 2012, the Company elected, subject to receipt of the requisite regulatory approvals, to pay $150 million to ARMZ to extend the term of the Mantra option (and the put right of ARMZ) from June 7, 2012 to June 7, 2013 and to acquire a 13.9% stake in Mantra from ARMZ, which acquisition was completed on March 15, 2012. The term of the put/call option agreement, including this extended term, is subject to further extension in the event that certain required approvals are not obtained.

Mantra's core asset is the Mkuju River Project in Tanzania, which is nearing the completion of an updated feasibility study. On June 7, 2011, when ARMZ acquired all of the outstanding shares of Mantra, Uranium One also became the operator of the Mkuju River Project pursuant to an operating agreement entered into by Uranium One with Mantra and ARMZ, and entered into a loan agreement with Mantra to fund the development of the Mkuju River Project. At all relevant times, ARMZ owned approximately 51.4% of the outstanding Common Shares. The

Company's President and director, Vadim Jivov, was at all relevant times the Director General or Chairman of ARMZ, and Ilya Yampolskiy, who is a Director and officer of the Company, was at all relevant times the Deputy Director General of ARMZ.

Except as disclosed herein, since the commencement of the Company's most recently completed financial year, no informed person of the Company, nominee for director or any associate or affiliate of an informed person or nominee had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries. An "informed person" means (i) a director or executive officer of the Company, (ii) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company, (iii) any person or company which beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights other than voting securities held by the person or company as underwriter in the course of a distribution and (iv) the Company itself, if and for so long as it has purchased, redeemed or otherwise acquired any of its Common Shares.

Previous Distributions

Except as set out below, the Company has not distributed Common Shares during the five years preceding the Arrangement Agreement:

(a) on December 14, 2009, the Company acquired a 50% interest in Karatau LLP (which owns Plot No. 2 of the Budenovskoye uranium mine in Kazakhstan) from the Purchaser for 117,000,000 Common Shares issued to Effective Energy and US$150 million in cash consideration (paid over two years); and

(b) on December 27, 2010, the Company acquired from the Purchaser and UMC, wholly-owned subsidiaries of ARMZ, (i) 50% of the outstanding shares of JSC Akbastau (which owns Plots Nos.1, 3 and 4 of the Budenovskoye uranium mine in Kazakhstan) and (ii) 49.67% of the outstanding shares of Zarechnoye JSC (which owns the Zarechnoye uranium mine in Kazakhstan), for 178,127,164 Common Shares issued to Effective Energy and UMC. As part of the consideration for those shares, ARMZ also made a supplementary payment of $51,600,000 to the Company in tranches between December 27, 2010 and January 3, 2012. On November 26, 2010, the Company also completed a private placement of 178,127,165 Common Shares to Effective Energy for consideration of US$610,000,000. (Effective Energy acquired additional Common Shares on the market to bring its holdings in the Company to their present level.)

Dividend Policy

On December 20, 2010, the Company paid a dividend to its shareholders of record as of December 10, 2010, other than ARMZ and its affiliates, each of which waived its right to the special dividend, in the amount of US$492.9 million in the aggregate, being US$1.06 per common share. Except for that special dividend, the Company has never paid cash dividends on the Common Shares. Currently, the Company intends to retain its future earnings, if any, to fund the development and growth of its business, and does not anticipate paying any cash dividends on the Common Shares in the near future. The Company's dividend policy will be reviewed from time to time by the Board.

LEGAL MATTERS

Certain Canadian legal matters in connection with the Arrangement will be passed upon by Goodmans LLP on behalf of Uranium One. As of the date hereof, the partners and associates of Goodmans LLP as a group beneficially owned, directly or indirectly, less than one percent of the Common Shares.

APPROVAL OF DIRECTORS

The contents and sending of this Circular, including the Notice of Meeting, have been approved and authorized by the Board.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) *Ian Telfer*

Ian Telfer

Chairman of the Board
February 8, 2013

CONSENT OF CANACCORD GENUITY CORP.

To: The Board of Directors of Uranium One Inc.

We hereby consent to the reference to the opinion of our firm and the inclusion of the text of our fairness opinion dated January 13, 2013 in the management information circular of Uranium One Inc. (the "**Company**") dated February 8, 2013 (the "**Circular**") relating to the special meeting of securityholders to approve the Arrangement (as such term is defined in the Circular).

"**CANACCORD GENUITY CORP.**"

Canaccord Genuity Corp.
Toronto, Ontario
February 8, 2013

CONSENT OF GMP SECURITIES L.P.

To: The Board of Directors of Uranium One Inc.

We refer to the formal valuation dated January 13, 2013, which we prepared for the Independent Committee of the Board of Directors of Uranium One Inc. (the "**Company**") in connection with an arrangement under the *Canada Business Corporations Act* involving the Company, Effective Energy N.V. and JSC Atomredmetzoloto. We consent to the filing of the formal valuation with the securities regulatory authority and the inclusion of a summary of the formal valuation and the full text of the formal valuation in this document.

"**GMP SECURITIES L.P.**"

GMP Securities L.P.
Toronto, Ontario
February 8, 2013

APPENDIX "A"

ARRANGEMENT RESOLUTION

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The arrangement (the "**Arrangement**") under section 192 of the *Canada Business Corporations Act* (the "**CBCA**") involving Uranium One Inc. (the "**Company**"), pursuant to the arrangement agreement (the "**Arrangement Agreement**") between the Company, JSC Atomredmetzoloto and Effective Energy N.V., dated January 13, 2013, as amended and restated on February 8, 2013, all as more particularly described and set forth in the management information circular of the Company dated February 8, 2013 (the "**Circular**"), accompanying the notice of this meeting (as the Arrangement may be amended, restated, supplemented or novated from time to time in accordance with its terms), is hereby authorized, approved and adopted.

2. The plan of arrangement, as it has been or may be amended, restated, supplemented or novated in accordance with the Arrangement Agreement and its terms, involving the Company (the "**Plan of Arrangement**"), the full text of which is set out in Schedule A to the Arrangement Agreement, is hereby authorized, approved and adopted.

3. The Arrangement Agreement, the actions of the directors of the Company in approving the Arrangement and the actions of the officers of the Company in executing and delivering the Arrangement Agreement and any modifications or amendments thereto are hereby ratified and approved.

4. Notwithstanding that this resolution has been passed (and the Arrangement adopted) by the Affected Securityholders (as defined in the Arrangement Agreement) or that the Arrangement has been approved by the Superior Court of Ontario (the "**Court**"), the directors of the Company are hereby authorized and empowered, at their discretion, without further notice to or approval of the Affected Securityholders: (i) to amend or modify the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement.

5. Any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to make an application to the Court for an order approving the Arrangement and to execute, under the corporate seal of the Company or otherwise, and to deliver or cause to be delivered, for filing with the Director under the CBCA, articles of arrangement and such other documents as are necessary or desirable to give effect to the Arrangement and the Plan of Arrangement in accordance with the Arrangement Agreement, such determination to be conclusively evidenced by the execution and delivery of such articles of arrangement and any such other documents.

6. Any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as, in such person's opinion, may be necessary or desirable to give full force and effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such other document or instrument or the doing of any other such act or thing."

APPENDIX "B"

AMENDED AND RESTATED ARRANGEMENT AGREEMENT

JSC ATOMREDMETZOLOTO

and

EFFECTIVE ENERGY N.V.

and

URANIUM ONE INC.

AMENDED AND RESTATED ARRANGEMENT AGREEMENT

February 8, 2013

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ARTICLE 8
GENERAL PROVISIONS

SCHEDULES

AMENDED AND RESTATED ARRANGEMENT AGREEMENT

THIS AGREEMENT is made as of February 8, 2013,

BETWEEN:

JSC ATOMREDMETZOLOTO, a company existing under the laws of Russia

(the "**Parent**")

-and-

EFFECTIVE ENERGY N.V., a public limited liability company organized and existing under the laws of the Netherlands

(the "**Purchaser**")

-and-

URANIUM ONE INC., a corporation continued under the laws of Canada

(the "**Company**").

WHEREAS:

(a) The Parties entered into an arrangement agreement made as of January 13, 2013 (the "**Initial Arrangement Agreement**") to carry out the transactions contemplated herein by way of the Plan of Arrangement; and

(b) the Parties wish to enter into this Agreement to amend and restate the Arrangement Agreement for the purpose of correcting certain inadvertent errors in the Initial Arrangement Agreement and making certain changes to the steps of the Plan of Arrangement to reflect changes that have occurred since the date of the Initial Arrangement Agreement, each of which is considered an amendment of an administrative nature required to better give effect to the implementation of the Plan of Arrangement or incidental thereto and/or an amendment that is not adverse to the financial or economic interests of any Shareholders.

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the Parties agree as follows:

ARTICLE 1
INTERPRETATION

Section 1.1 Defined Terms.

As used in this Agreement, the following terms have the following meanings:

"**Acquisition Proposal**" means, other than the transactions contemplated by this Agreement, any bona fide offer, proposal or inquiry (written or oral) from any Person or group of Persons other than the Parent (or any affiliate of the Parent) made after the date of the Initial Arrangement Agreement relating to: (i) any direct or indirect sale,

disposition or joint venture (or any lease, long-term supply agreement or other arrangement having the same economic effect as a sale), in a single transaction or a series of related transactions, of assets representing 20% or more of the consolidated assets or contributing 20% or more of the consolidated revenue of the Company and its Subsidiaries or of 20% or more of the voting, equity or other securities of the Company or any of its Subsidiaries (or rights or interests therein or thereto) representing 20% or more of the consolidated assets of the Company and its Subsidiaries, taken as a whole; (ii) any direct or indirect take-over bid, tender offer, exchange offer, treasury issuance or other transaction that, if consummated, would result in a Person or group of Persons beneficially owning 20% or more of any class of voting, equity or other securities or any other equity interests (including securities convertible into or exercisable or exchangeable for voting or equity securities) of the Company or any of its Subsidiaries representing 20% or more of the consolidated assets of the Company and its Subsidiaries, taken as a whole; (iii) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution, winding up or exclusive license involving the Company or any of its Subsidiaries representing 20% or more of the consolidated assets or contributing 20% or more of the consolidated revenue of the Company and its Subsidiaries; (iv) any other similar transaction or series of transactions involving the Company or any of its Subsidiaries; or (v) any other transaction, the consummation of which could reasonably be expected to impede, prevent or delay the transactions contemplated by this Agreement or the Arrangement.

"**Affected Securityholders**" means the Shareholders and the Optionholders.

"**affiliate**" has the meaning specified in National Instrument 45-106 – *Prospectus and Registration Exemptions*.

"**Agreement**" means the Initial Arrangement Agreement as amended and restated on February 8, 2013.

"**Arrangement**" means an arrangement under Section 192 of the CBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of this Agreement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

"**Arrangement Resolution**" means the special resolution approving the Plan of Arrangement to be considered at the Meeting substantially in the form set out in Schedule "B" .

"**Articles of Arrangement**" means the articles of arrangement of the Company in respect of the Arrangement, required by the CBCA to be sent to the Director after the Final Order is made, which shall include the Plan of Arrangement and otherwise be in a form and content satisfactory to the Company and the Purchaser, each acting reasonably.

"**associate**" has the meaning specified in the *Securities Act* (Ontario).

"**Authorization**" means, with respect to any Person, any order, permit, approval, consent, waiver, licence or similar authorization of any Governmental Entity having jurisdiction over the Person.

"**Betpak Dala LLP**" means Joint Venture "Betpak Dala" LLP.

"**Board**" means the board of directors of the Company as constituted from time to time.

"**Board Recommendation**" has the meaning ascribed thereto in Section 2.4(2).

"**Bonds**" means the non-convertible interest-bearing certificated bearer bonds of the Company of (i) 01 series subject to the compulsory centralized custody in the quantity of 16,500,000 with the par value of RUB 1,000 each and with the total par value of RUB 16,500,000,000 redeemable on the 3,640th day from the date of first issue; and (ii) the 02 series subject to the compulsory centralized custody in the quantity of 12,500,000 with the par value of RUB 1,000 each and with the total par value of RUB 12,500,000,000 redeemable on the 3,640th day from the date of first issue.

"**Breaching Party**" has the meaning ascribed thereto in Section 4.10(3).

"**Business Day**" means any day of the year, other than a Saturday, Sunday, a public holiday or a day when banks in Toronto, Ontario, Johannesburg, South Africa, Amsterdam, Netherlands and Moscow, Russia are not generally open for business.

"**Canadian Depositary**" means Computershare Trust Company of Canada.

"**CBCA**" means the *Canada Business Corporations Act*.

"**Certificate of Arrangement**" means the certificate of arrangement to be issued by the Director pursuant to Subsection 192(7) of the CBCA in respect of the Articles of Arrangement.

"**Common Shares**" means the common shares in the capital of the Company.

"**Company**" means Uranium One Inc.

"**Company Assets**" means all of the assets, properties, permits, rights or other privileges (whether contractual or otherwise) of the Company and its Subsidiaries.

"**Company Circular**" means the notice of the Meeting and accompanying management information circular, including all schedules, appendices and exhibits to, and information incorporated by reference in, such management information circular, to be sent to Affected Securityholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of this Agreement.

"**Company Disclosure Letter**" means the disclosure letter dated the date of the Initial Arrangement Agreement and delivered by the Company to the Purchaser with this Agreement.

"**Company Employees**" means the officers, employees and independent contractors of the Company and its Subsidiaries.

"**Company Filings**" means all documents publicly filed by or on behalf of the Company on SEDAR since January 1, 2010.

"**Company's Constating Documents**" means the articles of continuance and by-laws of the Company and all amendments to such articles or by-laws.

"**Consideration**" means $2.86 in cash per Common Share.

"**Contingent Share Rights**" means the rights of **[REDACTED]** to be issued 57,500 Common Shares in the aggregate pursuant to the data purchase agreement dated September 29, 2005 between **[REDACTED]** and Energy Metals Corporation (US) (now Uranium One Americas, Inc.), as amended by the letter agreement dated on or about June 22, 2007 between **[REDACTED]** and Energy Metals Corporation (US) (now Uranium One Americas, Inc.) and Energy Metals Corporation (now Uranium One Investments Inc.).

"**Contingent Share Rights Holders**" means holders of Contingent Share Rights.

"**Contract**" means any agreement, commitment, engagement, contract, licence, lease, obligation, undertaking or joint venture (written or oral) to which the Company or any of its Subsidiaries is a party or by which it or any of its Subsidiaries is bound or affected or to which any of its or their respective properties or assets is subject**.**

"**Coordination and Integration Agreement**" means the coordination and integration agreement between the Company and the Parent dated June 4, 2012.

"**Court**" means the Ontario Superior Court of Justice, or other court as applicable.

"**Data Room**" means the material contained in the virtual data room established by the Company as at 12:00 p.m. on January 12, 2013, the index of documents of which is appended to the Company Disclosure Letter.

"**Debenture Indenture**" means the trust indenture dated March 12, 2010 between the Company and Computershare Trust Company of Canada providing for the issue of Debentures, as amended.

"**Debentureholders**" means the holders of Debentures.

"**Debentures**" means the $259,985,000 aggregate principal amount of 7.5% (re-set to 5%) convertible unsecured subordinated debentures of the Company due March 13, 2015.

"**Depositary**" means, as determined by the context, the Canadian Depositary and/or the South African Transfer Secretary.

"**Director**" means the Director appointed pursuant to Section 260 of the CBCA.

"**Dissent Rights**" means the rights of dissent in respect of the Arrangement described in the Plan of Arrangement.

"**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement.

"**Effective Time**" has the meaning ascribed thereto in the Plan of Arrangement.

"**Employee Plans**" means all health, welfare, supplemental unemployment benefit, bonus, profit sharing, option, stock appreciation, savings, insurance, incentive, incentive compensation, deferred compensation, share purchase, share compensation, disability, pension or supplemental retirement plans and other material employee or director compensation or benefit plans, policies, trusts, funds, agreements or arrangements for the benefit of directors or former directors of the Company or any of its Subsidiaries, Company Employees or former Company Employees, which are maintained by or binding upon the Company or any of its Subsidiaries or in respect of which the Company or any of its Subsidiaries has any actual or potential liability.

"**Employee Optionholder**" means an Optionholder that is an employee or officer of the Company or any of its Subsidiaries as of: (i) the Effective Date; and (ii) December 31, 2013, unless such employee or officer was terminated without just cause following the Effective Date and prior to December 31, 2013.

"**Environmental Laws**" means all Laws and agreements with Governmental Entities and all other statutory requirements relating to public health and safety, noise control, pollution or the protection of the environment or to the generation, production, installation, use, storage, treatment, transportation, Release or threatened Release of Hazardous Substances, including civil responsibility for acts or omissions with respect to the environment, and all Authorizations issued pursuant to such Law, agreements or other statutory requirements.

"**Exchange**" means the Toronto Stock Exchange.

"**Fairness Opinion**" means the opinion of Canaccord Genuity Corp. to the effect that, as of the date of such opinion, the Consideration to be received by the Shareholders is fair, from a financial point of view, to the Shareholders other than the Parent and its affiliates.

"**FATA**" means the *Foreign Acquisitions and Takeovers Act 1975* (Cth).

"**Final Order**" means the final order of the Court in a form acceptable to the Company and the Purchaser, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both the Company and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Company and the Purchaser, each acting reasonably) on appeal.

"**FIRB Approval**" means the occurrence of any of the following events: (a) the Treasurer of Australia (or his or her delegate) giving an approval to the transactions contemplated by this Agreement under the FATA (that approval to be subject to no conditions or only to those conditions that the Purchaser considers in its absolute discretion to be acceptable); (b) the treasurer of Australia ceasing to be entitled to make an order under Part II of the FATA in respect of the transactions contemplated by this Agreement; or (c) the Treasurer of Australia (or his or her delegate) indicating to the Purchaser that there is no objection in terms of the Australian Government's Foreign Investment Policy to the transactions contemplated by this Agreement (that indication to be subject to no conditions or only to those conditions that the Purchaser considers in its absolute discretion to be acceptable).

"**Formal Valuation**" means the formal valuation of the Common Shares dated January 13, 2013 that was prepared by GMP Securities LP in accordance with MI 61-101.

"**Forward-Looking Statements"** has the meaning specified in Schedule "C".

"**Framework Agreement**" means the amended and restated framework agreement between the Company and the Parent dated June 8, 2010.

"**GAAP**" means generally accepted accounting principles as set out in the Canadian Institute of Chartered Accountants Handbook – Accounting for an entity that prepares its financial statements in accordance with International Financial Reporting Standards, at the relevant time, applied on a consistent basis.

"**Governmental Entity**" means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, commissioner, minister, cabinet, governor in council, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, or (iv) any stock exchange.

"**Hazardous Substances**" means any element, waste or other substance, whether natural or artificial and whether consisting of gas, liquid, solid or vapour that is prohibited, listed, defined, judicially interpreted, designated or classified as dangerous, hazardous, radioactive, explosive or toxic or a pollutant or a contaminant under or pursuant to any applicable Environmental Laws, and specifically including petroleum and all derivatives thereof or synthetic substitutes therefor and asbestos or asbestos-containing materials or any substance which is deemed under Environmental Laws to be deleterious to natural resources or worker or public health and safety.

"**Indemnified Persons**" has the meaning specified in Section 8.7.

"**Interim Order**" means the interim order of the Court in a form acceptable to the Company and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as such order may be amended by the Court with the consent of the Company and the Purchaser, each acting reasonably.

"**In-the-Money Option**" means an Option that has an exercise price payable in respect of the Common Share underlying such Option that is less than the Consideration.

"**In–the-Money Option Consideration**" means, in respect of each In-the-Money Option, a cash amount equal to the amount by which the Consideration exceeds the exercise price payable under such In-the-Money Option by the holder thereof to acquire the Common Share underlying such Option.

"**Joint Ventures**" means Kyzylkum LLP, SKZ-U LLP, Zarechnoye JSC, JSC Akbastau, Karatau LLP and Betpak Dala LLP.

"**JSE**" means the stock exchange operated by JSE Limited in South Africa.

"**Kazakh Approval**" means, if required (i) a waiver of any and all pre-emptive rights asserted by the Government of Kazakhstan or other authorized Government Entities of Kazakhstan over the Common Shares, pursuant to Article 12

of the Subsoil Use Law and the associated consent of the Ministry of Industry and New Technologies of Kazakhstan to the transfer of the Common Shares to the Purchaser, pursuant to Article 36 of the Subsoil Use Law, and (ii) a resolution of the Government of Kazakhstan approving the transfer of the Common Shares to the Purchaser, pursuant to Article 193-1 of the Civil Code of Kazakhstan (General Part) dated December 27, 1994, or a letter from the authorized Government Entities of Kazakhstan that no such resolution is required, in the form acceptable to the Purchaser and the Parent**.**

"**Law**" means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended unless expressly specified otherwise.

"**Leased Properties"** has the meaning specified in Schedule "C".

"**Lien**" means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachment, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute.

"**Loan**" has the meaning specified in Section 6.1(7).

"**Matching Period**" has the meaning ascribed thereto in Section 5.4(1)(e).

"**Material Adverse Effect**" means any change, event, occurrence, effect, state of facts or circumstance that, individually or in the aggregate with other such changes, events, occurrences, effects, state of facts or circumstances:

(a) is or would reasonably be expected to be material and adverse to the business, operations, results of operations, assets, properties, capitalization, condition (financial or otherwise), liabilities (contingent or otherwise) of the Company and its Subsidiaries, taken as a whole, except any such direct or indirect , either alone or in combination, change, event, occurrence, effect, state of facts or circumstances resulting from:

(i) any change affecting the global uranium industry, including the price of uranium, as a whole;

(ii) any change in Law or GAAP or in the interpretation or application of any Laws by any Governmental Entity;

(iii) the announcement of this Agreement or the transactions contemplated hereby; or

(iv) any change in the market price or trading volume of any securities of the Company (it being understood that the causes underlying such change in market price or trading volume may be taken into account in determining whether a Material Adverse Effect has occurred);

(v) changes, developments or conditions in or relating to general international, political, economic or financial or capital market conditions in any jurisdiction in which the Company or any of its Subsidiaries operate or carry on business;

(vi) changes or developments in or relating to currency exchange or interest rates or rates of inflation;

(vii) any failure to meet any internal or publicly disclosed projections, forecasts or estimates of, or guidance relating to, revenue, earnings, cash flow or other financial metrics of the Company or the production of uranium by the Company or its Subsidiaries, whether made by or attributed to the Company or any financial analyst or other person; or

(viii) any legal proceedings commenced by or involving any current or former securityholders of the Company arising out of or relating to this Agreement,

provided, however, that with respect to clauses (i) (ii), (v) or (vi), such matter does not have a materially disproportionate effect on the business, operations, results of operations, assets, properties, capitalization, condition (financial or otherwise), or liabilities (contingent or otherwise) of the Company and its Subsidiaries, taken as a whole, relative to other comparable companies and entities operating in the uranium industry in which the Company and its Subsidiaries operate; or

(b) materially impairs or delays, or could reasonably be expected to materially impair or delay, the performance by the Company of its obligations under this Agreement or impair or delay the Company's ability to consummate the Arrangement or any other transaction contemplated by this Agreement by the Outside Date.

"**Material Contract**" means any Contract: (i) that if terminated or modified or if it ceased to be in effect, would reasonably be expected to have a Material Adverse Effect; (ii) any partnership agreement, limited liability company agreement, joint venture agreement or similar agreement or arrangement relating to the formation, creation or operation of any partnership, limited liability company, joint venture or other arrangement in which the interest of the Company and/or its Subsidiaries and/or the Joint Ventures exceeds $**[REDACTED]** (book value or fair market value); (iii) relating directly or indirectly to the guarantee of any liabilities or obligations or to indebtedness (currently outstanding or which may become outstanding) for borrowed money in excess of $**[REDACTED]**; (iv) restricting the incurrence of indebtedness by the Company or any of its Subsidiaries or the Joint Ventures or (including by requiring the granting of an equal and rateable Lien) the incurrence of any Liens on any properties or assets of the Company or any of its Subsidiaries or the Joint Ventures, or restricting the payment of dividends by the Company or by any of its Subsidiaries or Joint Ventures; (v) under which the Company or any of its Subsidiaries or the Joint Ventures is obligated to make payments on an annual basis in excess of $**[REDACTED]** or in excess of $**[REDACTED]** over the remaining term; (vi) under which the Company or any of its Subsidiaries or the Joint Ventures is or is entitled to receive payments on an annual basis in excess of $**[REDACTED]** or in excess of $**[REDACTED]** over the remaining term; (vii) that creates an exclusive dealing arrangement or right of first offer or refusal; (vii) providing for severance or change in control payments in excess of $**[REDACTED]**; (viii) providing for the purchase, sale or exchange of, or option to purchase, sell or exchange, any property or asset where the purchase or sale price or agreed value or fair market value of such property or asset exceeds $**[REDACTED]**; or (ix) that is otherwise material to the Company, its Subsidiaries or the Joint Ventures, taken as a whole.

"**Meeting**" means the special meeting of Affected Securityholders, including any adjournment or postponement of such special meeting in accordance with the terms of this Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution.

"**ME**" means the Moscow Exchange.

"**MI 61-101**" means Multilateral Instrument 61-101 - *Protection of Minority Shareholders in Special Transactions*.

"**Misrepresentation**" has the meaning ascribed thereto under Securities Laws.

"**NI 43-101**" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

"**NI 51-102**" means National Instrument 51-102 – *Continuous Disclosure Obligations.*

"**NI 52-109**" means National Instrument 52-109 - *Certification of Disclosure in Issuers' Annual and Interim Filings*

"**NRC Approval**" means issuance by the U.S. Nuclear Regulatory Commission of any licenses or other approvals that are necessary as a result of the transactions contemplated by this Agreement.

"**officer**" has the meaning ascribed thereto in the *Securities Act* (Ontario).

"**OHSA"** has the meaning specified in Schedule "C".

"**Optionholders**" means the holders of Options granted pursuant to the Stock Option Plans.

"**Options**" means the outstanding options to purchase Common Shares issued pursuant to the Stock Option Plans.

"**Ordinary Course**" means, with respect to an action taken by the Company, that such action is consistent with the past practices of the Company and its Subsidiaries and is taken in the ordinary course of the normal day-to-day operations of the business of the Company and its Subsidiaries including without limitation, actions taken in accordance with a budget approved by the Board.

"**Out-of-the-Money Option**" means an Option that has an exercise price payable in respect of the Common Share underlying such Option that is more than the Consideration.

"**Outside Date**" means December 1, 2013 or such later date as may be agreed to in writing by the Parties.

"**Owned Properties**" has the meaning specified in Schedule "C".

"**Parent**" means JSC Atomredmetzoloto, a company existing under the laws of Russia.

"**Parties**" means the Company, the Purchaser and the Parent and "**Party**" means any one of them.

"**Person**" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

"**Permitted Liens**" means, in respect of the Company or any of its Subsidiaries, any one or more of the following:

(a) Liens for Taxes which are not delinquent and inchoate or statutory liens for overdue Taxes the validity of which the Party or its Subsidiaries owing such Taxes is contesting in good faith but only for so long as such contestation effectively postpones enforcement and registration of any such liens or Taxes;

(b) inchoate or statutory Liens of contractors, subcontractors, mechanics, workers, suppliers, material men, carriers and others in respect of the construction, maintenance, repair or operation of its assets, provided that such Liens are related to obligations not due or delinquent, are not registered against title to any of its assets and in respect of which adequate holdbacks are being maintained as required by Law;

(c) the right reserved to or vested in any Governmental Entity by any statutory provision or by the terms of any lease, license, franchise, grant or permit of the Company or any of its Subsidiaries, to terminate any such lease, license, franchise, grant or permit, or to require annual or other payments as a condition of their continuance;

(d) security given by the Company or any of its Subsidiaries to a public utility or any Governmental Entity when required in the Ordinary Course of Business;

(e) any reservations or exceptions contained in the original grants from the United States of America or a Governmental Entity, the Crown or an equivalent entity;

(f) easements, including rights of way for, or reservations or rights of others relating to, sewers, water lines, gas lines, pipelines, electric lines, telegraph and telephone lines, roads, railroads and other similar products or services and any registered restrictions or covenants that run with the land, provided that there has been compliance with the provisions thereof and that they do not in the aggregate materially detract from the value of the Owned Properties and Leased Properties and will

not materially and adversely affect the ability of the Party and its Subsidiaries to carry on their business as it has been carried on in the past;

(g) rights reserved or vested in any Governmental Entity to control or regulate any interest in the Owned Properties and Leased Properties as imposed by Law, zoning by laws, ordinances or other restrictions as to the use of the Owned Properties and Leased Properties, and agreements with other Persons registered against title to the Owned Properties and Leased Properties, provided that there has been compliance with provisions thereof and that they do not in the aggregate materially detract from the value of the Owned Properties and Leased Properties and will not materially and adversely affect the ability of the Company and its Subsidiaries to carry on their business as it has been carried on in the past;

(h) royalties and other obligations imposed under Law or the terms of a mining, mineral, exploration or resource claim, concession, lease, contract or other right pursuant to which the Company or any of its Subsidiaries holds its interest in the Owned Properties and Leased Properties;

(i) any condition that reasonably would be expected to be shown by a current survey provided that same would not materially detract from the value of the Owned Properties and Leased Properties and will not materially and adversely affect the ability of the Company and its Subsidiaries to carry on their business as it has been carried on in the past;

(j) the rights of lessors and lessees under leases executed in the Ordinary Course;

(k) restrictive covenants, minor defects, minor imperfections or minor irregularities of title, if any, as would not materially detract from the value of the Owned Properties and Leased Properties and will not materially and adversely affect the ability of the Company and its Subsidiaries to carry on their business;

(l) the paramount title of the United States in and to unpatented mining claims and the rights of third parties to use the surface of unpatented mining claims; and

(m) all Permitted Liens (as defined in the credit agreement dated as of June 27, 2008 between, inter alia, the Company and Bank of Montreal as administrative agent).

"**Plan of Arrangement**" means the plan of arrangement, substantially in the form set out in Schedule "A", subject to any amendments or variations to such plan made in accordance with Section 8.1 or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

"**Pre-Acquisition Reorganization**" has the meaning ascribed thereto in Section 4.7.

"**Purchaser**" means Effective Energy N.V.

"**Regulatory Approvals**" means, if required, FIRB Approval, Kazakh Approval, **[REDACTED]**, Utah DRC Approval, US FCC Approval, NRC Approval and any other consent, waiver, permit, exemption, review, order, decision or approval, or registration or filing with, any Governmental Entity, or the expiry, waiver or termination of any waiting period imposed by Law or a Governmental Entity, in each case required or advisable under Laws in connection with the Arrangement, which if not obtained or made would, individually or in the aggregate, materially impede the ability of the Parties to consummate the Arrangement and the transactions contemplated thereby.

"**Release**" has the meaning prescribed in any Environmental Law and includes any sudden, intermittent or gradual release, spill, leak, pumping, addition, pouring, emission, emptying, discharge, migration, injection, escape, leaching, disposal, dumping, deposit, spraying, burial, abandonment, incineration, seepage, placement or introduction of a Hazardous Substance, whether accidental or intentional, into the environment.

"**Representative**" has the meaning ascribed thereto in Section 5.1(1).

"**Required Securityholder Approval**" has the meaning specified in Section 2.2(iii).

"**Securities Authority**" means the Ontario Securities Commission and the applicable securities commissions or securities regulatory authority of a province or territory of Canada.

"**Securities Laws**" means the *Securities Act* (Ontario) and any other applicable Canadian provincial and territorial securities laws, rules and regulations and published policies thereunder.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval.

"**Shareholders**" means the registered or beneficial holders of the Common Shares, as the context requires.

"**South African Transfer Secretary**" means Computershare Investor Services (Proprietary) Limited.

"**Special Committee**" means the committee of independent directors of the Board consisting of Kenneth Williamson (Chair), Ian Telfer, and Andrew Adams.

"**Stock Option Plans**" means the Company Stock Option Plan dated May 5, 2006 as amended and re-approved May 8, 2009 and May 7, 2012 and the Signature Resources Ltd. stock option plan dated April 26, 2005.

"**Subsidiary**" means with respect to a Person, any entity, whether incorporated or unincorporated: (i) of which such Person or any other Subsidiary of such Person is a general partner; or (ii) at least 50% of the securities or other interests of which having by their terms ordinary voting power to elect a majority of the board of directors or other Persons performing similar functions with respect to such corporation or other organization is directly or indirectly owned or controlled by such Person and/or by any one or more of its Subsidiaries; and shall include any body corporate, partnership, joint venture or other entity over which it exercises direction or control but for the purposes of Section 4.1 and Schedule "C" shall not include Mantra Resources Pty Limited and its direct and indirect subsidiaries and JSC Akbastau, Karatau LLP and Betpak Dala LLP.

"**Subsoil Use Law**" means the Law of Kazakhstan dated 24th of June 2010 No 291-IV "On Subsoil and Subsoil Use", as subsequently amended.

"**Superior Proposal**" means any unsolicited *bona fide* written Acquisition Proposal from a Person who is an arm's length third party made after the date of the Initial Arrangement Agreement: (i) to acquire not less than all of the outstanding Common Shares (other than Common Shares held by the Parent or its affiliates) or not less than 50% of the assets of the Company on a consolidated basis; (ii) that did not result from or involve a breach of this Agreement; (iii) that the Board has determined in good faith is reasonably capable of being completed without undue delay, taking into account, all financial, legal, regulatory and other aspects of such proposal and the Person making such proposal; (iv) that is not subject to any financing condition; (v) that is not subject to any due diligence and/or access condition; and (vi) in respect of which the Board and any relevant committee thereof determines, in its good faith judgment, after receiving the advice of its outside legal counsel and financial advisors and after taking into account all the terms and conditions of the Acquisition Proposal, including all legal, financial, regulatory and other aspects of such Acquisition Proposal and the party making such Acquisition Proposal, would, if consummated in accordance with its terms, but without assuming away the risk of non-completion, result in a transaction which is more favourable, from a financial point of view, to Shareholders (other than the Parent and its affiliates) than the Arrangement (including any amendments to the terms and conditions of the Arrangement proposed by the Purchaser pursuant to Section 5.4(2) of this Agreement).

"**Superior Proposal Notice**" has the meaning specified in Section 5.4(1)(c).

[REDACTED]

"**Tax Act**" means the *Income Tax Act* (Canada).

"**Tax Returns**" means any and all returns, reports, declarations, elections, notices, forms, designations, filings, and statements (including estimated tax returns and reports, withholding tax returns and reports, and information returns and reports) filed or required to be filed in respect of Taxes.

"**Taxes**" means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers' compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity on or in respect of amounts of the type described in clause (i) above or this clause (ii); (iii) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (iv) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party.

"**Terminating Party**" has the meaning specified in Section 4.10(3).

"**Termination Fee**" has the meaning specified in Section 8.2.

"**Termination Fee Event**" has the meaning specified in Section 8.2.

"**Termination Notice**" has the meaning specified in Section 4.10(3).

"**US FCC Approval**" means the issuance by the U.S. Federal Communications Commission of any licenses or other approvals that are necessary as a result of the transactions contemplated by this Agreement.

"**Utah DRC Approval**" means issuance by the State of Utah Department of Environmental Quality, Division of Radiation Control of any licenses or other approvals that are necessary as a result of the transactions contemplated by this Agreement**.**

"**Voting Agreements**" means the agreements to vote in favour of the Arrangement from each of the Company's directors and senior officers.

"**Warrant**" means the non-negotiable bonus dated November 7, 2005, as amended.

"**Zarechnoye JSC**" means JSC Kazakhstan-Russian-Kyrgyzstan Joint Venture with Foreign Investments "Zarechnoye".

"**wilful breach**" has the meaning specified in Section 7.3.

Section 1.2 Certain Rules of Interpretation.

In this Agreement, unless otherwise specified:

(1) **Headings, etc.** The provision of a Table of Contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Agreement.

(2) **Currency.** All references to dollars or to $ are references to Canadian dollars.

(3) **Gender and Number.** Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.

(4) **Certain Phrases, etc.** The words (i) "including", "includes" and "include" mean "including (or includes or include) without limitation," (ii) "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of," and (iii) unless stated otherwise, "Article", "Section", and "Schedule" followed by a number or letter mean and refer to the specified Article or Section of or Schedule to this Agreement. The term "made available" means copies of the subject materials were (i) included in the Data Room (ii) provided to the Purchaser, (iii) listed in the Company Disclosure Letter or referred to in the Data Room and copies were provided to the Purchaser or its counsel by the Company if requested, or (iv) publicly filed on SEDAR since January 2010; (v) otherwise provided to the Purchaser or its affiliates pursuant to its commercial dealings with the Company, by virtue of its controlling shareholding position or pursuant to the Framework Agreement or the Coordination and Integration Agreement or (vi) made available to the Parent.

(5) **Capitalized Terms.** All capitalized terms used in any Schedule or in the Company Disclosure Letter have the meanings ascribed to them in this Agreement.

(6) **Knowledge.** Where any representation or warranty is expressly qualified by reference to the knowledge of the Company, it is deemed to refer to the knowledge of Chris Sattler, Graham du Preez, John Sibley, Steve Magnuson and Scott Melbye, as officers of the Company and not in their personal capacity after reasonable inquiry, except for the representations and warranties in paragraphs 18, 23 and 30 of Schedule "C", where it shall be deemed to refer to the actual knowledge of the forgoing persons in relation to the Joint Ventures.

(7) **Accounting Terms.** All accounting terms are to be interpreted in accordance with GAAP and all determinations of an accounting nature in respect of the Company required to be made shall be made in a manner consistent with GAAP.

(8) **Statutes.** Any reference to a statute refers to such statute and all rules and regulations made under it having the force of law, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.

(9) **Computation of Time.** A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. on the next Business Day if the last day of the period is not a Business Day.

(10) **Time References.** References to time are to local time, Toronto, Ontario.

(11) **Subsidiaries.** To the extent any covenants or agreements relate, directly or indirectly, to a Subsidiary of the Company, each such provision shall be construed as a covenant by the Company to cause (to the fullest extent to which it is legally capable) such Subsidiary to perform the required action.

(12) **Joint Ventures.** Notwithstanding any other provision hereof, the representations and warranties given hereunder with respect to the Joint Ventures by the Company are given by the Company, only to its knowledge, except for the representations and warranties given respecting the Company's or its Subsidiaries direct or indirect ownership and other rights and obligations in respect of such Joint Ventures. Notwithstanding any other provision hereof, covenants given by the Company shall not extend to the Joint Ventures in which the Company or its Subsidiaries do not directly or indirectly own a controlling interest; provided however, that if an issue relating to any of the Joint Ventures arises, which issue would be the subject matter of any of the covenants contained in this Agreement but for the fact that the covenants do not extend to the Joint Ventures, the Company shall cause each Subsidiary that is a participant in such Joint Venture to do the following:

(i) use reasonable commercial efforts to:

(A) exercise its rights as a participant in the Joint Venture, to the extent permitted by applicable Law, and

(B) cause those members of the Supervisory Board of the Joint Venture whom such Subsidiary has nominated, appointed or elected to such Supervisory Board to exercise their powers to the extent permitted by applicable Law,

in such a way as to comply with such covenants of the Company;

(ii) if it is necessary for any action to be taken by the Joint Venture to comply with such covenants of the Company and such action is subject to the unanimous consent of all of the participants in the Joint Venture, to vote in favour of such action at any general meeting of the participants in the Joint Venture or otherwise signify its consent to such action in accordance with the constating documents of the Joint Venture and applicable Law; and

(iii) if it is necessary for the Joint Venture to refrain from taking any action to comply with such covenants of the Company and such action is subject to the unanimous consent of all of the participants in the Joint Venture, to vote against such action at any general meeting of the participants in the Joint Venture or otherwise signify its opposition to such action in accordance with the constating documents of the Joint Venture and applicable Law,

in each case as though such covenant did extend to the relevant Joint Venture,

(13) **Consent**. If any provision requires approval or consent of a Party and such approval or consent is not delivered within the specified time limit, the Party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.

(14) **Schedules.** The schedules attached to this Agreement form an integral part of this Agreement for all purposes of it.

ARTICLE 2
THE ARRANGEMENT

Section 2.1 Arrangement

The Parties agree that the Arrangement will be implemented in accordance with and subject to the terms and conditions of this Agreement and the Plan of Arrangement pursuant to which (among other things):

(i) Shareholders, other than ARMZ and its affiliates, will receive $2.86 in cash for each Common Share held;

(ii) Optionholders will receive for each In-the-Money Option held, a cash payment equal to the In-the-Money Option Consideration;

(iii) Employee Optionholders will receive on December 31, 2013:

(A) in respect of each In-the-Money Option held by such Employee Optionholder, a cash payment equal to the fair value of such Option determined using the "black-scholes" valuation model calculated as of the Effective Date as per standard industry practice less the In-the-Money Option Consideration received in accordance with Section 2.1(ii); and

(B) in respect of each Out-of the-Money Option held by such Employee Optionholder, a cash payment equal to the fair value of such Option determined using the "black-scholes" valuation model calculated as of the Effective Date as per standard industry practice.

Section 2.2 Interim Order

As soon as reasonably practicable after the date of this Agreement, but in any event on or before February 7, 2013, the Company shall apply in a manner reasonably acceptable to the Purchaser pursuant to Section 192 of the CBCA and, in cooperation with the Purchaser, prepare, file and diligently pursue an application for the Interim Order, which must provide, among other things:

(i) for the class of persons to whom notice is to be provided in respect of the Arrangement and the Meeting and for the manner in which such notice is to be provided;

(ii) that all Affected Securityholders as at the record date established for the Meeting shall be entitled to vote on the Arrangement Resolution as follows:

(A) each Shareholder being entitled to one vote for each Common Share held by such Shareholder on the Arrangement Resolution; and

(B) each Optionholder being entitled to one vote for each Common Share issuable upon the exercise of such Optionholder's Options on the Arrangement Resolution.

(iii) that the required level of approval (the "**Required Securityholder Approval**") for the Arrangement Resolution shall be:

(A) two-thirds of the votes cast on the Arrangement Resolution by Shareholders present in person or represented by proxy at the Meeting;

(B) two-thirds of the votes cast on the Arrangement Resolution by Affected Securityholders present in person or represented by proxy at the Meeting voting together as a single class; and

(C) a majority of the votes attached to the Common Shares held by Shareholders present in person or represented by proxy at the Meeting excluding for this purpose votes attached to Common Shares required to be excluded pursuant to MI 61-101;

(iv) that, in all other respects, the terms, restrictions and conditions of the Company's Constating Documents, including quorum requirements and all other matters, shall apply in respect of the Meeting;

(v) for the grant of the Dissent Rights to those Shareholders who are registered Shareholders as contemplated in the Plan of Arrangement;

(vi) for the notice requirements with respect to the presentation of the application to the Court for the Final Order;

(vii) that the Meeting may be adjourned or postponed from time to time by the Company without the need for additional approval of the Court;

(viii) that the record date for the Affected Securityholders entitled to notice of and to vote at the Meeting will not change in respect of any adjournment(s) or postponement(s) of the Meeting, unless required by Securities Laws; and

(ix) for such other matters as the Purchaser may reasonably require.

Section 2.3 The Meeting

(1) The Company shall:

(a) convene and conduct the Meeting in accordance with the Interim Order, the Company's Constating Documents, as applicable, and Law on or before March 11, 2013, provided that the Purchaser and the Parent have complied with their obligations pursuant to Section 2.4(4), for the purpose of considering the Arrangement Resolution and for any other proper purpose as may be set out in the Company Circular and agreed to by the Purchaser; and not adjourn, postpone or cancel (or propose the adjournment, postponement or cancellation of) the Meeting without the prior written consent of the Purchaser, except as required or permitted under Section 4.10(3) or Section 5.4(5);

(b) subject to the terms of this Agreement, use its commercially reasonable efforts to solicit proxies in favour of the approval of the Arrangement Resolution and against any resolution submitted by any Person that is inconsistent with the Arrangement Resolution and the completion of any of the transactions contemplated by this Agreement, including, if so requested by the Purchaser, acting reasonably, using dealer and proxy solicitation services firms engaged by the Company;

(c) provide the Purchaser with copies of or access to information regarding the Meeting generated by any dealer or proxy solicitation services firm, as may be reasonably requested from time to time by the Purchaser;

(d) consult with the Purchaser in fixing the date of the Meeting and the record date of the Meeting, give notice to the Purchaser of the Meeting and allow the Purchaser's representatives and legal counsel to attend the Meeting;

(e) provide the Purchaser, at such times as the Purchaser may reasonably request and at least on a daily basis on each of the last 10 Business Days prior to the date of the Meeting with the aggregate tally of the proxies received by the Company in respect of the Arrangement Resolution;

(f) promptly advise the Purchaser of any communication (written or oral) from or claims brought by (or threatened to be brought by) any Person in opposition to the Arrangement and/or purported exercise or withdrawal of Dissent Rights by Shareholders. The Company shall not settle or compromise, or agree to settle or compromise, any such claims without the prior written consent of the Purchaser;

(g) not change the record date for the Affected Securityholders entitled to vote at the Meeting in connection with any adjournment or postponement of the Meeting unless required by Law;

(h) at the request of the Purchaser from time to time, provide the Purchaser with a list (in both written and electronic form) of (i) the Shareholders, together with their addresses and respective holdings of Common Shares, (ii) the names, addresses and holdings of all Persons having rights issued by the Company to acquire Common Shares (including Optionholders), and (iii) participants and book-based nominee registrants such as CDS & Co., CEDE & Co. and DTC, and non-objecting beneficial owners of Common Shares, together with their addresses and respective holdings of Common Shares. The Company shall from time to time require that its registrar and transfer agent furnish the Purchaser with such additional information, including updated or additional lists of Shareholders, and lists of securities positions and other assistance as the Purchaser may reasonably request in order to be able to communicate with respect to the Arrangement with the Shareholders and with such other Persons as are entitled to vote on the Arrangement Resolution;

Section 2.4 The Company Circular

(1) The Company shall promptly prepare and complete, in consultation with the Purchaser and the Parent, the Company Circular together with any other documents required by Law in connection with the Meeting, the Arrangement Resolution, and the Company shall, promptly after obtaining the Interim Order, cause the Company Circular and such other documents to be filed and sent to Affected Securityholders and other Persons as required by the Interim Order and Law, in each case so as to permit the Meeting to be held by the date specified in Section 2.3(1).

(2) The Company shall ensure that the Company Circular complies in material respects with Law, does not contain any Misrepresentation (other than with respect to information provided by the Purchaser) and provides the Affected Securityholders with sufficient information to permit them to form a reasoned judgement concerning the matters to be placed before the Meeting. Without limiting the generality of the foregoing, the Company Circular must include: (i) copies of the Fairness Opinion and Formal Valuation, (ii) a statement that the Board and Special Committee has received the Fairness Opinion and Formal Valuation, and has unanimously (with Messrs. Vadim Jivov, Ilya Yampolskiy and Chris Sattler abstaining), after receiving legal and financial advice, determined that the Arrangement Resolution is in the best interests of the Company and the Affected Securityholders, and that the Consideration to be received by the Affected Securityholders (excluding the Purchaser and its affiliates) is fair to such Affected Securityholders and recommends that the Affected Securityholders vote in favour of the Arrangement Resolution (the "**Board Recommendation**") and (iii) a statement that each director and senior officer of the Company intends to vote all of such individual's Common Shares and Options in favour of the Arrangement Resolution.

(3) The Company shall give the Purchaser and the Parent and their legal counsel a reasonable opportunity to review and comment on drafts of the Company Circular and other related documents, and shall give reasonable consideration to any comments made by the Purchaser or the Parent and their counsel, and agrees that all information relating solely to the Purchaser or the Parent included in the Company Circular must be in a form and content satisfactory to the Purchaser or the Parent, as applicable, acting reasonably.

(4) The Purchaser and the Parent shall provide all necessary information concerning the Purchaser, the Parent and its affiliates that is required by Law to be included by the Company in the Company Circular or other related documents to the Company in writing, and shall ensure that such information does not contain any Misrepresentation.

(5) Each Party shall promptly notify the other if it becomes aware that the Company Circular contains a Misrepresentation, or otherwise requires an amendment or supplement. The Parties shall co-operate in the preparation of any such amendment or supplement as required or appropriate, and the Company shall promptly mail, file or otherwise publicly disseminate any such amendment or supplement to the Affected Securityholders and, if required by the Court or by Law, file the same with the Securities Authorities or any other Governmental Entity as required.

Section 2.5 Final Order

If the Interim Order is obtained and the Arrangement Resolution is passed at the Meeting as provided for in the Interim Order, the Company shall take all steps necessary or desirable to submit the Arrangement to the Court and diligently pursue an application for the Final Order pursuant to Section 192 of the CBCA, as soon as reasonably practicable, but in any event not later than seven Business Days after the Arrangement Resolution is passed at the Meeting.

Section 2.6 Court Proceedings

In connection with all Court proceedings relating to obtaining the Interim Order and the Final Order, or otherwise in connection with this Agreement or the transactions contemplated by this Agreement, the Company shall:

(1) diligently pursue obtaining the Interim Order and the Final Order;

(2) provide the Purchaser and its legal counsel with a reasonable opportunity to review and comment upon drafts of all material to be filed with the Court in connection with the Arrangement, and will give reasonable consideration to such comments;

(3) provide legal counsel to the Purchaser on a timely basis with copies of any notice of appearance, evidence or other documents served on the Company or its legal counsel in respect of the application for the Interim Order or the Final Order or any appeal therefrom, and any notice, written or oral, indicating the intention of any Person to appeal, or oppose the granting of, the Interim Order or the Final Order;

(4) ensure that all material filed with the Court in connection with the Arrangement is consistent in all material respects with the terms of this Agreement and the Plan of Arrangement;

(5) not file any material with the Court in connection with the Arrangement or serve any such material, or agree to modify or amend any material so filed or served, except as contemplated by this Agreement or with the Purchaser's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed provided the Purchaser is not required to agree or consent to any increase in the consideration payable pursuant to this Agreement or other modification or amendment to such filed or served materials that expands or increases the Purchaser's obligations, or diminishes or limits the Purchaser's rights, set forth in any such filed or served materials or under this Agreement;

(6) oppose any proposal from any Person that the Final Order contain any provision inconsistent with this Agreement, and if required by the terms of the Final Order or by Law to return to Court with respect to the Final Order do so only after notice to, and in consultation and cooperation with, the Purchaser; and

(7) not object to legal counsel to the Purchaser making such submissions on the application for the Interim Order and the application for the Final Order as such counsel considers appropriate, provided that such submissions are consistent with this Agreement and the Company's obligations in Section 2.6(1) and provided further that the Company and its legal counsel are advised of the nature of any such submissions prior to the hearing.

Section 2.7 Articles of Arrangement and Effective Date

(1) The Articles of Arrangement shall include the form of the Plan of Arrangement attached to this Agreement as Schedule "A", as it may be amended from time to time as agreed by the Parties, acting reasonably, provided that no such amendment is inconsistent with the Interim Order, the Final Order or this Agreement or is prejudicial to the Affected Securityholders.

(2) Provided that the Purchaser is in compliance with its obligations under this Agreement, the Company shall file the Articles of Arrangement with the Director no later than the 11th Business Day after the satisfaction or, where not prohibited, the waiver by the applicable Party or Parties in whose favour the condition is, of the conditions set out in Article 6 (excluding conditions that, by their terms, cannot be satisfied until the Effective Date, but subject to the satisfaction or, where not prohibited, the waiver by the applicable Party or Parties in whose favour the condition is, of those conditions as of the Effective Date), unless another time or date is agreed to in writing by the Parties.

(3) The closing of the Arrangement will take place at the offices of Stikeman Elliott LLP, or at such other location as may be agreed upon by the Parties.

Section 2.8 Payment of Consideration

The Purchaser shall, immediately prior to the filing by the Company of the Articles of Arrangement with the Director provide or cause to be provided the Depositary with sufficient funds to be held in escrow (the terms and conditions of such escrow to be satisfactory to the Company and the Purchaser, each acting reasonably) to satisfy the

aggregate Consideration payable to Shareholders as provided in the Plan of Arrangement. If the Purchaser has not otherwise provided the Depositary with such funds in accordance with the preceding sentence, on the first Business Day after the Effective Date the Purchaser shall be deemed to have irrevocably demanded repayment of that portion of the Loan equal to the deficiency in the funds provided to the Depositary and directed that the proceeds of such repayment be provided to the Depositary to be held in such escrow. If, after such proceeds of the Loan have been provided to the Depositary, the Depositary still has not been provided with all of the funds contemplated by the first sentence of this Section 2.8, the Purchaser shall immediately provide the Depositary with funds equal to that remaining deficiency.

Section 2.9 Withholding Taxes

The Purchaser, the Company and the Depositary, as applicable, shall be entitled to deduct and withhold from any consideration otherwise payable or otherwise deliverable to any Affected Securityholders under the Plan of Arrangement or this Agreement such amounts as the Purchaser, the Company or the Depositary, as applicable, have been advised by counsel in writing that they are required to deduct and withhold from such consideration under any provision of any Laws in respect of Taxes. Any amounts that Purchaser, the Company or the Depositary, as applicable, are entitled to deduct and withhold pursuant to this Section will be deducted, withheld and remitted from the consideration payable pursuant to the Plan of Arrangement or this Agreement, provided that such deducted and withheld amounts are actually remitted to the appropriate Governmental Entity in accordance with applicable Law, and such amounts shall be treated for all purposes as having been paid to the Affected Securityholders in respect of which such deduction, withholding and remittance was made.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

Section 3.1 Representations and Warranties of the Company

(1) Except as set forth in the Company Disclosure Letter, the Company represents and warrants to the Purchaser and the Parent as set forth in Schedule C and acknowledges and agrees that the Purchaser and the Parent are relying upon such representations and warranties in connection with the entering into of the Initial Arrangement Agreement.

(2) The representations and warranties of the Company contained in this Agreement shall not survive the completion of the Arrangement and shall expire and be terminated at the Effective Time.

Section 3.2 Representations and Warranties of the Purchaser and the Parent

(1) The Purchaser and the Parent each represent and warrant to the Company as set forth in Schedule D and acknowledge and agree that the Company is relying upon such representations and warranties in connection with the entering into of the Initial Arrangement Agreement.

(2) The representations and warranties of the Purchaser and the Parent contained in this Agreement shall not survive the completion of the Arrangement and shall expire and be terminated at the Effective Time.

ARTICLE 4
COVENANTS

Section 4.1 Conduct of Business of the Company

(1) The Company covenants and agrees that, subject to applicable Law, during the period from the date of the Initial Arrangement Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except with the express prior written consent of the Purchaser, which consent shall not be unreasonably withheld, conditioned or delayed, or as required or permitted by this Agreement, the Company shall, and shall cause each of its Subsidiaries, to conduct its business in the Ordinary Course.

(2) Without limiting the generality of Section 4.1(1), subject to applicable Law, the Company covenants and agrees that, during the period from the date of the Initial Arrangement Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except with the express prior written consent of the Purchaser, which consent shall not be unreasonably withheld, conditioned or delayed, or as required or permitted by this Agreement, the Company shall use its reasonable commercial efforts to preserve intact the current business organization of the Company, and its Subsidiaries, keep available the services of the present senior officers of the Company, and its Subsidiaries and maintain good relations with, and the goodwill of, Persons having business relationships with the Company, its Subsidiaries and, except with the prior written consent of the Purchaser, the Company shall not, and shall not permit any of its Subsidiaries to, directly or indirectly:

(a) amend its articles of incorporation, articles of continuance, articles of amalgamation or by-laws or, in the case of any Subsidiary which is not a corporation, its similar organizational documents;

(b) split, combine or reclassify any shares or amend any term of any outstanding debt security of the Company or of any Subsidiary;

(c) redeem, repurchase, or otherwise acquire or offer to redeem, repurchase or otherwise acquire any shares of capital stock of the Company or any of its Subsidiaries;

(d) issue, grant, deliver, sell, pledge or otherwise encumber, or authorize the issuance, grant, delivery, sale, pledge or other encumbrance of any shares of capital stock, securities, any options, warrants or similar rights exercisable or exchangeable for or convertible into such capital stock, of the Company or any of its Subsidiaries, except for the issuance of Common Shares issuable upon the exercise of the currently outstanding Options, Debentures, Warrant or Contingent Share Rights;

(e) acquire (by merger, consolidation, acquisition of stock or assets or otherwise), directly or indirectly, in one transaction or in a series of related transactions, assets, securities, properties, interests or businesses other than in the Ordinary Course;

(f) reduce the stated capital of the shares of the Company or any of its Subsidiaries;

(g) adopt a plan of liquidation or resolutions providing for the liquidation or dissolution of the Company or any of its Subsidiaries;

(h) sell, pledge, lease, dispose of, abandon, let lapse, lose the right to use, mortgage, license, encumber or otherwise dispose of or transfer any assets of the Company or of any of its Subsidiaries or any of the Joint Ventures other than in the Ordinary Course, **[REDACTED]**;

(i) make any capital expenditure or commitment to do so other than in the Ordinary Course or which individually or in the aggregate exceed $**[REDACTED]** except in accordance with the approved annual budget of the Company;

(j) make any material Tax election, information schedule, return or designation, settle or compromise any material Tax claim, assessment, reassessment or liability, file any material amended Tax Return, enter into any material agreement with a Governmental Entity with respect to Taxes, surrender any right to claim a material Tax abatement, reduction, deduction, exemption, credit or refund, consent to the extension or waiver of the limitation period applicable to any material Tax matter or materially amend or change any of its methods or reporting income, deductions or accounting for income Tax purposes except as may be required by Law;

(k) make any loan or advance to, or any capital contribution or investment in, or assume, guarantee or otherwise become liable with respect to the liabilities or obligations of, any Person, individually or in the aggregate in excess of $**[REDACTED]** except loans or advances to, and capital contributions and investments in the Subsidiaries, the Joint Ventures or Mantra Resources Pty Limited pursuant

to the delegation of authority and contributions required pursuant to the Coordination and Integration Agreement;

(l) prepay any long-term indebtedness before its scheduled maturity or increase, create, incur, assume or otherwise become liable, in one transaction or in a series of related transactions, with respect to any indebtedness for borrowed money or guarantees thereof other than in connection with advances in the Ordinary Course under the Company's, any Subsidiary's or any Joint Venture's existing credit facilities and other than the Loan;

(m) enter into any interest rate, currency, equity or commodity swaps, hedges, derivatives, forward sales contracts or similar financial instruments other than in the Ordinary Course;

(n) make any change in the Company's methods of accounting, except as required by concurrent changes in GAAP;

(o) except as required by Law: (i) adopt, enter into or amend any Employee Plan (other than entering into an employment or consulting agreement in the Ordinary Course with a new employee who was not employed by the Company or a Subsidiary on the date of the Initial Arrangement Agreement or renewing an existing employment or consulting agreement in the Ordinary Course); (ii) pay any benefit to any director or officer of the Company or any of its Subsidiaries or to any Company Employee that is not required under the terms of any Employee Plan in effect on the date of the Initial Arrangement Agreement it being acknowledged and agreed that the forgoing shall not limit the ability of the Company to pay the fees and expenses of the Special Committee; (iii) grant, accelerate, increase or otherwise amend any payment, award or other benefit payable to, or for the benefit of, any director or officer of the Company or any of its Subsidiaries or to any Company Employee; (iv) make any material determination under any Employee Plan that is not in the Ordinary Course; or (v) take or propose any action to effect any of the foregoing;

(p) cancel, waive, release, assign, settle or compromise any material claims or rights;

(q) commence any litigation, proceedings or governmental investigations involving sums in excess of $**[REDACTED]**, or waive, release, assign, settle or compromise any litigation, proceedings or governmental investigations involving sums in excess of $**[REDACTED]**;

(r) amend or modify or terminate or waive any right under any Material Contract or enter into any contract or agreement that would be a Material Contract if in effect on the date hereof except for amending or modifying Material Contracts in the Ordinary Course provided that any amendment or modification to one or more Material Contracts will not individually or in the aggregate have the effect of impacting cash flows by more than $**[REDACTED]** per year;

(s) except as contemplated in Section 4.11, amend, modify, terminate, cancel or let lapse any material insurance (or re-insurance) policy of the Company or any Subsidiary in effect on the date of the Initial Arrangement Agreement, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance and re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the terminated, cancelled or lapsed policies for substantially similar premiums are in full force and effect;

(t) in respect of any Company Assets, waive, release, abandon, let lapse, grant or transfer any material right or value or amend, modify or change, or agree to amend, modify or change, in any material respect any existing material license, right to use, lease, contract, production sharing agreement, intellectual property, or other material document;

(u) abandon or fail to diligently pursue any application for any material licenses, leases, permits, authorizations or registrations or take any action, or fail to take any action, that could lead to the termination of any material licenses, leases, permits authorizations or registrations;

(v) enter into or amend any Contract with any broker, finder or investment banker; or

(w) authorize, agree, resolve or otherwise commit, whether or not in writing, to do any of the foregoing.

(3) If, on or after the date of the Initial Arrangement Agreement, the Company declares or pays any dividend or other distribution on the Common Shares prior to the Effective Time, the Consideration per Common Share shall be reduced by the amount of such dividends or distributions.

Section 4.2 Covenants of the Company Relating to the Arrangement

(1) The Company shall perform, and shall cause its Subsidiaries to perform, all obligations required to be performed by the Company or any of its Subsidiaries under this Agreement, co-operate with the Purchaser in connection therewith, and do all such other commercially reasonable acts and things as may be necessary in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated by this Agreement and, without limiting the generality of the foregoing, the Company shall and, where appropriate, shall cause each of its Subsidiaries:

(a) use all commercially reasonable efforts to satisfy all conditions precedent in this Agreement and take all steps set forth in the Interim Order and Final Order applicable to it;

(b) use all commercially reasonable efforts to obtain and maintain all third party or other consents, waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations that are (A) necessary or advisable to be obtained under the Material Contracts in connection with the Arrangement or (B) required in order to maintain the Material Contracts in full force and effect following completion of the Arrangement, in each case, on terms that are reasonably satisfactory to the Purchaser, and without paying, and without committing itself or the Purchaser to pay, any consideration or incur any liability or obligation without the prior written consent of the Purchaser;

(c) use all commercially reasonable efforts to effect all necessary, or in the reasonable opinion of the Purchaser advisable, registrations, filings and submissions of information required by Governmental Entities from the Company, and its Subsidiaries in connection with the Arrangement;

(d) use all commercially reasonable efforts to oppose, lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging the Arrangement or this Agreement; and

(e) not take any action, or refrain from taking any commercially reasonable action, or permitting any action to be taken or not taken, which is inconsistent with this Agreement or which would reasonably be expected to prevent, delay or otherwise impede the consummation of the Arrangement or the transactions contemplated by this Agreement.

(2) The Company shall, to the extent not precluded by applicable Law, promptly notify the Purchaser in writing when it becomes aware of:

(a) any Material Adverse Effect or any change, effect, event, development, occurrence, circumstance or state of facts which could reasonably be expected to have a Material Adverse Effect;

(b) any notice or other communication from any Person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person (or other Person) is or may be required in connection with this Agreement or the Arrangement;

(c) any notice or other communication from any Governmental Entity in connection with the Arrangement or this Agreement (and contemporaneously provide a copy of any such written notice or communication to the Purchaser); or

(d) any filing, actions, suits, claims, investigations or proceedings commenced or, to its knowledge, threatened against, relating to or involving or otherwise affecting the Company, its Subsidiaries, the Joint Ventures or the Company Assets.

Section 4.3 Covenants of the Purchaser Relating to the Arrangement

(1) The Purchaser shall perform all obligations required or desirable to be performed by it under this Agreement, co-operate with the Company in connection therewith, and do all such other commercially reasonable acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated by this Agreement and, without limiting the generality of the foregoing, the Purchaser shall:

(a) use all commercially reasonable efforts to satisfy all conditions precedent in this Agreement (including assisting the Company to diligently pursue obtaining the Interim Order and the Final Order) and take all steps set forth in the Interim Order and Final Order applicable to it;

(b) use all commercially reasonable efforts to assist the Company and its Subsidiaries in obtaining the consents, waivers, permits, exemptions, orders, agreements, amendments or confirmations referred to in Section 4.2(1)(b);

(c) use all commercially reasonable efforts to effect all necessary, or in the opinion of the Purchaser advisable, registrations, filings and submissions of information required by Governmental Entities from it relating to the Arrangement;

(d) use all commercially reasonable efforts to oppose, lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging the Arrangement or this Agreement; and

(e) not take any action, or refrain from taking any commercially reasonable action, or permitting any action to be taken or not taken, which is inconsistent with this Agreement or the Arrangement or which would reasonably be expected to prevent, delay or otherwise impede the consummation of the Arrangement or the transactions contemplated by this Agreement.

(2) The Purchaser and the Company agree that the Company will make and properly file the election described in subsection 110(1.1) of the Tax Act in respect of all Options acquired under the Plan of Arrangement.

Section 4.4 Performance of Purchaser

The Parent shall cause the Purchaser to perform all of its obligations under this Agreement and hereby guarantees, covenants and agrees to be jointly and severally liable with the Purchaser for the due and punctual performance of the obligations of the Purchaser arising under this Agreement and the Plan of Arrangement.

Section 4.5 Regulatory Approvals

(1) The Parties shall, as promptly as practicable, prepare and file all necessary documents, registrations, statements, petitions, filings and applications for the Regulatory Approvals and use their commercially reasonable efforts to obtain and maintain all Regulatory Approvals.

(2) The Parties shall cooperate with one another in connection with obtaining the Regulatory Approvals including providing one another with all information necessary to file all necessary, or in the opinion of the Purchaser advisable, documents, registrations, statements, petitions, filings and applications for the Regulatory Approvals and providing one another with copies of all notices and information or other correspondence supplied to, filed with or received from any Governmental Entity (except for notices and information which a Party reasonably considers to be confidential or sensitive, which such Party shall provide on a "counsel only" basis). Neither Party shall participate in any material communication or participate in any meeting with any Governmental Entity in connection with the Regulatory Approvals without first notifying the other Party and providing the other Party or its counsel with a reasonable opportunity to participate or attend.

(3) Each Party shall promptly notify the other Party if it becomes aware that any (i) application, filing, document or other submission for a Regulatory Approval contains a Misrepresentation, or (ii) any Regulatory Approval or other order, clearance, consent, ruling, exemption, no-action letter or other approval applied for as contemplated by this Agreement contains, reflects or was obtained following the submission of any application, filing, document or other submission containing a Misrepresentation, such that an amendment or supplement may be necessary or advisable.

(4) The Parties shall request that the Regulatory Approvals be processed by the applicable Governmental Entity on an expedited basis and, to the extent that a public hearing is held, the Parties shall request the earliest possible hearing date for the consideration of the Regulatory Approvals.

(5) If any objections are asserted with respect to the transactions contemplated by this Agreement under any Law, or if any proceeding is instituted or threatened by any Governmental Entity challenging or which could lead to a challenge of any of the transactions contemplated by this Agreement as not in compliance with Law, the Parties shall use their commercially reasonable efforts consistent with the terms of this Agreement to resolve such proceeding so as to allow the Effective Time to occur on or prior to the Outside Date.

(6) Despite anything to the contrary contained in this Agreement, the Purchaser is under no obligation to take any steps or actions nor to agree to any behavioural remedy including an interim or permanent hold separate order relating to any Regulatory Approval that would, in its sole discretion:

(a) in the case of the Purchaser and its affiliates other than the Company and the Company's Subsidiaries, affect the Purchaser's right to own, use or exploit those businesses, operations or assets or any part thereof valued at $**[REDACTED]** or more, or to negotiate or agree to the sale, divestiture or disposition by the Purchaser of those businesses, operations or assets or any part thereof valued at $**[REDACTED]** or more, or

(b) in the case of the Company and the Company's Subsidiaries, individually or in the aggregate, affect the Purchaser's right to own, use or exploit those businesses, operations or assets valued at $**[REDACTED]** or more, or to negotiate or agree to a sale, divestiture or disposition by the Purchaser of those businesses, operations or assets or any part thereof valued at $**[REDACTED]** or more.

Section 4.6 Access to Information; Confidentiality

(1) From the date hereof until the earlier of the Effective time and the termination of this Agreement, subject to applicable Law, and the terms of existing Contracts, the Company shall, and shall cause its Subsidiaries to, give the Purchaser, the Parent and their officers, employees, agents, advisors and representatives: (a) upon reasonable notice, access during normal business hours to its and its Subsidiaries' (i) premises, (ii) property and assets (including all books and records, whether retained internally or otherwise), (iii) Contracts, and (iv) senior officers, independent auditors, agents, advisors and representatives; and (b) such financial and operating data or other information with respect to the assets or business of the Company as the Purchaser or the Parent from time to time reasonably requests, subject to such access not interfering with the ordinary conduct of the business of the Company or its Subsidiaries. In the event that this Agreement is terminated

in accordance with its terms, the Purchaser and the Parent agree to hold the confidential information received from the Company confidential.

(2) Investigations made by or on behalf of the Purchaser or the Parent, whether under this Section 4.6 or otherwise, will not waive, diminish the scope of, or otherwise affect any representation or warranty made by the Company in this Agreement.

Section 4.7 Pre-Acquisition Reorganization

(1) The Company agrees that, upon request of the Purchaser, the Company shall (i) perform such other reorganizations of its corporate structure, capital structure, business, operations and assets or such transactions as the Purchaser may request, acting reasonably (each, a "**Pre-Acquisition Reorganization**"), and (ii) cooperate with the Purchaser and its advisors to determine the nature of the Pre-Acquisition Reorganizations that might be undertaken and the manner in which they would most effectively be undertaken.

(2) The Purchaser must provide written notice to the Company of any proposed Pre-Acquisition Reorganization at least 10 Business Days prior to the Effective Date. Upon receipt of such notice, the Company and the Purchaser shall work cooperatively and use their best efforts to prepare prior to the Effective Time all documentation necessary and do such other acts and things as are necessary to give effect to such Pre-Acquisition Reorganization, and shall seek to have any such Pre-Acquisition Reorganization made effective as of the last moment of the Business Day ending immediately prior to the Effective Date.

(3) The Purchaser agrees that it will be responsible for all costs and expenses (including any professional fees and expenses) associated with any Pre-Acquisition Reorganization to be carried out at its request and shall indemnify and save harmless the Company and its affiliates from and against any and all liabilities, losses (including loss of opportunity), damages, claims, costs, taxes, expenses, interest awards, judgements and penalties suffered or incurred by any of them in connection with or as a result of any such Pre-Acquisition Reorganization if after participating in any Pre-Acquisition Reorganization the Arrangement is not completed other than due to a breach by the Company of the terms and conditions of this Agreement. For greater certainty, the Company shall not be liable for the failure of the Purchaser to benefit from any tax efficiency as a result of a Pre-Acquisition Reorganization, and the completion of any such transaction shall not be a condition of the Arrangement.

(4) The Purchaser acknowledges and agrees that the Pre-Acquisition Reorganization shall not:

(a) impede, delay or prevent completion of the Arrangement;

(b) in the opinion of the Company, acting reasonably, prejudice the Affected Securityholders in any material respect;

(c) require the Company to obtain the approval of the Shareholders;

(d) unreasonably interfere in any material operations of the Company or its Subsidiaries prior to the Effective Time;

(e) be considered in determining whether a representation, warranty or covenant of the Company hereunder has been breached, it being acknowledged by the Purchaser that actions taken pursuant to any Pre-Acquisition Reorganization could require the consent of Governmental Entities or third parties under applicable Contracts, Authorizations or Laws;

(f) require the Company or any Subsidiary to contravene any Laws, their respective organizational documents or any Contract or Authorization; or

(g) result in any Taxes being imposed on, or any adverse Tax or other consequences to, any securityholder of the Company incrementally greater than the Taxes or other consequences to such party in connection with the consummation of the Arrangement in the absence of any Pre-Acquisition Reorganization.

Section 4.8 Further Assurances

Subject to the provisions of this Agreement, the Parties will, from time to time, do all acts and things and execute and deliver all such further documents and instruments, as the other Parties may, either before or after the Effective Date, reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement and, in the event the Arrangement becomes effective, to document or evidence any of the transactions or events set out in the Plan of Arrangement.

Section 4.9 Public Communications

The Parties shall co-operate in the preparation of presentations, if any, to the Affected Securityholders regarding the Arrangement. No Party shall issue any press release or make any other public statement or disclosure with respect to this Agreement or the Arrangement or make any filing with any Governmental Entity with respect to this Agreement or the Arrangement without the consent of the other Parties (which consent shall not be unreasonably withheld, conditioned or delayed); provided that if a Party, in the opinion of its outside legal counsel, is required to make disclosure by Law (other than in connection with the Regulatory Approvals contemplated by Section 4.5) shall use its best efforts to give the other Parties prior oral or written notice and a reasonable opportunity to review or comment on the disclosure or filing (other than with respect to confidential information contained in such disclosure or filing). In making such disclosure the Party shall give reasonable consideration to any comments made by the other Parties or its counsel, and if such prior notice is not possible, shall give such notice immediately following the making of such disclosure or filing.

Section 4.10 Notice and Cure Provisions

(1) Each Party shall promptly notify the other Parties of the occurrence, or failure to occur, of any event or state of facts which occurrence or failure would, or would be reasonably likely to:

(a) cause any of the representations or warranties of such Party contained in this Agreement to be untrue or inaccurate in any respect at any time from the date of the Initial Arrangement Agreement to the Effective Time; or

(b) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by such Party under this Agreement.

(2) Notification provided under this Section 4.10 will not affect the representations, warranties, covenants, agreements or obligations of the Parties (or remedies with respect thereto) or the conditions to the obligations of the Parties under this Agreement.

(3) The Purchaser and Parent may not elect to exercise their right to terminate this Agreement pursuant to Section 7.2(1)(d)(i) and the Company may not elect to exercise its right to terminate this Agreement pursuant to Section 7.2(1)(c)(i), unless the Party seeking to terminate the Agreement (the "**Terminating Party**") has delivered a written notice ("**Termination Notice**") to the other Party (the "**Breaching Party**") specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Terminating Party asserts as the basis for termination. After delivering a Termination Notice, provided the Breaching Party is proceeding diligently to cure such matter and such matter is capable of being cured prior to the Outside Date, the Terminating Party may not exercise such termination right until the earlier of (a) the Outside Date, and (b) the date that is 10 Business Days following receipt of such Termination Notice by the Breaching Party, if such matter has not been cured by such date. If the Terminating Party delivers a Termination Notice prior to the date of the Meeting, unless the Parties agree otherwise, the Company shall postpone or adjourn the Meeting to the earlier of (a) five (5) Business Days

prior to the Outside Date and (b) the date that is 10 Business Days following receipt of such Termination Notice by the Breaching Party.

Section 4.11 Insurance and Indemnification

(1) Prior to the Effective Date, the Company shall purchase customary "tail" policies of directors' and officers' liability insurance providing protection no less favourable in the aggregate than the protection provided by the policies maintained by the Company which are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Date and the Purchaser will, or will cause the Company to maintain such tail policies in effect without any reduction in scope or coverage for seven (7) years from the Effective Date; provided that the Purchaser will not be required to pay any amounts in respect of such coverage prior to the Effective Time and provided further that the cost of such policies shall not exceed 200% of the Company's current annual aggregate premium for policies currently maintained by the Company.

(2) The Purchaser shall honour all rights to indemnification or exculpation now existing in favour of present and former employees, officers and directors of the Company and its Subsidiaries, and acknowledges that such rights shall survive the completion of the Plan of Arrangement and shall continue in full force and effect in accordance with their terms for a period of not less than seven (7) years from the Effective Date. In addition, following completion of the Arrangement, the Purchaser shall cause the Company to honour all obligations under the Company's existing employment agreements including by paying to the individuals party to such agreements, in each case, such amounts as are required by such agreements to be paid upon the consummation of a transaction such as the Arrangement and the Company and the Purchaser agree that any short or long term incentive plan (other than the Stock Option Plans) will continue in accordance with its terms following the completion of the Arrangement. The Purchaser and the Company agree that each director of the Company shall continue to be entitled to be paid a director's fee and any other compensation and benefits from the Company until such date as he/she ceases to act as a director of the Company. The provisions of this Section 4.11 shall be binding, jointly and severally, on all successors of the Purchaser.

ARTICLE 5
ADDITIONAL COVENANTS REGARDING NON-SOLICITATION

Section 5.1 Non-Solicitation

(1) Except as expressly provided in this Article 5, the Company and its Subsidiaries shall not, directly or indirectly, through any officer, director, employee, representative (including any financial or other adviser) or agent of the Company or of any of its Subsidiaries, but excluding Vadim Jivov and Ilya Yampolskiy (collectively "**Representatives**"), or otherwise, and shall not permit any such Person to:

(a) solicit, assist, initiate, knowingly encourage or otherwise facilitate (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of the Company or any Subsidiary or entering into any form of agreement, arrangement or understanding) any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal;

(b) enter into or otherwise engage or participate in any substantive discussions or negotiations with any Person (other than the Parent and its affiliates) regarding any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal it being acknowledged and agreed that the Company may communicate with any Person for the purposes of clarifying the terms of any proposal, advising such Person of the restrictions of this Agreement or advising such Person that their proposal does not constitute a Superior Proposal and is not reasonably expected to constitute or lead to a Superior Proposal;

(c) withdraw, amend, modify or qualify, or publicly propose or state an intention to withdraw, amend, modify or qualify, the Board Recommendation;

(d) accept, approve, endorse or recommend, or publicly propose to accept, approve, endorse or recommend, or take no position or remain neutral with respect to, any publicly disclosed Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to a publicly announced, or otherwise publicly disclosed, Acquisition Proposal for a period of no more than five Business Days following such public announcement or public disclosure will not be considered to be in violation of this Section 5.1 provided the Board has rejected such Acquisition Proposal and affirmed the Board Recommendation before the end of such five Business Day period (or in the event that the Meeting is scheduled to occur within such five Business Day period, prior to the third Business Day prior to the date of the Meeting)); or

(e) accept or enter into (other than a confidentiality agreement permitted by and in accordance with Section 5.3) or publicly propose to accept or enter into any agreement, understanding or arrangement in respect of an Acquisition Proposal.

(2) The Company shall, and shall cause its Subsidiaries and its Representatives to, immediately cease and terminate, and cause to be terminated, any solicitation, encouragement, discussion, negotiation, or other activities commenced prior to the date of the Initial Arrangement Agreement with any Person (other than the Parent and its affiliates) with respect to any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal, and in connection therewith, the Company will:

(a) immediately discontinue access to any data room and any confidential information, properties, facilities, books and records of the Company or any of its Subsidiaries that is provided to any party outside of the Ordinary Course; and

(b) within two Business Days, request, and exercise all rights it has to require (i) the return or destruction of all copies of any confidential information regarding the Company or any Subsidiary provided to any Person, and (ii) the destruction of all material including or incorporating or otherwise reflecting such confidential information regarding the Company or any Subsidiary, using its commercially reasonable efforts to ensure that such requests are fully complied with in accordance with the terms of such rights or entitlements.

(3) The Company represents and warrants that the Company has not waived any confidentiality, standstill or similar agreement or restriction to which the Company or any Subsidiary is a Party, and further covenants and agrees (i) that the Company shall take all necessary action to enforce each confidentiality, standstill, non-disclosure, non-solicitation, use, business purpose or similar agreement, restriction or covenant to which the Company or any Subsidiary is a party, and (ii) that neither the Company, nor any Subsidiary or any of their respective Representatives have or will, without the prior written consent of the Purchaser and the Parent, release any Person from, or waive, amend, suspend or otherwise modify such Person's obligations respecting the Company, or any of its Subsidiaries, under any confidentiality, standstill, non-disclosure, non-solicitation, use, business purpose or similar agreement, restriction or covenant to which the Company or any Subsidiary is a party.

Section 5.2 Notification of Acquisition Proposals

(1) If the Company or any of its Subsidiaries or any of their respective Representatives, receives or otherwise becomes aware of any written or oral inquiry, proposal or offer that constitutes or may reasonably be expected to lead to or result in an Acquisition Proposal, or any request for copies of, access to, or disclosure of, confidential information relating to the Company or any Subsidiary in connection with an Acquisition Proposal, including but not limited to information, access, or disclosure relating to the properties, facilities, books or records of the Company or any Subsidiary, the Company shall immediately notify the Purchaser, at first orally, and then promptly and in any event within 24 hours in writing, of such Acquisition Proposal, inquiry, proposal, offer or request, including a description of its material terms and conditions, the identity of all Persons making the Acquisition Proposal, inquiry, proposal, offer or request, and shall provide the Purchaser and the Parent with copies of all written documents, correspondence or other material received in respect of, from or on behalf of any such Person. The Company shall keep the Purchaser and the Parent

informed on a current basis of the status of developments and (to the extent permitted by Section 5.3) negotiations with respect to any Acquisition Proposal, or any inquiry, proposal, offer or request which could reasonably be expected to lead to or result in an Acquisition Proposal, including any changes, modifications or other amendments to any such Acquisition Proposal, inquiry, proposal, offer or request and shall provide to the Purchaser and the Parent copies of all material or substantive correspondence if in writing or electronic form, and if not in writing or electronic form, a description of the material terms of such correspondence sent or communicated to the Company by or on behalf of any Person making any such Acquisition Proposal, inquiry, proposal, offer or request.

Section 5.3 Responding to an Acquisition Proposal

(1) Notwithstanding Section 5.1, if at any time prior to obtaining the approval by the Affected Securityholders of the Arrangement Resolution, the Company receives a written Acquisition Proposal, the Company may engage in or participate in discussions or negotiations with such Person regarding such Acquisition Proposal, and may provide copies of, access to or disclosure of information, properties, facilities, books or records of the Company or its Subsidiaries, if and only if:

(a) the Board first determines in good faith, after consultation with its financial advisors and its outside legal counsel, that such Acquisition Proposal constitutes or would reasonably be expected to constitute (disregarding for the purposes of such determination any due diligence or access condition to which such Acquisition Proposal is subject) a Superior Proposal, and, after consultation with its outside legal counsel, that the failure to engage in such discussions or negotiations would be inconsistent with its fiduciary duties;

(b) such Person was not restricted from making such Acquisition Proposal pursuant to an existing confidentiality, standstill, non-disclosure, use, business purpose or similar restriction;

(c) the Company has been, and continues to be, in compliance with its obligations under this Article 5;

(d) prior to providing any such copies, access, or disclosure, the Company enters into a confidentiality and standstill agreement with such Person on terms and conditions no less onerous or more beneficial to such Person than those applicable to the Purchaser in the Framework Agreement and any such copies, access or disclosure provided to such Person shall have already (or simultaneously be) provided to the Purchaser and the Parent; and

(e) the Company promptly provides the Purchaser and the Parent with:

(i) prior written notice stating the Company's intention to participate in such discussions or negotiations and to provide such copies, access or disclosure and that the Board has determined that failure to take such action would be inconsistent with its fiduciary duties; and

(ii) prior to providing any such copies, access or disclosure, a true, complete and final executed copy of the confidentiality and standstill agreement referred to in Section 5.3(1)(d).

Section 5.4 Right to Match

(1) If the Company receives an Acquisition Proposal that constitutes a Superior Proposal prior to the approval of the Arrangement Resolution by the Affected Securityholders the Board (or any committee thereof) may, subject to compliance with Article 7 and Section 8.2, enter into a definitive agreement with respect to such Superior Proposal or withdraw or modify the Board Recommendation, if and only if:

(a) the Person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing confidentiality, standstill, non-disclosure, use, business purpose or similar restriction;

(b) the Company has been, and continues to be, in compliance with its obligations under this Article 5;

(c) the Company has delivered to the Purchaser and the Parent a written notice of the determination of the Board that such Acquisition Proposal constitutes a Superior Proposal and of the intention of the Board to enter into such definitive agreement or withdraw or modify the Board Recommendation with respect to such Superior Proposal (the "**Superior Proposal Notice**");

(d) the Company has provided the Purchaser a copy of the proposed definitive agreement for the Superior Proposal;

(e) at least five Business Days (the "**Matching Period**") have elapsed from the date that is the later of the date on which the Purchaser and the Parent received the Superior Proposal Notice and the date on which the Purchaser and the Parent received all of the materials set forth in 5.4(1)(d);

(f) during any Matching Period, the Purchaser and the Parent have had the opportunity (but not the obligation), in accordance with Section 5.4(2), to offer to amend this Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal; and

(g) if the Purchaser and the Parent have offered to amend this Agreement and the Arrangement under Section 5.4(2), the Board (i) has determined in good faith, after consultation with its outside legal counsel and financial advisors, that such Acquisition Proposal continues to constitute a Superior Proposal (compared to the terms of the Arrangement as proposed to be amended by the Purchaser under Section 5.4(2)) and (ii) has determined in good faith, after consultation with its outside legal counsel, that it is necessary for the Board enter into a definitive agreement with respect to such Superior Proposal or withdraw or modify the Board Recommendation in order to properly discharge its fiduciary duties; and

(h) prior to entering into such definitive agreement, the Company terminates the Agreement and pays the Termination Fee pursuant to Section 8.2(2)(c).

(2) During the Matching Period, or such longer period as the Company may approve in writing for such purpose: (a) the Board shall review any offer made by the Purchaser and the Parent under Section 5.4(1)(f) to amend the terms of this Agreement and the Arrangement in good faith after consultation with outside legal and financial advisors, in order to determine whether such proposal would, upon acceptance, result in the Acquisition Proposal previously constituting a Superior Proposal ceasing to be a Superior Proposal; and (b) the Company shall negotiate in good faith with the Purchaser and the Parent to make such amendments to the terms of this Agreement and the Arrangement as would enable the Purchaser to proceed with the transactions contemplated by this Agreement on such amended terms. If the Board determines that such Acquisition Proposal would cease to be a Superior Proposal, the Company shall promptly so advise the Purchaser and the Parent and the Parties shall amend this Agreement to reflect such offer made by the Purchaser, and shall take and cause to be taken all such actions as are necessary to give effect to the foregoing.

(3) Each successive amendment or modification to any Acquisition Proposal that results in an increase in, or modification of, the consideration (or value of such consideration) to be received by the Shareholders or other material terms or conditions thereof shall constitute a new Acquisition Proposal for the purposes of this Section 5.4, and the Purchaser and the Parent shall be afforded a new seven Business Day Matching Period from the later of the date on which the Purchaser and the Parent received the Superior Proposal Notice and the date on which the Purchaser and the Parent received all of the materials set forth in Section 5.4(1)(d) with respect to the new Superior Proposal from the Company.

(4) The Board shall promptly reaffirm the Board Recommendation by press release after any Acquisition Proposal which is not determined to be a Superior Proposal is publicly announced or publicly disclosed or the Board determines that a proposed amendment to the terms of this Agreement as contemplated under Section 5.4(2) would result in an Acquisition Proposal no longer being a Superior Proposal. The Company shall provide the Purchaser and the Parent and their outside legal counsel with a reasonable opportunity to review and comment on the form and content of any such press release.

(5) If the Company provides a Superior Proposal Notice to the Purchaser and the Parent after a date that is less than seven Business Days before the Meeting, the Company shall either proceed with or shall postpone the Meeting to a date that is not more than seven Business Days after the scheduled date of the Meeting, as directed by the Purchaser and the Parent.

(6) The Company shall advise its Subsidiaries and their respective Representatives of the prohibitions set out in this Article 5 and any violation of the restrictions set forth in this Article 5 by the Company, its Subsidiaries or the respective Representatives is deemed to be a breach of this Article 5 by the Company.

ARTICLE 6
CONDITIONS

Section 6.1 Mutual Conditions Precedent

The Parties are not required to complete the Arrangement unless each of the following conditions is satisfied on or prior to the Effective Time, which conditions may only be waived, in whole or in part, by the mutual consent of the Parties:

(1) **Arrangement Resolution.** The Arrangement Resolution has been approved and adopted by the Affected Securityholders at the Meeting in accordance with the Interim Order and applicable Laws.

(2) **Interim and Final Order.** The Interim Order and the Final Order have each been obtained on terms consistent with this Agreement, and have not been set aside or modified in a manner unacceptable to either the Company or the Purchaser and the Parent, each acting reasonably, on appeal or otherwise.

(3) **Illegality.** No Law shall have been enacted, made or issued that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the Company, the Purchaser or the Parent from consummating the Arrangement.

(4) **Regulatory Approvals**. Each of the Regulatory Approvals has been made, given or obtained on terms acceptable to Purchaser and the Parent and each such Regulatory Approval is in force and has not been modified.

(5) **No Legal Action.** There is no action or proceeding (whether, for greater certainty, by a Governmental Entity or any other Person) known to the Purchaser, the Parent or the Company to be pending or threatened in any jurisdiction to:

(a) cease trade, enjoin, prohibit, or impose any limitations, damages or conditions on, the Purchaser's ability to acquire, hold or exercise full rights of ownership over, any Common Shares, including the right to vote the Common Shares;

(b) prohibit, restrict or impose terms or conditions on the Arrangement, or the ownership or operation by the Purchaser of the business or assets of the Purchaser, its affiliates and related entities, the Company or any of the Company's Subsidiaries and related entities, or compel the Purchaser to dispose of or hold separate any of the business or assets of the Purchasers, its affiliates and related entities, the Company or any of the Company's Subsidiaries and related entities as a result of the Arrangement; or

(c) prevent or materially delay the consummation of the Arrangement, or if the Arrangement were to be consummated, have a Material Adverse Effect.

(6) **Articles of Arrangement**. The Articles of Arrangement to be filed with the Director under the CBCA in accordance with the Arrangement shall be in a form and content satisfactory to the Company, the Purchaser and the Parent, each acting reasonably.

(7) **Loan**. The Purchaser or the Parent shall have advanced to the Company an interest-bearing demand loan (the "**Loan**") on commercially reasonable terms in an amount to be agreed between the Parties.

Section 6.2 Additional Conditions Precedent to the Obligations of the Purchaser

Neither the Purchaser nor the Parent is required to complete the Arrangement unless each of the following conditions is satisfied on or before the Effective Time, which conditions are for the exclusive benefit of the Purchaser and the Parent and may only be waived, in whole or in part, by the Purchaser and the Parent in their sole discretion:

(1) **Representations and Warranties.** The representations and warranties of the Company which are qualified by references to materiality or by the expression "Material Adverse Effect" were true and correct as of the date of the Initial Arrangement Agreement and are true and correct as of the Effective Time, in all respects, and all other representations and warranties of the Company were true and correct as of the date of the Initial Arrangement Agreement and are true and correct as of the Effective Time, in each case except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date, and except where the failure of such representations and warranties to be true and correct would not have a Material Adverse Effect, provided that notwithstanding the foregoing, the representations and warranties set forth in Section 1, Section 2, and Section 6 of Schedule "C" were true and correct as of the date of the Initial Arrangement Agreement and are true and correct as of the Effective Time, in all respects, except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date, and the Company has delivered a certificate confirming same to the Purchaser and the Parent, executed by two senior officers of the Company (in each case without personal liability) addressed to the Purchaser and the Parent and dated the Effective Date.

(2) **Performance of Covenants**. The Company has fulfilled or complied in all material respects with each of the covenants of the Company contained in this Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and the Company has delivered a certificate confirming same to the Purchaser and the Parent, executed by two senior officers of the Company (in each case without personal liability) addressed to the Purchaser and the Parent and dated the Effective Date.

(3) **Approvals**. All third party consents, waivers, permits, orders and approvals that are necessary, to consummate the transactions contemplated by this Agreement and the failure of which to obtain, individually or in the aggregate, would be reasonably expected to have a Material Adverse Effect or would be reasonably expected to be material and adverse to the Purchaser, shall have been obtained or received on terms that are acceptable to the Purchaser, acting reasonably.

(4) **Dissent Rights.** Dissent Rights have not been exercised with respect to more than 10% of the issued and outstanding Common Shares.

(5) **Material Adverse Effect**. There shall not have been or occurred a Material Adverse Effect.

Section 6.3 Additional Conditions Precedent to the Obligations of the Company

The Company is not required to complete the Arrangement unless each of the following conditions is satisfied on or before the Effective Time, which conditions are for the exclusive benefit of the Company and may only be waived, in whole or in part, by the Company in its sole discretion:

(1) **Representations and Warranties.** The representations and warranties of the Purchaser and the Parent which are qualified by references to materiality and the representations and warranties set forth in Section 1, Section 2 and Section 7 of Schedule "D" were true and correct as of the date of the Initial Arrangement Agreement and are true and correct as of the Effective Time, in all respects, and all other representations and warranties of the Purchaser and the Parent were true and correct as of the date of the Initial Arrangement Agreement and are true and correct as of the Effective Time, in all material respects, in each case except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date, except where the failure of such representations and warranties to be true and correct, individually or in the aggregate, would not materially impede completion of the Arrangement, and the Purchaser and the Parent have delivered a certificate confirming same to the Company, executed by two senior officers of each of the Purchaser and the Parent (in each case without personal liability) addressed to the Company and dated the Effective Date.

(2) **Performance of Covenants.** The Purchaser and the Parent shall have fulfilled or complied in all material respects with each of the covenants of the Purchaser and the Parent contained in this Agreement to be fulfilled or complied with by it on or prior to the Effective Time, except where the failure to comply with its covenants, individually or in the aggregate, would not materially impede completion of the Arrangement, and the Purchaser and the Parent have delivered a certificate confirming same to the Company, executed by two senior officers of each of the Purchaser and the Parent (in each case without personal liability) addressed to the Company and dated the Effective Date.

(3) **Consideration**. The Purchaser will have deposited or caused to be deposited with the Depositary sufficient funds to effect payment in full of the Consideration.

Section 6.4 Satisfaction of Conditions

The conditions precedent set out in Section 6.1, Section 6.2 and Section 6.3 will be conclusively deemed to have been satisfied, waived or released when the Certificate of Arrangement is issued by the Director.

ARTICLE 7
TERM AND TERMINATION

Section 7.1 Term

This Agreement shall be effective from the date hereof until the earlier of (i) the later of the Effective Date and such time the Depositary has sufficient funds to satisfy the aggregate Consideration payable to Shareholders as provided in the Plan of Arrangement; and (ii) the termination of this Agreement in accordance with its terms.

Section 7.2 Termination

(1) This Agreement may be terminated prior to its termination pursuant to Section 7.1(i) and (ii) by:

(a) the mutual written agreement of the Parties; or

(b) either the Company or the Purchaser or the Parent if:

(i) the Required Securityholder Approval is not obtained at the Meeting in accordance with the Interim Order provided that a Party may not terminate this Agreement pursuant to this Section 7.2(1)(b)(i) if the failure to obtain the Required Securityholder Approval has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under this Agreement;

(ii) after the date of the Initial Arrangement Agreement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement illegal or

otherwise permanently prohibits or enjoins the Company or the Purchaser or the Parent from consummating the Arrangement, and such Law has, if applicable, become final and non-appealable;

(iii) the Effective Time does not occur on or prior to the Outside Date, provided that a Party may not terminate this Agreement pursuant to this Section 7.2(1)(b)(iii) if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under this Agreement; or

(iv) the Company or the Purchaser or the Parent, as applicable, has determined in good faith and acting reasonably that the Plan of Arrangement would result in substantially all of the Shareholders (other than Dissenting Shareholders, the Purchaser, the Parent, their associates or affiliates) receiving less than $2.86 per Common Share; provided that the Company shall not have the right to terminate the Agreement pursuant to this Section 7.2(1)(b)(iv) if that result would arise because of the action or inaction of the Company, and neither the Purchaser nor the Parent shall have the right to terminate the Agreement pursuant to this Section 7.2(1)(b)(iv) if that result would arise because of the action or inaction of either the Purchaser or the Parent.

(c) the Company if it is not in breach of the terms of this Agreement:

(i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Purchaser under this Agreement occurs that would cause any condition in Section 6.3(1) or Section 6.3(2) not to be satisfied, and such breach or failure is incapable of being cured or is not cured on or prior to the Outside Date in accordance with the terms of Section 4.10(3); provided that any intentional breach shall be deemed to be incurable and the Company is not then in breach of this Agreement so as to cause any condition in Section 6.2(1) or Section 6.2(2) not to be satisfied; or

(ii) prior to the approval by the Affected Securityholders of the Arrangement Resolution, the Board approves and authorizes the Company to enter into a written definitive agreement providing for the implementation of a Superior Proposal, provided that the Company is then in compliance with this Agreement and that concurrent with such termination, the Company pays the Termination Fee pursuant to Section 8.2.

(d) the Purchaser or the Parent if neither is in breach of the terms of this Agreement:

(i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Company under this Agreement occurs that would cause any condition in Section 6.2(1) or Section 6.2(2) not to be satisfied, and such breach or failure is incapable of being cured or is not cured on or prior to the Outside Date in accordance with the terms of Section 4.10(3); provided that any intentional breach shall be deemed to be incurable and the Purchaser is not then in breach of this Agreement so as to cause any condition in Section 6.3(1) or Section 6.3(2) not to be satisfied; notwithstanding the foregoing, the Purchaser shall not be entitled to exercise the right to terminate the Agreement in relation to a breach of a representation or warranty which was known to the Purchaser prior to the date of the Initial Arrangement Agreement;

(ii) (A) the Board or any committee of the Board fails to recommend or withdraws, amends, modifies or qualifies, or publicly proposes or states an intention to withdraw, amend, modify or qualify, the Board Recommendation, (B) the Board or any committee of the Board accepts, approves, endorses or recommends, or publicly proposes to accept, approve, endorse or recommend an Acquisition Proposal or takes no position or remains neutral with respect to a publicly announced, or otherwise publicly disclosed, Acquisition Proposal for more than five Business Days (or beyond the third Business day prior to the

date of the Meeting, if sooner)), (C) the Board or any committee of the Board accepts or enters into (other than a confidentiality agreement permitted by and in accordance with Section 5.3) or publicly proposes to accept or enter into any agreement, understanding or arrangement in respect of an Acquisition Proposal, (D) the Board or any committee of the Board fails to publicly recommend or reaffirm the Board Recommendation within five Business Days after having been requested in writing by the Purchaser to do so (or in the event that the Meeting is scheduled to occur within such five Business Day period, prior to the third Business Day prior to the date of the Meeting), or (E) the Company breaches Article 5 in any material respect; or

(iii) there has occurred a Material Adverse Effect.

(2) The Party desiring to terminate this Agreement pursuant to this Section 7.2 (other than Pursuant to Section 7.2(1)(a)) shall give notice of such termination to the other Party, specifying in reasonable detail the basis for such Party's exercise of its termination right. Further, if any Party becomes aware of a fact or circumstance that would reasonably be expected to provide a basis for any Party to consider whether it would be entitled to terminate this Agreement pursuant to Section 7.2(b)(1)(iv), the Party that becomes aware of that circumstance shall give prompt written notice of that circumstance to the other Parties, specifying in reasonable detail the nature of that circumstance and its relevance in the context of that Section.

Section 7.3 Effect of Termination/Survival

(1) If this Agreement is terminated pursuant to Section 7.1 or Section 7.2, this Agreement shall become void and of no further force or effect without liability of any Party (or any shareholder, director, officer, employee, agent, consultant or representative of such Party) to any other Party to this Agreement, except that: (a) in the event of termination under Section 7.1 as a result of the Effective Time occurring, Section 4.11 shall survive for a period of seven (7) years following such termination; and (b) in the event of termination under Section 7.2, this Section 7.3, Section 4.6 and Section 4.7 (to the extent they related to the Purchaser's obligations), Section 8.2 through to and including Section 8.14 shall survive, and provided further that no Party shall be relieved of any liability for any wilful breach by it of this Agreement.

(2) As used in this Section 7.3, "**wilful breach**" means a material breach that is a consequence of an act undertaken by the breaching party with the actual knowledge that the taking of such act would, or would be reasonably expected to, cause a breach of this Agreement.

ARTICLE 8
GENERAL PROVISIONS

Section 8.1 Amendments

This Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Meeting but not later than the Effective Time, be amended by mutual written agreement of the Parties, without further notice to or authorization on the part of the Affected Securityholders, and any such amendment may**,** subject to the Interim Order and Final Order and Laws, without limitation:

(a) change the time for performance of any of the obligations or acts of the Parties;

(b) modify any representation or warranty contained in this Agreement or in any document delivered pursuant to this Agreement;

(c) modify any of the covenants contained in this Agreement and waive or modify performance of any of the obligations of the Parties; and/or

(d) modify any mutual conditions contained in this Agreement, provided however that no such amendment may reduce or materially affect the Consideration to be received by the Affected Securityholders without their approval at the Meeting or following the Meeting, without their approval given in the manner as required by applicable Laws for the approval of the Arrangement as may be required by the Court.

Section 8.2 Termination Fees

(1) Despite any other provision in this Agreement relating to the payment of fees and expenses, including the payment of brokerage fees, if a Termination Fee Event occurs, the Company shall pay the Purchaser the Termination Fee in accordance with Section 8.2(3).

(2) For the purposes of this Agreement, "**Termination Fee**" means $45,000,000.00, and "**Termination Fee Event**" means the termination of this Agreement:

(a) by the Purchaser or the Parent, pursuant to Section 7.2(1)(d)(ii);

(b) by the Company pursuant to Section 7.2(1)(c)(ii); or

(c) by the Company or the Purchaser or the Parent pursuant to Section 7.2(1)(b)(i) or Section 7.2(1)(b)(iii), if:

(i) prior to such termination, an Acquisition Proposal is made or publicly announced or otherwise publicly disclosed by any Person (other than the Parent or any of its affiliates) or any Person (other than the Parent or any of its affiliates) shall have publicly announced an intention to do so and such Acquisition Proposal has not been withdrawn; and

(ii) within nine months following the date of such termination (A) an Acquisition Proposal (that is the same Acquisition Proposal referred to in clause (i) above) is consummated or effected, or (B) the Company or one or more of its Subsidiaries, directly or indirectly, in one or more transactions, enters into a contract in respect of the same Acquisition Proposal referred to in clause (i) above) and such Acquisition Proposal is later consummated or effected,

provided, however that for the purposes of this Section 8.2(2)(c) all references in the definition of "**Acquisition Proposal**" to "20%" shall be read as "45%".

(3) If a Termination Fee Event occurs in the circumstances set out in Section 8.2(2)(a) or Section 8.2(2)(b), the Termination Fee shall be paid within two Business Days following such Termination Fee Event. If a Termination Fee Event occurs in the circumstances set out in Section 8.2(2)(c), the Termination Fee shall be paid on the consummation/closing of the Acquisition Proposal. Any Termination Fee shall be paid by the Company to the Purchaser (or as the Purchaser may direct by notice in writing), by wire transfer in immediately available funds to an account designated by the Purchaser.

(4) The Company acknowledges that the agreements contained in Section 8.2 are an integral part of the transactions contemplated by this Agreement, and that without these agreements the Purchaser would not enter into this Agreement, and that the amounts set out in this Section 8.2 represent liquidated damages which are a genuine pre-estimate of the damages, including opportunity costs, which the Purchaser will suffer or incur as a result of the event giving rise to such damages and resultant termination of this Agreement, and are not penalties. The Company irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive. The Company acknowledges and agrees that in the event that a Termination Fee Event arises pursuant to Section 7.2(1)(d)(ii), neither the Purchaser nor the Parent waives, or is deemed to waive, any of its rights under this Agreement, including its right to terminate the Agreement pursuant to Section 7.2(1)(d)(ii) and receive the Termination Fee pursuant to this Section 8.2, by continuing to perform any of its obligations under this Agreement at any

time after such right to terminate pursuant to Section 7.2(1)(d)(ii) arises. The Purchaser agrees that the payment of the Termination Fee in the manner provided in this Section 8.2 is the sole remedy of the Purchaser as against the Company and its shareholders (other than the Parent and its affiliates), advisors, directors and officers in respect of the event giving rise to such payment, other than the right to injunctive and other equitable relief in accordance with Section 8.6 to prevent breaches or threatened breaches of this Agreement and to enforce compliance with the terms of this Agreement.

Section 8.3 Expenses and Expense Reimbursement

(1) Except as provided in Section 4.7(3) and subject to Section 8.3(2), all out-of-pocket third party transaction expenses incurred in connection with this Agreement and the Plan of Arrangement, including all costs, expenses and fees of the Company incurred prior to or after the Effective Time in connection with, or incidental to, the Plan of Arrangement, shall be paid by the Party incurring such expenses, whether or not the Arrangement is consummated.

(2) In addition to the rights of the Purchaser under Section 8.2(2), if this Agreement is terminated by the Purchaser pursuant to Section 7.2(1)(d)(i), then the Company shall, within two Business Days of receipt of invoices, pay or cause to be paid to the Purchaser (or as the Purchaser may direct by notice in writing), by wire transfer in immediately available funds to an account designated by the Purchaser, the reasonable expenses of the Purchaser.

Section 8.4 Notices.

Any notice, or other communication given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier, facsimile or electronic mail and addressed:

(a) to the Purchaser and/or the Parent at:

c/o JSC Atomredmetzoloto
Building 22
B. Drovyanoy pereulok
Moscow, Russia 109004

Attention: Vadim Jivov
Telephone: (647) 788-8510
Facsimile: 7 495-508-8810
Email: Jivov@armz.ru

with a copy to:

Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Attention: Amanda Linett
Telephone: (416) 869-5217
Facsimile: (416) 947-0866
Email: alinett@stikeman.com

(b) to the Company at:

Bay Adelaide Centre
333 Bay Street, Suite 1710
Toronto, Ontario M5H 2R2

Attention: Chris Sattler
Telephone: (647) 788-8500
Facsimile: (647) 788-8501

with a copy to:

Goodmans LLP
Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Attention: Jonathan Lampe and Neill May
Telephone: (416) 597-4128/(416) 597-4187
Facsimile: (416) 979-1234
Email: jlampe@goodmans.ca and nmay@goodmans.ca

with a copy to:

Cassels Brock & Blackwell LLP
Suite 2100, Scotia Plaza
40 King Street West
Toronto, Ontario M5H 3C2

Attention: Jeffrey Roy and Paul Stein
Telephone: (416) 860-6616/(416) 869-5487
Facsimile: (416) 640-3164
Email: jroy@casselsbrock.com and pstein@casselsbrock.com

Any notice or other communication is deemed to be given and received (i) if sent by personal delivery, same day courier or electronic mail, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, (ii) if sent by overnight courier, on the next Business Day, or (iii) if sent by facsimile, on the Business Day following the date of confirmation of transmission by the originating facsimile. Sending a copy of a notice or other communication to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice or other communication to that Party. The failure to send a copy of a notice or other communication to legal counsel does not invalidate delivery of that notice or other communication to a Party.

Section 8.5 Time of the Essence.

Time is of the essence in this Agreement.

Section 8.6 Injunctive Relief.

The Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to injunctive and other equitable relief to prevent breaches or threatened breaches of this Agreement, and to enforce compliance with the terms of this Agreement without any requirement for the securing or posting of any bond in connection with the

obtaining of any such injunctive or other equitable relief, this being in addition to any other remedy to which the Parties may be entitled at law or in equity.

Section 8.7 Third Party Beneficiaries.

(1) Except for the rights of the Affected Securityholders to receive the applicable consideration following the Effective Time pursuant to the Plan of Arrangement and except as provided in Section 4.7(3) and Section 4.11 which, without limiting their terms, are intended as stipulations for the benefit of the third Persons mentioned in such provisions (such third Persons referred to in this Section 8.7 as the "**Indemnified Persons**"), the Parties intend that this Agreement will not benefit or create any right or cause of action in favour of any Person, other than the Parties and that no Person, other than the Parties, shall be entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum.

(2) Despite the foregoing, the Parties acknowledge to each of the Indemnified Persons their direct rights against the applicable Party under Section 4.7(3) and Section 4.11 respectively, of this Agreement, which are intended for the benefit of, and shall be enforceable by, each Indemnified Person, his or her heirs and his or her legal representatives, and for such purpose, each Party, as applicable, confirms that it is acting as trustee on their behalf, and agrees to enforce such provisions on their behalf.

Section 8.8 Waiver.

(1) No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

(2) The Company hereby waives the application of Section 5.3 of the Framework Agreement and Section 7.5 of the Coordination and Integration Agreement in connection with the Arrangement and the transactions contemplated pursuant to this Agreement.

Section 8.9 Entire Agreement.

This Agreement constitutes the entire agreement between the Parties with respect to the transactions contemplated by this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties with respect to the transactions contemplated by this Agreement. For greater certainty, the Framework Agreement and the Coordination and Integration Agreement remain in full force and effect and in the event of any conflict between this Agreement and the Framework Agreement or the Coordination and Integration Agreement, the Framework Agreement or the Coordination and Integration Agreement, as applicable, shall prevail. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement. The Parties have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Agreement.

Section 8.10 Successors and Assigns.

(1) This Agreement becomes effective only when executed by the Parties. After that time, it will be binding upon and enure to the benefit of the Parties and their respective successors and permitted assigns.

(2) Neither this Agreement nor any of the rights or obligations under this Agreement are assignable or transferable by any Party without the prior written consent of the other Party, provided that Purchaser may assign all or part of its rights under this Agreement to, and its obligations under this Agreement may be assumed by, any of its affiliates, provide that if such assignment and/or assumption takes place, Purchaser

shall continue to be liable jointly and severally with such affiliate, as the case may be, for all of its obligations hereunder.

Section 8.11 Severability.

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by any court of competent jurisdiction, that provision will be severed from this Agreement and the remaining provisions shall remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

Section 8.12 Governing Law.

(1) This Agreement will be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

(2) Each Party irrevocably attorns and submits to the non-exclusive jurisdiction of the Ontario courts situated in the City of Toronto and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

Section 8.13 Rules of Construction.

The Parties to this Agreement waive the application of any Law or rule of construction providing that ambiguities in any agreement or other document shall be construed against the party drafting such agreement or other document.

Section 8.14 No Liability.

No director or officer of the Purchaser or the Parent shall have any personal liability whatsoever to the Company under this Agreement or any other document delivered in connection with the transactions contemplated hereby on behalf of the Purchaser or the Parent. No director or officer of the Company or any of its Subsidiaries shall have any personal liability whatsoever to the Purchaser or the Parent under this Agreement or any other document delivered in connection with the transactions contemplated hereby on behalf of the Company or any of its Subsidiaries.

Section 8.15 Counterparts.

This Agreement may be executed in any number of counterparts (including counterparts by facsimile) and all such counterparts taken together shall be deemed to constitute one and the same instrument. The Parties shall be entitled to rely upon delivery of an executed facsimile or similar executed electronic copy of this Agreement, and such facsimile or similar executed electronic copy shall be legally effective to create a valid and binding agreement between the Parties.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF the Parties have executed this Arrangement Agreement.

URANIUM ONE INC.

By: *"Kenneth Williamson"*
Authorized Signing Officer

EFFECTIVE ENERGY N.V.

By: *"Vadim Jivov"*
Authorized Signing Officer

JSC ATOMREDMETZOLOTO

By: *"Vadim Jivov"*
Authorized Signing Officer

SCHEDULE A
PLAN OF ARRANGEMENT

PLAN OF ARRANGEMENT UNDER SECTION 192
OF THE *CANADA BUSINESS CORPORATIONS ACT*

ARTICLE 1
INTERPRETATION

1.1 Definitions

Unless indicated otherwise, where used in this Plan of Arrangement, capitalized terms used but not defined shall have the meanings specified in the Arrangement Agreement and the following terms shall have the following meanings (and grammatical variations of such terms shall have corresponding meanings):

"**Affected Securityholders**" means the Shareholders and the Optionholders.

"**Arrangement**" means the arrangement under Section 192 of the CBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations made in accordance with the terms of the Arrangement Agreement or Section 5.1 of this Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

"**Arrangement Agreement**" means the arrangement agreement made as of January 13, 2013, as amended and restated on February 8, 2013, between the Purchaser, Parent and the Company (including the Schedules thereto) as it may be amended, restated, supplemented or novated from time to time in accordance with its terms.

"**Arrangement Resolution**" means the special resolution approving this Plan of Arrangement to be considered at the Meeting by the Affected Securityholders.

"**Articles of Arrangement**" means the articles of arrangement of the Company in respect of the Arrangement, required by the CBCA to be sent to the Director after the Final Order is made, which shall include this Plan of Arrangement and otherwise be in a form and content satisfactory to the Company and the Purchaser, each acting reasonably.

"**Business Day**" means any day of the year, other than a Saturday, Sunday, a public holiday or a day when banks in Toronto, Ontario, Johannesburg, South Africa, Amsterdam Netherlands and Moscow, Russia are not generally open for business.

"**Canadian Depositary**" means Computershare Trust Company of Canada.

"**CBCA**" means the *Canada Business Corporations Act*.

"**Certificate of Arrangement**" means the certificate of arrangement issued by the Director pursuant to subsection 192(7) of the CBCA in respect of the Articles of Arrangement.

"**Common Shares**" means the common shares in the capital of the Company.

"**Company**" means Uranium One Inc.

"**Consideration**" means $2.86 in cash per Common Share.

"**Court**" means the Ontario Superior Court of Justice, or other court as applicable.

"**Depositary**" means, as determined by the context, the Canadian Depositary and/or the South African Transfer Secretary.

"**Director**" means the Director appointed pursuant to Section 260 of the CBCA.

"**Dissent Rights**" has the meaning specified in Section 3.1 of this Plan of Arrangement.

"**Dissenting Holder**" means a registered holder of Common Shares who has validly exercised its Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the Common Shares in respect of which Dissent Rights are validly exercised by such registered holder of Common Shares.

"**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement.

"**Effective Time**" means 12:01 a.m. (Toronto time) on the Effective Date, or such other time as the Parties agree to in writing before the Effective Date.

"Employee Optionholder" means an Optionholder that is an employee or officer of the Company or any of its Subsidiaries as of: (i) the Effective Date; and (ii) December 31, 2013 unless such employee or officer was terminated without just cause following the Effective Date and prior to December 31, 2013.

"**Final Order**" means the final order of the Court in a form acceptable to the Company and the Purchaser, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both the Company and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Company and the Purchaser, each acting reasonably) on appeal.

"**Governmental Entity**" means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, commissioner, minister, cabinet, governor in council, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, or (iv) any stock exchange.

"**Information Circular**" means the notice of the Meeting and accompanying management information circular, including all schedules, appendices and exhibits to, and information incorporated by reference in, such management information circular, to be sent to the Affected Securityholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of the Arrangement Agreement.

"**Interim Order**" means the interim order of the Court in a form acceptable to the Company and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as such order may be amended by the Court with the consent of the Company and the Purchaser, each acting reasonably.

"**In-the-Money Option**" means an Option that has an exercise price payable in respect of the Common Share underlying such Option that is less than the Consideration.

"**In–the-Money Option Consideration**" means, in respect of each In-the-Money Option, a cash amount equal to the amount by which the Consideration exceeds the exercise price payable under such In-the-Money Option by the holder thereof to acquire the Common Share underlying such Option.

"**JSE**" means the stock exchange operated by the JSE Limited (registration number 2005/0222939/06), a public company incorporated and registered in South Africa, licensed as an exchange under the Securities Services Act, 2004 (Act 36 of 2004).

"**Law**" means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that

is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended.

"**Lien**" means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachment, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute.

"**Letter of Transmittal**" means the letter of transmittal sent to holders of Common Shares for use in connection with the Arrangement.

"**Loan**" means the interest-bearing demand loan contemplated by Section 6.1(7) of the Arrangement Agreement.

"**Meeting**" means the special meeting of the Affected Securityholders, including any adjournment or postponement of such special meeting in accordance with the terms of the Arrangement Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution.

"**Optionholders**" means the holders of Options granted pursuant to the Stock Option Plans.

"**Options**" means the outstanding options to purchase Common Shares granted pursuant to the Stock Option Plans.

"**Parent**" means JSC Atomredmetzoloto, a company existing under the laws of Russia.

"**Person**" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

"**Plan of Arrangement**" means this plan of arrangement, and any amendments or variations made in accordance with Section 8.1 of the Arrangement Agreement or Section 5.1 of this Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

"**Purchaser**" means Effective Energy N.V.

"**SA Branch Register**" means the branch register in South Africa for holders of Common Shares traded on the JSE.

"**Shareholders**" means the registered or beneficial holders of the Common Shares, as the context requires.

"**South African Shareholders**" means Shareholders who are registered as holders of Common Shares on the SA Branch Register.

"**South African Transfer Secretary**" means Computershare Investor Services (Proprietary) Limited.

"**Stock Option Plans**" means the Uranium One Inc. Stock Option Plan dated May 5, 2006 as amended and re-approved May 8, 2009 and May 7, 2012 and the Signature Resources Ltd. stock option plan dated April 26, 2005**.**

"**Tax Act**" means the *Income Tax Act* (Canada).

1.2 Certain Rules of Interpretation.

In this Plan of Arrangement, unless otherwise specified:

(1) **Headings, etc**. The division of this Plan of Arrangement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Plan of Arrangement.

(2) **Currency**. All references to dollars or to $ are references to Canadian dollars.

(3) **Gender and Number**. Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.

(4) **Certain Phrases, etc**. The words (i) "including", "includes" and "include" mean "including (or includes or include) without limitation," (ii) "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of," and (iii) unless stated otherwise, "Article", "Section", and "Schedule" followed by a number or letter mean and refer to the specified Article or Section of or Schedule to this Plan of Arrangement.

(5) **Statutes**. Any reference to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.

(6) **Computation of Time**. A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. on the next Business Day if the last day of the period is not a Business Day. If the date on which any action is required or permitted to be taken under this Plan of Arrangement by a Person is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.

(7) **Time References**. References to time are to local time, Toronto, Ontario.

ARTICLE 2
THE ARRANGEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to, is subject to the provisions of, and forms part of the Arrangement Agreement.

2.2 Binding Effect

This Plan of Arrangement and the Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate of Arrangement, will become effective, and be binding on the Purchaser, the Company, all registered and beneficial Shareholders and all registered and beneficial owners of Options, at and after, the Effective Time without any further act or formality required on the part of any Person.

2.3 Arrangement

At the Effective Time each of the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at five minute intervals starting at the Effective Time:

(a) each Common Share held by Dissenting Holders in respect of which Dissent Rights have been validly exercised shall be, and be deemed to have been, assigned and transferred, without any further act or formality, by the Dissenting Holder thereof, to the Purchaser (free and clear of all Liens) in consideration for a debt claim against the Purchaser for the amount determined in accordance with Article 3, and:

(i) such Dissenting Holders shall cease to be the holders of such Common Shares and to have any rights as holders of such Common Shares other than the right to be paid the fair value for such Common Shares as set out in Section 3.1;

(ii) such Dissenting Holders' names shall be removed from the register of Common Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be, and be deemed to be, the transferee of such Common Shares (free and clear of all Liens) and shall be entered in the register of Common Shares maintained by or on behalf of the Company;

(b) each Common Share outstanding immediately prior to the Effective Time, other than (A) a Common Share held by Parent or its affiliates; or (B) a Common Share held by a Dissenting Holder, shall be, and be deemed to have been, assigned and transferred, without any further act of formality, by the holder thereof to the Purchaser (free and clear of all Liens) in exchange for the applicable Consideration for each Common Share, and:

(i) the holders of such Common Shares shall cease to be the holders thereof and to have any rights as holders of such Common Shares other than the right to be paid the Consideration per Common Share in accordance with this Plan of Arrangement;

(ii) such holders' names shall be removed from the register of Common Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be, and be deemed to be, the transferee of such Common Shares (free and clear of all Liens) and shall be entered in the register of the Common Shares maintained by or on behalf of the Company;

(c) notwithstanding the terms of the Stock Option Plans, with respect to the Options, each Option shall be cancelled in exchange for the following consideration:

(i) each holder of an In-the-Money Option shall receive a cash payment equal to the In-the-Money Option Consideration in respect of such Option;

(ii) Employee Optionholders will receive on the December 31, 2013:

(A) in respect of each In-the-Money Option held by such Employee Optionholder, a cash payment equal to the fair value of such Option determined using the "black-scholes" valuation model calculated as of the Effective Date as per standard industry practice less the In-the-Money Option Consideration received in accordance with Section 2.3(c)(i); and

(B) in respect of each Out-of the-Money Option held by such Employee Optionholder, a cash payment equal to the fair value of such Option determined using the "black-scholes" valuation model calculated as of the Effective Date as per standard industry practice;

(iii) the holder of each Option will cease to be the holder thereof or to have any rights as a holder in respect of such Option (other than to be paid the consideration pursuant to Section 2.3(i) and/or 2.3(ii), as applicable) or under the Stock Option Plans and the name of the holder thereof will be removed from the applicable securities register of the Company with respect to such Option; and

(iv) the Options shall be cancelled, and none of the Company nor the Purchaser or any of their respective affiliates or successors shall have any liability in respect thereof (other than to pay the consideration pursuant to (c)(ii)(A) and/or (c)(ii)(B) above, as applicable).

ARTICLE 3
DISSENT RIGHTS

3.1 Dissent Rights

Registered Shareholders may exercise dissent rights with respect to the Common Shares held by such holders ("**Dissent Rights**") in connection with the Arrangement pursuant to and in the manner set forth in Section 190 of the CBCA, as modified by the Interim Order, the Final Order and this Section 3.1; provided that, notwithstanding subsection 190(5) of the CBCA, the written objection to the Arrangement Resolution referred to in subsection 190(5) of the CBCA must be received by the Company not later than 5:00 p.m. (Toronto time) two Business Days immediately preceding the date of the Meeting (as it may be adjourned or postponed from time to time). Dissenting Holders who duly exercise their Dissent Rights shall be deemed to have transferred the Common Shares held by them and in respect of which Dissent Rights have been validly exercised to the Purchaser (free and clear of all Liens), as provided in Section 2.3(a) and if they:

(a) ultimately are entitled to be paid fair value for such Common Shares: (i) shall be deemed not to have participated in the transactions in Article 2 (other than Section 2.3(a)); (ii) will be entitled to be paid the fair value of such Common Shares which fair value notwithstanding anything to the contrary contained in Part XV of the CBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted; and (iii) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Common Shares; or

(b) ultimately are not entitled, for any reason, to be paid fair value for such Common Shares shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting holder of Common Shares.

3.2 Recognition of Dissenting Holders

(a) In no circumstances shall the Purchaser, the Company or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the registered holder of those Common Shares in respect of which such rights are sought to be exercised.

(b) For greater certainty, in no case shall the Purchaser, the Company or any other Person be required to recognize Dissenting Holders as holders of Common Shares in respect of which Dissent Rights have been validly exercised after the completion of the transfer under Section 2.3(a), and the names of such Dissenting Holders shall be removed from the registers of holders of Common Shares in respect of which Dissent Rights have been validly exercised at the same time as the event described in Section 2.3(a) occurs. In addition to any other restrictions under Section 190 of the CBCA, none of the following shall be entitled to exercise Dissent Rights: (i) holders of Options; and (ii) holders of Common Shares who vote or have instructed a proxyholder to vote such Common Shares in favour of the Arrangement Resolution (but only in respect of such Common Shares).

ARTICLE 4
CERTIFICATES AND PAYMENTS

4.1 Payment of Consideration

(a) Prior to the filing of the Articles of Arrangement the Purchaser shall deposit or arrange to be deposited, for the benefit of Shareholders, cash with the Depositary in the aggregate amount equal to the payments in respect thereof required by this Plan of Arrangement, with the amount per Common Share in respect of which Dissent Rights have been exercised being deemed to be the Consideration per Common Share for this purpose, net of applicable withholdings permitted to be withheld in accordance with the Arrangement Agreement, for the benefit of the holders of Common Shares. The cash deposited with the Depositary by or on behalf of the Purchaser shall be held in an interest-bearing account, and any interest earned on such funds shall be for the account of the Purchaser. If the Purchaser fails to deposit or arrange to be deposited with the Depositary all such cash, on the first Business Day after the Effective Date the Purchaser shall be deemed to have irrevocably demanded repayment of that portion of the Loan equal to the deficiency in the cash provided to the Depositary and directed that the proceeds of such repayment be deposited with the Depositary to be held in accordance with the preceding sentence. If, after such proceeds of the Loan have been deposited with the Depositary, the Depositary still has not had deposited with it all of the cash contemplated by the first sentence of this Section 4.1(a), the Purchaser shall immediately deposit cash with the Depositary in an amount equal to that remaining deficiency.

(b) Upon surrender to the Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Common Shares that were transferred pursuant to Section 2.3(b), together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the holder of Common Shares represented by such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder, the cash which such holder has the right to receive under the Arrangement for such Common Shares less any amounts withheld pursuant to Section 4.3, and any certificate so surrendered shall forthwith be cancelled.

(c) As soon as practicable after the Effective Date, the Company shall pay the cash amounts, net of applicable withholdings, to be paid to the holders of Options in accordance with Section 2.3(c)(i), which such Optionholder is entitled to receive pursuant to Section 2.3(c)(i). As soon as practicable after December 31, 2013, the Company shall pay the cash amounts, net of applicable withholdings, to be paid to Employee Optionholders in accordance with Section 2.3(c)(ii), which Employee Optionholder is entitled to receive pursuant to Section 2.3(c)(ii).

(d) Until surrendered as contemplated by this Section 4.1, each certificate that immediately prior to the Effective Time represented Common Shares shall be deemed after the Effective Time to represent only the right to receive upon such surrender a cash payment in lieu of such certificate as contemplated in this Section 4.1, less any amounts withheld pursuant to Section 4.3. Any such certificate formerly representing Common Shares not duly surrendered on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former holder of Common Shares of any kind or nature against or in the Company or the Purchaser. On such date, all cash to which such former holder was entitled shall be deemed to have been surrendered to the Purchaser or the Company, as applicable, and shall be paid over by the Depositary to the Purchaser or as directed by the Purchaser.

(e) The Company and the Purchaser will cause the Depositary, as soon as a former holder of Common Shares becomes entitled to a net cash payment in accordance with Sections 4.1(b), as applicable, to:

(i) forward or cause to be forwarded by first class mail (postage paid) to such former holder of Common Shares at the address specified by such former holder;

(ii) if requested by such former holder of Common Shares, make available at the offices of the Depositary for pick-up by such former holder; or

(iii) if such former holder of Common Shares neither specifies an address as described in Section 4.1(e)(i) nor provides a request as described in Section 4.1(e)(ii), forward or cause to be forwarded by first class mail (postage paid) to such former holder at the address of such former holder as shown on the applicable securities register maintained by or on behalf of the Company immediately prior to the Effective Time;

a cheque representing the net cash payment, if any, payable to such former holder in accordance with the provisions hereof.

(f) Any payment made by way of cheque by the Depositary (or the Company, if applicable) pursuant to this Plan of Arrangement that has not been deposited or has been returned to the Depositary (or the Company) or that otherwise remains unclaimed, in each case, on or before the sixth anniversary of the Effective Time, and any right or claim to payment hereunder that remains outstanding on the sixth anniversary of the Effective Time shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the applicable consideration for the Common Shares or the Options pursuant to this Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser or the Company, as applicable, for no consideration.

(g) No holder of Common Shares or Options shall be entitled to receive any consideration with respect to such Common Shares or Options other than the cash payment(s), to which such holder is entitled to receive in accordance with Section 2.3 and this Section 4.1 and, for greater certainty, no such holder will be entitled to receive any interest, dividends, premium or other payment in connection therewith.

4.2 Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Common Shares that were transferred pursuant to Section 2.3 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will pay to such holder, in exchange for such lost, stolen or destroyed certificate, the cash which such holder has the right to receive under the Arrangement for such Common Shares, deliverable in accordance with such holder's Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such cash is to be delivered shall, as a condition precedent to the delivery of such cash, give a bond satisfactory to the Company, the Purchaser, the Parent and the Depositary (acting reasonably) in such sum as the Purchaser may direct, or otherwise indemnify the Purchaser and the Company in a manner satisfactory to the Purchaser and the Company, acting reasonably, against any claim that may be made against the Purchaser or the Company with respect to the certificate alleged to have been lost, stolen or destroyed.

4.3 Withholding Rights

The Purchaser, the Company and the Depositary, as applicable, shall be entitled to deduct and withhold from any consideration otherwise payable or otherwise deliverable to any Affected Securityholders under this Plan of Arrangement or the Arrangement Agreement such amounts as the Purchaser, the Company or the Depositary, as applicable, have been advised by counsel in writing that they are required to deduct and withhold from such consideration under any provision of any Laws in respect of Taxes. Any amounts that Purchaser, the Company or the Depositary, as applicable, are entitled to deduct and withhold pursuant to this Section will be deducted, withheld and remitted from the consideration payable pursuant to this Plan of Arrangement or the Arrangement Agreement, provided that such deducted and withheld amounts are actually remitted to the appropriate Governmental Entity in accordance with applicable Law, and such amounts shall be treated for all purposes as having been paid to the Affected Securityholders in respect of which such deduction, withholding and remittance was made.

4.4 No Liens

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

4.5 Paramountcy

From and after the Effective Time: (a) this Plan of Arrangement shall take precedence and priority over any and all Common Shares and Options issued or outstanding prior to the Effective Time, (b) the rights and obligations of each of the holders of Common Shares and Options, the Company, the Purchaser, the Depositary and any transfer agent or other depositary therefor in relation thereto, shall be solely as provided for in this Plan of Arrangement, and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Common Shares or Options shall be deemed to have been settled, compromised, released and determined without liability except as set forth in this Plan of Arrangement.

ARTICLE 5
AMENDMENTS

5.1 Amendments to Plan of Arrangement

(a) The Company and the Purchaser may amend, modify and/or supplement this Plan of Arrangement in accordance with Arrangement Agreement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must (i) be set out in writing, (ii) be approved by the Company and the Purchaser, each acting reasonably (iii) filed with the Court and, if made following the Meeting, approved by the Court, and (iv) communicated to the Shareholders and each holder of Options if and as required by the Court.

(b) Any amendment, modification or supplement to this Plan of Arrangement made in accordance with the Arrangement Agreement may be proposed by the Company at any time prior to the Meeting (provided that the Purchaser shall have consented thereto) with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Meeting shall be effective only if (i) it is consented to in writing by each of the Company and the Purchaser (in each case, acting reasonably), and (ii) if required by the Court, it is consented to by some or all of the Affected Securityholders voting in the manner directed by the Court.

(d) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by the Purchaser, provided that it concerns a matter which, in the reasonable opinion of the Purchaser, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement.

ARTICLE 6
MISCELLANEOUS

6.1 Further Assurances

Notwithstanding that the transactions and events set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by either of them in order to further document or evidence any of the transactions or events set out in this Plan of Arrangement.

6.2 Compliance with Laws

Both parties acknowledge that there may be different requirements and practices applicable in respect of those Common Shares listed on the JSE and as such, the Plan of Arrangement could be applied in respect of South African Shareholders to be varied in an non-substantive manner so as to be consistent with the requirements of the JSE.

Schedule B – Arrangement Resolution

BE IT RESOLVED THAT:

1. The arrangement (the "**Arrangement**") under Section 192 of the *Canada Business Corporations Act* (the "**CBCA**") involving Uranium One Inc. (the "**Company**"), pursuant to the arrangement agreement (the "**Arrangement Agreement**") between the Company, JSC Atomredmetzoloto and Effective Energy N.V., dated January 13, 2013, all as more particularly described and set forth in the management information circular of the Company dated February 8, 2013 (the "**Circular**"), accompanying the notice of this meeting (as the Arrangement may be amended, restated, supplemented or novated from time to time in accordance with its terms), is hereby authorized, approved and adopted.

2. The plan of arrangement, as it has been or may be amended, restated, supplemented or novated in accordance with the Arrangement Agreement and its terms, involving the Company (the "**Plan of Arrangement**"), the full text of which is set out in Schedule A to the Arrangement Agreement, is hereby authorized, approved and adopted.

3. The Arrangement Agreement, the actions of the directors of the Company in approving the Arrangement and the actions of the officers of the Company in executing and delivering the Arrangement Agreement and any modifications or amendments thereto are hereby ratified and approved.

4. Notwithstanding that this resolution has been passed (and the Arrangement adopted) by the Affected Securityholders (as defined in the Arrangement Agreement) or that the Arrangement has been approved by the Superior Court of Ontario (the "**Court**"), the directors of the Company are hereby authorized and empowered, at their discretion, without further notice to or approval of the Affected Securityholders: (i) to amend or modify the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement.

5. Any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to make an application to the Court for an order approving the Arrangement and to execute, under the corporate seal of the Company or otherwise, and to deliver or cause to be delivered, for filing with the Director under the CBCA, articles of arrangement and such other documents as are necessary or desirable to give effect to the Arrangement and the Plan of Arrangement in accordance with the Arrangement Agreement, such determination to be conclusively evidenced by the execution and delivery of such articles of arrangement and any such other documents.

6. Any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as, in such person's opinion, may be necessary or desirable to give full force and effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such other document or instrument or the doing of any other such act or thing.

Schedule C – Representations and Warranties of the Company

(1) **Organization and Qualification.** The Company and each of its Subsidiaries and each of the Joint Ventures is a corporation or other entity duly incorporated or organized, as applicable, validly existing and in good standing under the laws of the jurisdiction of its incorporation, organization or formation, as applicable, and has all requisite power and authority to own, lease and operate its assets and properties and conduct its business as now owned and conducted. The Company and each of its Subsidiaries and each of the Joint Ventures is duly qualified, licensed or registered to carry on business and is in good standing in each jurisdiction in which the character of its assets and properties, owned, leased, licensed or otherwise held, or the nature of its activities make such qualification, licensing or registration necessary, and has all Authorizations required to own, lease and operate its properties and assets and to conduct its business as now owned and conducted, except for those Authorizations the absence of which do not have and would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.

(2) **Corporate Authorization**. The Company has the requisite corporate power and authority to enter into and perform its obligations under this Agreement. The execution, delivery and performance by the Company of its obligations under this Agreement and the consummation of the Arrangement and the other transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of the Company and no other corporate proceedings on the part of the Company are necessary to authorize this Agreement or the consummation of the Arrangement and the other transactions contemplated hereby other than approval by the Affected Securityholders in the manner required by the Interim Order and Law and approval by the Court.

(3) **Execution and Binding Obligation.** This Agreement has been duly executed and delivered by the Company, and constitutes a legal, valid and binding agreement of the Company enforceable against it in accordance with its terms subject only to any limitation under bankruptcy, insolvency or other Laws affecting the enforcement of creditors' rights generally, and general equitable principles, and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

(4) **Governmental Authorization.** The execution, delivery and performance by the Company of its obligations under this Agreement and the consummation of the Arrangement and the other transactions contemplated hereby do not require any Authorization or other action by or in respect of, or filing with, or notification to, any Governmental Entity by the Company or by any of its Subsidiaries or any of the Joint Ventures other than: (i) the Interim Order and any approvals required by the Interim Order; (ii) the Final Order; (iii) filings with the Director under the CBCA; (iv) in relation to the Regulatory Approvals; and (v) filings with the Securities Authorities and the Exchange, the JSE and the ME.

(5) **Non-Contravention.** The execution, delivery and performance by the Company of its obligations under this Agreement and the consummation of the Arrangement and the other transactions contemplated hereby do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition):

(a) contravene, conflict with, or result in any violation or breach of the Company's Constating Documents or the organizational documents of any of its Subsidiaries or any of the Joint Ventures;

(b) assuming compliance with the matters referred to in Paragraph (4) above, contravene, conflict with or result in a violation or breach of Law;

(c) except as disclosed in the Company Disclosure Letter and provided in the Debenture Indenture, allow any Person to exercise any rights, require any consent or other action by any Person, or constitute a default under, or cause or permit the termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit to which the Company or any of its Subsidiaries or any of the Joint Ventures are entitled (including by triggering any rights of first refusal or first offer, change in control provision or other restriction or limitation) under any Contract, lease or other instrument, indenture, deed of trust, mortgage, bond or (assuming compliance with all matters referred to in Paragraph (4) above) any Authorization to which the

Company or any of its Subsidiaries or any of the Joint Ventures is a party or by which the Company or any of its Subsidiaries or any of the Joint Ventures is bound; or

(d) result in the creation or imposition of any Lien upon any of the properties or assets of the Company, its Subsidiaries or the Joint Ventures;

with such exceptions, in the case of clauses (b) through (d), as would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.

(6) **Capitalization.**

(a) The authorized capital of the Company consists of an unlimited number of Common Shares. As of the close of business on the date of the Initial Arrangement Agreement, there were 957,189,036 Common Shares issued and outstanding. In addition, as of the date hereof, the Company has issued and outstanding $259,985,000 aggregate principal amount of Debentures, Warrant to acquire 6,964,200 Common Shares upon the exercise thereof, Options to acquire 14,207,427 Common Shares upon the exercise thereof, Contingent Share Rights to acquire 57,500 Common Shares and RUB 14,300,000,000 aggregate principal amount of Bonds. All outstanding Common Shares have been duly authorized and validly issued, are fully paid and non-assessable. All of the Common Shares issuable upon the exercise of the Options, the Contingent Share Rights, the Warrants and the Debentures have been duly authorized and, upon issuance in accordance with their respective terms, will be validly issued as fully paid and non-assessable and are not and will not be subject to or issued in violation of, any pre-emptive rights. No Common Shares have been issued and no Options, Contingent Share Rights, Warrants or Debentures have been granted in violation of any Law or any pre-emptive or similar rights applicable to them.

(b) Section 6(b) of the Company Disclosure Letter sets forth, in respect of each Option outstanding as of the date of the Initial Arrangement Agreement: (i) the number of Common Shares issuable upon exercise (including the aggregate total of all Common Shares issuable upon exercise of all outstanding Options); (ii) the purchase price payable; (iii) the date of grant; (iv) the date of expiry; (v) the name of the registered holder, identifying whether such holder is not an employee of the Company or of its Subsidiaries; and (vi) the extent to which such Options are vested and are exercisable, identifying whether such vesting or exercise may be accelerated as a result, either alone or together with another event or occurrence, of the Arrangement. The Stock Option Plan and the issuance of Common Shares under such plan (including all outstanding Options) have been duly authorized by the Board in compliance with Law and the terms of the Stock Option Plan, and have been recorded on the Company's financial statements in accordance with GAAP, and no such grants involved any "back dating," "forward dating," "spring loading" or similar practices.

(c) Section 6(c) of the Company Disclosure Letter sets forth, as of the date of the Initial Arrangement Agreement, the number of outstanding Contingent Share Rights and the name of the holder of each Contingent Share Right**.**

(d) Section 6(d) of the Company Disclosure Letter sets forth, as of the date of the Initial Arrangement Agreement, the number of Common Shares issuable upon the exercise of the Warrant, the name of the holder of the Warrant and the exercise price.

(e) Section 6(e) of the Company Disclosure Letter sets forth, as of the date of the Initial Arrangement Agreement (or, in the case of the names of the holders, as of the date set forth in therein), the principal amount of outstanding Bonds, the names of the holders of the outstanding Bonds and the principal amount of Bonds held by each holder.

(f) Except for rights under the Stock Option Plan, including outstanding Options, the rights under the Warrant, the rights under the Debenture Indenture and the rights under the Contingent Share

Rights, there are no issued, outstanding or authorized options, equity-based awards, warrants, calls, conversion, pre-emptive, redemption, repurchase, stock appreciation or other rights, or any other agreements, arrangements, instruments or commitments of any kind that obligate the Company, any of its Subsidiaries or any of the Joint Ventures to, directly or indirectly, issue or sell any securities of the Company or of any of its Subsidiaries or any of the Joint Ventures, or give any Person a right to subscribe for or acquire, any securities of the Company or of any of its Subsidiaries or any of the Joint Ventures except for rights granted to JSC Atomredmetzoloto in the amended and restated framework agreement dated June 8, 2010.

(g) There are no issued, outstanding or authorized:

(i) obligations to repurchase, redeem or otherwise acquire any securities of the Company or of any of its Subsidiaries or any of the Joint Ventures, or qualify securities for public distribution in Canada, the U.S. or elsewhere, or with respect to the voting or disposition of any securities of the Company or of any of its Subsidiaries or any of the Joint Ventures, except as disclosed in the Company Disclosure Letter; or

(ii) notes, bonds, debentures or other evidences of indebtedness or any other agreements, arrangements, instruments or commitments of any kind that give any Person, directly or indirectly, the right to vote with holders of Common Shares on any matter.

(h) All dividends or distributions on securities of the Company that have been declared or authorized have been paid in full.

(7) **Subsidiaries.**

(a) The following information with respect to each Subsidiary of the Company and each Joint Venture is accurately set out in Section 7(a) of the Company Disclosure Letter: (i) its name; (ii) the number, type and principal amount, as applicable, of its outstanding equity securities or other equity interests and a list of registered holders of capital stock or other equity interests; and (iii) its jurisdiction of incorporation, organization or formation.

(b) Except as disclosed in the Company Disclosure Letter, the Company is, directly or indirectly, the registered and beneficial owner of all of the outstanding common shares or other equity interests of each of its Subsidiaries and the Joint Ventures, free and clear of any Liens (except Permitted Liens), all such shares or other equity interests so owned by the Company have been validly issued and are fully paid and non-assessable, as the case may be, and, to the knowledge of the Company, no such shares or other equity interests have been issued in violation of any pre-emptive or similar rights. Except for the shares or other equity interests owned by the Company in any Subsidiary and any Joint Venture and except as disclosed in the Company Disclosure Letter, the Company does not own, beneficially or of record, any equity interests of any kind in any other Person.

(8) **Securities Law Matters.** The Company is a "reporting issuer" under Canadian Securities Laws in each of the provinces of Canada. The Common Shares and the Debentures are listed and posted for trading on the Exchange and the Common Shares are listed on the JSE. Neither the Company nor its Subsidiaries or the Joint Ventures is subject to any continuous or periodic, or other disclosure requirements under any securities laws or stock exchange rules in any jurisdiction other than Canada, Russia and South Africa. The Company is not in default of any requirements of any Securities Laws or the rules and regulations of the Exchange or the JSE. The Company has not taken any action to cease to be a reporting issuer in any province of Canada nor has the Company received notification from any Securities Authority seeking to revoke the reporting issuer status of the Company. No delisting, suspension of trading or cease trade or other order or restriction with respect to any securities of the Company is to the knowledge of the Company, pending, in effect, has been threatened, or is expected to be implemented or undertaken, and the Company is not subject to any formal or informal review, enquiry, investigation or other proceeding relating to any such order or restriction. The Company has timely filed or furnished with each Securities Authority with which it is required to do so, all forms, reports, schedules, certifications, statements and

other documents required to be filed or furnished by the Company with such Securities Authority since January 1, 2010. The documents comprising the Company Filings complied as filed with Law and did not, as of the date filed (or, if amended or superseded by a subsequent filing prior to the date of the Initial Arrangement Agreement, on the date of such filing), contain any Misrepresentation, and the Company Filings as a whole constitute full true and plain disclosure of all material facts regarding the Company. Except as disclosed in the Company Disclosure Letter, the Company has not filed any confidential material change report (which at the date of this Agreement remains confidential) or any other confidential filings (including redacted filings) filed to or furnished with, as applicable, any Securities Authority. Except as disclosed in the Company Disclosure Letter, there are no outstanding or unresolved comments in comments letters from any Securities Authority with respect to any of the Company Filings and neither the Company nor any of the Company Filings is subject of an ongoing audit, review, comment or investigation by any Securities Authority or the Exchange, and no such audit, review, comment or investigation has been commenced or completed since January 1, 2012.

(9) **Mineral Resources and Mineral Reserves**. The statements of mineral resources and mineral reserves in the Company's Filings are accurate as of the date of filing and remain accurate as of the date hereof (except where superseded by a more recent technical report covering the same mineral project), have been prepared prudentially by qualified persons, and are calculated and disclosed in accordance with NI 43-101. Other than mining depletion in the ordinary course and except as disclosed in the Company Disclosure Letter, the Company has no knowledge of any pending material reduction in the mineral resources or mineral reserves from those currently disclosed in the Company's Filings. The Company has prepared and filed all technical reports required to be filed by it under NI 43-101, and the last filed of each such technical report in respect of each material mineral project of the Company remains current and accurate at the date hereof.

(10) **Forward-Looking Information**. Statements included in the Company's Filings with respect to (i) future cash costs, (ii) future uranium production, (iii) future operating and capital costs, and (iv) timelines for the development of the Companies mining projects (collectively, the "**Forward-Looking Statements**") have been prepared by the Company on a reasonable basis. The Forward-Looking Statements have been disclosed in compliance with Parts 4A and 4B of National Instrument 51-102. The Company has no reason to believe that the actual results forecast or projected by the Forward-Looking Information, except as superseded or updated by later Forward-Looking Information, will not be achieved, and the Company does not expect to modify the latest Forward-Looking Information in any materially adverse manner.

(11) **Financial Statements.**

(a) The audited consolidated financial statements and the consolidated interim financial statements of the Company (including, in each case, any notes or schedules to and the auditor's report on such financial statements) included in the Company Filings: (i) were prepared in accordance with GAAP and Law; (ii) complied as to form with applicable accounting requirements in Canada; and (iii) fairly present the assets, liabilities (whether accrued, absolute, contentment or otherwise), consolidated financial position, results of operations or financial performance and cash flows of the Company and its Subsidiaries as of their respective dates and the consolidated financial position, results of operations or financial performance and cash flows of the Company and its Subsidiaries for the respective periods covered by such financial statements (except as may be expressly indicated in the notes to such financial statements). The Company does not intend to correct or restate, nor, to the knowledge of the Company is there any basis for any correction or restatement of, any aspect of any of the financial statements referred to in this Paragraph (11). Except as disclosed in the Company Disclosure Letter, there are no, nor are there any commitments to become a party to, any off-balance sheet transaction, arrangement, obligation (including contingent obligations) or other relationship of the Company or of any of its Subsidiaries or any of the Joint Ventures with unconsolidated entities or other Persons.

(b) The financial books, records and accounts of the Company and each of its Subsidiaries: (i) have been maintained, in accordance with GAAP; (ii) are stated in reasonable detail; (iii) accurately and

fairly reflect all the material transactions, acquisitions and dispositions of the Company and its Subsidiaries; and (iv) accurately and fairly reflect the basis of the Company's financial statements.

(12) **Disclosure Controls and Internal Control over Financial Reporting.**

(a) The Company has established and maintains a system of disclosure controls and procedures that are designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under Securities Laws is recorded, processed, summarized and reported within the time periods specified in Securities Laws. Such disclosure controls and procedures include controls and procedures designed to ensure that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under Securities Laws are accumulated and communicated to the Company's management, including its chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosures.

(b) The Company has established and maintains a system of internal control over financial reporting that is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP.

(c) To the knowledge of the Company, there is no material weakness (as such term is defined in NI 52-109) relating to the design, implementation or maintenance of its internal control over financial reporting, or fraud, whether or not material, that involves management or other employees who have a significant role in the internal control over financial reporting of the Company. To the knowledge of the Company, none of the Company, any of its Subsidiaries or any director, officer, employee, auditor, accountant or representative of the Company or any of its Subsidiaries has received or otherwise obtained knowledge of any complaint, allegation, assertion, or claim, whether written or oral, regarding accounting, internal accounting controls or auditing matters, including any complaint, allegation, assertion, or claim that the Company or any of its Subsidiaries has engaged in questionable accounting or auditing practices, or any expression of concern from its employees regarding questionable accounting or auditing matters.

(13) **Auditors.** The auditors of the Company are independent public accountants as required by applicable Laws and there is not now, and there has never been, any reportable event (as defined in NI 51-102) with the present or any former auditors of the Company.

(14) **No Undisclosed Liabilities.** Except as disclosed in the Company Disclosure Letter, there are no liabilities or obligations of the Company or of any of its Subsidiaries or any of the Joint Ventures of any kind whatsoever, whether accrued, contingent, absolute, determined, determinable or otherwise, other than liabilities or obligations: (i) disclosed in the Company's financial statements or in the notes thereto; (ii) incurred in the Ordinary Course since December 31, 2011; or (iii) incurred in connection with this Agreement.

(15) **Absence of Certain Changes or Events.** Since December 31, 2011, other than the transactions contemplated in this Agreement or as publicly disclosed in the Company Filings or disclosed in Section 15 of the Company Disclosure Letter, the business of the Company, its Subsidiaries and the Joint Ventures has been conducted in the Ordinary Course and there has not been any event, circumstance or occurrence which has had or would be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.

(16) **Long-Term and Derivative Transactions.** Except as disclosed in the Company Disclosure Letter, neither the Company nor any of its Subsidiaries or any of the Joint Ventures have any obligations or liabilities, direct or indirect, vested or contingent in respect of any rate swap transactions, basis swaps, forward rate transactions, commodity swaps, commodity options, equity or equity index swaps, equity or equity index options, bond options, interest rate options, foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions or

currency options or any other similar transactions (including any option with respect to any of such transactions) or any combination of such transactions.

(17) **Compliance with Laws.** The Company, each of its Subsidiaries and each of the Joint Ventures is in compliance with Law. Except as disclosed in the Company Disclosure Letter, since January 1, 2011, neither the Company nor any of its Subsidiaries or any of the Joint Ventures is or has been under any investigation with respect to, is or has been charged or threatened to be charged with, or has received notice of, any violation or potential violation of any Law or disqualification by a Governmental Entity.

(18) **Authorizations and Licenses.**

(a) The Company and each of its Subsidiaries and each of the Joint Ventures own, possess or have obtained all Authorizations that are required by Law in connection with the operation of the business of the Company and its Subsidiaries and the Joint Ventures as presently or previously conducted, or in connection with the ownership, operation or use of the Company Assets.

(b) The Company, its Subsidiaries and the Joint Ventures, as applicable, lawfully hold, own or use, and have complied with, all such Authorizations.

(c) Except as disclosed in the Company Disclosure Letter, to the knowledge of the Company, no action, investigation or proceeding is pending in respect of or regarding any such Authorization and none of the Company or any of its Subsidiaries or any of the Joint Ventures, or to the knowledge of the Company any of their respective officers or directors has received notice, whether written or oral, of revocation, non-renewal or material amendments of any such Authorization, or of the intention of any Person to revoke, refuse to renew or materially amend any such Authorization.

(19) **Opinion of Financial Advisors.**

The Board and the Special Committee have received the Fairness Opinion and Formal Valuation. The Formal Valuation concludes that as of the date of the Initial Arrangement Agreement, subject to the terms, conditions and assumptions set forth in the Formal Valuation, GMP Securities LP was of the opinion that the fair market value of the Common Shares is in the range of US$2.66 to US$3.21 per share (equivalent to $2.62 to $3.16 using the closing exchange rate of $1.00 = US$1.0154 as of Friday, January 11, 2013, the last trading day before the execution of the Initial Arrangement Agreement).

(20) **Finders' Fees.**

No investment banker, broker, finder, financial adviser or other intermediary has been retained by or is authorized to act on behalf of the Company or any of its Subsidiaries, or any of their respective officers, directors or employees, or is entitled to any fee, commission or other payment from the Company or any of its Subsidiaries, or any of their respective officers, directors or employees, in connection with the Agreement.

(21) **Board and Special Committee Approval**.

(a) The Special Committee, after consultation with its financial and legal advisors, has unanimously recommended that the Board approve the Arrangement and that the Affected Securityholders vote in favour of the Arrangement Resolution.

(b) The Board, acting on the unanimous recommendation in favour of the Arrangement by the Special Committee, has unanimously (with Messrs. Vadim Jivov, Ilya Yampolskiy and Chris Sattler abstaining): (i) determined that the Consideration to be received by Affected Securityholders (other than the Parent and its affiliates) pursuant to the Arrangement and this Agreement is fair to such Affected Securityholders and that the Arrangement is in the best interests of the Company and the Affected Securityholders; (ii) resolved to unanimously recommend that the Affected

Securityholders vote in favour of the Arrangement Resolution; and (iii) authorized the entering into of this Agreement and the performance by the Company of its obligations under this Agreement, and no action has been taken to amend, or supersede such determinations, resolutions, or authorizations.

(c) Each of the directors and officers of the Company has advised the Company and the Company believes that they intend to vote or cause to be voted all Common Shares beneficially held by them in favour of the Arrangement Resolution and the Company shall make a statement to that effect in the Company Circular.

(22) **Material Contracts.**

(a) Except as disclosed in the Company Disclosure Letter, true and complete copies of the Material Contracts have been disclosed in the Data Room and no such Contract has been modified, rescinded or terminated.

(b) Each Material Contract is legal, valid, binding and in full force and effect and is enforceable by the Company, Subsidiary or the Joint Venture, as applicable, in accordance with its terms (subject to bankruptcy, insolvency and other Laws affecting creditors' rights generally, and to general principles of equity).

(c) Except as disclosed in the Company Disclosure Letter, the Company and each of its Subsidiaries and each of the Joint Ventures has performed all respective obligations required to be performed by them to date under the Material Contracts and neither the Company nor any of its Subsidiaries or any of the Joint Ventures is in breach or default under any Material Contract, nor does the Company have knowledge of any condition that with the passage of time or the giving of notice or both would result in such a breach or default.

(d) None of the Company nor any of its Subsidiaries or any of the Joint Ventures knows of, or has received any notice (whether written or oral) of, any breach or default under nor, to the knowledge of the Company and except as disclosed in the Company Disclosure Letter, does there exist any condition which with the passage of time or the giving of notice or both would result in such a breach or default under any such Material Contract by any other party to a Material Contract.

(e) Except as disclosed in the Company Disclosure Letter, none of the Company nor any of its Subsidiaries or any of the Joint Ventures has received any notice (whether written or oral), that any party to a Material Contract intends to cancel, terminate or otherwise modify or not renew its relationship with the Company or with any of its Subsidiaries or any of the Joint Ventures and, to the knowledge of the Company, no such action has been threatened.

(23) **Restrictions on Conduct of Business.** Except as disclosed in the Company Disclosure Letter, neither the Company nor any of its Subsidiaries or any of the Joint Ventures is a party to or bound by any non-competition agreement, any customer non-solicitation agreement, or any other agreement, obligation, judgment, injunction, order or decree which purports to: (i) limit the manner or the localities in which all or any portion of the business of the Company, Subsidiaries or the Joint Ventures are conducted; (ii) limit any business practice of the Company or of any of its Subsidiaries or any of the Joint Ventures in any material respect; or (iii) restrict any acquisition or disposition of any property by the Company or by any of its Subsidiaries or any of the Joint Ventures. Neither the Company nor any of its Subsidiaries or any of the Joint Ventures or any of their respective properties or assets is subject to any outstanding judgment, order, writ, injunction or decree that would have or would be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect or that would or would be reasonably expected to prevent or delay the consummation of the Arrangement or the transactions contemplated hereby.

(24) **Real Property.**

(a) The Company or one of its Subsidiaries, as applicable, has valid, good and marketable title to all of the freehold real or immovable property owned by the Company or its Subsidiaries (the "**Owned Properties**") free and clear of any Liens, except for Permitted Liens. There are no outstanding options or rights of first refusal to purchase the Owned Properties, or any portion thereof or interest therein.

(b) Except as disclosed in the Company Disclosure Letter, each lease, sublease, license or occupancy agreement for real or immovable property leased, subleased, licensed or occupied by the Company or its Subsidiaries (the "**Leased Properties**") is valid, legally binding and enforceable against the Company or its Subsidiary, as applicable, in accordance with its terms and in full force and effect unamended by oral or written agreement, and, to the Company's knowledge, none of the Company or any of its Subsidiaries is in breach of, or default under, such lease, sublease, license or occupancy agreement, and no event has occurred which, with notice, lapse of time or both, would constitute such a breach or default by the Company or any of its Subsidiaries or permit termination, modification or acceleration by any third party thereunder.

(c) No third party has repudiated or, to the knowledge of the Company, has the right to terminate or repudiate any such lease, sublease, license or occupancy agreement or any provision thereof to which the Company or the Subsidiaries are a party (except for the normal exercise of remedies in connection with a default thereunder or any termination rights set forth in the lease, sublease, license or occupancy agreement).

(d) None of the leases, subleases, licenses or occupancy agreements has been assigned by the Company or any of its Subsidiaries in favour of any Person or sublet or sublicensed.

(25) **Environmental Matters.**

(a) Except as disclosed in the Company Disclosure Letter, to the Company's knowledge, no written notice, order, complaint or penalty has been received by the Company or any of its Subsidiaries alleging that the Company or any of its Subsidiaries is in violation of, or has any liability or potential liability under, any Environmental Law, and, to the Company's knowledge, there are no judicial, administrative or other actions, suits or proceedings pending or threatened against the Company or any of its Subsidiaries which allege a violation of, or any liability or potential liability under, any Environmental Laws; and the Company is not aware of any facts or circumstances that reasonably could be expected to give rise to any such notice, claim, order, complaint or penalty.

(b) The Company and each of its Subsidiaries has all environmental permits necessary for the operation of their respective businesses and to comply with all Environmental Laws; and the operations of the Company and each of its Subsidiaries are in compliance in all respects with the terms of Environmental Laws.

(26) **Operating Mines.** All mines in which the Company has an indirect beneficial interest, and from which mining operations are being conducted at the date hereof, are operating in the Ordinary Course, and except as disclosed in the Company Disclosure Letter, there is no fact or circumstance known to the Company that would reasonably be expected to result in the suspension, delay or termination of mining operations at such projects.

(27) **Employees.**

(a) Each independent contractor of the Company has been properly classified as an independent contractor and neither the Company nor any Subsidiary has received any notice from any Governmental Entity disputing such classification.

(b) All written Contracts, if any, in relation to the employment of the top 10 compensated Company Employees (where the compensation of such Company Employees are calculated based on annual base salary plus cash bonuses paid in respect of the year ended 2011) have been disclosed in the Data Room.

(c) To the Company's knowledge, the Company and its Subsidiaries are in compliance with all terms and conditions of employment and all Law respecting employment, including pay equity, wages, hours of work, overtime, human rights and occupational health and safety, and there are no outstanding claims, complaints, investigations or orders under any such Law.

(d) To the Company's knowledge, the Company has not and is not engaged in any unfair labour practice and no unfair labour practice complaint, grievance or arbitration proceeding is pending or, to the knowledge of the Company, threatened against the Company.

(e) All amounts due or accrued due for all salary, wages, bonuses, commissions, vacation with pay, sick days and benefits under Employee Plans and other similar accruals have either been paid or are accurately reflected in the books and records of the Company or of the applicable Subsidiary.

(f) Except as disclosed in the Company Disclosure Letter (and other than any Contract which may be terminated by the Company by providing reasonable notice or payment in lieu of notice which arises at law upon the termination of an employee without an agreement as to notice or severance), no Company Employee has any Contract in relation to any employee's termination, length of notice, pay in lieu of notice, severance, job security or similar provisions nor are there any change of control payments, golden parachutes, severance payments, retention payments, Contracts or other agreements with current or former Company Employees providing for cash or other compensation or benefits upon the consummation of, or relating to, the Arrangement, including a change of control of the Company or of any of its Subsidiaries.

(g) Except as disclosed in the Company Disclosure Letter, all assessments, penalties, fines, liens, charges, surcharges, or other amounts due or owing pursuant to any workplace safety and insurance legislation have been paid or are being contested in good faith. To the knowledge of the Company, no audit of the Company or any Subsidiary is currently being performed pursuant to any applicable workplace safety and insurance legislation.

(h) No orders or inspection reports have been provided to the Company or any Subsidiary under applicable occupational health and safety legislation ("**OHSA**") in the past three years. The Company has complied with any orders issued under OHSA and there are no charges pending or appeals of any orders under OHSA currently outstanding.

(28) **Collective Agreements.**

(a) There is no collective bargaining agreement in force with respect to Company Employees nor is there any Contract with any employee association in respect of the Company Employees.

(b) No trade union, council of trade unions, employee bargaining agency or affiliated bargaining agent holds bargaining rights with respect to any of the Company Employees, or, to the Company's knowledge, has applied or threatened to apply to be certified as the bargaining agent of any Company Employees.

(c) To the Company's knowledge, there are no threatened or pending union organizing activities involving any Company Employees.

(d) To the Company's knowledge, no trade union has applied to have the Company or any of its Subsidiaries declared a common, related or successor employer pursuant to the *Labour Relations*

Act (Ontario) or any similar legislation in any jurisdiction in which the Company or any of its Subsidiaries carries on business.

(29) **Employee Plans.**

(a) the Company Disclosure Letter lists all material Employee Plans. The Company has disclosed in the Data Room true, correct and complete copies of all material Employee Plans as amended, together with all related documentation including, as applicable, funding and investment management agreements, summary plan descriptions, the most recent actuarial reports, financial statements, asset statements, material opinions and memoranda (whether externally or internally prepared) and material correspondence with regulatory authorities or other relevant Persons. No changes have occurred or are expected to occur which would affect the information contained in the actuarial reports, financial statements or asset statements required to be provided to the Purchaser.

(b) Each Employee Plan is and has been established, registered, qualified and administered in accordance with Law and its terms. To the Company's knowledge, no fact or circumstance exists which could adversely affect the registered status of any such Employee Plan.

(c) All contributions, premiums or taxes required to be made or paid by the Company or any of its Subsidiaries, as the case may be, have been made in a timely fashion in accordance with Law and the terms of each Employee Plan.

(d) No Employee Plan contains a "defined benefit provision" as such term is defined in the *Income Tax Act* (Canada).

(e) Except as could not reasonably be expected to result in a Material Adverse Effect, with respect to any Employee Plan that is a funded plan, as of the date hereof, the assets of any such Employee Plan are at least equal to the liabilities of such Employee Plan as measured on a solvency and wind-up basis, using generally accepted actuarial methods and assumptions.

(30) **Litigation.** Except as disclosed in the Company Disclosure Letter, there are no claims, actions, suits, arbitrations, inquiries, investigations or proceedings pending, or, to the knowledge of the Company threatened, against or relating to the Company or any of its Subsidiaries or any of the Joint Ventures, the business of the Company or of any of its Subsidiaries or any of the Joint Ventures or affecting any of their respective current or former properties or assets by or before any Governmental Entity that, if determined adversely to the interests of the Company, its Subsidiaries and the Joint Ventures, could potentially result in criminal sanction, would have or would be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect, would or would be reasonably expected to prevent or delay the consummation of the Arrangement or the transactions contemplated hereby or would or would be reasonably expected to affect the Purchaser's ability to own or operate the business of the Company, its Subsidiaries and the Joint Ventures, nor to the knowledge of the Company are there any events or circumstances which could reasonably be expected to give rise to any such claim, action, suit, arbitration, inquiry, investigation or proceeding.

(31) **Insurance.**

(a) Except as disclosed in the Company Disclosure Letter the Company and each of its Subsidiaries is, and has been continuously since January 1, 2012, insured by reputable third party insurers with reasonable and prudent policies which provide insurance coverage in at least such amounts and against at least such risks (but including in any event public liability) in each case as are usually insured against in the same general locations by companies engaged in the same or similar business for the assets and operations of the Company and each Subsidiary.

(b) To the knowledge of the Company, each material insurance policy currently in effect that insures the physical properties, business, operations and assets of the Company and its Subsidiaries is

valid and binding and in full force and effect and there is no claim pending under any such policies as to which coverage has been questioned, denied or disputed. There is no material claim pending under any insurance policy of the Company, its Subsidiaries or the Joint Ventures that has been denied, rejected, questioned or disputed by any insurer or as to which any insurer has made any reservation of rights or refused to cover all or any material portion of such claims. All proceedings covered by any insurance policy of the Company, its Subsidiaries or the Joint Ventures have been properly reported to and accepted by the applicable insurer.

(32) **Taxes.**

(a) The Company and each of its Subsidiaries has duly and timely filed all Tax Returns required to be filed by them prior to the date hereof and all such Tax Returns are complete and correct.

(b) The Company and each of its Subsidiaries has paid on a timely basis all Taxes which are due and payable, all assessments and reassessments, and all other Taxes due and payable by them on or before the date hereof, other than those which are being or have been contested in good faith and in respect of which reserves have been provided in the most recently published consolidated financial statements of the Company. The Company and its Subsidiaries have provided adequate accruals in accordance with GAAP in the most recently published consolidated financial statements of the Company for any Taxes of the Company and each of its Subsidiaries for the period covered by such financial statements that have not been paid whether or not shown as being due on any Tax Returns. To the Company's knowledge, since such publication date, no liability in respect of Taxes not reflected in such statements or otherwise provided for has been assessed, proposed to be assessed, incurred or accrued, other than in the ordinary course of business.

(c) Except as disclosed in the Company Disclosure Letter the Company has not received notice of any deficiencies, litigation, proposed adjustments or matters in controversy exist or have been asserted with respect to Taxes of the Company or any of its Subsidiaries, and neither the Company nor any of its Subsidiaries is a party to any action or proceeding for assessment or collection of Taxes and, to the knowledge of the Company, no such deficiencies, litigation, proposed adjustments or maters have been asserted against the Company or any of its Subsidiaries or any of their respective assets.

(d) No claim has been made by any Government Entity in a jurisdiction where the Company and any of its Subsidiaries does not file Tax Returns that the Company or any of its Subsidiaries is or may be subject to Tax by that jurisdiction.

(e) There are no Liens (other than Permitted Liens) with respect to Taxes upon any of the assets of the Company or any of its Subsidiaries.

(f) The Company and each of its Subsidiaries has withheld or collected all amounts required to be withheld or collected by it on account of Taxes and has remitted all such amounts to the appropriate Governmental Entity when required by Law to do so.

Schedule D – Representations and Warranties of the Purchaser and the Parent

(1) **Organization and Qualification.** Each of the Purchaser and the Parent is an entity existing and in good standing under the laws of the jurisdiction of its formation and has all requisite power and authority to own, lease and operate its assets and properties and conduct its business as now owned and conducted.

(2) **Corporate Authorization**. Each of the Purchaser and the Parent has the requisite corporate power and authority to enter into and perform its obligations under this Agreement. The execution, delivery and performance by each of the Purchaser and the Parent of its obligations under this Agreement and the consummation of the Arrangement and the other transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of each of the Purchaser and the Parent no other corporate proceedings on the part of Purchaser or the Parent are necessary to authorize this Agreement or the consummation of the Arrangement and the other transactions contemplated hereby**.**

(3) **Execution and Binding Obligation**. This Agreement has been duly executed and delivered by the Purchaser and the Parent, and constitutes a legal, valid and binding agreement of it enforceable against it in accordance with its terms subject only to any limitation under bankruptcy, insolvency or other Laws affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

(4) **Governmental Authorization**. The execution, delivery and performance by the Purchaser and the Parent of their respective obligations under this Agreement and the consummation by the Purchaser and the Parent of the Arrangement and the transactions contemplated hereby do not require any Authorization or other action by or in respect of, or filing with, or notification to, any Governmental Entity by the Purchaser or the Parent other than: (i) the Interim Order and any approvals required by the Interim Order; (ii) the Final Order; (iii) filings with the Director under the CBCA; (iv) in relation to the Regulatory Approvals; and (v) any Authorizations which, if not obtained, or any other actions by or in respect of, or filings with, or notifications to, any Governmental Entity which, if not taken or made, would not, individually or in the aggregate, materially impede the ability of the Purchaser or the Parent to consummate the Arrangement and the transactions contemplated hereby.

(5) **Non-Contravention.** The execution, delivery and performance by each of the Purchaser and the Parent of their obligations under this Agreement and the consummation of the Arrangement and the transactions contemplated hereby do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition):

(a) contravene, conflict with, or result in any violation or breach of the organizational documents of the Purchaser or the Parent; or

(b) assuming compliance with the matters referred to in Paragraph (4) above, contravene, conflict with or result in a violation or breach of Law except as would not, individually or in the aggregate, materially impede the ability of the Purchaser or the Parent to consummate the Arrangement and the transactions contemplated hereby.

(6) **Litigation.** There are no claims, actions, suits, arbitrations, inquiries, investigations or proceedings pending, or, to the knowledge of the Purchaser threatened, against or relating to the Purchaser before any Governmental Entity nor is the Purchaser subject to any outstanding judgment, order, writ, injunction or decree that, either individually or in the aggregate, is reasonably likely to prevent or materially delay consummation of the Arrangement or the transactions contemplated hereby.

(7) **Funds Available.** The Purchaser will have at the Effective Time, sufficient funds available to satisfy the aggregate Consideration payable by the Purchaser to the Shareholders pursuant to the Arrangement in accordance with the terms of this Agreement and the Plan of Arrangement, and to satisfy all other obligations payable by the Purchaser pursuant to this Agreement and the Arrangement.

(8) **No Material Change**. As at the date of the Initial Arrangement Agreement, neither the Purchaser nor the Parent was aware of any current circumstances or occurrence which has had or would reasonably expected to have a Material Adverse Effect.

APPENDIX "C"

FAIRNESS OPINION OF CANACCORD GENUITY

CANACCORD Genuity

CANACCORD GENUITY CORP.

P.O. Box 516
161 Bay Street, Suite 3100
Toronto, ON

Canada M5J 2S1
T: 416.869.7368
F: 416.869.3876

www.canaccordgenuity.com

January 13, 2013

The Special Committee of the Board of Directors and the Board of Directors
Uranium One Inc.
Suite 1710, 333 Bay Street
Toronto, Ontario
M5H 2R2

To the Special Committee of the Board of Directors (the "**Special Committee**") and the Board of Directors (the "**Board of Directors**") of Uranium One Inc.:

Canaccord Genuity Corp. ("**Canaccord Genuity**") understands that JSC Atomredmetzoloto and Effective Energy N.V. (collectively, "**ARMZ**") and Uranium One Inc. ("**Uranium One**" or the "**Company**") intend to enter into an agreement dated January 13, 2013 (the "**Arrangement Agreement**") whereby, among other things, ARMZ will acquire, directly or indirectly, all of the issued and outstanding common shares of Uranium One (the "**Uranium One Shares**") it does not already own (the "**Transaction**"). ARMZ and Uranium One intend to complete the Transaction by way of a plan of arrangement (the "**Plan of Arrangement**") under the Business Corporations Act *(Ontario)*. Under the terms of the Transaction, ARMZ has offered to pay C$2.86 for each Uranium One Share it does not already own (the "**Offer**"), representing aggregate consideration of approximately C$1.3 billion attributable to minority holders of Uranium One Shares (the "**Uranium One Minority Shareholders**"). The terms of the Transaction are more fully described in the Arrangement Agreement.

Canaccord Genuity Engagement

The Special Committee engaged Canaccord Genuity (the "**Engagement**") pursuant to an engagement letter dated December 31, 2012 between the Special Committee and Canaccord Genuity (the "**Engagement Letter**"). Under the Engagement Letter, Canaccord Genuity agreed to provide financial advisory services to the Special Committee in relation to the Transaction and to prepare and deliver this opinion as to the fairness of the Offer, from a financial point of view, to Uranium One's Minority Shareholders (this "**Fairness Opinion**")

Under the Engagement Letter, Uranium One has agreed to pay Canaccord Genuity a cash fee for rendering this Fairness Opinion, no portion of which is conditional upon this Fairness Opinion being favourable, or that is contingent upon the consummation of the Transaction. In addition, Uranium One has agreed to pay Canaccord Genuity a cash fee for rendering financial advisory services upon completion of the Transaction. Uranium One has also agreed to reimburse Canaccord Genuity for all reasonable out-of-pocket expenses and to indemnify Canaccord Genuity in relation to certain claims or liabilities that may arise in connection with the services performed under the Engagement Letter.

Canaccord Genuity Credentials

Canaccord Genuity is Canada's largest independently-owned investment banking firm. Canaccord Genuity employs more than 2,200 people with offices in major Canadian cities, as well as internationally in the United Kingdom, Europe, the United States, China, Hong Kong, Singapore, Australia and Barbados. Canaccord Genuity has approximately US$27 billion in assets under administration and is publicly traded with a market capitalization of approximately US$700 million. Canaccord Genuity provides a wide range of services, including corporate finance, mergers and acquisitions, financial advisory services, institutional and retail equity sales and trading and investment research. Canaccord Genuity and its principals have extensive knowledge of Canadian and U.S. equity capital markets, have prepared numerous valuations and fairness opinions, and have led numerous transactions involving private and publicly traded companies.

This Fairness Opinion is the opinion of Canaccord Genuity and the form and content hereof has been approved for release by a committee of its principals, who are experienced in the preparation of fairness opinions and in merger, acquisition, divestiture and valuation matters.

Relationship with Interested Parties

Canaccord Genuity is not an insider, associate or affiliate (as such terms are defined in the *Securities Act* (Ontario)) of Uranium One, ARMZ, or their respective associates or affiliates (collectively, the "**Interested Parties**"), and is not an advisor to any person or entity other than the Special Committee.

During the three years prior to the Engagement, Canaccord Genuity has not acted for Uranium One as a financial advisor During that time period,Canaccord Genuity has acted as an underwriter in Uranium One's C$260,000,000 public offering of convertible unsecured subordinated debentures that was completed on March 12, 2010. Otherwise, Canaccord Genuity has not acted as an agent or underwriter or in any other capacity for Uranium One during the precedeing three years.

Canaccord Genuity has not acted as a financial advisor, agent, underwriter, or in any other capacity for ARMZ.

Canaccord Genuity acts as a trader and dealer, both as principal and agent, in all Canadian and U.S. financial markets and, in such capacity, may have had, or in the future may have, positions in the securities of the Interested Parties and, from time to time, may have executed, or in the future may execute, transactions on behalf of the Interested Parties or other clients for which it received or may receive compensation. In addition, as an investment dealer, Canaccord Genuity conducts research on securities and may, in the ordinary course of business, be expected to provide research reports and investment advice to its clients on issues and investment matters, including research and advice on one or more of the Interested Parties or the Transaction.

Other than pursuant to the Engagement, Canaccord Genuity does not have any agreements, commitments or understandings in respect of any future business involving any of the Interested Parties. However, Canaccord Genuity may, from time to time in the future, seek or be provided with assignments from one or more of the Interested Parties.

Scope of Review

Canaccord Genuity has not been asked to, nor does Canaccord Genuity offer any opinion as to the terms of the Transaction (other than in respect of the fairness, from a financial point of view, of the Offer to Uranium One Minority Shareholders) or the form of any agreements or documents related to the Transaction.

In preparing this Fairness Opinion, Canaccord Genuity reviewed, analyzed, considered and relied upon, without independently attempting to verify, among other things, the following:

- The Arrangement Agreement dated January 13, 2013;
- Budgets and financial statement forecasts of and prepared by Uranium One for 2012 and 2013, provided by the Special Committee;
- The Management Information Circular of Uranium One dated April 3, 2012;
- The Annual Information Forms of Uranium One dated March 31, 2011 and March 30, 2012, respectively;
- The annual reports of Uranium One (including audited annual financial statements and related management's discussion and analysis) for the years ended December 31, 2009, 2010 and 2011;
- The unaudited interim financial statements and related management's discussion and analysis of Uranium One for the quarters ending March 31, 2012, June 30, 2012 and September 30, 2012;
- Schedule to the 2002 Master Agreement between TD Investments and Uranium One Inc. relating to the US SWAP, dated December 5, 2011
- The Trust Indenture providing for the issue of Uranium One's 7.5% (re-settable to 5%) Convertible Unsecured Subordinated Debentures due March 13, 2015;
- Prospectus of Offering related to the Ruble Bond Series outstanding dated October 4, 2011;
- Certificate of Securities for Series 1 of the Ruble Bond Offering;
- The Short-Form Prospectus for Uranium One's offering of 7.5% (re-settable to 5%) Convertible Unsecured Subordinated Debentures due March 13, 2015, dated March 4, 2010;
- Financial and operating models of Uranium One provided by the Special Committee;
- The NI 43-101 Technical Report for South Inkai Mine, dated March 12, 2012 and amended May 2, 2012;
- The NI 43-101 Technical Report for the Akbastau Uranium Mine, dated March 1, 2012 and amended on May 2, 2012;
- The NI 43-101 Technical Report for the Karatau Uranium Mine, dated March 1, 2012 and amended June May 2, 2012;
- The NI 43-101 Technical Report for the Akdala Uranium Mine, dated February 17, 2012 and amended May 2, 2012;

- The NI 43-101 Technical Report for the Kharasan Uranium Mine, dated February 14, 2012 and amended May 2, 2012;

- The NI 43-101 Technical Report for the Zarechnoye Uranium Mine, dated February 27, 2012 and amended May 2, 2012;

- Interviews and discussions with various members of executive and operating management of Uranium One, the Special Committee, Uranium One's Board of Directors and the legal counsel to the Special Committee;

- Discussions with ARMZ's financial advisor;

- Discussions with Uranium One's independent valuator;

- Financial terms of certain other transactions considered by Canaccord Genuity to be relevant;

- Certain other material agreements and documents related to the Transaction;

- Certain publicly available financial and other information concerning Uranium One and ARMZ that Canaccord Genuity considered to be relevant for the purposes of its analysis;

- Certain press releases from Uranium One that Canaccord Genuity considered to be relevant for purposes of its analysis;

- Historical market prices and valuation multiples for the common shares of Uranium One, and comparisons of such prices and multiples with publicly available financial data concerning certain publicly traded companies that Canaccord Genuity considered to be relevant for purposes of its analysis;

- Certain published investment dealer research on Uranium One and the respective target prices;

- Public information with respect to other transactions of a comparable nature that Canaccord Genuity considered to be relevant for purposes of its analysis; and

- Certain other documents filed by Uranium One on the System for Electronic Document Analysis and Retrieval that Canaccord Genuity considered to be relevant for purposes of its analysis.

Canaccord Genuity has not, to the best of its knowledge, been denied access by the Special Committee or Uranium One to any information requested by Canaccord Genuity. Canaccord Genuity did not meet with the auditors of Uranium One and has assumed the accuracy and fair presentation of the audited and unaudited financial statements of Uranium One. With respect to ARMZ, Canaccord Genuity has assumed the accuracy of any publicly available information related to ARMZ that it has reviewed.

Prior Valuations

The Company has represented to Canaccord Genuity that there have not been any prior valuations (as defined in Canadian Securities Administrators' Multilateral Instrument 61-101 –*Protection of Minority Security Holders in Special Transactions*) of the Company or its material assets or its

securities in the past two years which have not been provided to Canaccord Genuity for review other than the MI 61-101 Formal Valuation prepared by GMP Securities L.P. in connection with the Transaction.

Assumptions and Limitations

This Fairness Opinion is subject to the assumptions, explanations and limitations set forth below.

Canaccord Genuity has not prepared a formal valuation or appraisal of the Company or any of its securities or assets and this Fairness Opinion should not be construed as such. Canaccord Genuity has, however, conducted such analyses as it considered necessary in the circumstances. In addition, this Fairness Opinion is not, and should not be construed as, advice as to the price at which any securities of the Company may trade at any future date. This Fairness Opinion addresses only the fairness, from a financial point of view, of the consideration payable to Uranium One's Minority Shareholders and does not address any other aspect or implication of the Plan of Arrangement. We have assumed that all draft documents referred to under "Scope of Review" above are accurate reflections, in all material respects, of the final form of such documents, that all of the conditions required to implement the Plan of Arrangement will be met, that the procedures being followed to implement the Plan of Arrangement will be valid and effective, a management information circular of the Company will be distributed to Uranium One Minority Shareholders, the disclosure therein will be complete and accurate in all material respects and such distribution and disclosure will comply, in all material respects, with the requirements of all applicable laws and court orders. We have also assumed that in the course of obtaining any regulatory or third party consents, approvals or agreements in connection with the Plan of Arrangement no delay, limitation, restriction or condition will be imposed that would have an adverse effect on the Company and that the Plan of Arrangement will be consummated in accordance with the terms of the Arrangement Agreement and related documents without waiver, modification or amendment of any material term, condition or agreement thereof. We are not legal, tax or accounting experts, have not been engaged to review any legal, tax or accounting aspects of the Plan of Arrangement and express no opinion concerning any legal, tax or accounting matters concerning the Plan of Arrangement. Without limiting the generality of the foregoing, Canaccord Genuity has not reviewed and is not opining upon the tax treatment under the Plan of Arrangement to Uranium One's Minority Shareholder.

With the approval of the Special Committee and as provided for under the Engagement Letter, Canaccord Genuity has relied upon, and has assumed the completeness, accuracy and fair presentation of all financial information, business plans, forecasts, projections, estimates and budgets and other information, data, advice, opinions and representations obtained by it from public sources or provided to Canaccord Genuity by the Special Committee, or any of Uranium One's respective officers, associates, affiliates, consultants, advisors and representatives pursuant to the Engagement relating to Uranium One (the "**Information**"). This Fairness Opinion is conditional upon such completeness, accuracy and fair presentation of the Information. In accordance with the terms of the Engagement, but subject to the exercise of its professional judgment, and except as expressly described herein, Canaccord Genuity has not attempted to verify independently the completeness, accuracy or fair presentation of any of the Information.

Senior officers of Uranium One have represented to Canaccord Genuity in a certificate dated the date hereof provided in such capacity that, among other things: (i) Subject to Section (vi), the information, data and other material (financial and otherwise) (collectively, the "Information") provided to Canaccord Genuity by the Company, its subsidiaries (as defined in the Securities Act (Ontario)) or its or their representatives for the purpose of the engagement under the Engagement Letter (which includes Information disclosed in materials filed by the Company on SEDAR), taken as a whole was, at the date the Information was provided to Canaccord Genuity, and is as of the

date of this Certificate, complete, true and correct in all material respects and did not and, except as superseded by Information more recently provided to Canaccord Genuity, does not contain any untrue statement of a material fact in respect of the Company, its subsidiaries and, to the knowledge of the undersigned, the Transaction and, taken as a whole, did not and does not omit to state a material fact in relation to the Company, its subsidiaries and, to the knowledge of the Company, the Transaction, in each case necessary to make the Information not misleading in light of the circumstances under which the Information was presented; (ii) since the dates on which the Information was provided to Canaccord Genuity by the Company, its subsidiaries or its or their representatives, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its subsidiaries and no material change has occurred in the Information or any part thereof, taken as a whole; (iii) to the best the Company's knowledge, information and belief after reasonable inquiry, except as may be disclosed in the independent technical reports filed by the Company on SEDAR, there are no independent appraisals or valuations or material non-independent appraisals or valuations relating to the Company or any of its subsidiaries or any of their respective material assets or liabilities which have been prepared as of a date within the two years preceding the date hereof and which have not been provided to Canaccord Genuity; (iv) since the dates on which the Information last was provided to Canaccord Genuity, by the Company, its subsidiaries or its or their representatives, no material transaction has been entered into by the Company or any of its subsidiaries. (v) the Company has no knowledge of any facts not contained in or referred to in the Information provided to Canaccord Genuity by the Company or its affiliates which would reasonably be expected to affect the Opinion in any material way including the assumptions used or the scope of the review undertaken, each as disclosed in the Opinion; (vi) other than as disclosed in the Information, to the best of the Company's knowledge, information and belief after reasonable inquiry, neither the Company nor any of its subsidiaries has any material contingent liabilities and there are no actions, suits, claims, proceedings, investigations or inquiries pending or threatened against or affecting the Company or any of its subsidiaries at law or in equity or before or by any federal, national, provincial, state, municipal or other governmental department, commission, bureau, board, agency or instrumentality which would in any way reasonably be expected to materially adversely affect the Company and its subsidiaries taken as a whole; (vii) all financial material, documentation and other data concerning the Transaction, the Company and its subsidiaries, provided to Canaccord Genuity by the Company, its subsidiaries and its or their representatives is, taken as a whole, true and correct in all material respects. To the best of the Company's knowledge, information and belief, except as otherwise specified therein or disclosed to Canaccord Genuity, all financial material, including any projections or forecasts, (a) were prepared on a basis consistent in all material respects with the accounting policies applied in the most recent audited consolidated financial statements of the Company, reflect the assumptions disclosed therein (which assumptions management of the Company believed to be reasonable at the date of preparation of the relevant materials), and (b) are not, in light of the circumstances under which they were provided to Canaccord Genuity, except in each case to the extent superseded by other, more recent Information; (viii) to the best of the Company's knowledge, information and belief after reasonable inquiry, no verbal or written transactions or serious negotiations for, at any one time, all or a material part of the properties and assets owned by or the securities of the Company or any of its subsidiaries have been made or occurred with by the Company or its subsidiaries, within the year preceding the date hereof which have not been disclosed to Canaccord Genuity (ix) there are no agreements, undertakings, commitments or understandings (written or oral, formal or informal) relating to the Transaction, except for those where all of the material details of which have been disclosed to Canaccord Genuity.

This Fairness Opinion has been prepared in accordance with the disclosure standards for fairness opinions of the Investment Industry Regulatory Organization of Canada ("**IIROC**"), but IIROC has not been involved in the preparation or review of this Fairness Opinion.

Canaccord Genuity has assumed that all conditions precedent to the completion of the Transaction can be satisfied or waived by the parties thereto in the time required and that all consents, permissions, exemptions or orders of third parties and relevant authorities will be obtained, without adverse condition or qualification, and that the Transaction can proceed as scheduled and without material additional cost to Uranium One and ARMZ or liability of Uranium One and ARMZ to third parties, that the procedures being followed to implement the Transaction are valid and effective and all required documents under applicable securities laws will be distributed to the Uranium One Minority Shareholders in accordance with all applicable securities laws, and that the disclosure in such documents will be accurate and will comply in all material respects with the requirements of all applicable securities laws.

This Fairness Opinion is rendered on the basis of securities markets, economic and general business and financial conditions prevailing as of the date hereof and the condition and prospects, financial and otherwise, of Uranium One and ARMZ as they were reflected in the information and documents, including, without limitation, the Information, reviewed by Canaccord Genuity and as it was represented to Canaccord Genuity in its discussions with representatives of Uranium One. In its analysis and in connection with the preparation of this Fairness Opinion, Canaccord Genuity has made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of Uranium One or ARMZ.

This Fairness Opinion has been provided exclusively for the use of the Special Committee for the purposes of considering the Arrangement Agreement, the Transaction and the Offer. Canaccord Genuity disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting this Fairness Opinion, which may arise or come to Canaccord Genuity's attention after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter upon which this Fairness Opinion is based, Canaccord Genuity reserves the right to change, modify or withdraw this Fairness Opinion as of the date of such material change in any fact or matter affecting this Fairness Opinion.

With respect to all legal and tax matters related to the Transaction, Canaccord Genuity does not express any opinion with respect to the legal or tax consequences to Uranium One or any Uranium One Minority Shareholder that may arise as a result of the Transaction.

The disclosure by Uranium One of the retention of Canaccord Genuity and the contents of this Fairness Opinion in certain regulatory filings as required and in accordance with all applicable laws, rules or regulations of any governmental authority or stock exchange will be permitted subject to Canaccord Genuity's prior review and approval (acting reasonably) of such disclosure. Except as provided in this Fairness Opinion and in the Engagement Letter, or as may be required by applicable law or requirements of securities regulatory authorities or stock exchange in connection with the Transaction, this Fairness Opinion is not to be used, published or distributed in whole or in part, in any other way or to any other person without the prior written consent of Canaccord Genuity, such consent not to be unreasonably withheld or delayed.

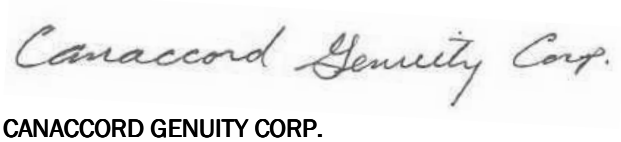
Canaccord Genuity has not been engaged to provide and has not provided: (i) a formal valuation of Uranium One's securities or any of Uranium One's material assets pursuant to MI 61-101 or otherwise; or (ii) an opinion as to the fairness of the process underlying the Transaction; and, in each case, this Fairness Opinion should not be construed as such. This Fairness Opinion is not and should not be construed as a recommendation to any Uranium One Minority Shareholder as to whether or how to vote in respect of the Transaction.

Canaccord Genuity believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying this Opinion. The preparation of an Opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

Conclusion

Based upon and subject to the foregoing and such other matters as Canaccord Genuity considered relevant, Canaccord Genuity is of the opinion that, as of the date hereof, the consideration to be received is fair, from a financial point of view, to Uranium One's Minority Shareholders.

Yours truly,



CANACCORD GENUITY CORP.

APPENDIX "D"

FORMAL VALUATION

GMP Securities
Griffiths McBurney

GMP Securities L.P.
145 King Street West, Suite 300
Toronto, Ontario M5H 1J8
Tel: (416) 367-8600 Fax: (416) 367-8164

January 13, 2013

The Special Committee of Independent Directors
Uranium One Inc.
333 Bay Street
Suite 1710
Toronto, Ontario
M5H 2R2

Dear Sirs,

GMP Securities L.P. ("GMP", "we" or "us") understands that JSC Atomredmetzoloto ("ARMZ") has advised Uranium One Inc. ("Uranium One" or the "Company") of its intention to acquire all of the issued and outstanding common shares of Uranium One (the "Uranium One Shares") that ARMZ and its affiliates do not already own, for a price per common share of C$2.86 payable in cash (the "Consideration"). The foregoing is referred to herein as the "Proposed Transaction".

GMP further understands that:

1. ARMZ owns approximately 51.4% of the issued and outstanding common shares of Uranium One;
2. the Proposed Transaction would constitute a "business combination" for purposes of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101") and therefore requires a formal valuation of the Uranium One Shares (the "Valuation") to be acquired by ARMZ in the Proposed Transaction as required under MI 61-101;
3. the board of directors of Uranium One (the "Board of Directors") has constituted a special committee of independent directors of the Company (the "Special Committee") to consider and evaluate the terms of the Proposed Transaction and to report thereon to the Board of Directors; and
4. the Special Committee has retained GMP to prepare and deliver to the Special Committee the Valuation in accordance with the requirements of MI 61-101 and By-Law 29 of the Investment Industry Regulatory Organization of Canada ("IIROC") (collectively the "Policies").

We also understand that all of the material terms of and risks associated with the Proposed Transaction will be described in a management information circular (the "Circular"), which will be prepared by the Company in compliance with applicable laws, regulations, policies and rules and will be mailed to shareholders of Uranium One in connection with a special meeting of the shareholders of Uranium One (the "Special Meeting") to be convened.

All dollar amounts herein are expressed in U.S. dollars, unless stated otherwise.

Engagement of GMP

GMP was first contacted by Uranium One on December 21, 2012, with respect to the Proposed Transaction. GMP was formally retained by the Special Committee pursuant to a letter agreement dated January 2, 2013 (the "Engagement Agreement"), to prepare and deliver to the Special Committee a formal valuation of Uranium One Shares in accordance with the requirements of MI 61-101, and under the supervision of the Special Committee.

The Engagement Agreement provides for the payment of a fee to GMP upon i) execution of our Engagement Agreement, and ii) delivery of our Valuation to the Special Committee. None of the fees payable to us under the

Engagement Agreement is contingent upon the conclusions reached by us in the Valuation, or upon the completion of the Proposed Transaction. In addition, the Company has agreed to reimburse GMP for its reasonable expenses and to indemnify GMP in respect of certain liabilities that might arise out of its engagement. The fees payable to GMP pursuant to the Engagement Agreement are not financially material to GMP. No understandings or agreements exist between GMP, Uranium One and/or ARMZ with respect to the provision of future financial advisory or investment banking services.

Subject to the terms of the Engagement Agreement, GMP has consented to the inclusion of the Valuation in its entirety, together with a summary thereof in a form acceptable to GMP, acting reasonably, in the Circular and documents filed with the securities commissions or similar regulatory authorities in each applicable province of Canada.

Credentials of GMP

GMP is a wholly-owned subsidiary of GMP Capital Inc., which is a publicly traded investment banking firm listed on the Toronto Stock Exchange with offices in Toronto, Calgary and Montreal, Canada, in New York, Dallas and Miami, U.S.A., in London, England and in Perth and Sydney, Australia. GMP is a leading independent Canadian investment dealer focused on investment banking and institutional equities sales and trading for corporate clients and institutional investors. As part of our investment banking activities, we are regularly engaged in the valuation of securities in connection with mergers and acquisitions, public offerings and private placements of listed and unlisted securities and regularly engage in market making, underwriting and secondary trading of securities in connection with a variety of transactions. GMP is not in the business of providing auditing services and is not controlled by a financial institution.

The opinions expressed herein are the opinions of GMP, and the form and content hereof has been approved for release by a group of professionals of GMP, each of whom is experienced in merger, acquisition, divestiture, fairness opinion and valuation matters.

Relationships with Interested Parties

We confirm that none of GMP or its affiliates:

1. is an "issuer insider", "associated entity" nor an "affiliated entity" of ARMZ or Uranium One, or any "interested party" as each such term is used in MI 61-101;
2. is acting as a financial advisor to ARMZ or Uranium One in connection with the Proposed Transaction;
3. is a manager or co-manager of any soliciting dealer group formed in connection with the Proposed Transaction nor will we, as a member of any such group, perform services beyond the customary soliciting dealers' functions nor will we receive more than the per share or per shareholder fee payable to other members of the group; or
4. has a financial incentive with respect to the conclusions reached in the Valuation or the outcome of the Proposed Transaction or has a material financial interest in the completion of the Proposed Transaction.

GMP has not provided any financial advisory services to ARMZ or Uranium One, or any of their respective associates or affiliates for which it has received compensation during the 24 month period prior to December 27, 2012. GMP was the lead underwriter of Uranium One's C$260 million offering of convertible debentures which closed in March 2010.

GMP may, however, in the future in the ordinary course of its business, provide financial advisory or investment banking services to ARMZ, Uranium One or any of their respective affiliates. In addition, during the ordinary course of business, GMP may actively trade in the common shares and other securities of Uranium One for its own account and for the accounts of GMP's clients and, accordingly, may at any time hold a long or short position in such

securities. As an investment dealer, GMP conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including those related to any of Uranium One, or the Proposed Transaction.

Scope of Review

In connection with our preparation of the Valuation, we have reviewed and, where we deemed appropriate, relied upon and in some cases carried out, among other things, the following:

i) Uranium One's Annual Information Form for the fiscal year ended December 31, 2011, dated March 30, 2012;

ii) Uranium One's Management Information Circular dated April 3, 2012;

iii) Certain internal financial, operational, corporate, budget and other information concerning Uranium One, including the Company's unaudited internal financial model, that were prepared or provided by the management of Uranium One;

iv) Uranium One's audited consolidated financial statements and Management's Discussion and Analysis for the fiscal years ended December 31, 2011, 2010 and 2009 including the comparative audited financial statements;

v) Uranium One's unaudited interim financial statements and Management's Discussion and Analysis as at and for the periods ended September 30, 2012, June 30, 2012 and March 31, 2012, and the comparative periods ended September 30, 2011, June 30, 2011 and March 31, 2011, respectively;

vi) The National Instrument 43-101 ("NI 43-101") compliant technical report on the Akbastau uranium mine, Kazakhstan prepared for Uranium One by Roscoe Postle Associates Inc. ("RPA"), dated March 1, 2012 and amended May 2, 2012 (the "Akbastau Technical Report");

vii) The NI 43-101 compliant technical report on the Akdala uranium mine, Kazakhstan prepared for Uranium One by RPA, dated February 17, 2012 and amended May 2, 2012 (the "Akdala Technical Report");

viii) The NI 43-101 compliant technical report on the Karatau uranium mine, Kazakhstan prepared for Uranium One by RPA, dated March 1, 2012 and amended May 2, 2012 (the "Karatau Technical Report");

ix) The NI 43-101 compliant technical report on the Kharasan uranium mine, Kazakhstan prepared for Uranium One by RPA, dated February 14, 2012 and amended May 2, 2012 (the "Kharasan Technical Report");

x) The NI 43-101 compliant technical report on the South Inkai uranium mine, Kazakhstan prepared for Uranium One by RPA, dated March 12, 2012 and amended May 2, 2012 (the "South Inkai Technical Report");

xi) The NI 43-101 compliant technical report on the Zarechnoye uranium mine, Kazakhstan prepared for Uranium One by RPA, dated February 27, 2012 and amended May 2, 2012 (the "Zarechnoye Technical Report");

xii) The NI 43-101 compliant technical report dated December 15, 2011 prepared by Mr. Malcolm Titley of CSA Global (UK) Ltd on the September 2011 Resource Update for the Mkuju River Project located in Tanzania, Africa (the "Mkuju River Technical Report");

xiii) Uranium One's press releases, material change reports and material documents filed on SEDAR since January 1, 2011;

xiv) Uranium One's corporate presentation dated August 2012;

xv) Supplemental information supplied by Uranium One, including technical information, due diligence materials and analysis;

xvi) Discussions with RPA, Uranium One and their respective representatives and advisors concerning the assets and operations of Uranium One and the Proposed Transaction;

xvii) Oral representations obtained from senior representatives of Uranium One as to matters of fact considered by GMP to be relevant;

xviii) Certain other material agreements and documents related to the Proposed Transaction;

xix) Select reports published by equity research analysts and industry sources regarding Uranium One, other publicly traded entities and the uranium industry;

xx) Selected public market trading statistics and relevant business and financial information of Uranium One and other comparable publicly traded entities;

xxi) Relevant financial information and selected financial metrics with respect to precedent transactions deemed relevant by GMP;

xxii) Certificates addressed to us, dated as of the date hereof, from two senior officers of the Company as to the completeness and accuracy of the information provided to us by the Company; and

xxiii) Such other corporate, industry and financial market information, investigations and analyses as GMP considered necessary or appropriate in the circumstances.

In addition, we have participated in discussions with members of the Company's senior management team regarding the Company's assets, past and present business operations, and the Company's financial condition and prospects. We have also participated in discussions with the Special Committee and with representatives of Cassels Brock & Blackwell LLP, legal counsel to the Special Committee, regarding the Proposed Transaction, the Valuation and related matters. To the best of our knowledge, GMP has not been denied access by the Company to any information we have requested.

GMP reviewed but did not rely on the July 15, 2010 formal valuation prepared by CIBC World Markets Inc. (the "CIBC Valuation") with respect to Uranium One's acquisition of a 50% interest in the Akbastau uranium mine and a 49.67% interest in the Zarechnoye uranium mine from wholly-owned subsidiaries of ARMZ. GMP has determined, in the exercise of its professional judgement, that the CIBC Valuation is not relevant as it was prepared more than two years ago, pre-dated the events that occurred in Japan in the first half of 2011 and the resulting impacts on the uranium market, and was based on a number of different assumptions including, but not limited to, different price forecasts, production levels and discount rates.

This Valuation has been prepared in accordance with MI 61-101 and the Disclosure Standards for Formal Valuations contained in By-Law 29 of IIROC, but IIROC has not been involved in the preparation or review of the Valuation.

Assumptions and Limitations

General Assumptions

With the approval of the Special Committee and as provided for in the Engagement Letter, GMP has relied upon, and has assumed the completeness, accuracy and fair presentation of all financial and other information, data, advice, opinions and representations obtained by us from public sources, or provided to us by the Company or its affiliates, associates or advisors, or otherwise obtained by us pursuant to our engagement (collectively, the "Information"), and this letter is conditional upon such completeness, accuracy and fair presentation of such Information. Without limiting the generality of the foregoing, our descriptions in this letter of the Company, ARMZ and their respective assets, businesses and operations are derived from the Information that we have obtained from the Company or its affiliates, associates or advisors or from publicly available sources. Subject to the exercise of our professional judgement and except as expressly described herein, we have not been requested to or attempted to verify independently the accuracy, completeness or fairness of the presentation of any such Information, data, advice, opinions and representations. GMP has not met with the independent auditors of the Company in connection with preparing this Valuation and has assumed the accuracy and fair presentation of, and relied upon, the audited consolidated financial statements and the reports of the auditors thereon, as well as the unaudited interim financial statements of the Company.

With respect to the historical financial data, operating and financial forecasts and budgets provided to us concerning Uranium One and its business and relied upon in our financial analyses, we have assumed that they have been reasonably prepared on the bases reflecting the most reasonable assumptions, estimates and judgements of management of the Company in regard to the Company's business, plans, taxation levels, financial condition and prospects of the Company.

We have also assumed that all of the representations and warranties contained in the arrangement agreement to be executed by Uranium One and ARMZ will be correct as of the date thereof and that the Proposed Transaction will be completed substantially in accordance with the terms of such arrangement agreement and all applicable laws and that the Circular will disclose all material facts relating the Proposed Transaction and will satisfy all applicable legal requirements.

The Company has represented to GMP, in a certificate of two senior officers of the Company, dated the date hereof, among other things, that (i) the Information, data and other material (financial or otherwise) provided to us by or on behalf of the Company, including written information and information provided orally in discussions concerning the Company, including the materials referred to above under the heading "Scope of Review" are complete, true and correct as at the date the Information was provided to us and did not contain any untrue statement of a material fact in respect of the Company, its subsidiaries or the Proposed Transaction and did not omit to state a material fact in respect of the Company, its subsidiaries or the Proposed Transaction necessary to make the Information not misleading in light of the circumstances under which the Information was made or provided; and (ii) since the date on which the Information was provided to GMP, except as disclosed in writing to GMP, there has been no material change, financial or otherwise, in the financial condition, assets or liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its subsidiaries and no material change has occurred in the Information or any part thereof which would have or which would reasonably be expected to have a material adverse impact on the conclusions provided in this Valuation.

With respect to the operating and financial forecasts provided to us concerning the Company and relied upon in our analysis, we have assumed, subject to our professional judgement, that they have been prepared on bases reflecting the reasonable assumptions, estimates and judgements of the management of the Company, as the case may be, having regard to the Company's business plans, financial conditions and prospects.

This Valuation is rendered on the basis of securities markets, economic and general business and financial conditions prevailing as at the date hereof and the conditions and prospects, financial and otherwise, of the Company and its respective subsidiaries, as they are reflected in the Information and as they have been represented to GMP in

discussions with the management and employees of the Company and its advisors. In our analysis and in connection with the preparation of this Valuation, GMP has made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of either party involved in the Proposed Transaction.

This Valuation has been provided for the exclusive use of the Special Committee and, other than as permitted by the Engagement Letter or herein, may not be used by any other person or relied upon by any other person other than the Special Committee and the Board of Directors, or used for any other purpose, without the express prior written consent of GMP in each specific instance. This Valuation is not intended to be and does not constitute a recommendation to the Board of Directors as to whether they should approve the Proposed Transaction, nor as a recommendation to any shareholder as to how to vote or act at the Special Meeting or as an opinion concerning the trading price or value of any securities of the Company following the announcement or completion of the Proposed Transaction.

We are not legal, tax or accounting experts and we express no opinion concerning any legal, tax or accounting matters concerning the Proposed Transaction or the sufficiency of this letter for the Company's purposes.

GMP has prepared this Valuation of Uranium One Shares pursuant to MI 61-101 as required in order for the Company to satisfy its obligations under applicable securities laws. GMP believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all the factors and analyses together, could create a misleading view of the process underlying the Valuation. The preparation of a valuation is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to an undue emphasis on any particular factor or analysis.

The Valuation and its conclusions are given as of the date hereof and GMP disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Valuation which may come or be brought to GMP's attention after the date hereof, except as required by us in accordance with MI 61-101. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Valuation after the date hereof, GMP reserves the right to change or modify the Valuation in accordance with the terms of the Engagement Letter.

Resource Assumptions

Included in the free cash flows to the Company are expected yields of mineral resources under the Standards and Guidelines for Valuation of Mineral Properties published by the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") on Valuation of Mineral Properties in February 2003. However, the Company also has a significant proportion of its attributable resource potential which is measured under the Commonwealth of Independent States ("CIS") classification system. These resources, categorized as Prognosticated Resources (P1, P2 and P3), have no equivalent categories in CIM. However, the Company and their advisors believe that these resources have the potential to increase the mine life and resource base significantly, and are in fact included in the current mine plans. We understand that P1 resources are typically included in the mine plans by uranium operators in Kazakhstan, based on their long history of operating in the region, historical rates of conversion into inferred and other resource classifications and the geological nature of the deposits. Drilling has been done at each of the Company's assets in Kazakhstan that make use of the CIS classification system in order to both support the Prognosticated Resource estimates and for the purposes of converting some portion of these P1 resources to CIM category classifications.

We note that the guidelines contained in CIM provide that (i) in the CIM's view, it is not acceptable for a valuator to use, in the income approach (which would include a Discounted Cash Flow analysis), "potential resources", "hypothetical resources" and other such categories of resource estimates that do not conform to CIM categories of mineral reserves and mineral resources, and (ii) inferred resources should only be used in the income approach (A) if mineral reserves are present and are, in general, mined ahead of the inferred mineral resources in the income approach model, and/or (B) if measured and/or indicated resources are used and are, in general, mined ahead of

inferred mineral resources in the income approach model. Although the P1 resources are contained in deposits that have not been sufficiently drilled to produce a mineral resource within a CIM category, the experience of the Company on contiguous properties has been that the P1 resources have been converted into indicated and inferred resources on a consistent basis. Due to the positive history of conversion of P1 resources into the CIM resource categories, comments from the RPA reports regarding conversion of P1 resources, and the positive track record of mining such resources in the region and with certain of the Company's assets in particular, GMP determined, in the exercise of its professional judgement, that it would be appropriate to include a portion of the resources categorized as Prognosticated Resources under the CIS system in our Net Asset Value analysis (represents approximately 11% of attributable Net Asset Value of Uranium One), even though there are no equivalent categories in the CIM classification system.

Accordingly, although P1 resources were included in our Net Asset Value analysis (using a conversion range based on discussions with the Company's management, technical consultants and historical track record), there can be no assurance that the estimated conversion from P1 into C1 or C2 mineable resources will ultimately be achieved. Further, in respect of inferred resources, they are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty any of such resources will ultimately be categorized as reserves. The RPA reports for the Company's operations located in Kazakhstan include only resources recognized in the CIM categories, consistent with the formal requirements for preparation of NI 43-101 compliant reports.

Uranium One Overview

Overview of Uranium One

Uranium One is engaged, through its subsidiaries and joint ventures, in the mining and production of uranium and in the acquisition, exploration and development of uranium properties in Kazakhstan, the United States, Tanzania and Australia. Uranium One's principal projects are its joint ventures in Kazakhstan including the Akdala Mine, the South Inkai Mine, the Karatau Mine, the Akbastau Mine, the Zarechnoye Mine and the Kharasan Mine. The Company also operates the wholly-owned Honeymoon Mine in Australia, the wholly-owned Willow Creek Mine in Wyoming, U.S.A. and the Mkuju River Project (13.9% interest) in Tanzania pursuant to an operating agreement with Mantra (as herein defined) and ARMZ. The Company's other properties include certain early-stage exploration and development projects in the United States and various exploration properties in the United States and Australia.

The mines produce uranium ("U") in the form of uranium oxide concentrate ("U_3O_8"), commonly known as "yellowcake". Uranium One's revenue is principally derived from the sale of U_3O_8 by its joint ventures in Kazakhstan that are in commercial production. Uranium One also acts as a marketing agent for certain of its joint ventures (in which case Uranium One earns a commission on each sale of U_3O_8).

The following are the Company's principal mineral properties and operations:

		Operating Mines		
Entity	**Operation**	**Location**	**Status**	**Ownership**
Betpak Dala LLP	Akdala Uranium Mine	Kazakhstan	Producing	70% J.V. interest
Betpak Dala LLP	South Inkai Uranium Mine	Kazakhstan	Producing	70% J.V. interest
Karatau LLP	Karatau Uranium Mine	Kazakhstan	Producing	50% J.V. interest
JSC Akbastau	Akbastau Uranium Mine	Kazakhstan	Producing	50% J.V. interest
JSC Zarechnoye	Zarechnoye Uranium Mine	Kazakhstan	Producing	49.67% J.V. interest
Kyzylkum LLP	Kharasan Uranium Mine	Kazakhstan	Producing	30% J.V. interest

Uranium One U.S.A., Inc.	Willow Creek Uranium Mine	USA	Producing	100% interest

Development Projects				
Entity	**Operation**	**Location**	**Status**	**Ownership**
Uranium One Australia (Proprietary) Ltd.	Honeymoon Uranium Project	Australia	Commissioning(1)	100% interest
Mantra Resources Pty Ltd.	Mkuju River Project	Tanzania	Feasibility Study	13.9% interest

Notes:

(1) Production has commenced but the project is in the commissioning stage. Commissioning will be completed when a pre-defined operating level, based on the design of the plant, is maintained.

The Company principally sells U_3O_8 produced from its operations into long-term market-related sales contracts with price mechanisms that reference the market price in effect at or near the time of delivery. In addition, the Company has negotiated floor price protection in many of its sales contracts. Customers take delivery of U_3O_8 at conversion facilities and the Company ships the U_3O_8 produced at its mines to converters in time for scheduled deliveries to customers. The largest of Uranium One's customers is ARMZ who has an option to acquire up to 51% of the Company's annual attributable production from certain of its Kazakhstan operations that were acquired from ARMZ.

ARMZ acquired a 51.4% share interest in Uranium One through a series of three transactions.

i. In December 2009, the Company acquired a 50% interest in the Karatau Mine from Effective Energy N.V. ("Effective Energy"), a wholly-owned subsidiary of ARMZ, for 117,000,000 Uranium One Shares and $150 million in cash. In connection with this acquisition, the Company entered into a long-term offtake agreement and a framework agreement with ARMZ, both of which were subsequently amended and restated;

ii. In November 2010, the Company completed a private placement with ARMZ whereby Effective Energy purchased 178,127,165 Uranium One Shares for consideration of $610 million;

iii. In December 2010, the Company acquired from Effective Energy and Uranium Mining Company, both wholly-owned subsidiaries of ARMZ, (i) a 50% share interest in JSC Akbastau that owns and operates the Akbastau Mine, and (ii) a 49.67% interest in JSC Zarechnoye that owns and operates the Zarechnoye Mine, for 178,127,164 Uranium One Shares. In addition to the joint venture interests above, Uranium One also received $51.6 million.

In connection with the aforementioned transactions, the Company and ARMZ have put in place an updated framework agreement dated June 8, 2010 and an updated offtake agreement dated November 12, 2010, commensurate to ARMZ equity interest in Uranium One.

Uranium One's Kazakhstan Operations Overview

Akdala Mine:

Property Description and Location

Akdala is an operating in situ recovery ("ISR") uranium mine located in the Chu-Sarysu basin in the Suzak region, South Kazakhstan province, Kazakhstan, owned indirectly as to 70% by the Company through the Betpak Dala joint venture, a Kazakh registered limited liability partnership ("Betpak Dala"). The other 30% interest is owned by JSC NAC Kazatomprom ("Kazatomprom"), a Kazakh state-owned company engaged in the mining and exporting of uranium in Kazakhstan.

Betpak Dala has the right to carry on exploration, extraction, mining and sales of uranium from the Akdala Mine until March 28, 2026 pursuant to a contract (the "Akdala Contract") dated March 28, 2001 (as amended on May 23, 2002, June 7, 2004, and April 25, 2005 and December 29, 2006), which was originally made between the Ministry of Energy and Mineral Resources of Kazakhstan ("MEMR") and Kazatomprom and subsequently assigned to Betpak Dala.

In 2001, the Government of Kazakhstan granted the Akdala Contract to Kazatomprom. The Akdala Contract was assigned to Betpak Dala in 2004. In November 2005, UrAsia acquired a 70% interest in Betpak Dala, and the Company acquired UrAsia in April 2007. The Akdala Mine commenced production in January 2004.

Mineral Resources and Mineral Reserves

A summary of the Mineral Resource and Mineral Reserve estimate, effective December 31, 2011, is presented below.

Mineral Resources and Mineral Reserves - Akdala Uranium Mine					
	Tonnes (000 t)	**Grade (% U)**	**Contained (t U)**	**Grade (% U_3O_8)**	**Contained (000 lbs U_3O_8)**
Proven	28,600	0.009	2,690	0.011	6,990
Probable	1,300	0.028	360	0.033	940
Proven and Probable	**29,900**	**0.010**	**3,050**	**0.012**	**7,930**
Measured	33,230	0.009	2,982	0.011	7,753
Indicated	628	0.064	399	0.075	1,037
Measured and Indicated	**33,858**	**0.010**	**3,381**	**0.012**	**8,791**
Inferred	9,683	0.062	6,015	0.073	15,639

Source: Akdala Technical Report

Production

Uranium is extracted at the Akdala Mine using the ISR method, and processed using ion exchange technology. During Q3 2012, the average number of production wells in operation was 228.

Pursuant to the Akdala Contract, the permitted production rate at the Akdala Mine is 2,600,000 lbs U_3O_8 (1,000 tpa U). The Akdala Mine produced 2,896,800 lbs U_3O_8 (1,114 t U) during 2011, of which 2,027,800 lbs U_3O_8 (780 t U) was attributable to the Company.

The Akdala Technical Report estimates the Akdala Mine's nominal design capacity to be 2,600,000 lbs U_3O_8 (1,000 tpa U) and its maximum annual production (based on current installations) as 2,600,000 lbs U_3O_8 (1,000 tpa U). Based on the current Mineral Reserve estimate (which does not include any of the other Mineral Resources or the CIS P1 and P2 category resources estimated for this property) and production capacity, the mine life is estimated to be at least 3.5 years.

A summary of the operating statistics over the last four reported quarters is presented below, on a 100% basis.

Operating Statistics the last four quarters - Akdala Uranium Mine					
	Total Wells Completed (Inluding Production Wells)	Average Number of Production Wells in Operation	Average Flow Rate (m^3/hour)	Concentration in Solution (mg U/l)	Production (000 lbs U_3O_8)
Q4 2011	16	253	2,159	72	920.2
Q1 2012	66	250	2,057	59	624.3
Q2 2012	75	239	1,937	62	675.9
Q3 2012	86	228	1,976	64	706.3

Source: MD&A for the quarter ended September 30, 2012

Current Exploration and Development Activities

A total of 86 wells were installed during Q3 2012, compared to the budget of 72. The program for 2012 provided for the installation of 274 wells to achieve the production target for the year.

Acidification of 2 new production blocks was completed and 1 block was placed into production during Q3 2012.

Construction of a satellite plant to facilitate treatment of solutions from production blocks located approximately 15 kilometres to the east of the current central processing facilities in an area known as Letniy commenced in 2011. Construction of the satellite plant is now scheduled for completion in 2013. Production from new well fields in the Letniy area is expected to commence in 2013.

Management Production Estimates

A summary of Management's forecasts of attributable production and cash cost is presented below.

Production Forecasts - Akdala Uranium Mine For the Year Ended December 31,									
		2013E	2014E	2015E	2016E	2017E	2018E	2019E	2020E
Attributable Production	mm lbs	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Cash Costs	$/lb	$14.65	$14.45	$14.23	$14.15	$13.95	$13.77	$13.60	$13.42

Source: Unaudited internal financial model of Uranium One, as amended by GMP

South Inkai Mine:

Property Description and Location

South Inkai is an operating ISR uranium mine located in the Chu-Sarysu basin in the Suzak region, South Kazakhstan province, Kazakhstan, owned indirectly as to 70% by the Company through the Betpak Dala joint venture. The other 30% interest is held by Kazatomprom.

Betpak Dala has the right to explore, develop, extract, mine and export uranium at the South Inkai Mine until July 8, 2029 pursuant to a contract (the "South Inkai Contract") dated July 8, 2005 (as amended on September 15, 2005 and December 19, 2008), which was originally made between the MEMR and Kazatomprom and subsequently assigned to Betpak Dala.

In 2005, the MEMR granted the South Inkai Contract to Kazatomprom. The South Inkai Contract was assigned to Betpak Dala later in 2005. In November 2005, UrAsia acquired a 70% interest in Betpak Dala. Uranium One acquired UrAsia in 2007. The South Inkai Mine commenced pilot production in October 2007, and commercial production started in January 2009.

Mineral Resources and Mineral Reserves

A summary of the Mineral Resource and Mineral Reserve estimate, effective December 31, 2011, is presented below.

Mineral Resources and Mineral Reserves - South Inkai Uranium Mine					
	Tonnes (000 t)	**Grade (% U)**	**Contained (t U)**	**Grade (% U_3O_8)**	**Contained (000 lbs U_3O_8)**
Proven	38,100	0.008	2,970	0.009	7,720
Probable	20,000	0.024	4,780	0.028	12,430
Proven and Probable	**58,100**	**0.013**	**7,750**	**0.016**	**20,150**
Measured	21,933	0.017	3,704	0.020	9,630
Indicated	12,523	0.042	5,313	0.050	13,810
Measured and Indicated	**34,456**	**0.026**	**9,017**	**0.031**	**23,440**
Inferred	42,845	0.040	17,099	0.047	44,450

Source: South Inkai Technical Report

Production

Uranium is extracted at the South Inkai Mine using the ISR method, and processed using ion exchange technology. During Q3 2012, the average number of production wells in operation was 478.

The design capacity of the South Inkai Mine is 5,200,000 lbs U_3O_8 (2,000 tpa U). Production from the South Inkai Mine was 4,025,400 lbs U_3O_8 (1,548 t U) in 2011, of which 2,817,700 U_3O_8 (1,084 t U) was attributable to the Company.

The South Inkai Technical Report estimates the South Inkai Mine's nominal design capacity to be 5,200,000 lbs U_3O_8 (2,000 tpa U) and its maximum annual production (based on current installations) as 5,200,000 lbs U_3O_8 (2,000 tpa U). Based on the current Mineral Reserve estimate (which does not include any of the other Mineral Resources or the CIS P1 and P2 category resources estimated for this property) and production capacity, the mine life is estimated to be 4 years.

A summary of the operating statistics over the last four reported quarters is presented below, on a 100% basis.

Operating Statistics the last four quarters - South Inkai Uranium Mine					
	Total Wells Completed (Inluding Production Wells)	Average Number of Production Wells in Operation	Average Flow Rate (m^3/hour)	Concentration in Solution (mg U/l)	Production (000 lbs U_3O_8)
Q4 2011	114	381	3,505	57	1,194.9
Q1 2012	207	429	3,616	59	1,112.9
Q2 2012	181	458	3,965	59	1,319.6
Q3 2012	146	478	4,106	56	1,290.6

Source: MD&A for the quarter ended September 30, 2012

Current Exploration and Development Activities

A total of 146 wells were installed during Q3 2012, compared to the budget of 159. The program for 2012 provided for the installation of 620 wells to achieve the production target for the year.

Acidification of 3 new production blocks was completed and 2 blocks were placed into production during Q3 2012.

Management Production Estimates

A summary of Management's forecasts of attributable production and cash cost is presented below.

Production Forecasts - South Inkai Uranium Mine For the Year Ended December 31,									
		2013E	2014E	2015E	2016E	2017E	2018E	2019E	2020E
Attributable Production	mm lbs	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6
Cash Costs	$/lb	$18.35	$19.70	$18.61	$18.57	$18.59	$18.59	$18.59	$18.59

Source: Unaudited internal financial model of Uranium One, as amended by GMP

Karatau Mine:

Property Description and Location

Karatau is an operating ISR uranium mine located in the Chu-Sarysu basin in the Suzak region, South Kazakhstan province, Kazakhstan, owned indirectly as to 50% by the Company through the Karatau joint venture. The other 50% interest is held by Kazatomprom.

Karatau has the right to carry on exploration, extraction, mining and sales of uranium from the Karatau Mine until July 8, 2033 pursuant to a contract (the "Karatau Contract") dated July 8, 2005 (as amended on September 15, 2005, December 24, 2008 and April 22, 2011), which was originally made between the MEMR and Kazatomprom and was subsequently assigned to Karatau. The Karatau Mine is operated by Karatau. Commercial production at the Karatau Mine commenced on January 1, 2009.

In July 2005, the MEMR gave Kazatomprom the Karatau Contract for the exploration and mining of uranium at the Budenovskoye No. 2 deposit. The Karatau Contract was assigned to Karatau later in 2005, which at the time was a joint venture between Effective Energy and Kazatomprom. In 2009, Uranium One purchased Effective Energy's 50%

interest in Karatau. Karatau drilled 80 exploration holes and 10 hydrogeological holes in 2006 and 2007. Uranium One has not undertaken any exploration at Karatau.

Mineral Resources and Mineral Reserves

A summary of the Mineral Resource and Mineral Reserve estimate, effective December 31, 2011, is presented below.

Mineral Resources and Mineral Reserves - Karatau Uranium Mine					
	Tonnes (000 t)	**Grade (% U)**	**Contained (t U)**	**Grade (% U_3O_8)**	**Contained (000 lbs U_3O_8)**
Proven	22,000	0.011	2,510	0.013	6,530
Probable	18,700	0.034	6,340	0.040	16,480
Proven and Probable	**40,700**	**0.022**	**8,850**	**0.026**	**23,010**
Measured	10,650	0.044	4,643	0.052	12,100
Indicated	9,342	0.075	7,052	0.089	18,300
Measured and Indicated	**19,992**	**0.058**	**11,695**	**0.069**	**30,400**
Inferred	9,685	0.072	7,006	0.085	18,200

Source: Karatau Technical Report

Production

Uranium is extracted at the Karatau Mine using the ISR method, and processed using ion exchange technology. During Q3 2012, the average number of production wells in operation was 171.

Pursuant to the Karatau Contract, the permitted production rate at the Karatau Mine is 5,200,000 lbs U_3O_8 (2,000 tpa U). Production from the Karatau Mine was 5,563,300 lbs U_3O_8 (2,175 t U) in 2011, of which 2,826,800 lbs U_3O_8 (1,087 t U) was attributable to the Company.

The Karatau Technical Report estimates the Karatau Mine's nominal design capacity to be 5,200,000 lbs U_3O_8 (2,000 tpa U) and its maximum annual production (based on current installations) as 5,200,000 lbs U_3O_8 (2,000 tpa U). Based on the current Mineral Reserve estimate (which does not include any of the other Mineral Resources or the CIS P1 and P2 category resources estimated for this property) and the nominal production capacity, the mine life is estimated to be 4.5 years.

A summary of the operating statistics over the last four reported quarters is presented below, on a 100% basis.

Operating Statistics the last four quarters - Karatau Uranium Mine					
	Total Wells Completed (Inluding Production Wells)	Average Number of Production Wells in Operation	Average Flow Rate (m^3/hour)	Concentration in Solution (mg U/l)	Production (000 lbs U_3O_8)
Q4 2011	89	146	1,848	167	1,866.2
Q1 2012	68	147	1,379	183	1,300.0
Q2 2012	80	152	1,354	162	1,247.4
Q3 2012	95	171	1,299	196	1,444.6

Source: MD&A for the quarter ended September 30, 2012

Current Exploration and Development Activities

A total of 95 wells were installed during Q3 2012, compared to the budget of 85. The program for 2012 provided for the installation of 330 wells to achieve the production target for the year.

Acidification of 2 new production blocks was completed and 2 blocks were placed into production during Q3 2012.

Management Production Estimates

A summary of Management's forecasts of attributable production and cash cost is presented below.

Production Forecasts - Karatau Uranium Mine For the Year Ended December 31,									
		2013E	2014E	2015E	2016E	2017E	2018E	2019E	2020E
Attributable Production	mm lbs	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6
Cash Costs	$/lb	$12.15	$12.00	$11.10	$11.12	$11.14	$11.18	$11.18	$11.18

Source: Unaudited internal financial model of Uranium One, as amended by GMP

Akbastau Mine:

Property Description and Location

Akbastau is an operating ISR uranium mine located in the Chu-Sarysu basin in the Suzak region, South Kazakhstan province, Kazakhstan, owned indirectly as to 50% by the Company through the Akbastau joint venture. The other 50% interest is held by Kazatomprom.

Akbastau has the right to carry on exploration, extraction, mining and sales of uranium from the Akbastau Mine until (i) November 20, 2037 pursuant to a contract (the "Akbastau 1 Contract") dated November 20, 2007 (as amended on January 18, 2008 and December 27, 2011) relating to the No. 1 Site, and (ii) until November 30, 2037 pursuant to a contract (the "Akbastau 3 and 4 Contract") dated November 30, 2007 (as amended on January 18, 2008) relating to the No. 3 and No. 4 Sites, which were originally entered into by the MEMR and Kazatomprom and subsequently assigned to Akbastau.

In 2007 the MEMR granted the Akbastau 1 Contract and the Akbastau 3 and 4 Contracts. Both contracts were assigned to Akbastau in 2008. Following additional exploration, the operation commenced test production at the No. 1 site in 2009. In 2010, Uranium One acquired its indirect 50% interest in Akbastau.

Mineral Resources and Mineral Reserves

A summary of the Mineral Resource and Mineral Reserve estimate, effective December 31, 2011, is presented below.

Mineral Resources and Mineral Reserves - Akbastau Uranium Mine					
	Tonnes (000 t)	Grade (% U)	Contained (t U)	Grade (% U_3O_8)	Contained (000 lbs U_3O_8)
Proven	7,600	0.017	1,320	0.020	3,430
Probable	12,300	0.056	6,840	0.066	17,780
Proven and Probable	**19,900**	**0.041**	**8,160**	**0.048**	**21,210**
Measured	3,494	0.048	1,669	0.056	4,300
Indicated	11,198	0.107	11,929	0.126	31,000
Measured and Indicated	**14,692**	**0.093**	**13,598**	**0.109**	**35,400**
Inferred	31,370	0.098	30,625	0.115	79,600

Source: Akbastau Technical Report

Production

Uranium is extracted at the Akbastau Mine using the ISR method, and processed at the Karatau Mine processing plant using ion exchange technology. During Q3 2012, the average number of production wells in operation was 108.

Akbastau is licensed to mine 4,992,000 lbs U_3O_8 (1,920 tpa U) from the No. 1, No. 3 and No. 4 sites. Akbastau entered into a toll processing agreement with Karatau, under which solutions mined at Akbastau are currently processed at the Karatau Mine processing plant. Production from the Akbastau Mine in 2011 was 2,873,900 lbs U_3O_8 (1,105 t U) of which 1,437,000 lbs U_3O_8 (553 t U) was attributable to the Company.

The Akbastau Technical Report estimates the Akbastau Mine's nominal design capacity to be 2,600,000 lbs U_3O_8 (1,000 tpa U) and its maximum annual production (based on current installations) as 4,160,000 lbs U_3O_8 (1,600 tpa U). Based on the current Mineral Reserve estimate (which does not include any of the other Mineral Resources or the CIS P1 and P2 category resources estimated for this property) and the nominal production capacity, the mine life is estimated to be 5.5 years.

A summary of the operating statistics over the last four reported quarters is presented below, on a 100% basis.

Operating Statistics over the last four quarters - Akbastau Uranium Mine					
	Total Wells Completed (Inluding Production Wells)	Average Number of Production Wells in Operation	Average Flow Rate (m^3/hour)	Concentration in Solution (mg U/l)	Production (000 lbs U_3O_8)
Q4 2011	0	88	616	263	966.7
Q1 2012	81	98	676	246	870.6
Q2 2012	90	98	664	206	779.0
Q3 2012	84	108	645	189	690.8

Source: MD&A for the quarter ended September 30, 2012

Current Exploration and Development Activities

A total of 84 wells were installed during Q3 2012, compared to the budget of 58. The program for 2012 provided for the installation of 285 wells to achieve the production target for the year.

Acidification of 3 new production blocks was completed and 1 block was placed into production during Q3 2012.

Management Production Estimates

A summary of Management's forecasts of attributable production and cash cost is presented below.

Production Forecasts - Akbastau Uranium Mine
For the Year Ended December 31,

		2013E	2014E	2015E	2016E	2017E	2018E	2019E	2020E
Attributable Production	mm lbs	1.9	2.6	3.6	3.9	3.9	3.9	3.9	3.9
Cash Costs	$/lb	$13.02	$11.40	$8.97	$8.31	$8.29	$8.24	$8.24	$8.24

Source: Unaudited internal financial model of Uranium One, as amended by GMP

Zarechnoye Mine:

Property Description and Location

Zarechnoye is an operating ISR uranium mine located in the Syr darya basin in the Otrar district, South Kazakhstan province, Kazakhstan. The Company has a 49.67% indirect interest in the Zarechnoye uranium mine through its 49.67% interest in the Zarechnoye joint venture. Kazatomprom owns a 49.67% share of the Zarechnoye joint venture and the remaining shareholding is held by a Kyrgyz company.

Zarechnoye has the right to carry on exploration, extraction, mining and sales of uranium from the Zarechnoye Mine until (i) September 23, 2024 pursuant to a contract (the "Zarechnoye Main Contract") dated September 23, 2002 (as amended on May 19, 2003, March 1, 2006, July 30, 2008 and July 15, 2009) relating to the Zarechnoye Main deposit, and (ii) until November 20, 2038 pursuant to a contract (the "Zarechnoye South Contract") dated November 20, 2007 (as amended on January 18, 2008, February 27, 2009 and March 2, 2011) relating to the Zarechnoye South deposit, which were originally entered into by the MEMR and Kazatomprom and subsequently assigned to Zarechnoye.

Subsoil use contracts were granted to Kazatomprom in 2002 (for Zarechnoye Main) and 2007 (for Zarechnoye South), and were assigned to Zarechnoye in 2003 and 2008, respectively. A processing plant was constructed and pilot production at Zarechnoye Main began in 2009. Uranium One acquired its indirect 49.67% interest in Zarechnoye in 2010.

Mineral Resources and Mineral Reserves

A summary of the Mineral Resource and Mineral Reserve estimate, effective December 31, 2011, is presented below.

Mineral Resources and Mineral Reserves - Zarechnoye Uranium Mine					
	Tonnes (000 t)	Grade (% U)	Contained (t U)	Grade (% U_3O_8)	Contained (000 lbs U_3O_8)
Proven	22,900	0.005	1,160	0.006	3,000
Probable	29,500	0.023	6,690	0.027	17,400
Proven and Probable	**52,400**	**0.015**	**7,850**	**0.018**	**20,400**
Measured	7,600	0.027	2,000	0.032	5,200
Indicated	18,300	0.054	9,900	0.064	25,700
Measured and Indicated	**25,900**	**0.046**	**11,900**	**0.054**	**30,900**
Inferred	11,600	0.047	5,500	0.055	14,300

Source: Zarechnoye Technical Report

Production

Uranium is extracted at the Zarechnoye Mine using the ISR method, and processed using ion exchange technology. During Q3 2012, the average number of production wells in operation was 190.

The permitted design capacity of the Zarechnoye Mine is 2,600,000 lbs U_3O_8 (1,000 tpa U), the design capacity is 5,200,000 lbs U_3O_8 (2,000 tpa U), and the current installed capacity is 2,600,000 lbs U_3O_8 (1,000 tpa U). Production from the Zarechnoye Mine was 1,908,200 lbs U_3O_8 (734 t U) for 2011, of which 947,900 lbs U_3O_8 (365 t U) was attributable to the Company.

The Zarechnoye Technical Report, based on the current Mineral Reserve estimate, estimates that the Zarechnoye Mine has a nominal design capacity of 2,600,000 lbs U_3O_8 (1,000 tpa U), and that the maximum annual production consistent with the estimated Mineral Reserves is 2,496,000 lbs U_3O_8 (960 tpa U). This production target will require some expansion of the process plant to handle higher solution flow rates. The Mineral Reserves as identified are not sufficient to support the higher production rate contemplated in the Zarechnoye Main Contract and the Zarechnoye South Contract, and the development of additional Mineral Resources will be required to support production rate increases.

Based on the current Mineral Reserve estimate (which does not include any of the other Mineral Resources or the CIS P1 and P2 category resources estimated for this property) and the nominal production rate, the mine life is estimated to be 8.6 years.

A summary of the operating statistics over the last four reported quarters is presented below, on a 100% basis.

Operating Statistics the last four quarters - Zarechnoye Uranium Mine					
	Total Wells Completed (Inluding Production Wells)	Average Number of Production Wells in Operation	Average Flow Rate (m^3/hour)	Concentration in Solution (mg U/l)	Production (000 lbs U_3O_8)
Q4 2011	127	173	2,636	35	521.8
Q1 2012	112	167	2,552	43	546.0
Q2 2012	130	175	2,747	40	589.7
Q3 2012	145	190	2,732	42	628.7

Source: MD&A for the quarter ended September 30, 2012

Current Exploration and Development Activities

A total of 145 wells were installed during Q3 2012, compared to the budget of 120. The program for 2012 provided for the installation of 489 wells to achieve the production target for the year.

Acidification of 6 new production blocks was completed and 2 blocks were placed into production during Q3 2012.

The Company determined that it would not be economical to mine the South Zarechnoye deposit due to the decrease in uranium prices since the Fukushima incident, together with a decrease in the South Zarechnoye resource base resulting from recent exploration results and the completion of an economic assessment. The South Zarechnoye deposit is adjacent to the Zarechnoye deposit which the Company is currently mining.

Management Production Estimates

A summary of Management's forecasts of attributable production and cash cost is presented below.

Production Forecasts - Zarechnoye Uranium Mine For the Year Ended December 31,									
		2013E	2014E	2015E	2016E	2017E	2018E	2019E	2020E
Attributable Production	mm lbs	1.3	1.3	1.3	1.3	1.3	1.3	1.3	0.8
Cash Costs	$/lb	$25.10	$27.14	$26.25	$25.96	$25.32	$24.57	$23.77	$23.48

Source: Unaudited internal financial model of Uranium One, as amended by GMP

Kharasan Mine:

Property Description and Location

Kharasan is an operating ISR uranium mine located in the Syr darya basin in the Suzak region, South Kazakhstan province, Kazakhstan. The Company has an indirect 30% interest in the Kharasan Uranium Mine through its 30% interest in the Kyzylkum joint venture ("Kyzylkum"), a Kazakh registered limited liability partnership. Kazatomprom has a 30% interest in Kyzylkum and Energy Asia (BVI) Ltd., which is owned by a consortium of Japanese utilities and a trading company, has the remaining 40% interest in Kyzylkum.

Kyzylkum has the right to carry out exploration, development, extraction, mining and sales of uranium from the Kharasan Mine until July 7, 2054 pursuant to a contract (the "Kharasan Contract") dated July 8, 2005 (as amended on September 15, 2005, December 29, 2006, December 26, 2007, December 29, 2008, January 2009 and

November 11, 2010) which was originally entered into by the MEMR and Kazatomprom and which was subsequently assigned to Kyzylkum.

In 2005, the Government of Kazakhstan, through Kazatomprom, established a joint venture to further explore and develop the North Kharasan uranium deposit. This became Kyzylkum. In November 2005, UrAsia acquired a 30% interest in Kyzylkum, and the Company acquired UrAsia in April 2007.

Mineral Resources and Mineral Reserves

A summary of the Mineral Resource and Mineral Reserve estimate, effective December 31, 2011, is presented below.

Mineral Resources and Mineral Reserves - Kharasan Uranium Mine					
	Tonnes (000 t)	**Grade (% U)**	**Contained (t U)**	**Grade (% U_3O_8)**	**Contained (000 lbs U_3O_8)**
Proven	7,300	0.013	940	0.015	2,440
Probable	21,600	0.035	7,480	0.041	19,450
Proven and Probable	**28,900**	**0.029**	**8,420**	**0.034**	**21,890**
Measured	2,000	0.164	3,300	0.193	8,600
Indicated	10,800	0.077	8,300	0.091	21,700
Measured and Indicated	**12,800**	**0.091**	**11,600**	**0.107**	**30,300**
Inferred	17,600	0.102	17,940	0.120	46,700

Source: Kharasan Technical Report

Production

Uranium is extracted at the Kharasan Mine using the ISR method, and processed using ion exchange technology. During Q3 2012, the average number of production wells in operation was 168.

The permitted capacity of the Kharasan Mine is 7,800,000 lbs U_3O_8 (3,000 tpa U), the design capacity is 5,200,000 lbs U_3O_8 (2,000 tpa U), and the current installed capacity is 2,600,000 lbs U_3O_8 (1,000 tpa U). Production in commissioning from the Kharasan Mine was 1,109,400 lbs U_3O_8 (427 t U) during 2011, of which 332,800 lbs U_3O_8 (128 t U) was attributable to the Company.

The Kharasan Technical Report, based on the current Mineral Reserve estimate, estimates that the Kharasan Mine has a nominal design capacity of 2,184,000 lbs U_3O_8 (840 tpa U), and that the maximum annual production consistent with the estimated Mineral Reserves is 3,640,000 lbs U_3O_8 (1,400 tpa U). This production target will require some expansion of the process plant to handle higher solution flow rates. The Mineral Reserves as identified are not sufficient to support the higher production rate contemplated in the Kharasan Contract, and the development of additional Mineral Resources will be required to support production rate increases.

Based on the current Mineral Reserve estimate (which does not include any of the other Mineral Resources or the CIS P1 and P2 category resources estimated for this property), and assuming the production rate of 1,400 tpa U, the mine life is estimated to be 8.3 years.

A summary of the operating statistics over the last four reported quarters is presented below, on a 100% basis.

Operating Statistics the last four quarters - Kharasan Uranium Mine					
	Total Wells Completed (Inluding Production Wells)	Average Number of Production Wells in Operation	Average Flow Rate (m^3/hour)	Concentration in Solution (mg U/l)	Production (000 lbs U_3O_8)
Q4 2011	66	105	663	79	308.7
Q1 2012	0	127	855	73	319.3
Q2 2012	0	150	966	70	378.3
Q3 2012	40	168	1,102	63	390.3

Source: MD&A for the quarter ended September 30, 2012

Current Exploration and Development Activities

A total of 40 wells were installed during Q3 2012, compared to the budget of 36. The program for 2012 provided for the installation of 170 wells to achieve the production target for the year.

Acidification of 1 new production block was completed during Q3 2012 and was placed into production.

The Company is preparing for the submission of the industrial production license application at the end of the year, and expect to receive approval by the end of 2013.

Management Production Estimates

A summary of Management's forecasts of attributable production and cash cost is presented below.

Production Forecasts - Kharasan Uranium Mine For the Year Ended December 31,									
		2013E	2014E	2015E	2016E	2017E	2018E	2019E	2020E
Attributable Production	mm lbs	0.5	0.7	0.9	1.1	1.4	1.7	1.9	2.0
Cash Costs	$/lb	$25.24	$24.86	$23.11	$22.19	$21.46	$21.59	$21.30	$21.08

Source: Unaudited internal financial model of Uranium One, as amended by GMP

Uranium One's United States Operations Overview

Willow Creek Mine:

Property Description and Location

Willow Creek is an ISR uranium mine located in Johnson and Campbell Counties in the Powder River Basin of Wyoming, U.S.A. The mine includes the licensed and permitted Irigaray ISR central processing plant, the Christensen Ranch satellite ISR facility and associated uranium ore bodies, collectively referred to as the Willow Creek Mine.

Mineral Resources and Mineral Reserves

A summary of the Mineral Resource and Mineral Reserve estimate, effective December 31, 2011, is presented below.

Mineral Resources and Mineral Reserves - Willow Creek Uranium Mine					
	Tonnes (000 t)	Grade (% U)	Contained (t U)	Grade (% U_3O_8)	Contained (000 lbs U_3O_8)
Proven	0	0.000	0	0.000	0
Probable	6,494	0.050	3,231	0.059	8,399
Proven and Probable	**6,494**	**0.050**	**3,231**	**0.059**	**8,399**
Measured	0	0.000	0	0.000	0
Indicated	9,607	0.075	7,233	0.089	18,804
Measured and Indicated	**9,607**	**0.075**	**7,233**	**0.089**	**18,804**
Inferred	94	0.058	54	0.068	141

Source: Annual Information Form for the fiscal year ended December 31, 2011

Production

The United States Nuclear Regulatory Commission license for the Irigaray central processing plant allows for a maximum of 2,500,000 lbs U_3O_8 (962 t U) production per year. The Irigaray central processing plant currently has the capacity to produce approximately 1,300,000 lbs U_3O_8 (500 t U) per year. The Company intends to expand the processing capacity at Irigaray in line with the facility's Nuclear Regulatory Commission license to approximately 2,500,000 lbs U_3O_8 per year by incorporating a vacuum dryer purchased for use at the Company's Moore Ranch project.

Approval to begin operations was given by the United States Nuclear Regulatory Commission and commissioning commenced in December 2010 with operation of the initial well field at Christensen Ranch. Production in commissioning from the Willow Creek Project was 214,800 lbs U_3O_8 (80 t U) during 2011.

The Willow Creek Mine has been successfully commissioned and commercial operations commenced on May 1, 2012.

A summary of the operating statistics over the last four reported quarters is presented below, on a 100% basis.

Operating Statistics the last four quarters - Willow Creek Uranium Mine					
	Total Wells Completed (Inluding Production Wells)	Average Number of Production Wells in Operation	Average Flow Rate (m^3/hour)	Concentration in Solution (mg U/l)	Production (000 lbs U_3O_8)
Q4 2011	84	136	553	32	98.0
Q1 2012	230	150	614	30	102.3
Q2 2012	419	257	856	29	133.9
Q3 2012	186	350	1,006	33	186.4

Source: MD&A for the quarter ended September 30, 2012

Current Exploration and Development Activities

A total of 186 wells were installed during Q3 2012, compared to the budget of 182. The program for 2012 provides for the installation of 599 wells to achieve the production target for the year, with an additional 438 wells planned for installation in new mine areas that will be placed into production in 2013.

Well installation and surface construction at a new mining area, commenced in Q4 2011. The first six sections of the new area are now in operation, with the last two sections to be placed in production by the end of 2012. Monitor well installation in another mine area, commenced in Q2 2012 and was completed in Q3 2012.

Management Production Estimates

A summary of Management's forecasts of attributable production and cash cost is presented below.

Production Forecasts - Willow Creek Uranium Mine
For the Year Ended December 31,

		2013E	2014E	2015E	2016E	2017E	2018E	2019E	2020E
Attributable Production	mm lbs	1.0	0.9	0.9	1.2	1.5	2.0	2.0	2.0
Cash Costs	$/lb	$29.71	$32.92	$33.54	$33.41	$33.40	$33.18	$32.95	$32.95

Source: Unaudited internal financial model of Uranium One, as amended by GMP

United States Exploration Properties:

The Company has a number of development projects in the Great Divide Basin in Wyoming, including the JAB and Antelope projects. The Company is reviewing the development and permitting schedule for these projects. No development and permitting activities are expected to be conducted in the near term.

The Company has a number of exploration properties located in Arizona, Colorado and Utah. The Company did not intend to incur any material expenditure on these properties during 2012.

Uranium One's Australia Operations Overview

Honeymoon Uranium Project

Property Description and Location

The Honeymoon Uranium Project is an ISR uranium development project located in South Australia, approximately 75 kilometres northwest of the city of Broken Hill, New South Wales. The Company owns 100% of the Honeymoon Uranium Joint Venture from September 28, 2012, after Mitsui's withdrawal. The Honeymoon Uranium Join Venture owns the Honeymoon Uranium Project.

Uranium One Australia holds a mining lease issued by the Minister of Minerals and Energy of South Australia on February 20, 2002, which entitles it to mine uranium from the 1,000 ha area comprising the Honeymoon Project until February 7, 2023, and to sell the uranium recovered.

Mineral Resources and Mineral Reserves

A summary of the Mineral Resource and Mineral Reserve estimate, effective December 31, 2011, is presented below.

Mineral Resources and Mineral Reserves - Honeymoon Uranium Project					
	Tonnes (000 t)	Grade (% U)	Contained (t U)	Grade (% U_3O_8)	Contained (000 lbs U_3O_8)
Proven	0	0.000	0	0.000	0
Probable	3,640	0.068	2,446	0.080	6,360
Proven and Probable	**3,640**	**0.068**	**2,446**	**0.080**	**6,360**
Measured	0	0.000	0	0.000	0
Indicated	4,192	0.109	4,571	0.129	11,884
Measured and Indicated	**4,192**	**0.109**	**4,571**	**0.129**	**11,884**
Inferred	0	0.000	0	0.000	0

Source: Annual Information Form for the fiscal year ended December 31, 2011

Production

The project has a design capacity of 880,000 lbs U_3O_8 per year (338.5 tpa U), with an expected mine life (including production ramp-up) of eight years. Planned technical processes for uranium extraction have been confirmed through the operation of a demonstration plant and a field leach trial over an 18 month period. Approximately 30 production wells will be required to be in operation at any one time in order to meet the process plant design feed requirements.

Production in commissioning from the Honeymoon Project was 100,000 lbs U_3O_8 (38 t U) during 2011, of which 51,000 lbs U_3O_8 (20 t U) is attributable to the Company. The first shipment of uranium concentrates from the Honeymoon Project to the United States occurred in February 2012.

A summary of the operating statistics over the last four reported quarters is presented below, on a 100% basis.

Operating Statistics the last four quarters - Honeymoon Uranium Project					
	Total Wells Completed (Inluding Production Wells)	Average Number of Production Wells in Operation	Average Flow Rate (m^3/hour)	Concentration in Solution (mg U/l)	Production (000 lbs U_3O_8)
Q4 2011	0	22	300	70	55.5
Q1 2012	13	30	487	56	95.1
Q2 2012	28	32	670	50	137.3
Q3 2012	7	33	670	51	11.2

Source: MD&A for the quarter ended September 30, 2012

Current Exploration and Development Activities

A total of 7 wells were installed during Q3 2012, in line with the budget. The program for 2012 provides for the installation of 96 wells and associated surface facilities to achieve the production target for the year.

During July 2012, operations were suspended due to a fume and dust leak at the drying plant. Following an investigation into the cause conditional regulatory approval to recommence operations at the drying plant was received during September. The Company is awaiting regulatory approval to restart certain third party weighing and sampling services.

Management Production Estimates

A summary of Management's forecasts of attributable production and cash cost is presented below.

Production Forecasts - Honeymoon Uranium Project For the Year Ended December 31,									
		2013E	**2014E**	**2015E**	**2016E**	**2017E**	**2018E**	**2019E**	**2020E**
Attributable Production	mm lbs	0.8	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Cash Costs	$/lb	$36.98	$37.37	$37.58	$37.66	$41.52	$44.09	$43.20	$43.35

Source: Unaudited internal financial model of Uranium One, as amended by GMP

Uranium One's Tanzania Operations Overview

Mkuju River Project

Property Description and Location

On December 15, 2010, Uranium One entered into a put and call option agreement with ARMZ, which was subsequently amended and restated on March 21, 2011 (the "Put/Call Agreement") pursuant to which Uranium One has the right to acquire from ARMZ all of the outstanding shares of Mantra Resources Limited ("Mantra") at any time up to June 7, 2012 (subject to extension), for consideration equal to approximately $1.044 billion (being the aggregate purchase price paid by ARMZ for the Mantra shares and the outstanding stock options of Mantra) plus the additional expenditures contributed by ARMZ to Mantra or its properties, the reasonable expenses incurred by ARMZ in connection with the acquisition of Mantra, and interest thereon at the rate of 2.65% per annum. Uranium One may, in its sole discretion, pay the exercise price by issuing common shares in the capital of Uranium One, common shares together with a security convertible or exercisable into common shares of Uranium One, and/or cash. ARMZ also has the right to require Uranium One to acquire all of the Mantra shares on the same terms, exercisable only at the end of the option period.

On January 16, 2012, the Company elected to partially exercise the option provided under the Put/Call Agreement and pay $150 million to ARMZ in order to extend the option term to June 7, 2013 and to acquire 19,136,864 Mantra shares (representing approximately 13.9% of the outstanding shares of Mantra), which acquisition was completed on March 15, 2012 following receipt of the necessary regulatory approvals. The option to acquire the remaining interest in Mantra is subject to Uranium One minority shareholder approval. If the remainder of the option is not exercised and expires, the amended and restated Put/Call Agreement also provides: (i) each party with a right of first refusal to purchase the other party's shares in Mantra if the other party offers them for sale to a third party, and (ii) if a party chooses not to exercise its right of first refusal, a "tag-along" right to require the selling party to cause the third party to purchase the first party's shares in Mantra.

Mantra's core asset is the Mkuju River Project, a uranium property located in southern Tanzania, about 470 km southwest of Dar es Salaam. The project comprises 26 contiguous tenements covering an area of over 3,250 km2. Included within these licenses is the Nyota Prospect which falls on Prospecting Licence No. PL 4700/2007. The prospecting licence was granted by the Ministry of Energy and Minerals to Mantra's wholly-owned subsidiary Mantra Tanzania Limited ("Mantra Tanzania") on September 18, 2007 and tenement PL 4700/2007 is currently the object of an application for a special mining licence (Application Number HQ-P21436).

Mineral Resources and Mineral Reserves

A summary of the Mineral Resource and Mineral Reserve estimate, effective December 31, 2011, is presented below.

Mineral Resources and Mineral Reserves - Mkuju River Project					
	Tonnes (000 t)	**Grade (% U)**	**Contained (t U)**	**Grade (% U_3O_8)**	**Contained (000 lbs U_3O_8)**
Proven	0	0.000	0	0.000	0
Probable	0	0.000	0	0.000	0
Proven and Probable	**0**	**0.000**	**0**	**0.000**	**0**
Measured	80,300	0.026	21,270	0.031	55,298
Indicated	59,300	0.025	14,617	0.029	38,001
Measured and Indicated	**139,600**	**0.025**	**35,888**	**0.030**	**93,300**
Inferred	42,500	0.024	10,041	0.028	26,104

Source: Mkuju River Technical Report

Operating Agreement

Uranium One is the operator of the Mkuju River Project pursuant to an operating agreement dated June 6, 2011 among Uranium One, ARMZ, Mantra and Mantra Tanzania (the "Operating Agreement"). As operator, Uranium One must report to a steering committee comprising representatives of ARMZ, Uranium One and Mantra, and chaired by a representative of Uranium One. In acting as operator, Uranium One is expected to adhere to the plans set out in an updated feasibility study being prepared for the Mkuju River Project as well as the work plans authorized by the steering committee. Certain matters, such as material changes to work plans, require prior approval by the steering committee.

Loan Agreement

Pursuant to a loan agreement dated June 6, 2011 among Uranium One, Mantra Tanzania and ARMZ (the "Loan Agreement"), Uranium One agreed to provide to Mantra Tanzania a committed non-revolving term loan facility in the aggregate maximum principal amount of (i) $150 million prior to the date the Mkuju River Project receives its special mining licence and (ii) a further $400 million on and after the special mining licence is received. Loans made under the facility will bear interest at a rate equal to 7.74% per annum and will be due on the earlier of the date on which (i) the options granted under the Put/Call Agreement are exercised so that all of the shares of Mantra have been transferred to Uranium One, or (ii) the Put/Call Agreement is terminated. The Loan Agreement prohibits Mantra and its subsidiaries from taking various actions without Uranium One's prior consent, including such actions as incurring additional debts, providing financial assistance, charging or encumbering their assets, undergoing mergers, making changes to the business, making acquisitions, making distributions, and allowing changes of control. Loans made under the Loan Agreement are not secured. ARMZ has guaranteed the payment of Mantra Tanzania's obligations under the Loan Agreement in the event and to the extent that such obligations are not paid when due, but only if the Put/Call Agreement has been terminated without the options thereunder having been exercised in full.

Current Exploration and Development Activities

Current activity at the Project is focused on licensing and permitting. At its 36th Session in St. Petersburg from June 24 – July 6, 2012, the UNESCO World Heritage Committee approved an application by the Tanzanian Government for a minor adjustment to the boundary of the Selous Game Reserve World Heritage Site, removing the Mkuju River

Project and a surrounding buffer zone from the area comprising the World Heritage Site. More recently, on October 15, 2012, the Tanzanian Ministry of the Environment issued an environmental impact assessment certificate to Mantra Tanzania in respect of the Mkuju River Project. Issuance of the certificate completes Mantra's application for a Special Mining License for the Project and represents a significant permitting milestone.

In the meantime, additional exploration work on the Project is being conducted in the area of the expected Special Mining License. Drilling was focused on brownfield exploration and resource upgrade drilling to enable conversion of inferred material within the pit designs to an indicated classification. A definitive feasibility study relating to the Project is being prepared by Uranium One and is now expected to be finalized in Q1 2013.

Valuation

Definition of Fair Market Value

For purposes of the Valuation and in accordance with MI 61-101, fair market value ("Fair Market Value") means the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm's length with the other and each under no compulsion to act. GMP has not made any downward adjustment to the value of Uranium One Shares to reflect the liquidity of Uranium One's Shares, the effect of a transaction on the Uranium One shares, or whether or not the Uranium One Shares form part of a controlling interest. Consequently, the Valuation provides a conclusion on a per Uranium One Share basis with respect to Uranium One's "en bloc" value, being the price at which all the Uranium One Shares could be sold to one or more buyers at the same time.

Approach to Valuation

The Valuation has been prepared based on techniques that GMP considers appropriate in the circumstances, after considering all relevant facts and taking into account GMP's assumptions, in order to arrive at the Fair Market Value of Uranium One Shares.

GMP considered three principal methodologies in our approach to the Valuation:

i. Net Asset Value ("NAV") analysis;

ii. Comparable companies with control premium analysis; and

iii. Precedent transactions analysis.

Net Asset Value Analysis

The NAV approach builds up a value by separately considering each operating, development, exploration and financial asset, the individual values of which are estimated through the application of the methodology viewed as the most appropriate in the circumstances, net of obligations and liabilities, including reclamation and closure costs, associated with each individual asset. Under the NAV approach, the value of each operating, development and exploration asset is summed to produce a total asset value from which is added and/or subtracted the Company's financial assets and liabilities, as well as an estimate of the present value of corporate general and administrative costs that were not directly assignable to the operating assets.

To value the mining operations of the Company, GMP has relied primarily on a discounted cash flow ("DCF") analysis whereby GMP has calculated the present value of the unlevered, after-tax, cash flows on a constant dollar basis over the remaining life of each mine utilizing a prescribed discount rate. Unlevered after-tax operating cash flows have been reduced on an annual basis by the estimated amount of capital expenditures needed to develop and then maintain each mine in good working condition during the period of the projected cash flows and the anticipated working capital requirements to arrive at a measure of free cash flow. All forecasts of free cash flow were based on operating estimates provided by the Company and GMP's assessment thereof, in the exercise of its professional judgment, over the permitted life of the mine. Uranium price forecasts were considered under two scenarios and were derived from research analyst consensus estimates and the price at which buyers and sellers of uranium currently contract for future delivery.

GMP has relied on management projections as a basis for the development of the projected cash flows of the Company's properties. The information supplied as part of the management projections included production and volumes of recoverable materials, fixed and variable costs, taxes, royalties, maintenance capital and anticipated maintenance and development capital expenditures, among other operational and financial information.

Industry practice and the practice amongst the equity research community in general is to estimate NAV at standardized discount rates and use multiples to those estimates of NAV to determine an appropriate market value for a company's equity. The multiple to NAV, in this instance, is the factor used to reflect the relative risk and quality of a company within a market segment. GMP has utilized this approach in the application of the Comparable Company with Control Premium approach. In addition, GMP, in its professional judgement, has relied upon for purposes of this Valuation, an estimate of the NAV of Uranium One using a risk adjusted discount rate, estimated using the Company's weighted average cost of capital, as a measure of "en bloc" value of the Company. This "risk-adjusted" NAV represents the fundamental value of the Company as a whole, based on the expected cash flow generation of the Company's assets and taking into account a measure of the risks associated with such cash flows.

GMP has considered a variety of valuation techniques and, in its professional judgement, believes the NAV approach is the most appropriate methodology for estimating the "en bloc" value of Uranium One Shares. Further, the NAV approach is less biased with respect to a transaction's timing within the context of a commodity pricing cycle due to its reliance principally on long term commodity price forecasts and explicitly addresses the unique characteristics of Uranium One's assets from a long term operating, production and exploration perspective. By incorporating the DCF analysis into the NAV approach, GMP is able to incorporate in its estimates the relative timing and uncertainty of cash flows in order to properly reflect the growth prospects and risks inherent in the Company's operations.

Comparable Company Analysis with Control Premium Approach

In the Comparable Company approach, various financial metrics at which similar, publicly listed, primarily uranium companies trade are reviewed and employed to estimate appropriate multiples of similar metrics for the Company. Asset location, production method and scale, stage of project development, operating costs and profitability, and expected mine life are all key considerations for assessing comparability. The following financial metrics which are discussed later in this report were analyzed and considered in the approach to valuation of the Uranium One Shares: share price as a multiple of NAV per share ("Price/NAV") and share price as a multiple of operating cash flow per share ("Price/Cash Flow").

GMP has considered the multiple to NAV to be the most applicable trading metric to measure the value of Uranium One for the following reasons:

i. Mine Life of the Company's Assets: The Company's average mine life is 16 years, which differs in some regard from those of the peers and is not captured in multiples against near term measures of profitability

ii. Anticipated Production Growth: The Company expects to grow its production from the current rate through both organic growth of existing operations and the development of its currently non-producing properties. Multiples such as Price/NAV incorporate the value of organic production growth without requiring all comparable companies to be at the same stage in their development cycles.

GMP has considered the multiple to cash flow to be a relevant metric in the derivation of value for Uranium One Shares as this metric is commonly employed by market participants. In addition, the community of equity research analysts currently publishing research on Uranium One utilize Price/NAV multiples and Price/Cash Flow multiples as their principal methodologies to arrive at their respective value targets for Uranium One Shares.

In order to apply the control premium to Uranium One Shares, GMP has reviewed change of control premia paid in comparable transactions deemed appropriate, in the exercise of GMP's professional judgement. The application of a change of control premium considers value in the context of the purchase or sale of a comparable company to estimate the "en bloc" value of a particular company. Based on our analysis, GMP believes 30% represents an appropriate premium for a change of control transaction and has applied a 30% premium to the value ranges determined using the comparable company approach.

Precedent Transaction Analysis

The Precedent Transactions approach considers transaction valuations in the context of the purchase or sale of a comparable company or asset. The prices paid for uranium producing companies and assets and their implied multiples provide a general measure of relative value. Factors such as stage of development, asset size, location and grade, operating cost, mining technique, as well as the spot price of uranium at the time of the transaction are all factors that should be considered in assessing comparability. As precedent transactions represent a change of control, the implied transaction multiples can be used to measure "en bloc" value. GMP considered the multiple of Price/NAV to be the most applicable precedent transaction metric to measure the value of the Uranium One Shares.

GMP has analyzed several precedent corporate and asset transactions in the Uranium sector, and notwithstanding the above, placed no reliance on the Precedent Transaction approach for purposes of determining a fair market value for Uranium One Shares. The Precedent Transactions identified by GMP were generally completed in significantly different uranium pricing environments and under significantly different uranium market conditions. In addition, there have been a very limited number of corporate transactions involving producing uranium mines, none of which have been completed in the context of the currently prevailing uranium market.

Application of Valuation Methodologies

NAV Analysis

To determine the value of Uranium One's assets, GMP has relied on the Information provided by management, including the Company's internal unaudited financial model which forms the basis for the Company's internal budget and incorporates management's views on the prospects for the Company and their assessment of the Company's ability to further optimize its operations. As part of our review of the information provided, we interviewed management and RPA, the authors of the Company's NI 43-101 technical reports with respect to the Company's properties located in Kazakhstan, to discuss the budgeting process and the key assumptions underlying management's forecasts. In certain circumstances, after discussion with management, GMP made adjustments to the forecasts provided to reflect management's views on the long-term prospects for certain of the Company's assets.

Commodity Price Assumptions

Forecasted commodity price assumptions are critical determinants of the outcome of the NAV approach. Future commodity prices are difficult to predict accurately and uranium price is one of the key factors in estimating NAV. GMP considered two primary pricing scenarios for the purposes of calculating the DCF values of the Company's mining operations. The first scenario relied upon the mean of research analyst uranium price forecasts ("Analyst Pricing"), the second scenario relied upon industry publications of average contracted long term forward uranium prices between industry participants ("Contract Pricing"). The Analyst Pricing scenario used the mean of the select published uranium prices listed below and the Contract Pricing is a constant $60 per pound of U_3O_8 which is the average long term contract price published by Ux Consulting and TradeTech, LLC.

The following table summarizes the commodity price assumptions under the Analyst Pricing scenario:

U_3O_8 Prices under Analyst Pricing Scenario ($/lb U_3O_8)							
	For the Year Ended December 31,						
Broker	**2013E**	**2014E**	**2015E**	**2016E**	**2017E**	**2018E**	**LT**
BMO	$54.38	$70.00	$70.00	$70.00	$70.00	$70.00	$70.00
Canaccord	$50.00	$55.00	$60.00	$65.00	$70.00	$70.00	$70.00
CIBC	$55.00	$60.00	$75.00	$70.00	$70.00	$70.00	$70.00
Credit Suisse	$56.00	$65.00	$70.00	$65.00	$65.00	$65.00	$65.00
Desjardins	$60.00	n/a	n/a	n/a	n/a	n/a	n/a
Deutsche	$65.00	$70.00	$67.50	$65.00	$62.50	$61.25	$60.00
Dundee	$54.00	$67.00	$65.00	$65.00	$65.00	$65.00	$65.00
Haywood	$70.00	$80.00	$75.00	$75.00	$75.00	$75.00	$75.00
JPMorgan	$46.00	$60.00	$90.00	$70.00	$65.00	$60.00	$60.00
Macquarie	$50.00	$60.00	$65.00	$69.00	$70.00	$50.00	$50.00
Morgan Stanley	$51.80	$57.90	$61.50	$69.50	$69.50	$69.50	$69.50
Numis	$45.00	n/a	n/a	n/a	n/a	n/a	$60.00
Raymond James	$58.00	$72.50	$75.00	$70.00	$70.00	$70.00	$70.00
RBC	$48.75	$65.00	$75.00	$75.00	$80.00	$80.00	$60.00
RBS	$55.00	$55.00	$58.00	$65.00	$65.00	$65.00	$65.00
Salman	$63.25	$82.41	$70.76	$63.73	$59.78	$59.78	$59.78
TD	$50.00	$60.00	$65.00	$70.00	$70.00	$70.00	$70.00
Mean	**$54.83**	**$65.32**	**$69.52**	**$68.48**	**$68.45**	**$66.70**	**$64.96**
Median	**$54.38**	**$65.00**	**$70.00**	**$69.50**	**$70.00**	**$69.50**	**$65.00**
High	**$70.00**	**$82.41**	**$90.00**	**$75.00**	**$80.00**	**$80.00**	**$75.00**
Low	**$45.00**	**$55.00**	**$58.00**	**$63.73**	**$59.78**	**$50.00**	**$50.00**

Source: Available Analyst Estimates

Note: Assumes U_3O_8 price continues at a flat price in years subsequent to an Analyst declaring a long-term price

Sensitivity analysis was performed under both pricing scenarios to consider the impact of changes to long-term uranium prices on the estimate of Uranium One's NAV.

Operating Assumptions

The Company's financial model included life-of-mine operating plans for the Company's uranium mining operations which provide long term operating and financial projections including production and cash costs per pound of uranium production, sustaining and development capital expenditures, working capital requirements and tax assumptions. These budgets formed the basis of the analysis underlying the DCF approach to estimating the value of the Company's operating assets. Included in the life-of-mine operating plans for many of the mines are resources categorized under the CIS classification system as Prognosticated Resources and assumed conversion rates that are not included in the RPA Reports. GMP held due diligence sessions with Uranium One's management and RPA to discuss the underlying assumptions in the financial model, changes to the business and near-term and long-term outlooks and, with the agreement of management, made adjustments to the financial model, as appropriate, in the exercise of its professional judgement.

Select key line items of the financial forecasts for the Company are set out below (Analyst Pricing scenario):

Financial Forecasts - Uranium One Inc. For the Year Ended December 31,									
		2013E	**2014E**	**2015E**	**2016E**	**2017E**	**2018E**	**2019E**	**2020E**
Revenue	$mm	$749	$937	$1,151	$1,208	$1,246	$1,278	$1,250	$1,221
Operating expenses	$mm	($255)	($274)	($290)	($311)	($329)	($353)	($353)	($343)
EBITDA	$mm	$427	$591	$785	$820	$839	$847	$819	$800
Operating cash flow	$mm	$301	$426	$586	$633	$675	$694	$678	$669
Capital expenditures	$mm	($216)	($181)	($178)	($156)	($149)	($145)	($138)	($105)
Unlevered free cash flow	$mm	$124	$283	$435	$498	$520	$537	$524	$544

Source: Unaudited internal financial model of Uranium One, as amended by GMP, assuming Analyst Pricing scenario

Discount Rates

Discount rates are applied to a stream of future free cash flows to factor in the time value of money, risk and the company associated cost of capital in order to estimate net present value. GMP determined an appropriate discount rate based on the consideration of a number of factors, including: the theoretical calculation of such rates based on a weighted average cost of capital ("WACC") calculation; a review of the discount rates utilized by equity research analysts as described in recent published reports on Uranium One; and relative risks and uncertainties of the future cash flows. For purposes of our analysis, the free cash flows were discounted to January 1, 2013.

Below is a summary of GMP's estimated DCF analysis for the Company's assets applying (i) the theoretical cost of capital of the Company as estimated by the WACC calculation provided below, and (ii) the average discount rate utilized by equity research analysts. In addition, GMP considered the values generated by the DCF analysis of the Company's assets applying the following uranium price assumptions: (i) the Analyst Pricing scenario, and (ii) the Contract Pricing scenarios.

Weighted Average Cost of Capital Scenario

GMP calculated the theoretical cost of capital for the Company using a WACC analysis. The theoretical WACC is comprised of three components: the cost of equity, the cost of debt, and the targeted capital structure. GMP estimated the cost of equity of Uranium One using the Capital Asset Pricing Model ("CAPM"). The CAPM approach calculates the cost of equity with reference to the risk free rate of return, the volatility of equity prices relative to a benchmark (''beta'') and the equity risk premium. GMP has estimated a WACC of 12.25% based on the assumptions below.

Weighted Average Cost of Capital by Country				
	Kazakhstan	**Tanzania**	**United States**	**Australia**
Cost of Debt				
Pre-tax cost of debt[1]	6.11%	6.11%	6.11%	6.11%
Tax rate[2]	20.00%	30.00%	35.00%	30.00%
After-tax cost of debt	**4.89%**	**4.28%**	**3.97%**	**4.28%**
Cost of Equity				
Risk-free rate[3]	1.87%	1.87%	1.87%	1.87%
Equity risk premium[4]	6.00%	6.00%	6.00%	6.00%
Re-levered beta[5]	1.55x	1.55x	1.55x	1.55x
Cost of equity	**11.18%**	**11.18%**	**11.18%**	**11.18%**
Country risk premium[6]	2.25%	7.50%	0.00%	0.00%
Risked cost of equity	**13.43%**	**18.68%**	**11.18%**	**11.18%**
Capital Structure				
Optimal capital structure (debt)	15.0%	15.0%	15.0%	15.0%
Optimal capital structure (equity)	85.0%	85.0%	85.0%	85.0%
Weighted Average Cost of Capital				
WACC as calculated above	12.15%	16.52%	10.10%	10.15%
Development risk premium	0.00%	2.00%	0.00%	0.00%
Risk-adjusted WACC	**12.15%**	**18.52%**	**10.10%**	**10.15%**
Corporate WACC weighting	85.0%	5.0%	5.0%	5.0%
Corporate WACC[7]	**12.25%**			

Source: Bloomberg, Company Disclosure, Aswath Damodaran Online Resources

Notes:

1. Weighted average yield across the Company's Ruble Bonds, JV Facilities, and Convertible Debentures
2. Federal corporate tax rate
3. United States Government 10-year bond yield as of the date hereof
4. Trailing 12-month cash yield on the S&P 500 as calculated by Aswath Damodaran as at January 1, 2013
5. Comparable company adjusted beta to the S&P 500 assuming weekly price changes for the period since March 11, 2011 (the date of the Fukushima Daiichi nuclear disaster)
6. Country risk premiums as per Aswath Damodaran. Assumes Moody's ratings of Baa1 for Kazakhstan, B2 for Tanzania, Aaa for the United States, and Aaa for Austalia
7. Rounded to the nearest 0.25%

The resulting estimates of value for the Company's assets utilizing WACC as the discount rate and applying the DCF approach is as follows:

Mining Assets (WACC Approach)				
	Ownership (%)	Discount (%)	Contract Pricing ($mm)	Analyst Pricing ($mm)
Kazakhstan				
Akbastau	50.0%	12.25%	$923	$1,030
South Inkai	70.0%	12.25%	$616	$704
Karatau	50.0%	12.25%	$593	$661
Kharasan	30.0%	12.25%	$203	$250
Akdala	70.0%	12.25%	$266	$297
Zarechnoye	49.7%	12.25%	$118	$140
United States				
Willow Creek	100.0%	12.25%	$20	$57
Australia				
Honeymoon	100.0%	12.25%	$22	$42
Tanzania				
Mkuju River	13.9%	12.25%	$35	$53
Total Mining Assets			**$2,796**	**$3,234**

Source: Unaudited internal financial model of Uranium One, as amended by GMP

Note: Refer to pages 29-30 for Contract Pricing and Analyst Pricing assumptions

Equity Research Analysts Discount Rate Scenario

The after tax discount rate assumptions utilized by select equity research analysts covering Uranium One ranged from 8% to 12% and averaged 10%. Based on GMP's review of discount rates used by equity research analysts, GMP has calculated the NAV of Uranium One by applying the average discount rate of 10% to the future free cash flows generated by the Company's operating mines, and has applied a 2% development risk premium to Uranium One's development projects resulting in the application of a 12% discount rate for the Mkuju River project, for purposes of our Valuation.

The resulting estimates of value for the Company's assets utilizing 10% as the discount rate and applying the DCF approach is as follows:

Mining Assets (Average Analyst Discount Rate Approach)				
	Ownership (%)	Discount (%)	Contract Pricing ($mm)	Analyst Pricing ($mm)
Kazakhstan				
Akbastau	50.0%	10.0%	$1,108	$1,236
South Inkai	70.0%	10.0%	$709	$812
Karatau	50.0%	10.0%	$693	$774
Kharasan	30.0%	10.0%	$259	$316
Akdala	70.0%	10.0%	$289	$324
Zarechnoye	49.7%	10.0%	$130	$156
United States				
Willow Creek	100.0%	10.0%	$32	$74
Australia				
Honeymoon	100.0%	10.0%	$26	$48
Tanzania				
Mkuju River	13.9%	12.0%	$36	$54
Total Mining Assets			**$3,281**	**$3,793**

Source: Unaudited internal financial model of Uranium One, as amended by GMP

Note: Refer to pages 29-30 for Contract Pricing and Analyst Pricing assumptions

Financial Assets and Liabilities

GMP calculated the present value of Uranium One's ongoing general and administrative expenses using the DCF method. GMP utilized Uranium One's estimated annual cash general and administrative expenses not directly attributable to the Company's mining operations based on realized results of the Company and through discussions with management and calculated the DCF value over a time horizon equal to the anticipated mine life of the Company's mining operations using a 10% discount rate. The remainder of the financial assets and liabilities are presented as disclosed by the Company as at September 30, 2012.

Uranium One issued convertible debentures (the "Debentures") in the principal amount of C$260.0 million in March 2010. The Debentures have a maturity date of March 13, 2015. Uranium One subsequently issued Ruble denominated bonds (the "Ruble Bonds") in December 2011, which are fully hedged into US dollars using a currency swap, that carry a principal amount of $463.5 million. The Ruble Bonds have a maturity date of November 25, 2021. In addition, the Company has approximately $146.2 million in attributable debt issued by the joint ventures in Kazakhstan. For purposes of the NAV calculation, GMP has used the principal amount of all debt currently outstanding.

Financial Assets and Liabilities		
	Contract Pricing ($mm)	**Analyst Pricing ($mm)**
Corporate G&A	($374)	($374)
Cash and equivalents	$442	$442
Ruble bonds[1]	($464)	($464)
JV facilities[1]	($146)	($146)
Convertible debentures[1]	($263)	($263)
Other Items	$51	$52
Total Financial Assets	**($754)**	**($753)**

Source: Company Disclosure; unaudited internal financial model of Uranium One, as amended by GMP

Note: Refer to pages 29-30 for Contract Pricing and Analyst Pricing assumptions

1. Debt tranches included at face value

Results of the NAV Approach

The following table summarizes the foregoing NAV analysis using the WACC approach as a discount rate:

Corporate NAV (WACC Approach)		
	Contract Pricing ($mm)	**Analyst Pricing ($mm)**
Total Mining Assets	$2,796	$3,234
Total Non-Mining Assets[1]	$177	$162
Total Financial Assets	($754)	($753)
Total net asset value	**$2,218**	**$2,643**
FDITM shares outstanding[2]	964.7	964.7
Total net asset value per share	**$2.30**	**$2.74**

Source: Company Disclosure; unaudited internal financial model of Uranium One, as amended by GMP

Note: Refer to pages 29-30 for Contract Pricing and Analyst Pricing assumptions

1. Non-mining assets includes the value associated with the Company's contract book and its 19% proportional share of a sulphuric acid plant
2. Fully-diluted in-the-money shares outstanding as of the date hereof

The following table summarizes the foregoing NAV analysis using standardized discounts consistent with those utilized by the analytical community:

Corporate NAV (Average Analyst Discount Rate Approach)		
	Contract Pricing ($mm)	**Analyst Pricing ($mm)**
Total Mining Assets	$3,281	$3,793
Total Non-Mining Assets[1]	$202	$185
Total Financial Assets	($754)	($753)
Total net asset value	**$2,730**	**$3,224**
FDITM shares outstanding[2]	964.7	964.7
Total net asset value per share	**$2.83**	**$3.34**

Source: Company Disclosure; unaudited internal financial model of Uranium One, as amended by GMP

Note: Refer to pages 29-30 for Contract Pricing and Analyst Pricing assumptions

1. Non-mining assets includes the value associated with the Company's contract book and its 19% proportional share of a sulphuric acid plant
2. Fully-diluted in-the-money shares outstanding as of the date hereof

NAV Sensitivity

GMP considered the sensitivity of the NAV analysis to certain key inputs. Changes in commodity price forecast for uranium and discount rates were found to have the largest impact on NAV. Based on the average discount rate used by equity research analysts, a 5.0% change in the uranium price assumption for resulted in a change in value of approximately $0.32 per Uranium One Share. A 1% change in the discount rate assumption resulted in a change in value of approximately $0.31 per Uranium One Share.

Net Asset Value Per Share Sensitivity (Average Analyst Discount Rate Approach)					
Parameter	**Input Change**	**Contract Pricing**		**Analyst Pricing**	
	(%)	**$/sh**	**%**	**$/sh**	**%**
U_3O_8 Price	± 5.0%	$0.30	10.5%	$0.32	9.5%
Discount Rate	± 1.0%	$0.27	9.6%	$0.31	9.3%

Note: Refer to pages 29-30 for Contract Pricing and Analyst Pricing assumptions

Net Asset Value Per Share Sensitivity (WACC Approach)					
Parameter	**Input Change**	**Contract Pricing**		**Analyst Pricing**	
	(%)	**$/sh**	**%**	**$/sh**	**%**
U_3O_8 Price	± 5.0%	$0.26	11.1%	$0.27	10.0%
Discount Rate	± 1.0%	$0.21	9.2%	$0.24	8.8%

Note: Refer to pages 29-30 for Contract Pricing and Analyst Pricing assumptions

Comparable Company with Control Premium Approach

In applying the Comparable Company with Control Premium approach to the Uranium One Shares, GMP reviewed the public market trading multiples of select uranium companies which, based on production and risk profile, GMP considered in its professional judgement to be most directly comparable to Uranium One. GMP has limited our universe of uranium companies to those companies that currently produce uranium as their primary source of income

(the "Uranium Peers"). The Uranium Peers include producers that operate in Kazakhstan, Canada, United States, Australia and certain countries in Africa and are listed on internationally recognized stock exchanges. Development-stage uranium companies or those companies whose primary operations are unrelated to the mining of uranium were excluded on the basis that they are less directly comparable to Uranium One.

GMP calculated trading multiples for the Uranium Peers based on analyst consensus estimates for the following metrics: Price/NAV and 2013E Price/Cash Flow.

The Uranium Peers selected are the following five uranium companies considered comparable on a relative basis to Uranium One.

Comparable Companies[1]	Market Cap[2] ($mm)	Enterprise Value ($mm)	Price / NAV[3] (ratio)	2013E Price / Cash Flow (ratio)
Cameco	$7,923	$8,481	0.94x	9.9x
Uranium One	$2,224	$2,601	0.68x	8.1x
Paladin Energy	$929	$1,729	0.62x	9.2x
Energy Resources	$702	$108	0.63x	7.7x
Denison Mines	$506	$458	0.78x	nmf
Mean			**0.73x**	**8.7x**
Median			**0.68x**	**8.6x**
High			**0.94x**	**9.9x**
Low			**0.62x**	**7.7x**

Source: Company Disclosure, Bloomberg, FactSet, Available Analyst Research

Notes:

1. Pricing using the 20-day volume-weighted-average-price as of the date hereof;
2. Shown on a fully-diluted in-the-money basis as of the date hereof;
3. Consensus NAV as per available analyst research

In order to apply the Comparable Company with Control Premium approach to the valuation of the Uranium One Shares, GMP has reviewed the control premia paid in the public markets for select transactions in the mining sector deemed appropriate, in the exercise of its professional judgement. The application of a change of control premium considers the value in the context of the purchase or sale of comparable company to estimate the "en bloc" value of a particular company. Based on our analysis of select transactions, GMP has applied a change of control premium of 30% to the value ranges determined using the Uranium Peers.

Results of the Comparable Company with Control Premium Approach

Price to NAV

For purposes of the Price/NAV methodology, GMP used a high and low Price/NAV multiple estimated by applying a 10% variance to the mean multiple of the Uranium Peers to arrive at an imputed value for Uranium One Shares. The low and high case scenarios and the associated calculations are set forth below.

Price / NAV Methodology			
		Low	High
Total net asset value	$mm	$3,224	$3,224
Comparable Price / NAV multiple	ratio	0.66x	0.80x
Implied market capitalization[1]	**$mm**	**$2,115**	**$2,585**
FDITM shares outstanding[2]	mm	964.7	964.7
Implied share price	**$/sh**	**$2.19**	**$2.68**

Source: Management Model as adjusted by GMP, Company Disclosure, Bloomberg, FactSet, Available Analyst Estimates

Notes:

1. Implied market capitalization range set by applying the comparable average Price / NAV multiple ±10%
2. Fully-diluted in-the-money shares outstanding as of the date hereof

Price to Cash Flow

For purposes of the Price/Cash Flow analysis, GMP used a high and low 2013E Price/Cash Flow multiple estimated by applying a 10% variance to the mean multiple of the Uranium Peers to arrive at an imputed value for Uranium One Shares. The low and high case scenarios and the associated calculations are set forth below.

2013 Price / Cash Flow Methodology			
		Low	High
2013 Cash Flow	$mm	$301	$301
Comparable 2013 Price / Cash Flow multiple	ratio	7.8x	9.6x
Implied market capitalization[1]	**$mm**	**$2,359**	**$2,884**
FDITM shares outstanding[2]	mm	964.7	964.7
Implied share price	**$/sh**	**$2.45**	**$2.99**

Source: Management Model as adjusted by GMP, Company Disclosure, Bloomberg, FactSet, Available Analyst Estimates

Notes:

1. Implied market capitalization range set by applying the comparable average 2013 Price / Cash Flow multiple ±10%
2. Fully-diluted in-the-money shares outstanding as of the date hereof

The resulting valuation ranges determined by applying the change of control premium is as follows:

Comparable Company with Control Premium Methodology					
	Equity Value per share		Control Premium	Equity Value per share with Control Premium	
	Low	High		Low	High
Price / NAV	$2.19	$2.68	30.0%	$2.85	$3.48
2013 Price / Cash Flow	$2.45	$2.99	30.0%	$3.18	$3.89

Precedent Transaction Analysis

The precedent transaction approach involves identifying comparable transactions and selecting appropriate value multiples and applying these multiples to the appropriate financial metrics for Uranium One to estimate the "en bloc" value of the Company and its assets. The application of this technique is limited by the extent to which the

companies or assets acquired in the precedent transactions are comparable to Uranium One in terms of market environment, stage of development, location of operations and cost parameters.

GMP has analyzed comparable corporate and asset transactions and has concluded in its review of the precedent uranium transactions, that the majority of the transactions that have taken place are not relevant for the following reasons: (i) the recent transactions in the uranium sector involve pre-production companies and assets with very different risk profiles and capital needs as compares to Uranium One, and (ii) the transactions that took place involving producing assets occurred in significantly different uranium pricing environments as compared to the current spot price of approximately $44 per pound of U_3O_8. Given these limitations imposed by this approach to valuation, GMP has placed no reliance on precedent transactions in our value analysis.

Benefits to ARMZ of Acquiring Uranium One

GMP considered whether any distinctive material benefits would accrue to ARMZ as a consequence of the completion of the Proposed Transaction, but has insufficient information to quantify any benefits to ARMZ and has not included such benefits in this determination of Fair Market Value. ARMZ currently has an offtake arrangement with Uranium One such that it has an option to purchase up to the greater of (i) 51% of aggregate attributable production of uranium concentrate derived from the assets of Uranium One or its affiliates in respect of which Uranium One has marketing rights (excluding quantities committed under existing contracts and quantities subject to the JUMI offtake agreement) or (ii) 50% of the aggregate production of uranium concentrates from the Akbastau, Karatau and Zarechnoye mines, provided Uranium One has marketing rights to such materials. The acquisition of Uranium One provides ARMZ with access to 100% of the material produced (subject to existing offtake and sales commitments) at costs that are expected to be well below the market price of uranium.

ARMZ is a wholly-owned subsidiary of Atomenergoprom, a state-owned holding company of the Russian government and a part of Rosatom Nuclear Energy State Corporation, which is a nuclear energy provider and consumer of uranium that may benefit from the vertical integration of its business. In addition, as a global manufacturer of nuclear reactors, Atomenergoprom will be more competitive internationally, with the ability to provide utilities an integrated product including the long term supply of nuclear fuels.

Valuation Conclusion

In arriving at GMP's opinion of the Fair Market Value of Uranium One's Shares, GMP, in the exercise of its professional judgement, for reasons previously discussed, GMP principally considered (i) the NAV of Uranium One applying the Company's WACC to discount future free cash flows, (ii) the NAV approach, with specific focus on the values derived by applying comparable company multiples adjusted for control, and (iii) the Price/Cash Flow approach, with specific focus on the values derived by applying comparable company multiples adjusted for control. GMP has made qualitative judgements based on our experience in rendering such opinions and on circumstances then prevailing as to the significance and relevance of each factor. GMP has attributed the following weights to each valuation technique.

Valuation Conclusion			
		Value Range	
	Weight (%)	Low ($/sh)	High ($/sh)
Net Asset Value (Weighted Average Cost of Capital)	50.0%	$2.30	$2.74
Price / NAV (Average Analyst Discount Rate) w/ control premium	25.0%	$2.85	$3.48
2013 Price / Cash Flow w/ control premium	25.0%	$3.18	$3.89
Fair market value of Uranium One		**$2.66**	**$3.21**

Based upon and subject to the foregoing and such other factors as GMP considered relevant, GMP is of the opinion that, as of the date hereof, the Fair Market Value of the Uranium One Shares is in the range of $2.66 to $3.21 per share.

Yours very truly,

GMP SECURITIES L.P.

APPENDIX "E"

COURT MATERIALS

Court File No.: CV-13-9990-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF AN APPLICATION UNDER SECTION 192 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c. C-44, AS AMENDED, AND RULES 14.05(2) AND 14.05(3) OF THE RULES OF CIVIL PROCEDURE

AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING URANIUM ONE INC., ITS SHAREHOLDERS AND OPTIONHOLDERS, EFFECTIVE ENERGY N.V. and JSC ATOMREDMETZOLOTO

URANIUM ONE INC.

Applicant

NOTICE OF APPLICATION

TO THE RESPONDENT(S):

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following page.

THIS APPLICATION will come on for a hearing before a Judge presiding over the Commercial List on March 18, 2013 at 10:00 a.m., or as soon after that time as the application may be heard, at 330 University Avenue, Toronto, Ontario.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES,

LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date February 4, 2013

Issued by _____
Local registrar A. Anissimova
Registrar

Address of court office: 330 University Avenue, 7th floor
Toronto, Ontario M5G 1R7

TO: **ALL HOLDERS OF COMMON SHARES OF URANIUM ONE INC., AS AT FEBRUARY 8, 2013**

AND TO: **ALL HOLDERS OF OPTIONS TO PURCHASE COMMON SHARES OF URANIUM ONE INC., AS AT FEBRUARY 8, 2013**

AND TO: **DELOITTE LLP**
5140 Yonge Street
Suite 1700
Toronto, Ontario M2N6L7

Tel: (416) 601-6223
Fax: (416) 601-6440

Attn: Richard Clark

Auditor to Uranium One Inc.

AND TO: **THE DIRECTOR**
Compliance & Policy Directorate
Corporations Canada, Industry Canada
9th Floor, Jean Edmonds Tower South
365 Laurier Avenue West
Ottawa, Ontario K1A 0C8

APPLICATION

1. **THE APPLICANT MAKES APPLICATION FOR:**

   a) an interim Order for advice and directions pursuant to section 192(4) of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended (the "CBCA") with respect to a proposed arrangement (the "Arrangement") involving Uranium One Inc. ("Uranium One"), its shareholders and optionholders, Effective Energy N.V. (the "Purchaser") and JSC Atomredmetzoloto (the "ARMZ");

   b) a final Order approving the Arrangement pursuant to section 192(3) of the CBCA; and

   c) such further and other relief as this Honourable Court may deem just.

2. **THE GROUNDS FOR THE APPLICATION ARE:**

   a) Uranium One is a corporation continued under the laws of the Canada, with its head office located in Toronto, Ontario. The common shares of Uranium One (the "Common Shares") are listed on the Toronto Stock Exchange;

   b) the Purchaser is a public limited liability company organized and existing under the laws of the Netherlands. It is a wholly-owned subsidiary of ARMZ;

   c) ARMZ is a company existing under the laws of Russia;

   d) pursuant to the Arrangement:

      i) the holders of Common Shares (the "Shareholders") (other than the Purchaser and its affiliates) will receive CDN $2.86 in cash (the "Consideration") for each Common Share held (other than those Shareholders who properly dissent in respect of the Arrangement Resolution (the "Dissenting Holders"));

      ii) the holders (the "Optionholders") of options (the "Options") to purchase Common Shares issued pursuant to Uranium One's option plans, which have an exercise price that is less than the Consideration (an "In-the-

Money Option") will receive a cash amount equal to the amount by which the Consideration exceeds the exercise price payable under such Options (the "In-the-Money Option Consideration");

iii) Optionholders that are employees or officers of Uranium One or any of its subsidiaries as of: (i) the effective date of the Arrangement (the "Effective Date"), which is currently expected to be in the second quarter of 2013; and (ii) December 31, 2013, unless such employee or officer was terminated without just cause following the Effective Date and prior to December 31, 2013 ("Employee Optionholders"), will receive on December 31, 2013:

a) in respect of each In-the-Money Option, a cash payment equal to the fair value of such Option determined using the "Black-Scholes" valuation model calculated as of the Effective Date as per standard industry practice less the In-the-Money Option Consideration already received, and

b) in respect of each Option that has an exercise price that is more than the Consideration, a cash payment equal to the fair value of such Option determined using the "Black-Scholes" valuation model calculated as of the Effective Date as per standard industry practice.

e) all statutory requirements under the CBCA and any interim Order have been or will be satisfied by the return date of this Application;

f) it is not practicable to effect the Arrangement under any other provision of the CBCA;

g) Uranium One is not insolvent as: (i) the realizable value of its assets is not less than the aggregate of its liabilities and stated capital of all classes; and (ii) it is not unable to pay its liabilities as they become due;

h) the Arrangement is procedurally and substantively fair and reasonable overall;

i) section 192 of the CBCA;

j) certain of the Shareholders and Optionholders are resident outside of Ontario and will be served at their addresses as they appear on the books and records of Uranium One as at February 8, 2013, pursuant to rules 17.02(n) and 17.02(o) of the *Rules of Civil Procedure* and the terms of any interim Order for advice and directions granted by this Honourable Court;

k) rules 14.05(2), 14.05(3) and 38 of the *Rules of Civil Procedure*; and

l) such further and other grounds as counsel may advise and this Honourable Court may permit.

3. **THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE APPLICATION:**

a) such interim Order as may be granted by this Honourable Court;

b) an Affidavit of John M. Sibley, the Executive Vice-President, General Counsel and Secretary of Uranium One, sworn February 3, 2013 on behalf of Uranium One, describing the Arrangement and outlining the basis for an interim Order for advice and directions, with exhibits thereto;

c) a further Affidavit(s) to be sworn on behalf of Uranium One, reporting as to compliance with any interim Order and the results of any meeting conducted pursuant to such interim Order, with exhibits thereto; and

d) such further and other material as counsel may advise and this Honourable Court may permit.

February 4, 2013

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Tom Friedland LSUC #: 31848L
Peter Kolla LSUC #: 54608K

Tel: (416) 979-2211
Fax: (416) 979-1234

Lawyers for the Applicant, Uranium One Inc.

IN THE MATTER OF AN APPLICATION UNDER SECTION 192,
***CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c. C-44, AS AMENDED**

URANIUM ONE INC.
Applicant

13-9990-OCL

Court File No:

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

NOTICE OF APPLICATION
(returnable March 18, 2013)

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Tom Friedland LSUC#: 31848L
Peter Kolla LSUC #: 54608K

Tel: (416) 979-2211
Fax: (416) 979-1234

Lawyers for the Applicant, Uranium One Inc.

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Court File No.: CV-13-9990-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	) WEDNESDAY, THE 6TH
	)
MR. JUSTICE CAMPBELL	) DAY OF FEBRUARY, 2013

IN THE MATTER OF AN APPLICATION UNDER SECTION 192 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c. C-44, AS AMENDED, AND RULES 14.05(2) AND 14.05(3) OF THE RULES OF CIVIL PROCEDURE

AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING URANIUM ONE INC., ITS SHAREHOLDERS AND OPTIONHOLDERS, EFFECTIVE ENERGY N.V. and JSC ATOMREDMETZOLOTO

URANIUM ONE INC.

Applicant

INTERIM ORDER
(February 6, 2013)

THIS MOTION made by the Applicant, Uranium One Inc. ("Uranium One"), for an interim order for advice and directions pursuant to section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended (the "CBCA"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Notice of Application issued on February 4, 2013 and the affidavit of John M. Sibley sworn February 3, 2013 (the "Sibley Affidavit"), including the Plan of Arrangement, which is attached as Schedule "A" to the Arrangement

including the Plan of Arrangement, which is attached as Schedule "A" to the Arrangement Agreement dated as of January 13, 2013, as amended and restated on January 31, 2013 (the "Arrangement Agreement"), which is attached as Appendix "B" to the draft management information circular (the "Circular") of Uranium One, which is itself attached as Exhibit "A" to the Sibley Affidavit, on hearing the submissions of counsel for Uranium One and counsel for Effective Energy N.V. (the "Purchaser") and JSC Atomredmetzoloto (the "ARMZ"), and on being advised that the Director appointed under the CBCA (the "Director") does not consider it necessary to appear.

Definitions

1. **THIS COURT ORDERS** that all definitions used in this Interim Order shall have the meaning ascribed thereto in the Circular or otherwise as specifically defined herein.

The Meeting

2. **THIS COURT ORDERS** that Uranium One is permitted to call, hold and conduct a special meeting (the "Meeting") of the holders (the "Shareholders") of Uranium One's common shares (the "Common Shares") and the holders (the "Optionholders", together with the Shareholders, the "Securityholders") of options to purchase Common Shares issued pursuant to Uranium One's plans (the "Options") to be held at the Toronto Board of Trade, First Canadian Place, 77 Adelaide Street West, Suite 350, Toronto, Ontario, on March 7, 2013 at 9:00 a.m. (Toronto time) in order for the Securityholders to, among other things, consider and, if determined advisable, pass a special resolution authorizing, adopting and approving, with or without variation, the Arrangement and the Plan of Arrangement (collectively, the "Arrangement Resolution").

3. **THIS COURT ORDERS** that the Meeting shall be called, held and conducted in accordance with the CBCA, the notice of special meeting of Securityholders, which accompanies the Circular (the "Notice of Meeting"), and the articles and by-laws of Uranium One, subject to what may be provided hereafter and subject to further order of this Honourable Court.

4. **THIS COURT ORDERS** that the record date (the "Record Date") for determination of the Securityholders entitled to notice of, and to vote at, the Meeting shall be February 8, 2013 at 5:00 p.m. (EST).

5. **THIS COURT ORDERS** that the only persons entitled to attend or speak at the Meeting shall be:

   (a) the Securityholders on the Record Date or their respective proxyholders;

   (b) the officers, directors, auditors and advisors of Uranium One

   (c) the representatives and advisors of the Purchaser and ARMZ;

   (d) the Director; and

   (e) other persons who may receive the permission of the Chair of the Meeting.

6. **THIS COURT ORDERS** that Uranium One may transact such other business at the Meeting as is contemplated in the Circular, or as may otherwise be properly before the Meeting.

Quorum

7. **THIS COURT ORDERS** that the Chair of the Meeting shall be determined by Uranium One and that the quorum at the Meeting shall be two persons who are, or who represent by proxy, Shareholders that together hold in the aggregate not less than 5% of the outstanding Common Shares entitled to vote at the Meeting.

Amendments to the Arrangement and Plan of Arrangement

8. **THIS COURT ORDERS** that Uranium One is authorized to make, subject to the terms of the Arrangement Agreement, and paragraph 9, below, such amendments, modifications or supplements to the Arrangement and the Plan of Arrangement as it may determine without any additional notice to the Securityholders, or others entitled to receive notice under paragraph 12 hereof and the Arrangement and Plan of Arrangement, as so amended, modified or supplemented shall be the Arrangement and Plan of Arrangement to be submitted to the Securityholders at the Meeting and shall be the subject of the Arrangement Resolution. Amendments, modifications or supplements may be made following the Meeting, but shall be subject to review and, if appropriate, further direction by this Honourable Court at the hearing for the final approval of the Arrangement.

9. **THIS COURT ORDERS** that, if any amendments, modifications or supplements to the Arrangement or Plan of Arrangement as referred to in paragraph 8, above, would, if disclosed, reasonably be expected to affect a Securityholder's decision to vote for or against the Arrangement Resolution, notice of such amendment, modification or supplement shall be distributed, subject to further order of this Honourable Court, by

press release, newspaper advertisement, prepaid ordinary mail, by email to Optionholders or by the method most reasonably practicable in the circumstances, as Uranium One may determine.

Amendments to the Circular

10. **THIS COURT ORDERS** that Uranium One is authorized to make such amendments, revisions and/or supplements to the draft Circular as it may determine and the Circular, as so amended, revised and/or supplemented, shall be the Circular to be distributed in accordance with paragraph 12.

Adjournments and Postponements

11. **THIS COURT ORDERS** that Uranium One, if it deems advisable and subject to the terms of the Arrangement Agreement, is specifically authorized to adjourn or postpone the Meeting on one or more occasions, without the necessity of first convening the Meeting or first obtaining any vote of the Securityholders respecting the adjournment or postponement, and notice of any such adjournment or postponement shall be given by such method as Uranium One may determine is appropriate in the circumstances. This provision shall not limit the authority of the Chair of the Meeting in respect of adjournments and postponements.

Notice of Meeting

12. **THIS COURT ORDERS** that, in order to effect notice of the Meeting, Uranium One shall send the Circular (including the Notice of Application and this Interim Order), the Notice of Meeting, the form of proxy and the letter of transmittal, along with such

amendments or additional documents as Uranium One may determine are necessary or desirable and are not inconsistent with the terms of this Interim Order (collectively, the "Meeting Materials"), to the following:

(a) the registered Shareholders at the close of business on the Record Date, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting, by one or more of the following methods:

(i) by pre-paid ordinary or first class mail at the addresses of the registered Shareholders as they appear on the books and records of Uranium One, or its registrar and transfer agent, at the close of business on the Record Date and if no address is shown therein, then the last address of the person known to the Corporate Secretary of Uranium One;

(ii) by delivery, in person or by recognized courier service or inter-office mail, to the address specified in (i) above; or

(iii) by facsimile or electronic transmission to any registered Shareholder, who is identified to the satisfaction of Uranium One, who requests such transmission in writing and, if required by Uranium One, who is prepared to pay the charges for such transmission;

(b) the non-registered Shareholders by providing sufficient copies of the Meeting Materials to intermediaries and registered nominees in a timely manner, in accordance with National Instrument 54-101 of the Canadian Securities Administrators;

(c) the Optionholders by delivery in person, by recognized courier service, by pre-paid ordinary or first class mail, or by facsimile or email, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting, to their addresses as they appear on the books and records of Uranium One or its registrar and transfer agent at the close of business on the Record Date; and

(d) the directors and auditor of Uranium One, and to the Director appointed under the CBCA, by delivery in person, by recognized courier service, by pre-paid ordinary or first class mail or, with the consent of the person, by facsimile or electronic transmission, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting;

and that compliance with this paragraph shall constitute sufficient notice of the Meeting.

13. **THIS COURT ORDERS** that accidental failure or omission by Uranium One to give notice of the Meeting or to distribute the Meeting Materials to any person entitled by this Interim Order to receive notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of Uranium One, or the non-receipt of such notice shall, subject to further order of this Honourable Court, not constitute a breach of this Interim Order nor shall it invalidate any resolution passed or proceedings taken at the Meeting. If any such failure or omission is brought to the attention of Uranium One, it shall use its best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

14. **THIS COURT ORDERS** that Uranium One is hereby authorized to make such amendments, revisions or supplements to the Meeting Materials as Uranium One may determine in accordance with the terms of the Arrangement Agreement ("Additional Information"), and that notice of such Additional Information may, subject to paragraph 9, above, be distributed by press release, newspaper advertisement, pre-paid ordinary mail, or by the method most reasonably practicable in the circumstances, as Uranium One may determine.

15. **THIS COURT ORDERS** that distribution of the Meeting Materials pursuant to paragraph 12 of this Interim Order shall constitute notice of the Meeting and good and sufficient service of the within Application upon the persons described in paragraph 12 and that those persons are bound by any orders made on the within Application. Further, no other form of service of the Meeting Materials, or any portion thereof need be made, or notice given or other material served in respect of these proceedings and/or the Meeting to such persons or to any other persons, except to the extent required by paragraph 9, above.

Solicitation and Revocation of Proxies

16. **THIS COURT ORDERS** that Uranium One is authorized to use the letter of transmittal and the form of proxy substantially in the form of the drafts accompanying the Circular, with such amendments and additional information as Uranium One may determine are necessary or desirable, subject to the terms of the Arrangement Agreement. Uranium One is authorized, at its expense, to solicit proxies, directly or through its officers, directors or employees, and through such agents or representatives as it may retain for that purpose, and by mail or such other forms of personal or electronic communication as

it may determine. Uranium One may waive generally, in its discretion, the time limits set out in the Circular for the deposit or revocation of proxies by Securityholders, if Uranium One deems it advisable to do so.

17. **THIS COURT ORDERS** that Securityholders shall be entitled to revoke their proxies in accordance with section 148(4) of the CBCA (except as the procedures of that section are varied by this paragraph) provided that any instruments in writing delivered pursuant to s.148(4)(a)(i) of the CBCA: (a) may be deposited at the registered office of Uranium One or with the transfer agent of Uranium One as set out in the Information Circular; and (b) any such instruments must be received by Uranium One or its transfer agent not later than 4 p.m. (Toronto time) on the last business day immediately preceding the Meeting (or any adjournment or postponement thereof) or delivered to the person presiding at the Meeting before it commences.

Voting

18. **THIS COURT ORDERS** that the only persons entitled to vote in person or by proxy on the Arrangement Resolution, or such other business as may be properly brought before the Meeting, shall be those Securityholders of record at the close of business on the Record Date. Illegible votes, spoiled votes, defective votes and abstentions shall be deemed to be votes not cast. Proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

19. **THIS COURT ORDERS** that votes shall be taken at the Meeting on the basis of one vote per Share or Option and that in order for the Plan of Arrangement to be

implemented, subject to further Order of this Honourable Court, the Arrangement Resolution must be passed, with or without variation, at the Meeting by:

(a) an affirmative vote of not less than two-thirds of the votes cast in respect of the Arrangement Resolution by Shareholders present in person or represented by proxy at the Meeting;

(b) an affirmative vote of not less than two-thirds of the votes cast in respect of the Arrangement Resolution by Securityholders, voting together as one class, present in person or represented by proxy at the Meeting; and

(c) a simple majority of the votes cast in respect of the Arrangement Resolution by Shareholders, other than: (i) ARMZ its affiliates and any related parties (as defined in MI 61-101); and (ii) any senior officer of Uranium One who holds Options, present in person or represented by proxy at the Meeting.

Such votes shall be sufficient to authorize Uranium One to do all such acts and things as may be necessary or desirable to give effect to the Arrangement and the Plan of Arrangement on a basis consistent with what is provided for in the Circular without the necessity of any further approval by the Securityholders, subject only to final approval of the Arrangement by this Honourable Court.

20. **THIS COURT ORDERS** that in respect of matters properly brought before the Meeting pertaining to items of business affecting Uranium One (other than in respect of the Arrangement Resolution), each Shareholder is entitled to one vote for each Share held and each Optionholder is entitled to one vote for each Option held.

Dissent Rights

21. **THIS COURT ORDERS** that each registered Shareholder shall be entitled to exercise Dissent Rights in connection with the Arrangement Resolution in accordance with section 190 of the CBCA (except as the procedures of that section are varied by this Interim Order and the Plan of Arrangement) provided that, notwithstanding subsection 190(5) of the CBCA, any Shareholder who wishes to dissent must, as a condition precedent thereto, provide written objection to the Arrangement Resolution to Uranium One in the form required by section 190 of the CBCA and the Arrangement Agreement, which written objection must be received by Uranium One not later than 5:00 p.m. (Eastern time) two business days immediately preceding the Meeting (or any adjournment or postponement thereof), and must otherwise strictly comply with the requirements of the CBCA. For purposes of these proceedings, the "court" referred to in section 190 of the CBCA means this Honourable Court.

22. **THIS COURT ORDERS** that, notwithstanding section 190(3) of the CBCA, the Purchaser, not Uranium One, shall be required to offer to pay fair value, as of the day prior to approval of the Arrangement Resolution, for Common Shares held by Shareholders who duly exercise Dissent Rights, and to pay the amount to which such Shareholders may be entitled pursuant to the terms of the Arrangement Agreement or Plan of Arrangement. In accordance with the Plan of Arrangement and the Information Circular, all references to the "corporation" in subsections 190(3) and 190(11) to 190(26), inclusive, of the CBCA (except for the second reference to the "corporation" in subsection 190(12) and the two references to the "corporation" in subsection 190(17)) shall be deemed to refer to "Effective Energy N.V." in place of the "corporation", and the

Purchaser shall have all of the rights, duties and obligations of the "corporation" under subsections 190(11) to 190(26), inclusive, of the CBCA.

23. **THIS COURT ORDERS** that any registered Shareholder who duly exercises such Dissent Rights set out in paragraph 21 above and who:

(a) is ultimately determined by this Honourable Court to be entitled to be paid fair value for his, her or its Common Shares, shall be deemed to have transferred those Common Shares as of the Effective Time, without any further act or formality and free and clear of all liens, claims, encumbrances, charges, adverse interests or security interests to the Purchaser in consideration for a payment of cash from the Purchaser equal to such fair value; or

(b) is for any reason ultimately determined by this Honourable Court not to be entitled to be paid fair value for his, her or its Common Shares pursuant to the exercise of the Dissent Right, shall be deemed to have participated in the Arrangement on the same basis and at the same time as any non-dissenting Shareholder;

but in no case shall Uranium One or any other person be required to recognize such Shareholders as holders of Common Shares at or after the Effective Time and the names of such Shareholders shall be deleted from Uranium One's register of holders of Common Shares at that time.

Hearing of Application for Approval of the Arrangement

24. **THIS COURT ORDERS** that upon approval by the Securityholders of the Plan of Arrangement in the manner set forth in this Interim Order, Uranium One may apply to this Honourable Court for final approval of the Arrangement.

25. **THIS COURT ORDERS** that distribution of the Notice of Application and the Interim Order in the Circular, when sent in accordance with paragraph 12 shall constitute good and sufficient service of the Notice of Application and this Interim Order and no other form of service need be effected and no other material need be served unless a Notice of Appearance is served in accordance with paragraph 26.

26. **THIS COURT ORDERS** that any Notice of Appearance served in response to the Notice of Application shall be served on the solicitors for Uranium One, the Purchaser and ARMZ, as soon as reasonably practicable, and, in any event, no less than three (3) days before the hearing of this Application at the following addresses:

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Tom Friedland / Peter Kolla
Tel: (416) 979-2211
Fax: (416) 979-1234
Lawyers for the Applicant

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1B9

Eliot Kolers
Tel: (416) 869-5500

Fax: (416) 947-0866
Lawyers for the Purchaser and ARMZ

27. **THIS COURT ORDERS** that, subject to further order of this Honourable Court, the only persons entitled to appear and be heard at the hearing of the within application shall be:

(i) Uranium One;

(ii) the Purchaser;

(iii) ARMZ;

(iv) the Director; and

(v) any person who has filed a Notice of Appearance herein in accordance with the Notice of Application, this Interim Order and the *Rules of Civil Procedure*.

28. **THIS COURT ORDERS** that any materials to be filed by Uranium One in support of the within Application for final approval of the Arrangement may be filed up to one day prior to the hearing of the Application without further order of this Honourable Court.

29. **THIS COURT ORDERS** that in the event the within Application for final approval does not proceed on the date set forth in the Notice of Application, and is adjourned, only those persons who served and filed a Notice of Appearance in accordance with paragraph 26 shall be entitled to be given notice of the adjourned date.

Precedence

30. **THIS COURT ORDERS** that, to the extent of any inconsistency or discrepancy between this Interim Order and the terms of any instrument creating, governing or collateral to the Common Shares, the Options, or the articles or by-laws of Uranium One, this Interim Order shall govern.

Extra-Territorial Assistance

31. **THIS COURT** seeks and requests the aid and recognition of any court or any judicial, regulatory or administrative body in any province of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial, regulatory or administrative body of the United States or other country to act in aid of and to assist this Honourable Court in carrying out the terms of this Interim Order.

Variance

32. **THIS COURT ORDERS** that Uranium One shall be entitled to seek leave to vary this Interim Order upon such terms and upon the giving of such notice as this Honourable Court may direct.

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ON / BOOK NO:
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FEB 06 2013

IN THE MATTER OF AN APPLICATION UNDER SECTION 192, *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c. C-44, AS AMENDED

Court File No.: CV-13-9990-00CL

URANIUM ONE INC.
Applicant

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

INTERIM ORDER
(February 6, 2013)

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Tom Friedland LSUC#: 31848L
Peter Kolla LSUC #: 54608K

Tel: (416) 979-2211
Fax: (416) 979-1234

Lawyers for the Applicant

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APPENDIX "F"

SECTION 190 OF THE CBCA

190. (1) Right to dissent – Subject to sections 191 and 241, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under paragraph 192(4)(d) that affects the holder or if the corporation resolves to

(a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of that class;

(b) amend its articles under section 173 to add, change or remove any restriction on the business or businesses that the corporation may carry on;

(c) amalgamate otherwise than under section 184;

(d) be continued under section 188;

(e) sell, lease or exchange all or substantially all its property under subsection 189(3); or

(f) carry out a going-private transaction or a squeeze-out transaction.

(2) Further right – A holder of shares of any class or series of shares entitled to vote under section 176 may dissent if the corporation resolves to amend its articles in a manner described in that section.

(2.1) If one class of shares – The right to dissent described in subsection (2) applies even if there is only one class of shares.

(3) Payment for shares – In addition to any other right the shareholder may have, but subject to subsection (26), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents or an order made under subsection 192(4) becomes effective, to be paid by the corporation the fair value of the shares in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted or the order was made.

(4) No partial dissent – A dissenting shareholder may only claim under this section with respect to all the shares of a class held on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

(5) Objection – A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting and of their right to dissent.

(6) Notice of resolution – The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (5) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn their objection.

(7) Demand for payment – A dissenting shareholder shall, within twenty days after receiving a notice under subsection (6) or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing

(a) the shareholder's name and address;

(b) the number and class of shares in respect of which the shareholder dissents; and

(c) a demand for payment of the fair value of such shares.

(8) Share certificate – A dissenting shareholder shall, within thirty days after sending a notice under subsection (7), send the certificates representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

(9) Forfeiture – A dissenting shareholder who fails to comply with subsection (8) has no right to make a claim under this section.

(10) Endorsing certificate – A corporation or its transfer agent shall endorse on any share certificate received under subsection (8) a notice that the holder is a dissenting shareholder under this section and shall forthwith return the share certificates to the dissenting shareholder.

(11) Suspension of rights – On sending a notice under subsection (7), a dissenting shareholder ceases to have any rights as a shareholder other than to be paid the fair value of their shares as determined under this section except where

(a) the shareholder withdraws that notice before the corporation makes an offer under subsection (12),

(b) the corporation fails to make an offer in accordance with subsection (12) and the shareholder withdraws the notice, or

(c) the directors revoke a resolution to amend the articles under subsection 173(2) or 174(5), terminate an amalgamation agreement under subsection 183(6) or an application for continuance under subsection 188(6), or abandon a sale, lease or exchange under subsection 189(9),

in which case the shareholder's rights are reinstated as of the date the notice was sent.

(12) Offer to pay – A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (7), send to each dissenting shareholder who has sent such notice

(a) a written offer to pay for their shares in an amount considered by the directors of the corporation to be the fair value, accompanied by a statement showing how the fair value was determined; or

(b) if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

(13) Same terms – Every offer made under subsection (12) for shares of the same class or series shall be on the same terms.

(14) Payment – Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (12) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

(15) Company may apply to court – Where a corporation fails to make an offer under subsection (12), or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as a court may allow, apply to a court to fix a fair value for the shares of any dissenting shareholder.

(16) Shareholder application to court – If a corporation fails to apply to a court under subsection (15), a dissenting shareholder may apply to a court for the same purpose within a further period of twenty days or within such further period as a court may allow.

(17) Venue – An application under subsection (15) or (16) shall be made to a court having jurisdiction in the place where the corporation has its registered office or in the province where the dissenting shareholder resides if the corporation carries on business in that province.

(18) No security for costs – A dissenting shareholder is not required to give security for costs in an application made under subsection (15) or (16).

(19) Parties – On an application to a court under subsection (15) or (16),

(a) all dissenting shareholders whose shares have not been purchased by the corporation shall be joined as parties and are bound by the decision of the court; and

(b) the corporation shall notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel.

(20) Powers of court – On an application to a court under subsection (15) or (16), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall then fix a fair value for the shares of all dissenting shareholders.

(21) Appraisers – A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

(22) Final order – The final order of a court shall be rendered against the corporation in favour of each dissenting shareholder and for the amount of the shares as fixed by the court.

(23) Interest – A court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

(24) Notice that subsection (26) applies – If subsection (26) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (22), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

(25) Effect where subsection (26) applies – If subsection (26) applies, a dissenting shareholder, by written notice delivered to the corporation within thirty days after receiving a notice under subsection (24), may

(a) withdraw their notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to their full rights as a shareholder; or

(b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

(26) Limitation – A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

(a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.

Any questions and requests for assistance may be directed to the

Proxy Solicitation Agent:

The Exchange Tower
130 King Street West, Suite 2950, P.O. Box 361
Toronto, Ontario
M5X 1E2

www.kingsdaleshareholder.com

North American Toll Free Phone:

1-877-659-1818

Email: contactus@kingsdaleshareholder.com

Facsimile: 416-867-2271

Toll Free Facsimile: 1-866-545-5580

Outside North America, Banks and Brokers Call Collect: 416-867-2272