

SUBSCRIPTION AGREEMENT

December 29, 2009

TO: URANIUM ONE INC.

1. PURCHASE

The undersigned, Japan Uranium Management Inc. (the “**Purchaser**”), hereby irrevocably subscribes for and agrees to purchase from Uranium One Inc. (the “**Corporation**” or “**Uranium One**”) on the terms and conditions set forth in this Subscription Agreement (the “**Agreement**”) the CDN\$269,100,000 aggregate principal amount 3% convertible unsecured debenture of the Corporation bearing the terms and in the form set out in Schedule “C” hereto (the “**Debenture**”). The principal amount of the Debenture may be converted into an aggregate of 117,000,000 common shares (the “**Conversion Shares**”), subject to adjustment in accordance with the terms of the Debenture.

2. CONDITIONS OF PURCHASE

Conditions in Favour of the Corporation

- (a) The Purchaser acknowledges and agrees that the Corporation will not be required to sell the Debenture to the Purchaser unless, among other things, the following conditions are satisfied by the Closing Date (as defined in Section 3(a)) or if capable of waiver, waived by the Corporation as of the Closing Date:
 - (i) that the Purchaser executes and delivers this Agreement;
 - (ii) that the Purchaser is not a resident of the United States and that the Purchaser executes and delivers this Agreement (including completed and duly signed copies of this Agreement and the subscription particulars in Section 21 and Schedule “A”) and all other documents required by applicable securities legislation and the Toronto Stock Exchange (the “**TSX**”), (such approval to be subject only to the filing of the required documents and the repayment of the required fees within the time stipulated by the TSX) for delivery on behalf of the Purchaser;
 - (iii) that all regulatory approvals required to issue the Debenture and Conversion Shares, other than the MEMR Waiver (as such term is defined in Section 4(p)), including the approval of the TSX and to list the Conversion Shares if, as and when issued on the conversion of the Debenture are obtained by the Corporation prior to the Closing Date in form and substance satisfactory to the Corporation, acting reasonably;
 - (iv) that the issue, sale and delivery of the Debenture is exempt from the requirements to file a prospectus or registration statement, or deliver an “offering memorandum” (as defined in applicable securities legislation) under applicable securities legislation relating to the sale of the Debenture, or that the Corporation has received such orders, consents, or approvals as may be required to permit such sale or issuance without the requirement of

filing a prospectus or registration statement, or delivering an offering memorandum;

- (v) that the sale of the Debenture to the Purchaser will not require the Corporation to obtain the approval of its shareholders;
- (vi) the Purchaser and the Japan Parties (defined below) shall have executed prior to or concurrently with the execution of this Agreement (a) an amended and restated strategic relationship agreement by and among the Corporation and each of The Tokyo Electric Power Company, Incorporated (“**TEPCO**”), Japan Bank for International Cooperation, the international arm of Japan Finance Corporation (“**JBIC**”) and Toshiba Corporation (“**Toshiba**”) (TEPCO, JBIC and Toshiba are collectively referred to as the “**Japan Parties**”), (b) an amended and restated offtake agreement (the “**Offtake Agreement**”) by and among the Corporation, TEPCO, JBIC and Toshiba, (c) an amended and restated side letter issued by the Corporation in respect of certain mineral title matters in favour of the Purchaser, TEPCO, JBIC and Toshiba, (d) an amended and restated side letter issued by the Corporation in respect of certain performance covenants in favour of JBIC, and (e) two amended and restated side letters relating to the Offtake Agreement (collectively, the “**Related Documents**”), each of the Related Documents to be in form and substance satisfactory to the Corporation, acting reasonably;
- (vii) the Japan Parties shall have executed concurrently with the execution of this Agreement the Consortium Side Letter (defined below in Section (xiv)(A));
- (viii) that the sale of the Debenture will not result in the Purchaser being entitled to acquire beneficial ownership (as determined in accordance with Section 90 of the *Securities Act* (Ontario)) of more than 19.99% of the issued and outstanding common shares of the Corporation (the “**Common Shares**”);
- (ix) the completion, execution and delivery by the Purchaser of the documents referred to in Section 3 of this Agreement;
- (x) any such other documentation as may be required by applicable securities legislation or by the TSX to establish the availability of an appropriate exemption under the securities legislation of the jurisdiction of the Purchaser;
- (xi) the Corporation receiving on the Closing Date executed copies of the legal opinions which are to be delivered effective as of the Closing Date, addressed to the Corporation in form and substance satisfactory to the Purchaser and its counsel, acting reasonably, with respect to British Columbia matters from Edwards, Kenny & Bray LLP, with respect to the following matters:

- (A) the Purchaser is a corporation existing under the *Business Corporations Act* (British Columbia) and has not been dissolved;
 - (B) the Purchaser has the corporate power and capacity to own its properties and assets, to carry on its business as it is currently being conducted and to execute and deliver the Agreement and those Related Documents to which it is a party and to perform its obligations hereunder and thereunder, including the acceptance of and payment for the Debenture;
 - (C) the execution and delivery of the Agreement and those Related Documents to which it is a party and the performance of the transactions contemplated hereby and thereby (including the acceptance of and payment for the Debenture) do not and will not result in a breach of, and do not create a state of facts which, after notice or lapse of time or both, will result in a breach of and do not and will not conflict with, any of the terms, conditions or provisions of the articles or by-laws (or similar constating documents) of the Purchaser, or conflict with or result in any breach of the applicable laws of the Province of British Columbia or the laws of Canada applicable therein;
 - (D) confirms the authorized and issued share capital of the Purchaser;
 - (E) all necessary corporate action having been taken by the Purchaser to authorize the execution and delivery by it of the Agreement and those Related Documents to which it is a party and that the Agreement and each Related Document to which the Purchaser is a party has been duly and validly authorized and the Agreement and each Related Document to which the Purchaser is a party has been duly and validly executed and delivered by the Purchaser; and
 - (F) there is no consent, approval, authorization, filing, registration, order or qualification of or with any governmental or regulatory authority or stock exchange having jurisdiction over the Purchaser which, under the laws of the Province of British Columbia or the laws of Canada applicable therein is required to be obtained by the Purchaser for the execution, delivery and performance by the Purchaser of the Agreement and each Related Document to which the Purchaser is a party, except such as have been obtained, provided that no opinion shall be required to be given in respect of matters governed by Part IV.1 of the Investment Canada Act;
- (xii) the Corporation receiving on the Closing Date executed copies of the legal opinions which are to be delivered effective as of the Closing Date, addressed to the Corporation in form and substance satisfactory to the Corporation and its counsel acting reasonably, with respect to Ontario,

New York and Japan law matters from Baker & McKenzie's offices in Toronto, New York and Tokyo, respectively, with respect to the following matters:

- (A) Ontario law opinions as to:
 - (B) the execution and delivery of the Agreement and the Related Documents by the Purchaser or the Japan Parties, as applicable, and the performance by each of them of the transactions contemplated hereby and thereby (including the acceptance of and payment for the Debenture) do not and will not result in a breach of, and do not create a state of facts which, after notice or lapse of time or both, will conflict with or result in any breach of any applicable laws of the Province of Ontario or the laws of Canada applicable therein;
 - (C) the Agreement and each Related Document (other than the Offtake Agreement) constitutes a legal, valid and binding obligation of the Purchaser or Japan Parties, as applicable, enforceable against the Purchaser or Japan Parties in accordance with its terms, subject to bankruptcy, insolvency or other laws affecting creditors generally, general equitable principles and the qualification that any rights to indemnity, contribution and waiver of contribution contained therein may be limited by applicable law; and
 - (D) there is no consent, approval, authorization, filing, registration, order or qualification of or with any governmental or regulatory authority or stock exchange having jurisdiction over the Purchaser or Japan Parties, as applicable, which, under the laws of the Province of Ontario or the laws of Canada applicable therein is required for the execution, delivery and performance by them of the Agreement and each Related Document, except such as have been obtained; and
- (xiii) New York law opinions as to:
- (A) The execution and delivery by the Japan Parties of and the performance by them of their obligations under the terms of the Offtake Agreement do not violate any current laws of the State of New York that, in the experience of our New York counsel, are normally applicable to transactions of the type contemplated by the Offtake Agreement;
 - (B) The Offtake Agreement constitutes the valid and binding agreement of the Japan Parties, enforceable against such party in accordance with its terms, subject to (i) laws relating to bankruptcy, insolvency, fraudulent conveyance, reorganization,

liquidation, moratorium and other similar laws affecting creditors' rights generally, (ii) general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law), (iii) standards of commercial reasonableness and good faith, (iv) public policy and (v) concepts of comity; and

(C) No approval or authorization by, or filing with, any governmental authority of the State of New York that, in the experience of our New York counsel, are normally applicable to transactions of the type contemplated by the Offtake Agreement, is required by the Japan Parties for the execution and delivery by them of, and the performance of their obligations under the terms of, the Offtake Agreement, except such as have been obtained.

(xiv) Japan law opinions as to:

(A) the execution and delivery of the Agreement, the Related Documents and that certain amended and restated side letter by and among the Corporation and each of TEPCO, JBIC and Toshiba in respect of their several guarantee of certain of the obligations of the Purchaser under the Agreement (the "**Consortium Side Letter**") and the performance of the transactions contemplated hereby and thereby (including the acceptance of and payment for the Debenture) do not and will not result in a breach of, and do not create a state of facts which, after notice or lapse of time or both, will conflict with or result in any breach of any applicable laws of Japan; and

(B) there is no consent, approval, authorization, filing, registration, order or qualification of or with any governmental or regulatory authority or stock exchange having jurisdiction over the Purchaser or Japan Parties which, under the laws of Japan is required for the execution, delivery and performance by the Purchaser or Japan Parties of the Agreement, each Related Document and the Consortium Side Letter, except such as have been obtained;

(xv) the Accredited Investor Certificate (as attached hereto as Schedule "A") duly completed and signed; and

(xvi) delivery to the Corporation of a bring down certificate executed by an officer or director of the Purchaser certifying that the representations and warranties of the Purchaser contained in this Agreement and the Schedules hereto remain true and correct as of the Closing Date.

Conditions in Favour of the Purchaser

(b) The Corporation acknowledges and agrees that the Purchaser will not be required to purchase the Debenture from the Corporation unless, among other things, the

following conditions are satisfied by the Closing Date or, if capable of waiver, are waived by the Purchaser by the Closing Date:

- (i) that the Corporation executes and delivers this Agreement and the certificates representing the Debenture in the form set out on Schedule “C” hereto;
- (ii) that, other than the MEMR Waiver, all regulatory approvals required to issue the Debenture and Conversion Shares, including the approval of the TSX (such approval to be subject only to the filing of the required fees within the time stipulated by the TSX) to list the Conversion Shares if, as and when issued on the conversion of the Debenture are obtained by the Corporation prior to the Closing Date in form and substance satisfactory to the Corporation, acting reasonably;
- (iii) the representations and warranties of the Corporation contained in this Agreement remain true and correct as of the Closing Date;
- (iv) the Purchaser receiving on the Closing Date executed copies of the legal opinions which are to be delivered effective as of the Closing Date, addressed to the Purchaser in form and substance satisfactory to the Purchaser and its counsel acting reasonably from Fasken Martineau DuMoulin LLP, with respect to the following matters:
 - (A) the Corporation is a corporation continued under the *Canada Business Corporations Act* and has not been dissolved;
 - (B) each of Uranium One Investments Inc. and UrAsia Energy Ltd. (collectively, the “**Canadian Subsidiaries**”) is a corporation continued or incorporated, as the case may be, under its governing statute and has not been dissolved;
 - (C) the Corporation and each of the Canadian Subsidiaries has the corporate power and capacity to own its properties and assets, to carry on its business as it is currently being conducted and the Corporation has the corporate power and capacity to execute and deliver the Agreement, the Debenture and the Related Documents and to perform its obligations hereunder and thereunder, including the issuance and delivery of the Debenture;
 - (D) the execution and delivery of the Agreement, the Debenture and the Related Documents, and the performance of the transactions contemplated hereby and thereby (including the issuance and delivery of the Debenture) do not and will not result in a breach of, and do not create a state of facts which, after notice or lapse of time or both, will result in a breach of and do not and will not conflict with, any of the terms, conditions or provisions of the articles or by-laws (or similar constating documents) of the

Corporation or any of the Canadian Subsidiaries, or conflict with or result in any breach of the applicable laws of the Province of Ontario or British Columbia or the laws of Canada applicable therein;

- (E) confirms the authorized and issued share capital of the Corporation and for each of the Canadian Subsidiaries and the identity and number of shares held by the registered shareholders of each Canadian Subsidiary;
- (F) all necessary corporate action having been taken by the Corporation to authorize the execution and delivery by it of the Agreement, the Related Documents and the Agreement and each Related Document and Debenture has been duly and validly executed and delivered by the Corporation and the Agreement and each Related Document and Debenture (other than the Offtake Agreement) constitutes a legal, valid and binding obligation of the Corporation enforceable against the Corporation in accordance with its terms, subject to bankruptcy, insolvency or other laws affecting creditors generally, general equitable principles and the qualification that any rights to indemnity, contribution and waiver of contribution contained therein may be limited by applicable law;
- (G) the Conversion Shares have been authorized for issuance and upon the due conversion of the Debenture in accordance with the terms thereof will be validly issued as fully paid and non assessable Common Shares;
- (H) the issuance and sale of the Debenture is exempt from the prospectus and registration requirements of Ontario securities laws;
- (I) the issuance and sale of the Debenture does not require the Corporation to obtain the approval of its shareholders under applicable Law;
- (J) there is no consent, approval, authorization, filing, registration, order or qualification of or with any governmental or regulatory authority or stock exchange having jurisdiction over the Corporation or any Canadian Subsidiary which, under the applicable laws of the Provinces of Ontario or British Columbia or the laws of Canada applicable therein, is required for the execution, delivery and performance by the Corporation of this Agreement, the Debenture and each Related Document or the issuance of the Debenture, except such as have been obtained, provided that no opinion shall be required to be given in respect of matters covered by Part IV.1 of the Investment Canada Act;

- (K) the Conversion Shares have been conditionally approved for listing on the TSX if, as and when issued upon the conversion of the Debenture, subject to the Corporation fulfilling all the requirements of the TSX as set out in the letter of the TSX granting conditional listing approval for the offering;
- (v) the Purchaser receiving on the Closing Date executed copies of the legal opinions which are to be delivered effective as of the Closing Date, addressed to the Purchaser in form and substance satisfactory to the Purchaser, acting reasonably, and its counsel, acting reasonably, from the Corporation's local counsel, acceptable to Purchaser, in the States of Nevada and Delaware, U.S.A., with respect to the following matters:
 - (A) each of Uranium One Americas, Inc., and Uranium One Exploration U.S.A. Inc. (the "**U.S. Material Subsidiaries**") is a corporation, limited liability company or limited liability partnership, as the case may be, existing under the laws of its jurisdiction of its formation and has not been dissolved;
 - (B) each U.S. Material Subsidiary has the corporate power and capacity to own its properties and assets, to carry on its business as it is currently being conducted;
 - (C) the execution and delivery of the Agreement and the Related Documents by the Corporation and the performance of the transactions contemplated thereby (including the issuance and delivery of the Debenture) do not and will not result in a breach of, and do not create a state of facts which, after notice or lapse of time or both, will result in a breach of and do not and will not conflict with, any of the terms, conditions or provisions of the articles or by-laws (or similar constating documents) of any of the U.S. Material Subsidiaries, or conflict with or result in any breach of the applicable laws of the jurisdiction of formation of any of the U.S. Material Subsidiaries;
 - (D) confirms the authorized and issued share capital of each U.S. Material Subsidiary and the identity and number of shares or equity interests held by its registered security holders;
 - (E) there is no consent, approval, authorization, filing, registration, order or qualification of or with any governmental or regulatory authority or stock exchange having jurisdiction over the Corporation or each U.S. Material Subsidiary or any of its subsidiaries in the relevant jurisdiction which, under the laws applicable therein is required for the execution, delivery and performance by the Corporation of the Agreement and each Related Document, except such as have been obtained;

- (vi) the Purchaser receiving on the Closing Date executed copies of the legal opinions which are to be delivered effective as of the Closing Date, addressed to the Purchaser in form and substance satisfactory to the Purchaser, acting reasonably, and its counsel, acting reasonably, from the Corporation's local counsel, acceptable to Purchaser, in the State of New York, U.S.A., with respect to the following matters:
 - (A) The execution and delivery by the Corporation of and the performance by it of its obligations under the terms of the Offtake Agreement do not violate any current laws of the State of New York that, in the experience of our New York counsel, are normally applicable to transactions of the type contemplated by the Offtake Agreement;
 - (B) The Offtake Agreement constitutes the valid and binding agreement of the Corporation, enforceable against such party in accordance with its terms, subject to (i) laws relating to bankruptcy, insolvency, fraudulent conveyance, reorganization, liquidation, moratorium and other similar laws affecting creditors' rights generally, (ii) general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law), (iii) standards of commercial reasonableness and good faith, (iv) public policy and (v) concepts of comity; and
 - (C) No approval or authorization by, or filing with, any governmental authority of the State of New York that, in the experience of our New York counsel, are normally applicable to transactions of the type contemplated by the Offtake Agreement, is required by the Corporation for the execution and delivery by it of, and the performance of its obligations under the terms of, the Offtake Agreement, except such as have been obtained.
- (vii) the Purchaser receiving on the Closing Date executed copies of the legal opinions which are to be delivered effective as of the Closing Date, addressed to the Purchaser in form and substance satisfactory to the Purchaser and its counsel, acting reasonably, from the Corporation's local counsel in Kazakhstan acceptable to the Purchaser, acting reasonably, with respect to the following matters:
 - (A) each of the Kazakhstanskaya Investitsionnaya Gruppa Astana Limited Liability Partnership, Joint Venture Betpak Dala Limited Liability Partnership, Kyzylkum Limited Liability Partnership (collectively, the "**Kazakhstan Subsidiaries**") is a limited liability partnership existing under the laws of its jurisdiction of formation and has not been dissolved;

- (B) each of the Kazakhstan Subsidiaries has the corporate power and capacity to own its properties and assets, to carry on its business as it is currently being conducted;
 - (C) the execution and delivery of the Agreement and the Related Documents by the Corporation and the performance of the transactions contemplated thereby (including the issuance and delivery of the Debenture and excluding the issuance of the Conversion Shares upon conversion of the Debenture) do not and will not result in a breach of, and do not create a state of facts which, after notice or lapse of time or both, will result in a breach of and do not and will not conflict with, any of the terms, conditions or provisions of the articles or by-laws (or similar constating documents) of the Kazakhstan Subsidiaries, or conflict with or result in any breach of the applicable laws of the jurisdiction of formation of the Kazakhstan Subsidiaries;
 - (D) confirms the authorized and issued share capital of the Kazakhstan Subsidiaries and the identity and number of shares or equity interests held by its registered security holders;
 - (E) other than the MEMR Waiver in connection with the issuance of the Conversion Shares upon conversion of the Debenture, there is no consent, approval, authorization, filing, registration, order or qualification of or with any governmental or regulatory authority or stock exchange having jurisdiction over the Kazakhstan Subsidiaries in the relevant jurisdiction which, under the laws applicable therein is required for the execution, delivery and performance by the Corporation of the Agreement and each Related Document, except such as have been obtained;
- (viii) the Purchaser receiving on the Closing Date executed copies of the legal opinions which are to be delivered effective as of the Closing Date, addressed to the Purchaser in form and substance satisfactory to the Purchaser and its counsel acting reasonably from local counsel in South Africa, with respect to the following matters:
- (A) there is no consent, approval, authorization, filing, registration, order or qualification of or with any governmental or regulatory authority or stock exchange having jurisdiction over the Corporation which, under the applicable laws of South Africa is required for the execution, delivery and performance by the Corporation of the Agreement or the issuance of the Debenture, except such as have been obtained; and
 - (B) the Conversion Shares have been approved for listing on the Johannesburg Stock Exchange (“JSE”) if, as and when issued

upon the conversion of the Debenture (subject only to the filing of certain required documents and payment of required fees within the time stipulated by the JSE);

- (ix) the Purchaser receiving on the Closing Date executed copies of the legal opinions which are to be delivered effective as of the Closing Date, addressed to the Purchaser in form and substance satisfactory to the Purchaser and its counsel, acting reasonably, from the Corporation's local counsel in Cyprus, acceptable to the Purchaser, acting reasonably, with respect to the following matters:
 - (A) Deanco Limited is a corporation existing under the laws of its jurisdiction of formation and has not been dissolved;
 - (B) Deanco Limited has the corporate power and capacity to own its properties and assets, to carry on its business as it is currently being conducted;
 - (C) the execution and delivery of the Agreement and the Related Documents by the Corporation and the performance of the transactions contemplated thereby (including the issuance and delivery of the Debenture) do not and will not result in a breach of, and do not create a state of facts which, after notice or lapse of time or both, will result in a breach of and do not and will not conflict with, any of the terms, conditions or provisions of the articles or by-laws (or similar constating documents) of Deanco Limited or conflict with or result in any breach of the applicable laws of the jurisdiction of formation of Deanco Limited applicable therein;
 - (D) confirms the authorized and issued share capital of Deanco Limited, and the identity and number of shares held by its registered shareholders;
 - (E) there is no consent, approval, authorization, filing, registration, order or qualification of or with any governmental or regulatory authority or stock exchange having jurisdiction over the Corporation or Deanco Limited or any of its subsidiaries in the relevant jurisdiction which, under the laws applicable therein is required for the execution, delivery and performance by the Corporation of the Agreement and each Related Document, except such as have been obtained;
- (x) the Purchaser receiving on the Closing Date executed copies of the legal opinions which are to be delivered effective as of the Closing Date, addressed to the Purchaser in form and substance satisfactory to the Purchaser and its counsel, acting reasonably, from the Corporation's local

counsel in the British Virgin Islands acceptable to the Purchaser, acting reasonably, with respect to the following matters:

- (A) each of UrAsia London Ltd. and UrAsia Energy Holdings Ltd. (collectively, the “**BVI Subsidiaries**”) is a corporation existing under the laws of its jurisdiction of formation and has not been dissolved;
 - (B) each of the BVI Subsidiaries has the corporate power and capacity to own its properties and assets, to carry on its business as it is currently being conducted;
 - (C) the execution and delivery of the Agreement and the Related Documents by the Corporation and the performance of the transactions contemplated thereby (including the issuance and delivery of the Debenture) do not and will not result in a breach of, and do not create a state of facts which, after notice or lapse of time or both, will result in a breach of and do not and will not conflict with, any of the terms, conditions or provisions of the articles or by-laws (or similar constating documents) of the BVI Subsidiaries, or conflict with or result in any breach of the applicable laws of the jurisdiction of formation of the BVI Subsidiaries;
 - (D) confirms the authorized and issued share capital of the BVI Subsidiaries, and the identity and number of shares held by its registered shareholders;
 - (E) there is no consent, approval, authorization, filing, registration, order or qualification of or with any governmental or regulatory authority or stock exchange having jurisdiction over the Corporation or the BVI Subsidiaries or any of its subsidiaries in the relevant jurisdiction which, under the laws applicable therein is required for the execution, delivery and performance by the Corporation of the Agreement and each Related Document, except such as have been obtained;
- (xi) the Conversion Shares have been approved for listing on the JSE if, as and when issued upon the conversion of the Debenture, subject only to the filing of certain required documents and payment of the required fees within the time stipulated by the JSE;
 - (xii) the Corporation shall have executed and delivered to the Purchaser concurrently with the execution of this Agreement the Consortium Side Letter and each of the Related Documents, each of the Related Documents to be in form and substance satisfactory to the Purchaser;

- (xiii) the written notice of the Treasurer of the Australian Federal Government (or his delegate) provided to the Purchaser on 22 December 2009 that there are no objections under Australia's foreign investment policy to the proposed purchase of the Debenture and its conversion into the Conversion Shares shall be in full force and effect. The notice must remain either unconditional or not impose conditions which are not satisfactory to the Purchaser (acting reasonably);
- (xiv) delivery to the Purchaser of a bring down certificate executed by an officer of the Corporation certifying that the representations, warranties and Disclosed Matters of the Corporation contained in this Agreement and the Schedules hereto remain true and correct as of the Closing Date.

MEMR Waiver Not a Condition

- (c) The Purchaser and the Corporation acknowledge that the receipt of the MEMR Waiver shall not be a condition precedent to either party completing the sale and purchase of the Debenture contemplated hereby.

3. DELIVERY AND PAYMENT

- (a) Closing of the transactions contemplated in this Agreement shall occur on the Banking Day (as such term is defined below) which next follows delivery of respective confirmations by the Purchaser and the Corporation in writing to the effect that the respective conditions to sale and purchase of the Debenture have been satisfied (or if capable of waiver, waived by the party entitled to so waive) prior to 5:00 p.m. (Toronto time) on such date or such other date as agreed to in writing between the Corporation and the Purchaser, (any such date, the "**Closing Date**") and unless otherwise provided for herein;
- (b) the Purchaser will deliver to the Corporation's counsel, into escrow, at Fasken Martineau DuMoulin LLP, 66 Wellington Street West Suite 3600, Toronto-Dominion Bank Tower Box 20, Toronto Dominion Centre, Toronto, Ontario, M5K 1N6, or (a) by fax to: (416) 364-7813 or (b) in PDF format, the following on or prior to 12:00 noon (Toronto time) on the Closing Date:
 - (i) except as previously delivered, copies or originals of the documents, opinions and certificates referenced in Section 2(a) of this Agreement; and
 - (ii) on or before 9 Banking Days (a "Banking Day" means a day that banks in Toronto and Tokyo are open to transact normal retail banking operations) following the Closing Date, evidence of payment of the aggregate subscription price (in Canadian dollars) for the Debenture by wire transfer to:

BENEFICIARY BANK: [Banking information redacted]

BENEFICIARY ACCOUNT: [Banking information redacted]

BENEFICIARY NAME: Uranium One Inc.

Upon receipt by the Corporation of the aggregate subscription price referred to above, the documents referenced in subsection 3(b)(i) above shall be deemed released from escrow and shall be deemed delivered to the Corporation.

- (c) The Corporation will deliver to the Purchaser's counsel, into escrow, at Baker & McKenzie LLP, 181 Bay Street, Suite 2100, Toronto, Ontario M5J 2T3 or (a) by fax to 416 863-6275 or (b) in PDF format the following on or prior to 12:00 noon (Toronto time) on the Closing Date the following:
 - (i) except as previously delivered, copies or originals of the documents, opinions and certificates referenced in Section 2(b) of this Agreement; and
 - (ii) a certificate representing the principal amount of the Debenture in the form attached hereto as Schedule "C", executed by the Corporation and registered in the name of Japan Uranium Management Inc.

Upon receipt by the Corporation of the aggregate subscription price referred to in subsection 3(b)(ii) above, the documents referenced in subsection 3(c) shall be deemed released from escrow and shall be deemed delivered to the Purchaser.

- (d) *Execution of Debenture by Purchaser.* The Purchaser shall, upon deposit by the Company of the certificates referred to in subsection 3(c)(ii), execute and deliver to Baker & McKenzie LLP such certificates.
- (e) *Termination.* This Agreement may be terminated by either party to this Agreement if the Closing Date has not occurred on or before 5:00 p.m. (Toronto time) on 5 January 2010, or such later date as the parties hereto may agree. If this Agreement is terminated pursuant to this Section 3(d), all obligations of the parties under this Agreement will terminate.

4. PURCHASER'S ACKNOWLEDGEMENTS

The Purchaser acknowledges that:

- (a) the Purchaser has not been provided with, nor has it requested, nor does it have any need to receive, an offering memorandum or any similar document in connection with its subscription of the *Debenture*, and its decision to execute this Agreement and to purchase the *Debenture* has been based entirely upon publicly available information concerning the Corporation and its own due diligence activities, including its review of the materials posted into the Data Site, and not upon any verbal or other written representation (other than: (i) as contained

herein, (ii) in the Disclosed Matters, or (iii) in any document contemplated to be delivered to the Purchaser pursuant to the Strategic Relationship Agreement, and on the condition that the legal opinions referred to in Section 2 of this Agreement will be provided to it on the Closing Date), as to fact or otherwise made by or on behalf of the Corporation or any employees, agents or affiliates thereof, and for this purpose the Corporation assumes no responsibility or liability of any nature whatsoever for the adequacy of the publicly available or other information upon which the investment decision may have been made except with respect to the representations and warranties made by the Corporation to the Purchaser in this Agreement;

- (b) it understands and acknowledges that the Debenture and the Conversion Shares issuable on the conversion of the Debenture have not been nor will they be registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or the securities laws of any state;
- (c) no agency, Government Entity, regulatory body, stock exchange or other entity has made any finding or determination as to the merit for investment of, nor have any such agencies or Government Entity made any recommendation or endorsement with respect to the Debenture or Conversion Shares;
- (d) the purchase of the Debenture has not been made through, or as a result of, and the distribution of the Debenture is not being accompanied by, and the Purchaser is not aware of, any form of general solicitation or general advertising including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or on the Internet, or broadcast over radio, Internet or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;
- (e) the Debenture are being offered for sale on a “private placement” basis only;
- (f) neither the Corporation nor any person or company acting on behalf of the Corporation has given to the Purchaser any undertaking, written or oral, relating to the future value or price of the Debenture or the Common Shares;
- (g) the sale and delivery of the Debenture to the Purchaser is, and the issuance and delivery of the Conversion Shares to the Purchaser upon the conversion of the Debenture will be, conditional upon such sale or issuance, as the case may be, being exempt from the prospectus requirements, or the requirement to file a registration statement, of all applicable securities legislation relating to the sale of the Debenture and the issuance of the Conversion Shares, or upon the issuance of such orders, consents or approvals as may be required to permit such sale or issuance without the requirement of filing a prospectus;
- (h) the Corporation may be required to disclose to applicable securities regulatory authorities the identity of the beneficial purchasers of the Debenture;

- (i) the certificates representing the Debenture, shall bear the following legend until the expiration of the applicable hold period:

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY SHALL NOT TRADE THE SECURITY BEFORE **[INSERT THE DATE THAT IS FOUR MONTHS AND A DAY AFTER THE DISTRIBUTION DATE OF THE DEBENTURE.]**

- (j) the certificates representing the Conversion Shares, if the same are issued before the date that is four months and a day after the Closing Date, shall bear the following legend until the expiration of the applicable hold period:

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY SHALL NOT TRADE THE SECURITY BEFORE **[INSERT THE DATE THAT IS FOUR MONTHS AND A DAY AFTER THE DISTRIBUTION DATE OF THE DEBENTURE.]**

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE LISTED ON THE TORONTO STOCK EXCHANGE (“TSX”); HOWEVER, THE SAID SECURITIES CANNOT BE TRADED THROUGH THE FACILITIES OF THE TSX SINCE THEY ARE NOT FREELY TRANSFERABLE, AND CONSEQUENTLY ANY CERTIFICATE REPRESENTING SUCH SECURITIES IS NOT “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON THE TSX.

- (k) with respect to the resale of the Debenture and the Conversion Shares issued upon the conversion of the Debenture, the Purchaser (A) has been advised to, and will, consult its own legal advisors with respect to trading in the Debenture and Conversion Shares and with respect to the resale restrictions imposed by the applicable securities laws of the jurisdiction in which the Purchaser resides and other applicable securities laws and the rules of the TSX, (B) acknowledges that resale restrictions, including applicable hold periods imposed by the applicable securities laws or other resale restrictions applicable to the Debenture and Conversion Shares which restrict the ability of the Purchaser to resell such securities are applicable to the Purchaser, (C) acknowledges that the Purchaser is solely responsible to determine applicable resale restrictions, (D) is solely responsible (and the Corporation is not in any way responsible) for compliance with applicable reporting provisions, other than in connection with the initial sale of the Debenture to the Purchaser, and resale restrictions, applicable to (i) the Debenture and Conversion Shares and (ii) the Purchaser and agrees to comply with all applicable reporting provisions and resale restrictions, and (E) is aware that it may not be able to resell the Debenture and Conversion Shares except in accordance with limited exemptions available under applicable securities laws;

- (l) the Purchaser consents to the Corporation making a notation on its records or giving instructions to any transfer agent of the Conversion Shares in order to implement the restriction on transfer set forth and described in Section 4(j) hereof;
- (m) in addition to any restrictions on resale imposed by applicable law, the Debenture may only be transferred, sold or otherwise disposed of as permitted under the terms thereof;
- (n) because this subscription is being made pursuant to prospectus and registration exemptions available under applicable Canadian securities laws:
 - (i) the Purchaser is restricted from using certain of the civil remedies available under applicable Canadian securities laws;
 - (ii) the Purchaser may not receive information that might otherwise be required to be provided to the Purchaser under the applicable Canadian securities laws if the exemptions were not being used; and
 - (iii) the Corporation is relieved from certain obligations that would otherwise apply under the applicable Canadian securities laws if the exemptions were not being used;
- (o) this Agreement requires the Purchaser to provide certain personal information to the Corporation. Such information is being collected and will be used by the Corporation for purposes which include, without limitation, determining the Purchaser's eligibility to purchase the Debenture under applicable securities laws, preparing and registering the certificates representing the Debenture and completing filings required by applicable securities laws and other regulatory authorities (including the collection, use and disclosure of personal information by the TSX). The Purchaser agrees that the Purchaser's personal information may be disclosed by the Corporation to: (A) applicable securities regulatory authorities and stock exchanges or quotation systems, (B) the Corporation's registrar and transfer agent, and (C) any of the other parties involved in the purchase of the Debenture, including legal counsel, and may be included in record books in connection with the Offering. The Purchaser consents to the foregoing collection, use and disclosure of the Purchaser's personal information. The Purchaser also consents to the filing of copies or originals of any of the Purchaser's documents described herein as may be required to be filed with any stock exchange or securities regulatory authority in connection with the transactions contemplated hereby; and
- (p) the Corporation has not yet received a waiver from the Kazakh State represented by the Ministry of Energy and Mineral Resources of Kazakhstan of its rights of pre-emption in relation to the projects operated by Joint Venture Betpak Dala Limited Liability Partnership and Kyzylkum Limited Liability Partnership as sought by the Corporation in an application dated March 17, 2009, as such application may be re-filed or supplemented from time to time, or such other

filings as may be required from time to time by the Ministry of Energy and Mineral Resources of Kazakhstan to permit the Purchaser to acquire the Conversion Shares or otherwise hold a direct equity investment in the Corporation (the “MEMR Waiver”).

5. PURCHASER’S REPRESENTATIONS, WARRANTIES AND COVENANTS

- (a) The Purchaser hereby represents and warrants to, and covenants with, the Corporation that as of the date hereof and as of the Closing Date:
- (i) the Purchaser is purchasing the Debenture as principal for its own account, not for the benefit of any other person and not with a view to the resale or distribution of the Debenture;
 - (ii) the Purchaser was not created or used solely to purchase or hold securities (including the Debenture) in order to avail itself of an exemption from prospectus and registration requirements under applicable Canadian securities laws;
 - (iii) the Purchaser was offered the Debenture in, and is resident in, the jurisdiction listed in the Purchaser’s permanent address set forth in Section 21 hereof;
 - (iv) the purchase of the Debenture by the Purchaser hereunder is not a transaction in which any beneficial owner of securities carrying more than 10% of the voting rights attaching to all outstanding voting securities of the Corporation, has a direct or indirect beneficial interest;
 - (v) the Purchaser has properly completed, executed and delivered to the Corporation the applicable questionnaire(s) and certificate(s) (dated as of the date hereof) set forth in Schedule A attached hereto and the information contained therein is true and correct and the representations, warranties and covenants contained in the Schedule attached hereto will be true and correct both as of the date of execution of this Agreement and as at the Closing Date;
 - (vi) as at the date which is on or before 9 Banking Days after the Closing Date, the authorized and issued share capital of the Purchaser will consist of [Issued share capital redacted] common shares in total, with [Share ownership redacted] of such shares beneficially owned by TEPCO, [Share ownership redacted] of such shares beneficially owned by JBIC and [Share ownership redacted] of such shares beneficially owned by Toshiba;
 - (vii) there are no options, warrants, conversion privileges, stock appreciation rights, phantom equity or similar rights, agreements, arrangements or commitments based upon the book value, income or any other attribute of the Purchaser or other rights, agreements, arrangements or commitments

(pre-emptive, contingent or otherwise) obligating the Purchaser to issue or sell any shares of the Purchaser or securities or obligations of any kind convertible into or exchangeable for any shares of the Purchaser;

- (viii) the Purchaser is a valid and subsisting corporation, has the necessary corporate power, capacity and authority to execute and deliver this Agreement and the Related Documents and to observe and perform its covenants and obligations hereunder and thereunder and has taken all necessary corporate action in respect thereof and has obtained all necessary approvals to execute and deliver this Agreement and the Related Documents and to observe and perform its covenants and obligations hereunder and thereunder;
- (ix) upon acceptance of this Agreement and the Related Documents by the Corporation, this Agreement and the Related Documents will constitute a legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms;
- (x) the entering into of this Agreement and the Related Documents and the transactions contemplated hereby and thereby will not result in a violation of any of the terms and provisions of any Law applicable to the Purchaser or any of its constating documents, or of any agreement, deed, order or judgement to which it is a party or by which it is bound;
- (xi) the Purchaser is solely responsible for its own due diligence investigation of the Corporation and its business, for its own analysis of the merits and risks of its investment in the Debenture made pursuant to this Agreement and for its own analysis of the terms of its investment;
- (xii) the Purchaser has been independently advised as to, and is aware of, the restrictions with respect to trading in the Debenture and Conversion Shares pursuant to all applicable securities laws and the rules of any applicable stock exchanges and further agrees that it is solely responsible for compliance with all such restrictions;
- (xiii) the Purchaser is neither a U.S. Person (as such term is defined in Rule 902(k) of Regulation S promulgated under the U.S. *Securities Act*) nor purchasing the Debenture for the account of a U.S. Person or for resale in the United States and the Purchaser confirms that the Debenture have not been offered to the Purchaser in the United States and that this Agreement has not been signed in the United States; and
- (xiv) none of the funds being used to purchase the Debenture are to the Purchaser's knowledge proceeds obtained or derived directly or indirectly as a result of illegal activities. The funds being used to purchase the Debenture which will be advanced by the Purchaser to the Corporation hereunder will not represent proceeds of crime for the purposes of the

Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) (the “PCMLTFA”) and the Purchaser acknowledges that the Corporation may in the future be required by law to disclose the Purchaser’s name and other information relating to this Agreement and the Purchaser’s subscription hereunder, on a confidential basis, pursuant to the PCMLTFA. To the best of the Purchaser’s knowledge, none of the funds to be provided by the Purchaser are being tendered on behalf of a person or entity who has not been identified to the Purchaser, and the Purchaser shall promptly notify the Corporation if the Purchaser discovers that any of such representations cease to be true, and shall promptly provide the Corporation with all necessary information in connection therewith.

- (b) The Purchaser hereby covenants with the Corporation that:
- (i) the Purchaser shall use reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable Laws to consummate the transactions contemplated by this Agreement and the Related Documents as promptly as practicable and to cause the satisfaction as promptly as practicable of the conditions set forth in Section 2 hereof that impose obligations on the Purchaser or require action on its part;
 - (ii) the Purchaser will not sell, transfer or dispose of the Debenture, except as permitted under the terms thereof;
 - (iii) the Purchaser will not sell, transfer or dispose of the Debenture (or the Conversion Shares) to or for the benefit of a resident of Canada for a period of four months and a day from the Closing Date (or Conversion Date in the case of the Conversion Shares) unless prospectus and registration exemptions are available under applicable Canadian securities laws. If, prior to the date that is four months and a day from the Closing Date (or Conversion Date in the case of the Conversion Shares), the Purchaser sells or otherwise disposes of the Debenture or Conversion Shares, the Purchaser will obtain from such a person a covenant in the same form as provided for in this Agreement, and the Corporation shall not have any obligation to register any purported sale, transfer or disposition of the Debenture or Conversion Shares which may be in violation of such laws and any such sale, transfer or other disposition shall be null and void and of no force or effect;
 - (iv) the Purchaser will not offer or sell the Debenture or Conversion Shares in the United States or to a U.S. Person (as such term is defined in Rule 902(k) of Regulation S promulgated under the U.S. *Securities Act*) unless an exemption from the registration requirements under the U.S. *Securities Act* and the securities laws of all applicable states of the United States is available;

- (v) if required by applicable securities laws, regulatory policy or order of a securities regulatory authority, stock exchange or other regulatory authority, it will execute, deliver, file and otherwise assist the Corporation in filing such reports, questionnaires, undertakings and other documents with respect to the issuance of the Debenture and Conversion Shares; and
 - (vi) the representations, warranties, acknowledgments and covenants contained in this Agreement are made by the Purchaser with the intent that they may be relied upon by the Corporation in determining the Purchaser's eligibility to purchase the Debenture, and the Purchaser covenants and agrees to protect and indemnify the Corporation (and its affiliates and their respective shareholders, officers, directors, employees, advisors, legal counsel and agents) from and against all civil or administrative penalties arising from violations or alleged violations of applicable Laws, losses, claims, damages, liabilities, costs and expenses, including, without limitation, all amounts paid to settle actions (provided the Purchaser has previously consented to such settlement) or satisfy judgements or awards and all reasonable legal fees and expenses, but excluding special, indirect, incidental, consequential, exemplary, aggravated, or punitive losses or damages (including, without limitation loss of profit, loss of market capitalization and loss of business or goodwill) for which the Purchaser will not under any circumstances be liable, caused by or arising directly or indirectly by reason of any inaccuracy in or breach by the Purchaser of any representation, warranty, acknowledgment or covenant made by the Purchaser under this Agreement.
- (c) The representations and warranties made pursuant to Section 5 of this Agreement shall survive until the earlier of:
- (i) the second anniversary of the Closing Date; and
 - (ii) the date none of the Purchaser, TEPCO, JBIC or Toshiba, as applicable, no longer own the Debenture or any of the Conversion Shares.
- (d) The covenants made pursuant to this Section 5 shall terminate on the date the Purchaser no longer owns the Debenture acquired under this Agreement or any of the Conversion Shares acquired upon the conversion of the Debenture, provided that the covenants of the Purchaser set out in Sections 5(b)(iii) and (vi) shall survive the termination of this Agreement and only remain in effect until the second anniversary of the Closing Date.

6. REPRESENTATIONS AND WARRANTIES OF THE CORPORATION

By executing this Agreement, the Corporation represents and warrants to the Purchaser, and acknowledges that the Purchaser is relying thereon, that, as of the date hereof and as of the Closing Date:

- (a) *Good Standing of Uranium One.* Uranium One has been duly incorporated and organized and is validly existing under the laws of its jurisdiction of incorporation and organization, and has all requisite corporate power and authority to carry on its business, as now conducted and as presently proposed to be conducted by it, and to own, lease and operate its properties and assets and to carry out the transactions contemplated by this Agreement and the Related Documents. Uranium One is current and up-to-date with all material filings required to be made under the laws of its jurisdiction of incorporation and organization, is duly qualified to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business. No act or proceeding has been taken by or, to the knowledge of the Corporation, against the Corporation in connection with its liquidation, winding-up or bankruptcy.
- (b) *Good Standing of Subsidiaries.* Each Material Subsidiary is organized or incorporated, as applicable, validly existing and in good standing under the laws of the jurisdiction of its organization or incorporation, has all requisite power and authority to carry on its business as now conducted and is qualified to do business in, and is in good standing in every jurisdiction where such qualification is required. The Disclosed Matters contain lists indicating all of Uranium One's subsidiaries, affiliates and joint ventures.
- (c) *Joint Ventures and Other Interests.* The Disclosed Matters correctly sets forth, for each Related Subsidiary and each Kazakh Joint Venture the (i) name, (ii) form of legal entity, (iii) Equity Securities issued and outstanding, (iv) Equity Securities owned by a Related Subsidiary (and specifying such owner), and (v) jurisdiction of organization as at the date hereof. The Disclosed Matters sets forth all of the outstanding Equity Securities for each Related Subsidiary and the Kazakh Joint Ventures and sets forth all outstanding options, warrants or other rights to purchase Equity Securities of any Related Subsidiary and the Kazakh Joint Ventures. Except as set forth in the Disclosed Matters, all such Equity Securities so owned are duly authorized, validly issued, fully paid and non-assessable, and were issued in compliance in all material respects with all Laws, and are free and clear of all Liens.
- (d) *Capital Structure.* The authorized capital of the Corporation consists of an unlimited number of Common Shares of which 587,423,576 Common Shares have as of December 24, 2009 been validly issued, are outstanding as fully paid and non-assessable shares, and were not issued in violation of any pre-emptive rights or other contractual rights to issue securities issued by the Corporation or of any applicable law. The Conversion Shares to be issued upon the conversion of such Debenture have been duly authorized for issuance by all necessary action on the part of the Corporation and, when issued and delivered by the Corporation against payment of the consideration therefor pursuant to this Agreement will have been validly issued, will be outstanding as fully paid and non-assessable and will not have been issued in violation of or subject to any pre-emptive rights or other contractual rights to purchase securities issued by the Corporation or in

violation of any applicable law. The Corporation confirms that neither of the TSX or JSE imposes any obligation to obtain consent of the Corporation's shareholders for the transactions contemplated herein or under the Related Documents.

- (e) *Shares Reserved.* The Corporation has no Common Shares reserved for issuance except for the Conversion Shares or as publicly disclosed on SEDAR, set out as a Disclosed Matter, or disclosed in writing to the Purchaser. Except as provided for in this Agreement and as publicly disclosed on SEDAR there are, and there will be on the Closing Date:
- (i) no options, warrants, conversion privileges, stock appreciation rights, phantom equity or similar rights, agreements, arrangements or commitments based upon the book value, income or any other attribute of the Corporation or any Material Subsidiary or other rights, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) obligating the Corporation or any Material Subsidiary to issue or sell any Equity Securities of the Corporation or any Material Subsidiary or securities or obligations of any kind convertible into or exchangeable for any shares of the Corporation or any Equity Securities of any Material Subsidiary;
 - (ii) no bonds, debentures or other evidences of indebtedness of the Corporation or any Material Subsidiary having the right to vote (or that are convertible for or exercisable into securities having the right to vote) on any matter;
 - (iii) no contractual obligations of the Corporation or any Material Subsidiary to repurchase, redeem or otherwise acquire any outstanding securities or indebtedness of the Corporation or any Material Subsidiary; and
 - (iv) no contractual obligations of the Corporation or any Material Subsidiary with respect to the voting or disposition of any outstanding securities of the Corporation or the Material Subsidiaries.
- (f) *Financial Statements.* The Financial Information:
- (i) presents fairly, in all material respects, the financial position of Uranium One, and the statements of operations, retained earnings, cash flow from operations and changes in financial information of Uranium One for the periods specified in such Financial Information;
 - (ii) has been prepared in conformity with generally accepted accounting principles in Canada ("**Canadian GAAP**") applied on a consistent basis throughout the periods involved; and
 - (iii) does not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement

not misleading in light of the circumstances under which it was made, with respect to the period covered by the Financial Information.

- (g) *Liabilities.* Except for the extension of a credit facility in relation to Kyzylkum LLP, neither Uranium One nor the Material Subsidiaries, have any liabilities, obligations, indebtedness or commitments, whether accrued, absolute, contingent or otherwise, which are not disclosed or referred to in the Financial Information or referred to or disclosed herein, other than liabilities, obligations, or indebtedness or commitments (i) incurred in the normal course of business, or (ii) which would not reasonably be expected to have a Material Adverse Effect.
- (h) *No Default.* The execution and delivery of, and the performance of, and compliance with, the terms of this Agreement and the Related Documents does not and will not:
 - (i) result in any breach of, or constitute a default under, and do not and will not create a state of facts which, after notice or lapse of time or both, would result in a breach of or constitute a default under, and Uranium One and the Material Subsidiaries are not in default or breach or violation of, any term or provision of the articles, or resolutions of Uranium One or any of the Material Subsidiaries, any applicable Laws, mortgage, note, contract, agreement (written or oral), instrument, lease or other document to which Uranium One or any of the Material Subsidiaries are a party or by it or any of the Material Subsidiaries are bound, or any judgment, decree, order, statute, rule or regulation applicable to Uranium One or any of the Material Subsidiaries, which default or breach might reasonably be expected to have a Material Adverse Effect; or
 - (ii) create a right for any other party to claim or declare a change of control of the Corporation or any Material Subsidiary or purport to exercise a right under such claim or declaration, terminate, accelerate or in any way alter any other rights existing under any indenture, mortgage, note, contract, agreement (written or oral), instrument, lease or other document to which Uranium One or any of the Material Subsidiaries is a party or by which it or any of the Material Subsidiaries is bound which, upon exercise of such right, might reasonably be expected to have a Material Adverse Effect.
- (i) *Independent Accountants.* The accountants who reported on and audited the Financial Information that has been audited, are independent public accountants with respect to Uranium One within the meaning of Canadian securities laws and there has never been a reportable disagreement (within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations*) between the Corporation and such accountants.
- (j) *Accounting Controls.* Uranium One maintains and each of the Material Subsidiaries maintains a system of internal accounting controls sufficient in all material respects to provide reasonable assurance that (i) transactions are executed

in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of Uranium One's financial statements in conformity with Canadian GAAP and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Uranium One represents and warrants that it has at all times kept books and records that accurately reflect in all material respects the transactions and assets of Uranium One and its Related Subsidiaries, and Uranium One has at all times maintained a system of internal accounting controls and policies and procedures that ensures that all material expenditures are captured and accurately reflected on the books and records of Uranium One. Uranium One represents and warrants that neither Uranium One, any of the Material Subsidiaries, nor, to Uranium One's knowledge, any director, officer, employee, auditor, accountant or representative of Uranium One or any of the Material Subsidiaries, has received or otherwise had or obtained knowledge of any written (or any oral complaint reduced to writing by any officer or director of Uranium One or such Material Subsidiary) complaint, allegation, assertion or claim regarding the accounting or auditing practices, procedures, methodologies or methods of Uranium One or any Material Subsidiary or their respective internal accounting controls, including any complaint, allegation, assertion or claim that Uranium One or any Material Subsidiary has engaged in questionable accounting or auditing practices.

(k) *Title to Real Property and Mining Claims (Other than the Kazakh Joint Ventures).*

- (i) Company Real Property. Except as disclosed in the Disclosed Matters, the Corporation and each Material Subsidiary, other than the Kazakh Joint Ventures (collectively the “**Non-Kazakh Parties**”), own or have valid rights to the extent required for the operation of their respective Material Projects as presently conducted in all real and personal property that is material to the operation of their respective Material Projects, as presently conducted, free and clear of all Liens except for Permitted Liens. The Data Site contains disclosure pertaining to (i) the mining licenses, claims, mineral or exploration concessions, extraction and other mineral property rights owned by the Non-Kazakh Parties pertaining to the Material Projects (collectively, “**Non-Kazakh Mining Claims**”), (ii) leases, subleases, or surface use agreements for real property and mining interests in which the Non-Kazakh Parties, has a leasehold, subleasehold or easement estate pertaining to the Material Projects (collectively, the “**Non-Kazakh Leased Real Property**”), and (iii) real property in which the Non-Kazakh Parties, has directly or indirectly a fee ownership interest, including buildings, structures, fixtures and other improvements located thereon or attached or appurtenant thereto and easements, licenses, rights and appurtenances relating to the foregoing and pertaining to the Material Projects (collectively, the “**Non-Kazakh Owned Real Property**”). The

Non-Kazakh Mining Claims, the Non-Kazakh Leased Real Property and the Non-Kazakh Owned Real Property are referred to in this Agreement, collectively, as the “**Non-Kazakh Company Real Property**”.

- (ii) Title to Real Property. Except where the failure to do so, individually or in the aggregate, would not have a Material Adverse Effect, or as set forth in the Disclosed Matters: (A) the Non-Kazakh Parties have good and marketable fee simple title to their Non-Kazakh Owned Real Property and valid and enforceable leasehold interests in their Non-Kazakh Leased Real Property free and clear of any Liens except for Permitted Liens; (B) each of the Non-Kazakh Leases is valid and enforceable in accordance with its terms and is in full force and effect and none of the Non-Kazakh Parties, nor any of the tenants or landlords thereunder are in material default of any of their respective obligations under any of the Non-Kazakh Leases; and (C) the Non-Kazakh Parties have not received any notice of any material claim that has been asserted by anyone adverse to the rights of the Non-Kazakh Parties, under any of the Non-Kazakh Company Real Property, Non-Kazakh Mining Claims or all leases, subleases, surface use agreements and other contracts granting a right in or relating to the Non-Kazakh Leased Real Property and all guarantees and amendments relating thereto (collectively, the “**Non-Kazakh Leases**”), or affecting or questioning the rights of the Non-Kazakh Parties to the continued possession and use of the property covered by any such real property interest.
- (iii) Mining Claims. Except where the failure to do so, individually or in the aggregate, would not have a Material Adverse Effect, or as set forth in the Disclosed Matters: (A) the Non-Kazakh Parties have good and marketable title to the Non-Kazakh Mining Claims and all Non-Kazakh Mining Claims are in good standing, are valid and enforceable, are in compliance with all legal requirements, are free and clear of any Liens except Permitted Liens; and (B) do not encroach on any rights of any third party. Except as set forth in the Disclosed Matters, no party to any Non-Kazakh Mining Claim is in material default of any of their respective obligations thereunder and no material royalty is payable in respect of any of them.
- (iv) Sales Commitments. The Corporation has no reason to believe it cannot meet the Uranium supply commitments it has undertaken under the Offtake Agreement which constitutes one of the Related Documents.
- (v) Possession of Licences and Permits. Except as set forth in the Disclosed Matters, each of the Non-Kazakh Parties are in compliance with all Laws applicable to it or its property and all indentures, agreements and other instruments binding upon it or its property, except where the failure to do so, individually or in the aggregate, would have a Material Adverse Effect. Except as set forth in the Disclosed Matters, none of the Non-Kazakh Parties has violated or failed to obtain any authorization, license or permit

necessary to the ownership of any of its property or assets or the conduct of its business as presently conducted where such violation or failure (in the event that such a violation or failure were asserted by any person through appropriate action) would have a Material Adverse Effect.

- (vi) No Proceedings. To the knowledge of Uranium One, there is no pending condemnation, expropriation, eminent domain, or similar proceeding affecting all or any portion of the Non-Kazakh Company Real Property, and none of the Non-Kazakh Parties has received any written (or any oral complaint reduced to writing by any officer or director of the Non-Kazakh Parties) notice of any of the same.
- (vii) Compliance with Laws. Except as set forth in the Disclosed Matters, use of the Non-Kazakh Company Real Property for the various purposes for which it is presently being used is permitted as of right under applicable mining and zoning laws. All buildings, wells, fixtures and other improvements, including all mechanical and other systems, located on the Non-Kazakh Company Real Property (collectively, the “**Improvements**”) are in compliance in all material respects with all applicable laws, including those pertaining to health and safety, zoning, building and the disabled. Except where the failure to do so, individually or in the aggregate, would not have a Material Adverse Effect or as set forth in the Disclosed Matters, (i) no part of any Improvements encroaches on any real property not included in the Non-Kazakh Company Real Property, and (ii) there are no buildings, wells, fixtures or other improvements primarily situated on adjoining property which encroach on any part of the Non-Kazakh Company Real Property.
- (viii) Improvements. Except in relation to the Shootaring Mill or as set out in the Disclosed Matters, the Improvements are structurally sound, are in good operating condition and repair, ordinary wear and tear excepted, are, to the knowledge of the Non-Kazakh Parties, suitable for the purposes for which they are being used by the Non-Kazakh Parties and have been maintained in accordance with customary industry practice. The Shootaring Mill has been maintained on a care and maintenance basis in accordance with customary industry practice.

(l) *Title to Real Property and Mining Claims (Kazakh Joint Ventures).*

- (i) Company Real Property. Except as disclosed in the Disclosed Matters, the Kazakh Joint Ventures own or have valid rights to the extent required for the operation of their respective businesses, as presently conducted, in all real and personal property that is material to the operation of their respective businesses, as presently conducted, free and clear of all Liens except for Permitted Liens. The Data Site contains disclosure pertaining to (i) the mining licenses, claims, mineral or exploration concessions, extraction and other mineral property rights owned by the Kazakh Joint

Ventures (collectively, “**Kazakh Mining Claims**”), (ii) leases, subleases, or surface use agreements for real property and mining interests in which the Kazakh Joint Ventures have a leasehold, subleasehold or easement estate (collectively, the “**Kazakh Leased Real Property**”), and (ii) real property in which the Kazakh Joint Ventures, have directly or indirectly a fee ownership interest, including buildings, structures, fixtures and other improvements located thereon or attached or appurtenant thereto and easements, licenses, rights and appurtenances relating to the foregoing (collectively, the “**Kazakh Owned Real Property**”). The Kazakh Mining Claims, the Kazakh Leased Real Property and the Kazakh Owned Real Property are referred to in this Agreement, collectively, as the “**Kazakh Company Real Property**”.

- (ii) Title to Real Property. Except where the failure to do so, individually or in the aggregate, would not have a Material Adverse Effect or as set forth in the Disclosed Matters: (A) the Kazakh Joint Ventures have good and marketable fee simple title to their Owned Real Property and valid and enforceable leasehold interests in their Leased Real Property, free and clear of any Liens except for Permitted Liens; (B) each of the leases, subleases, surface use agreements and other contracts granting a right in or relating to the Kazakh Leased Real Property and all guarantees and amendments relating thereto (collectively, the “**Kazakh Leases**”), is valid and enforceable in accordance with its terms and is in full force and effect and none of the Kazakh Joint Ventures, nor any of the tenants or landlords thereunder are in material default of any of their respective obligations under any of the Kazakh Leases; and (C) the Kazakh Joint Ventures have not received any notice of any material claim that has been asserted by anyone adverse to the rights of the Kazakh Joint Ventures, under any of the Kazakh Company Real Property, or affecting or questioning the rights of the Kazakh Joint Ventures to the continued possession and use of the property covered by any such real property interest. The Kazakh Joint Ventures have received from the MEMR (A) Kyzylkum subsoil use contracts and (B) the Betpak Dala subsoil use contracts and each subsoil use contract is in good standing; and
- (iii) Mining Claims. Except where the failure to do so, individually or in the aggregate, would have a Material Adverse Effect: (A) the Kazakh Joint Ventures have good and marketable title to the Kazakh Mining Claims and all Kazakh Mining Claims are in good standing, are valid and enforceable, are in compliance with all legal requirements, are free and clear of any Liens except for Permitted Liens; and (B) do not encroach on any rights of any third party. Except as set forth in the Disclosed Matters, no party to any Kazakh Mining Claim is in material default of any of their respective obligations thereunder and no material royalty is payable in respect of any of them.

- (iv) Sales Commitments. The Corporation has no reason to believe it cannot meet the Uranium supply commitments it has undertaken under the Offtake Agreement which constitutes one of the Related Documents.
- (v) Possession of Licences and Permits. Except as set forth in the Disclosed Matters, each of the Kazakh Joint Ventures are in compliance with all Laws applicable to it or its property and all indentures, agreements and other instruments binding upon it or its property, except where the failure to do so, individually or in the aggregate, would have a Material Adverse Effect. Except as set forth in the Disclosed Matters, none of the Kazakh Joint Ventures has violated or failed to obtain any authorization, license or permit necessary to the ownership of any of its property or assets or the conduct of its business as presently conducted, where such violation or failure (in the event that such a violation or failure were asserted by any person through appropriate action) would have a Material Adverse Effect.
- (vi) No Proceedings. To the knowledge of Uranium One, there is no pending condemnation, expropriation, eminent domain, or similar proceeding affecting all or any portion of the Kazakh Company Real Property, and none of the Kazakh Joint Ventures has received any written (or any oral complaint reduced to writing by any officer or director of the Kazakh Joint Ventures) notice of any of the same.
- (vii) Compliance with Laws. Except as set forth in the Disclosed Matters, use of the Kazakh Company Real Property for the various purposes for which it is presently being used is permitted as of right under applicable mining and zoning laws. All buildings, wells, fixtures and other improvements, including all mechanical and other systems, located on the Kazakh Company Real Property (collectively, the “**Kazakh Improvements**”) are in compliance in all material respects with all applicable laws, including those pertaining to health and safety, zoning, building and the disabled. Except where the failure to do so, individually or in the aggregate, would not have a Material Adverse Effect or as set forth in the Disclosed Matters, (i) no part of any Kazakh Improvements encroaches on any real property not included in the Kazakh Company Real Property, and (ii) there are no buildings, wells, fixtures or other improvements primarily situated on adjoining property which encroach on any part of the Kazakh Company Real Property.
- (viii) Kazakh Improvements. Except as set forth in Disclosed Matters, the Kazakh Improvements are structurally sound, are in good operating condition and repair, ordinary wear and tear excepted, are, to the knowledge of the Kazakh Joint Ventures, suitable for the purposes for which they are being used by the Kazakh Joint Ventures and have been maintained in accordance with customary industry practice.

- (m) *Data Room Information.* The Corporation has provided to the Purchaser all documentation and information relating to the Material Projects and all information relating to the Kazakh Company Real Property that would reasonably be considered material for an investor to make an informed purchase decision in respect of the Debenture. All Data Room Information was accurate in all material respects as at its respective date as stated therein, or, if any Data Room Information is undated, as of the date of its delivery to the Data Site website for purposes of the transactions contemplated by this Agreement. Additionally, all information provided to the Purchaser in relation to Purchaser's written due diligence requests, including information not provided in the Data Room Information, is accurate in all material respects as at its respective date as stated therein. To the extent that there has been a material change to any of the Data Room Information or any other information provided to the Purchaser since the date posted to the Data Site or provided to the Purchaser, as the case may be, such information is accurate in all material respects or is no longer relevant or material to the Corporation or additional information has been provided in the Data Room or to the Purchaser which supersedes or replaces such information.
- (n) *Environmental Laws.* Except as disclosed in the Disclosed Matters:
- (i) *Environmental Laws etc.* No property of the Corporation or of any Material Subsidiary nor any operations conducted by them thereon violate any Environmental Laws where such violation would, or would reasonably be expected to, have a Material Adverse Effect. To the knowledge of the Corporation, there are no pending or, threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of non-compliance or violation, investigation proceedings, or investigatory, corrective, or remedial obligations or actions relating to any Environmental Laws against Uranium One or any of the Material Subsidiaries, which if determined adversely, would reasonably be expected to have a Material Adverse Effect.
 - (ii) *Notices, Permits, etc.* All notices, permits, licenses or similar authorizations, if any, required to be obtained or filed pursuant to Environmental Laws by the Corporation or the Material Subsidiaries in connection with the operation or use of any and all property of the Corporation or the Material Subsidiaries, including but not limited to treatment, transportation, storage, disposal or release of Hazardous Materials into the environment, have been duly obtained or filed, except to the extent the failure to obtain or file such notices, permits, licenses or similar Authorizations would not, or would not be reasonably expected to, have a Material Adverse Effect.
 - (iii) *Hazardous Substances Carriers.* To the knowledge of the Corporation, all Hazardous Materials generated at any and all properties of the Corporation or the Material Subsidiaries has been treated, *transported*, stored and disposed of only in accordance with Environmental Laws, except to the

extent that the failure to do so would not, or would not reasonably be expected to, have a Material Adverse Effect.

- (iv) *Hazardous Materials Disposal.* To the knowledge of the Corporation, no Hazardous Materials have been disposed of or otherwise released on or to any property by the Corporation or of any Material Subsidiary other than in compliance with Environmental Laws, except as disclosed in the Disclosed Matters or to the extent that such disposal or release would not, or would not reasonably be expected to, have a Material Adverse Effect.
- (v) *No Contingent Liability.* To the knowledge of the Corporation, neither the Corporation nor any Material Subsidiary has a material contingent liability in connection with any release or threatened release by them of any Hazardous Materials into the environment other than such contingent liabilities at any one time and from time to time that could reasonably be expected to not exceed applicable insurance coverage or for which adequate reserves for the payment thereof as required by, Canadian *GAAP* have been provided, or which would not result in remedial obligations which would, or would reasonably be expected to, have a Material Adverse Effect.
- (o) *Anti-corruption.* Neither Uranium One, nor any of the Related Subsidiaries, nor to the knowledge of Uranium One any of their respective officers, directors, employees or agents (or any person acting on behalf of any of the foregoing) has directly or indirectly through a third-party intermediary (i) paid, offered, given, promised to pay, or authorized the payment of any funds or other things of value (including any fee, gift, sample, travel expense, entertainment, service, equipment, loan, debt forgiveness, donation, grant or other payment or support in cash or in kind, however characterized) to any (1) officer or employee of any Government Entity, (2) any person acting for or on behalf of any Government Entity, (3) any candidate for political office, or (4) any agent or other person engaging in any of the above-described activities at the suggestion, request, direction or for the benefit of any of the above-described persons, or (ii) made any bribe, rebate, payoff, influence payment, kickback, or other unlawful payment or made any other payment of a similar or comparable nature, to any person, regardless of the form, whether in money, property or services, in each case to obtain favourable treatment in securing business or to obtain special concessions or to pay for favourable treatment from a Government Entity for business secured or for special concessions already obtained.
- (p) *Insurance.* All policies of fire, liability, workers' compensation, casualty, flood, business interruption and other forms of insurance owned or held by the Corporation, each Material Subsidiary and each Non-Kazakh Material Joint Venture are (a) sufficient for material compliance with all requirements of Law and of all agreements to which the Corporation or any Material Subsidiary or Non-Kazakh Material Joint Venture of the Corporation is a party, (b) are valid and outstanding policies, (c) 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 a similar business for the assets and operations of the Corporation, each Material Subsidiary and each Non-Kazakh Material Joint Venture, and (d) will not terminate or lapse by reason of, the transactions contemplated hereby. All such material policies are in full force and effect, all premiums with respect thereto have been paid in accordance with their respective terms, and no notice of cancellation or termination has been received with respect to any such policy. Neither the Corporation nor any Material Subsidiary or Non-Kazakh Material Joint Venture maintains any formalized self-insurance program with respect to its assets or operations or material risks with respect thereto in excess of \$3,000,000 in the aggregate.

- (q) *Government Investigations.* Uranium One has disclosed to the Purchaser notices of actual or alleged violation or failure to comply received by the Corporation, or, to the Corporation's knowledge investigations, audits, or reviews conducted of or by Uranium One or the Material Subsidiaries related to compliance with U.S. or other laws and regulations relating to anti-corruption, export controls and sanctions, customs, or antiboycott. To the knowledge of the Corporation, there is no reason for the Corporation or any of its Material Subsidiaries to make any voluntary disclosure in respect of any such matters.
- (r) *Import and Export Activities.* The Corporation has responded completely and accurately to questions posed by the Purchaser and its counsel in respect of Uranium One's and the Related Subsidiaries' import and export activities, as well as any anti-corruption and antiboycott compliance efforts.
- (s) *Possession of Licenses and Permits.* Other than in respect of the Shootaring Project, the Corporation has not received any communication from any Government Entity that indicates that any of the licenses and the permits applied for from the U.S. Nuclear Regulatory Commission and other relevant Government Entities in the State of Wyoming, as applicable will not be granted in respect of the Material Projects.
- (t) *No Material Adverse Effect.* Since September 30, 2009, (a) there has been no change in the condition (financial or otherwise), or in the properties, capital, affairs, prospects, operations, assets or liabilities of Uranium One and the Material Subsidiaries (considered on a consolidated basis), whether or not arising in the ordinary course of business which would reasonably be expected to give rise to a Material Adverse Effect, and (b) there have been no transactions entered into by Uranium One or any of the Material Subsidiaries, other than those in the ordinary course of business, which are material with respect to Uranium One and the Material Subsidiaries considered on a consolidated basis, in each case, except as publicly disclosed on SEDAR. The Corporation and its Material Subsidiaries are in material compliance with their obligations under the Credit Agreement and no notice of any breach of the terms thereof has been provided to the Corporation nor any Material Subsidiary.

- (u) *Absence of Proceedings.* Except as set forth in the Disclosed Matters or as publicly disclosed on SEDAR, there is no action, suit, proceeding, inquiry or investigation before or brought by any court or Government Entity, now pending or, to the knowledge of Uranium One, threatened against or affecting Uranium One or any of the Material Subsidiaries which if determined adversely, would reasonably be expected to have a Material Adverse Effect.
- (v) *Transfer Agent.* Computershare Investor Services Inc. at its offices in Toronto, Ontario has been duly appointed as, and continues to be, the transfer agent and registrar for the Common Shares.
- (w) *Absence of Further Requirements.* Other than the MEMR Waiver in connection with the issuance of the Conversion Shares upon the conversion of the Debenture, no filing with, or authorization, approval, consent, license, order, registration, qualification or decree of any court or Government Entity or agency is necessary or required for the performance by Uranium One of its obligations hereunder, or as may be required to be obtained by any Material Subsidiary, in connection with the proposed distribution or sale of the Debenture hereunder, except for those regulatory approvals as have been obtained (the “**Regulatory Approvals**”) or as disclosed in Section 2 of this Agreement.
- (x) *Brokerage Fees.* Other than as set forth in the Disclosed Matters, there is no person, firm or corporation acting or, to the knowledge of Uranium One, purporting to act at the request of Uranium One, who is entitled to any brokerage or finder’s fees in connection with the purchase and sale of the Debenture contemplated herein.
- (y) *No Cease Trade Orders.* No securities commission or any similar regulatory authority in Canada has issued any order which is currently outstanding preventing or suspending trading in any securities of Uranium One, no such proceeding is, to the knowledge of Uranium One, pending, contemplated or threatened.
- (z) *Authorization.* The Corporation has taken all necessary corporate action to authorize the execution, delivery and performance of this Agreement and the Related Documents and upon execution of this Agreement and the Related Documents by the Corporation this Agreement and the Related Documents will constitute a valid and legally binding obligation of the Corporation enforceable against it in accordance with the terms hereof, except as may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought and by the fact that the rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable Law.

- (aa) *Reporting Issuer Status.* Uranium One is a “reporting issuer” in each of the provinces of Canada for purposes of Canadian securities laws, has not been noted in default of any requirement of applicable securities laws.
- (bb) *Resale Restrictions.* Subject to compliance with Subsection 2.5 of National Instrument 45-102 – Resale of Securities of the Canadian Securities Administrators, the Debenture and the Conversion Shares (if, as and when issued upon the conversion of the Debenture) will not be subject to a restricted period or to a statutory hold period under any applicable securities laws or to any resale restriction under the policies of the Toronto Stock Exchange which extends beyond four months and one day after the Closing Date.
- (cc) *Pension Plans.* All material obligations of Uranium One and the Material Subsidiaries required to be performed by them in connection with their respective pension plans and the funding agreements therefor have been performed by them in all material respects on a timely basis.
- (dd) *ERISA.* Neither Uranium One nor any ERISA Affiliate has ever maintained, sponsored or contributed to any Plan or Multiemployer Plan that is subject to Title IV of ERISA or Section 412 of the Code. Neither Uranium One nor any ERISA Affiliate has incurred any liability under Title IV of ERISA or Section 412 of the Code.
- (ee) *Compliance With Laws.* Other than as set forth in the Disclosed Matters, Uranium One and the Material Subsidiaries are in compliance with, and have not been noted in default under all applicable Law applicable to any of them of their property and all indentures, agreements and other instruments binding upon any of them or their property, except when the failure to do so, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.
- (ff) *Disclosure.* Uranium One has filed all documents required to be filed by it with the securities commissions in Canada, including under National Instrument 51-102 of the Canadian Securities Administrators, and no document has been filed on a confidential basis with the securities commissions in Canada that remains confidential. As of their respective dates, each of the documents complied in all material respects with the applicable requirements of all applicable securities laws.
- (gg) *Solvency.* Neither Uranium One nor any Material Subsidiary is an “insolvent person” within the meaning of the *Bankruptcy and Insolvency Act* (Canada), R.S.C., 1985, c.B-3. It is acknowledged however, that Uranium One is the Material Subsidiaries sole source of funds.
- (hh) *Intellectual Property Rights.* Except as set forth in the Disclosed Matters, Uranium One and each of the Material Subsidiaries is the registered and beneficial owner of, with good and marketable title, free of all Liens other than Permitted Liens, to, or is a licensee under a valid licence of, or otherwise has the

right to use all patents, patent applications, trade marks, trade mark applications, trade names, service marks, copyrights, industrial designs, integrated circuit topographies, data or other rights with respect to the foregoing and other similar property, used in or necessary for the present conduct of its business, without any conflict with the rights of any other person, other than as listed in the Disclosed Matters, or other than for such conflicts which would not, or would not reasonably be expected to, have a Material Adverse Effect.

- (ii) *Exchange Control Approvals.* All outstanding loans and advances made by Uranium One or any Material Subsidiary to Uranium One Africa are valid obligations of Uranium One Africa that have been properly recorded in the books and records of Uranium One and any Material Subsidiary, as applicable, and Uranium One Africa. All required Exchange Control approvals from the South African Reserve Bank in respect of such loans and advances have been obtained.
- (jj) *Taxes.* Except as set forth in the Disclosed Matters, Uranium One and each Material Subsidiary has timely filed or caused to be filed all tax returns and reports required to have been filed by it and has paid or caused to be paid all Taxes required to have been paid by it, except Taxes that are being contested in good faith by appropriate proceedings and for which the Corporation or the, Material Subsidiary or Kazakh Joint Venture, as applicable, has set aside on its books a reserve.
- (kk) *Kazakh Joint Ventures - Organization, Powers.* Each Kazakh Joint Venture is organized or incorporated, as applicable, validly existing and in good standing under the laws of the jurisdiction of its organization or incorporation, has all requisite power and authority to carry on its business as now conducted by it and is qualified to do business in, and is in good standing, in, every jurisdiction where such qualification is required.
- (ll) *Kazakh Joint Ventures - Litigation.* Except as set forth in the Disclosed Matters:
 - (i) there are no actions, suits or proceedings (including any Tax-related matter): (A) by or before any arbitrator or Government Entity against, or (B) to the knowledge of the Corporation pending or, threatened against or affecting, any Kazakh Joint Venture as to which there is a reasonable possibility of an adverse determination and that, if adversely determined, would, individually or in the aggregate, have, or would reasonably be expected to have, a Material Adverse Effect; and
 - (ii) except with respect to any other matters that, individually or in the aggregate, would not have, or would not reasonably be expected to have, a Material Adverse Effect, to the knowledge of the Corporation no Kazakh Joint Venture (A) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (B) has become subject to any actions, suits or proceedings in respect of any alleged, threatened or

pending Environmental Liability, (C) has received notice of any claim with respect to any actions, suits or proceedings in respect of any alleged, threatened or pending Environmental Liability, or (D) knows of any facts which would reasonably be expected to result in any actions, suits or proceedings in respect of any Environmental Liability.

- (mm) *Compliance with Laws and Agreements.* Except as set forth in the Disclosed Matters each Kazakh Joint Venture is in compliance with, and not been noted in default under, all Laws applicable to it or its property and all indentures, agreements and other instruments binding upon it or its property, except where the failure to do so, individually or in the aggregate, would have, or would reasonably be expected to have, a Material Adverse Effect. Except as set forth in the Disclosed Matters, no Kazakh Joint Venture has violated or failed to obtain any Authorization necessary to the ownership of any of its property or assets or the conduct of its business as presently conducted, where such violation or failure (in the event that such a violation or failure were asserted by any person through appropriate action) would have, or would reasonably be expected to have, a Material Adverse Effect.
- (nn) *Environmental Matters.* Except as disclosed in the Disclosed Matters:
- (i) Environmental Laws etc. No property of any Kazakh Joint Venture nor any operations conducted thereon violate any Environmental Laws where such violation would, or would reasonably be expected to, have a Material Adverse Effect,
 - (ii) Notices Permits etc. All notices, permits, licenses or similar authorizations, if any, required to be obtained or filed pursuant to Environmental Laws by any Kazakh Joint Venture in connection with the operation or use of any and all property of any Kazakh Joint Venture including but not limited to treatment, transportation, storage, disposal or release of Hazardous Materials into the environment, have been duly obtained or filed, except to the extent the failure to obtain or file such notices, permits, licenses or similar authorizations would not or would not reasonably be expected to, have a Material Adverse Effect.
 - (iii) Hazardous Substances Carriers. To the knowledge of the Corporation, all Hazardous Materials generated at any and all properties of the Kazakh Joint Ventures have been treated, transported, stored and disposed of only in accordance with Environmental Laws, except to the extent that the failure to do so would not, or would not reasonably be expected to, have a Material Adverse Effect.
 - (iv) Hazardous Materials Disposal. To the knowledge of the Corporation, no Hazardous Materials have been disposed of or otherwise released on or to any property by the Corporation or any of Kazakh Joint Ventures other than in compliance with Environmental Laws, except as disclosed in the

Disclosed Matters or to the extent that such disposal or release would not, or would not reasonably be expected to, have a Material Adverse Effect.

- (v) No Contingent Liability. To the knowledge of the Corporation, none of the Kazakh Joint Ventures have material contingent liability in connection with any release or threatened release of any Hazardous Materials into the environment other than such contingent liabilities at any one time and from time to time that could reasonably be expected to not exceed applicable insurance coverage or for which adequate reserves for the payment thereof as required by International Financial Reporting Standards or Canadian GAAP, as applicable, have been provided, or which would not result in remedial obligations which would, or would reasonably be expected to, have a Material Adverse Effect.
- (oo) *Karatau Transaction.* The Karatau Acquisition was carried out in material compliance with Applicable Laws and all necessary statutory approvals and third party consents in connection therewith have been obtained. For greater certainty, the Purchaser acknowledges that, except as provided in the preceding sentence, no representation is given in respect of the Karatau Acquisition or the properties, assets and business acquired thereunder.
- (b) *Capitalized Terms.* Capitalized terms used without definition have the following meanings:
 - “**Betpak Dala LLP**” means Joint Venture Betpak Dala Limited Liability Partnership.
 - “**Credit Agreement**” means the credit agreement dated as of June 27, 2008 among the Corporation as Corporation and Bank Of Montreal, The Bank Of Nova Scotia, the other Lenders (as such term is defined in the Credit Agreement) from time to time Parties thereto as Lenders and Bank Of Montreal, as Administrative Agent, the Bank Of Nova Scotia, as Issuing Bank, Scotia Capital, as Co-Lead Arranger, BMO Capital Markets, as Co-Lead Arranger and the Bank Of Nova Scotia, as Syndication Agent, as the same may be amended from time to time.
 - “**Data Room Information**” means the documents listed in and posted to the Data Site as of the date of this Agreement.
 - “**Data Site**” means the webportal maintained by Uranium One at <http://datasite.merrillcorp.com> and to which the Purchaser was provided access in order to review the Data Room Information.
 - “**Disclosed Matters**” means the information identified as “Disclosed Matters” on the Data Site on the date hereof and prior to the release of the Purchaser’s signature pages to this Agreement.
 - “**Environmental Laws**” means all applicable Laws relating to the environment, including the preservation or reclamation of natural resources and the generation,

use, handling, collection, treatment, storage, transportation, recovery, recycling, release, threatened release or disposal of any Hazardous Material.

“Environmental Liability” means any liability, (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Corporation or any Material Subsidiary directly or indirectly resulting from or based upon (a) violation of any Environmental Laws, (b) the generation, use, handling, collection, treatment, storage, transportation, recovery, recycling or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment, or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Equity Securities” means, with respect to any Person, any and all shares, interests, participations, rights in, or other equivalents (however designated and whether voting and nonvoting) of, such Person’s capital or equivalent, whether outstanding on the date hereof or issued after the date hereof, including any interest in a partnership, limited partnership, joint venture or other similar person and any beneficial interest in a trust, and any and all rights, warrants, options or other rights exchangeable for or convertible into any of the foregoing.

“ERISA” means the United States *Employee Retirement Income Security Act* of 1974, as amended from time to time.

“ERISA Affiliate” means any trade or business (whether or not incorporated) that, together with Uranium One, is treated as a single employer under Section 414(b) or (c) of the United States Internal Revenue Code of 1986, as amended from time to time (the **“Code”**) or, solely for the purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

“Financial Information” means, collectively, the annual and interim consolidated financial statements (including the related management’s discussion and analysis) of Uranium One publicly available and filed on SEDAR for financial years ended December 31, 2007 and December 31, 2008 and the nine months ended September 30, 2009.

“Government Entity” means all agency, instrumentality, subdivision or other body of any federal, regional, municipal or foreign government, any commercial or similar entity that the government controls or owns, including any state-owned and state-operated companies or enterprises.

“Hazardous Materials” means any substance, product, liquid, waste, pollutant, chemical, contaminant, insecticide, pesticide, gaseous or solid matter, organic or inorganic matter, fuel, micro organism, ray, odour, radiation, energy, vector, plasma, constituent, material or any combination thereof which (a) is listed,

regulated or addressed under any Environmental Law, or (b) is hazardous, hazardous waste, toxic, a pollutant, a deleterious substance, a contaminant or a source of pollution or contamination under any Environmental Law, including, asbestos, petroleum and polychlorinated biphenyls, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“JAB/Antelope Project” means all material Non-Kazakh Company Real Property pertaining to the JAB-Antelope project in Wyoming.

“Karatau Acquisition” means Corporation’s acquisition of a 50% interest in Karatau Limited Liability Partnership from Effective Energy N.V. and transactions with JSC Atomredmetzlotto related thereto.

“Kazakh Joint Ventures” means Kyzylkum LLP and Betpak Dala LLP.

“Kyzylkum LLP” means Kyzylkum Limited Liability Partnership.

“Law” or **“Laws”** means all requirements imposed by statutes, regulations, rules, ordinances, by-laws, decrees, codes, policies, judgments, orders, rulings, decisions, approvals, notices, permits, guidelines or directives of any Government Entity.

“Lien” means, (a) with respect to any asset, any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge, hypothec, security interest, in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease, title retention agreement, or consignment agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to any asset, (c) any netting arrangement, defeasance arrangement, or reciprocal fee arrangement, and (d) any other arrangement having the effect of providing security.

“Material Projects” means, collectively, JAB-Antelope Project, Moore Ranch Project and Shootaring Project.

“Material Adverse Effect” means the effect resulting from any event or change which individually or in the aggregate (i) has a material adverse effect on the business, affairs, capital, operations and assets of Uranium One considered on a consolidated basis which is equal to or greater than CDN\$20,000,000; (ii) materially delays the purchase and sale of the Debenture; or (iii) materially delays the performance by the Corporation of its obligations under the Related Documents in any material respect.

“Material Subsidiaries” means, collectively, UrAsia Energy Ltd., UrAsia Energy Holdings Ltd., UrAsia London Ltd., Kyzylkum LLP, Deanco Limited, Kazakhstanskaya Investitsionnaya Gruppa Astana LLP, Betpak Dala LLP, Uranium One Americas, Inc., Uranium One Exploration U.S.A. Inc., Uranium

One Investments Inc., Uranium One Australia Pty Ltd, Uranium One Africa Limited and Dominion Reefs Uranium Mine Joint Venture and the successor or successors to any of these entities.

“**MEMR Waiver**” has the meaning ascribed thereto in Section 4(p).

“**Moore Ranch Project**” means all material Non-Kazakh Company Real Property pertaining to (i) Moore Ranch project; (ii) Allemand Ross Project; (iii) Barge project; (iv) Ludeman project; and (v) Peterson project, all located in Wyoming.

“**Permitted Liens**” has the meaning ascribed thereto in the Credit Agreement.

“**Person**” means any individual, corporation, partnership, firm, joint venture, syndicate, association, trust, government, governmental agency and any other form of entity or organization.

“**Related Subsidiary**” means all of the subsidiaries of the Corporation, including the Material Subsidiaries, as set forth in the Disclosed Matters.

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

“**Shootaring Project**” means all material Non-Kazakh Company Real Property pertaining to Shootaring Mill, Utah.

“**Tax**” or “**Taxes**” means all federal, provincial, state, territorial, aboriginal, municipal, local, foreign and other taxes, imposts, rates, surtaxes, charges, fees, duties (including customs duties), levies, tolls, premiums, contributions or other assessments, including income, gross receipts, net proceeds, alternative or add-on minimum, ad valorem, turnover, real and personal property (tangible and intangible), sales, retail sales, goods and services, commodity, harmonized, use, health, education, social service, franchise, excise, value added, stamp, leasing, lease, user, transfer, fuel, excess profits, occupational, estate, succession, death, interest equalization, windfall profits, severance, license, payroll, business, branch, premium, environmental, capital, capital stock, disability, employee’s income withholding, other withholding, worker’s compensation, employment insurance, unemployment insurance, social insurance, Canada Pension Plan (or equivalent in each applicable jurisdiction), health insurance, social security taxes, that are imposed by any Government Entity, and including any such taxes required to be collected, withheld, deducted or remitted, and including any interest, fines, penalties or additions to tax attributable thereto, and including any penalties or fines for failing to collect, withhold, deduct or remit such taxes, and any instalments or payments payable in respect thereof.

7. **COVENANTS OF THE CORPORATION AND THE PURCHASER**

- (a) *Reasonable Best Efforts to Close.* Each party shall use reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable Laws to consummate the

transactions contemplated by this Agreement and the Related Documents as promptly as practicable and to cause the satisfaction as promptly as practicable of the conditions set forth in Sections 1 and 2 hereof that impose obligations on it or require action on its part.

- (b) *Obtain MEMR Waiver.* At all times while the Debenture are convertible into Common Shares the Corporation will use reasonable commercial efforts to take, or cause to be taken, all actions necessary, proper or advisable under applicable laws to obtain the MEMR Waiver.
- (c) *Indemnification by Corporation.* The representations, warranties, acknowledgments and covenants contained in this Agreement are made by the Corporation with the intent that they may be relied upon by the Purchaser in determining whether to purchase the Debenture, and the Corporation covenants and agrees to indemnify and save harmless the Purchaser (and its affiliates and their respective shareholders, officers, directors, employees, advisors, legal counsel and agents) from and against all civil or administrative penalties arising from violations or alleged violations of applicable Laws, losses, claims, damages, liabilities, costs and expenses, including, without limitation, all amounts paid to settle actions (provided the Corporation has previously consented to such settlement) or satisfy judgements or awards and all reasonable legal fees and expenses, but excluding special, indirect, incidental, consequential, exemplary, aggravated, or punitive losses or damages (including, without limitation loss of profit, loss of market capitalization and loss of business or goodwill) for which the Corporation will not under any circumstances be liable, caused by or arising directly or indirectly by reason of any inaccuracy in or breach by the Corporation of any representation, warranty or covenant made by the Corporation under this Agreement.
- (d) *Price Protection.* The Corporation has received approval from the TSX for approval and protection of the conversion price for the Conversion Shares (“**Price Protection**”) pursuant to the conditional listing letter of the TSX dated 12 February 2009, as confirmed by email dated 22 December 2009 (collectively, the “**Conditional Listing Approval**”). The Corporation hereby covenants and agrees with the Purchaser that upon the Conversion Shares becoming issuable pursuant to the terms of the Debenture, the Corporation will forthwith deliver, or cause to be delivered, to the TSX the documentation required to be delivered pursuant to Section (B)(1) through (3) inclusive of the Conditional Listing Approval.
- (e) *Survival of Representations, Warranties and Covenants.* The representations and warranties made pursuant to Section 6 of this Agreement shall survive until the end of the second anniversary of the Closing Date; provided, however, that the representations and warranties set forth in:
 - (i) Sections 6(a), 6(b), 6(c) (last sentence only), 6(d) and 6(e) shall survive indefinitely;

- (ii) Section (6(jj)) shall survive for the duration of the applicable statute of limitations; and
- (iii) Sections 6(n) and 6(nn) shall survive for five years from the Closing Date.

The covenants made pursuant to Sections 7(a) and 7(d) shall terminate on the Closing Date. The covenant made pursuant to Section 7(c) shall terminate on the earlier of: (i) the fifth anniversary of the date hereof, except where the covenant to indemnify pertains to matters arising from a breach of Section 6(jj) then the obligation survives for the period referenced in subsection 7(e)(ii) above, and (ii) the date the Purchaser ceases to own either the Debenture acquired under this Agreement or any of the Conversion Shares acquired upon the conversion of such Debenture. For the avoidance of doubt, the covenants made pursuant to Section 7(c) shall not terminate solely on account of the Debenture having been converted into Conversion Shares.

8. PRESS RELEASE

The parties agree to issue a press release substantially in the form attached to this Agreement as Schedule "B" immediately following the execution and delivery of this Agreement or as otherwise required by applicable Laws or the rules and policies of any stock exchange or quotation system.

9. GOVERNING LAW

This Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. The Purchaser hereby irrevocably attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario with respect to any matters arising out of this Agreement.

10. ASSIGNMENT

This Agreement is not transferable or assignable by the parties hereto.

11. ENTIRE AGREEMENT

This Agreement (including the Schedules hereto) and the Related Documents contains the entire agreement of the parties hereto relating to the subject matter hereof and there are no representations, covenants or other agreements relating to the subject matter hereof except as stated or referred to herein. This Agreement terminates and supersedes the agreement dated February 9, 2009, as amended, between the Corporation and the Purchaser relating to the private placement of 117,000,000 Common Shares to the Purchaser at a price of CDN\$2.30 per Common Share.

12. SURVIVAL AND ENUREMENT

This Agreement will be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns.

13. CURRENCY

Except where otherwise expressly provided, all amounts in this Agreement are stated and will be paid in Canadian currency.

14. COSTS

All costs and expenses incurred by the Purchaser and any beneficial purchaser for whom it is acting as trustee or agent relating to its purchase of the Debenture shall be borne by the Purchaser.

15. TIME OF ESSENCE

Time will be of the essence of this Agreement.

16. HEADINGS

The headings contained herein are for convenience only and will not affect the meaning or interpretation of this Agreement.

17. SCHEDULES

The following Schedules are incorporated into and form an integral part of this Agreement, and any reference to this Agreement includes the Schedules, as applicable:

Schedule "A"	Accredited Investor Certificate
Schedule "B"	Form of Press Release
Schedule "C"	Form of Debenture

18. EXECUTION BY FACSIMILE, COUNTERPARTS

A party will be entitled to rely on delivery by facsimile or by e-mail in PDF format of an executed copy of this Agreement by the other party, including the completed attachments hereto, and acceptance by the receiving party of such facsimile copy will be legally effective to create a valid and binding agreement between the Corporation and the Purchaser in accordance with the terms hereof. This Agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document.

19. VARIATIONS

No variation, modification or waiver of any provision in this Agreement, nor consent to any departure by any party from any such provision, shall in any event be of any effect unless the same shall be in writing, signed by the parties or, in the case of a waiver, by the party giving it, and then any such variation, modification, waiver or consent shall be effective only to the extent to or for which it may be made or given.

20. WAIVERS

No failure, delay, relaxation or indulgence on the part of a party in exercising any power or right conferred upon such party in terms of this Agreement shall operate as a waiver of such power or right nor shall any single or partial exercise of any such power or right nor any single failure to do so, preclude any other or future exercise thereof, or the exercise of any other power or right under this Agreement.

[remainder of page intentionally left blank]

21. SUBSCRIPTION PARTICULARS

BOX A:

Particulars of Purchase of Debenture	
Principal Amount of Debenture Subscribed For:	<u>CDN\$269,100,000</u>
Total subscription price payable:	CDN\$269,100,000

BOX B:

Purchaser Information	
Name of Purchaser:	<u>JAPAN URANIUM MANAGEMENT INC.</u>
Address:	<u>Suite 1900, 1040 West Georgia Street</u>
City and County:	<u>Vancouver, British Columbia</u>
Country:	<u>Canada</u>
Postal Code:	<u>V6E 4H3</u>
Contact Name:	<u>Noriaki Mori, Director</u>
Alternate Contact:	<u></u>
Phone No.:	<u></u>
Fax No.:	<u></u>

BOX C:

Registration Information	
Registration of the certificates representing the Debenture should be made exactly as follows:	
Name of Purchaser:	<u>JAPAN URANIUM MANAGEMENT INC.</u>
Address:	<u>Suite 1900, 1040 West Georgia Street</u>
City and County:	<u>Vancouver, British Columbia</u>
Country:	<u>Canada</u>
Postal Code:	<u>V6E 4H3</u>
Contact Name:	<u>Noriaki Mori, Director</u>
Alternate Contact:	<u></u>
Phone No.:	<u></u>
Fax No.:	<u></u>

BOX D:

Delivery of Certificates	
The certificates representing the Debenture is to be delivered as follows (if different from the address(es) set forth in Box B above):	
Name of Purchaser:	
Address:	
City and County:	
Country:	
Postal Code:	
Contact Name:	
Alternate Contact:	
Phone No.:	
Fax No.:	

BOX E:

Beneficial Purchaser Information	
If the Purchaser is acting for a beneficial purchaser, the name and address of such beneficial purchaser is as follows:	
Name of Purchaser:	
Address:	
City and County:	
Country:	
Postal Code:	
Contact Name:	
Alternate Contact:	
Phone No.:	
Fax No.:	

BOX F:

Number of Common Shares of the Corporation and securities convertible into Common Shares currently owned (directly and indirectly) or over which the Purchaser exercises control or direction:		
Type of Security	Number	
(i) Common Shares	Nil	
(ii) Convertible Securities	Nil	

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first written above.

JAPAN URANIUM MANAGEMENT INC.

By: "Noriaki Mori"

Name: Noriaki Mori

Title: Director

URANIUM ONE INC.

By: "John M. Sibley"

Name: John M. Sibley

Title: Executive Vice-President, General
Counsel and Secretary

**SCHEDULE “A”
ACCREDITED INVESTOR CERTIFICATE**

1. Japan Uranium Management Inc. (the “**Subscriber**”) represents, warrants and certifies to Uranium One Inc. (the “**Corporation**”) (and any agent of the Corporation as at the date of this Certificate and as at the time of Closing) that the Subscriber is an “accredited investor” within the meaning of National Instrument 45-106 and that the Subscriber satisfies the following categories as indicated:

- ☐ (a) a Canadian financial institution, or a Schedule III bank;
- ☐ (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada);
- ☐ (c) a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary;
- ☐ (d) a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer, other than a person registered solely as a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador);
- ☐ (e) an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d);
- ☐ (f) the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada;
- ☐ (g) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l’île de Montréal or an intermunicipal management board in Québec;
- ☐ (h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government;
- ☐ (i) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada;
- ☐ (j) an individual who, either alone or with a spouse, beneficially owns, directly or indirectly, financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000;

- ☐ (k) an individual whose net income before taxes exceeded \$200,000 in each of the 2 most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the 2 most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year;
- ☐ (l) an individual who, either alone or with a spouse, has net assets of at least \$5,000,000;
- ☒ (m) a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements;
- ☐ (n) an investment fund that distributes or has distributed its securities only to
 - (i) a person that is or was an accredited investor at the time of the distribution;
 - (ii) a person that acquires or acquired securities in the circumstances referred to in section 2.10 of NI 45-106 (*Minimum amount investment*), and section 2.19 of NI 45-106 (*Additional investment in investment funds*); or
 - (iii) a person described in paragraph (i) or (ii) above that acquires or acquired securities under section 2.18 of NI 45-106 (*Investment fund reinvestment*);
- ☐ (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt;
- ☐ (p) a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be;
- ☐ (q) a person acting on behalf of a fully managed account managed by that person, if that person
 - (i) is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction, and
 - (ii) in Ontario, is purchasing a security that is not a security of an investment fund;

- ☐ (r) a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded;
- ☐ (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function;
- ☐ (t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors;
- ☐ (u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser; or
- ☐ (v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as
 - (i) an accredited investor, or
 - (ii) an exempt purchaser in Alberta or British Columbia and the person has provided the Corporation, or its agent, with evidence of such recognition or designation.

In this Accredited Investor Certificate, the following terms have the following meanings:

- (a) “**Canadian financial institution**” means
 - (i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act; or
 - (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;
- (b) “**company**” means any corporation, incorporated association, incorporated syndicate or other incorporated organization;
- (c) “**director**” means (a) a member of the board of directors of a company or an individual who performs similar functions for a company, and (b) with respect to a person that is not a company, an individual who performs functions similar to those of a director of a company;

- (d) “**eligibility adviser**” means
- (i) a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the jurisdiction of a purchaser and authorized to give advice with respect to the type of security being distributed; and
 - (ii) in Saskatchewan or Manitoba, also means a lawyer who is a practising member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not:
 - (A) have a professional, business or personal relationship with the issuer, or any of its directors, executive officers, founders or control persons; and
 - (B) have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months;
- (e) “**financial assets**” means:
- (i) cash;
 - (ii) securities; or
 - (iii) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;
- (f) “**foreign jurisdiction**” means a country other than Canada or a political subdivision of a country other than Canada;
- (g) “**fully managed account**” means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client’s express consent to a transaction;
- (h) “**individual**” means a natural person, but does not include a partnership, unincorporated association, unincorporated organization, trust or a natural person in his or her capacity as trustee, executor, administrator or other legal personal representative;
- (i) “**investment fund**” means a mutual fund or a non-redeemable investment fund;

- (j) “**jurisdiction**” means a province or territory of Canada except when used in the term foreign jurisdiction;
- (k) “**mutual fund**” means an issuer whose primary purpose is to invest money provided by its securityholders and whose securities entitle the holder to receive on demand, or within a specified period after demand, an amount computed by reference to the value of a proportionate interest in the whole or in part of the net assets, including a separate fund or trust account, of the issuer;
- (l) “**non-redeemable investment fund**” means an issuer:
 - (i) whose primary purpose is to invest money provided by its securityholders;
 - (ii) that does not invest:
 - (iii) for the purpose of exercising or seeking to exercise control of an issuer, other than an issuer that is a mutual fund or a non-redeemable investment fund, or
 - (iv) for the purpose of being actively involved in the management of any issuer in which it invests, other than an issuer that is a mutual fund or a non-redeemable investment fund, and
 - (v) that is not a mutual fund;
- (m) “**officer**” means the chair, any vice chair of the board of directors, the president, any vice president, the secretary, the assistant secretary, the treasurer, the assistant treasurer, and the general manager of a company, and any other person designated an officer of a company by law or similar authority, or any individual acting in a similar capacity on behalf of the issuer;
- (n) “**person**” includes:
 - (i) an individual;
 - (ii) a corporation;
 - (iii) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not; and
 - (iv) an individual or other person in that person’s capacity as a trustee, executor, administrator, or personal or other legal representative;
- (o) “**related liabilities**” means:
 - (i) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets; or
 - (ii) liabilities that are secured by financial assets;

- (p) “**Schedule III bank**” means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);
- (q) “**spouse**” means an individual who:
 - (i) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual;
 - (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender; or
 - (iii) in Alberta, is an individual referred to in paragraph (a) or (b), or is in an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and
- (r) “**subsidiary**” means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.
- (s) For purposes of the definition of “subsidiary”, a person (first person) is considered to control another person (second person) if:
 - (i) the first person, directly or indirectly, beneficially owns or exercises control or direction over securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless that first person holds the voting securities only to secure an obligation;
 - (ii) the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests of the partnership; or
 - (iii) the second person is a limited partnership and the general partner of the limited partnership is the first person.

Certification

The foregoing Accredited Investor Certificate is true and accurate as of the date hereof and will be true and accurate as of the closing time. If any representation or warranty shall not be true and accurate prior to the closing time, the undersigned agrees to give immediate written notice of that fact to the Corporation and its agents.

The Subscriber has executed this Accredited Investor Certificate as of the 29th day of December, 2009.

Japan Uranium Management Inc.

“Noriaki Mori”

Signature of Person Signing

Director

Title of Person Signing

**SCHEDULE “B”
PRESS RELEASE**

News Release

December 29, 2009

**Uranium One Revises C\$270 Million Financing
with Japanese Consortium; Proceeds to be Received by January 15, 2010**

Vancouver, British Columbia and Johannesburg, South Africa – Uranium One Inc. today announced that the Company and its three Japanese partners (a consortium comprising The Tokyo Electric Power Company, Inc., Toshiba Corporation and The Japan Bank for International Cooperation) have executed documentation revising the February 9, 2009 private placement between the Company and Japan Uranium Management Inc. (“JUMI”), a company owned by the consortium, to a debenture financing.

All regulatory, third party and other approvals required to complete the debenture financing have been received. Closing is expected to occur on or about January 15, 2010, at which time the corporation will receive aggregate proceeds of C\$269,100,000.

The February 9, 2009 private placement contemplated the issuance to JUMI of 117,000,000 common shares of Uranium One at an issue price of C\$2.30 per share, for aggregate gross proceeds of C\$269,100,000.

Under the revised terms of the private placement, Uranium One will issue to JUMI C\$269,100,000 aggregate principal amount of 3% unsecured convertible debentures maturing ten years from the date of issue. The debentures will automatically convert into 117,000,000 Uranium One common shares on receipt of required Kazakh regulatory approval, which is expected during 2010. If such approval is not received, the holder may, on 12 months’ notice, cause the debentures to be redeemed at par plus accrued and unpaid interest. Such redemption may not occur before the second anniversary of the closing in January 2012.

The previously announced long-term offtake and strategic relationship agreements with the JUMI consortium will become effective on closing. Under the offtake agreement, the consortium has an option to purchase, on industry-standard terms, up to 20% of Uranium One’s available attributable production from assets in respect of which it has the marketing rights.

The strategic relationship agreement provides the JUMI consortium on closing of the transaction with the right to appoint two directors to the Uranium One board and a right of first opportunity to invest in any uranium mining asset or project which Uranium One may in its discretion make available to third parties. The agreement also contains a standstill provision under which the consortium has agreed, subject to certain exceptions, not to acquire without Uranium One’s prior approval more than 19.95% of Uranium One’s issued common shares.

About Uranium One

Uranium One is one of the world’s largest publicly traded uranium producers, with a globally diversified portfolio of assets located in Kazakhstan, the United States, South Africa and Australia.

For further information, please contact:

Jean Nortier
Chief Executive Officer
Tel: +1 778 384 6217

Chris Sattler
Executive Vice President, Corporate Development and Investor Relations
Tel: + 1 416 350 3657

Cautionary Statement

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

Forward-looking statements: This press release contains certain forward-looking statements. Forward-looking statements include but are not limited to those with respect to the price of uranium, the estimation of mineral resources and reserves, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes" or variations of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements 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. Such risks and uncertainties include, among others, changes in market conditions, the actual results of current exploration activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, project cost overruns or unanticipated costs or expenses, possible variations in grade and ore densities or recovery rates, failure of plant, equipment or processes to operate as anticipated, accidents, labour disputes or other risks of the mining industry, exchange rate and uranium price fluctuations, delays in obtaining government approvals or financing or in completion of development or construction activities, changes in, and the effect of government policy, risks relating to the timing and completion of the transactions described in this press release, the potential benefits thereof, risks relating to the benefits derived by the Corporation from the strategic relationship described in this press release, risks relating to the integration of acquisitions, to international operations, to the price of uranium as well as those factors referred to in the section entitled "Risk Factors" in Uranium One's Annual Information Form for the year ended December 31, 2008, which is available on SEDAR at www.sedar.com, and which should be reviewed in conjunction with this document. Although Uranium One has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Uranium One expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

For further information about Uranium One, please visit www.uranium1.com.

**SCHEDULE “C”
FORM OF DEBENTURE CERTIFICATE**

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE WHICH IS FOUR MONTHS AND A DAY FROM THE DATE HEREOF.

URANIUM ONE INC.

3% CONVERTIBLE UNSECURED SUBORDINATED DEBENTURE

Debenture Certificate – 01

Issue Date: January 15, 2010

Principal Amount: Cdn. \$269,100,000

FOR VALUE RECEIVED, URANIUM ONE INC. (the “**Company**”), hereby promises to pay to **JAPAN URANIUM MANAGEMENT INC.**, in accordance with the provisions hereof, the amount set out above as the Principal Amount (the “**Principal Amount**”) on the Maturity Date (as hereinafter defined) together with any other moneys which may from time to time become payable and owing hereunder, including, without limitation, all interest accrued pursuant hereto.

**ARTICLE 1
INTERPRETATION**

1.1 Definitions

1.1.1 In this Debenture, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the following meanings:

“**Applicable Law**” means, with respect to any Person, property, transaction, event or other matter, any Law relating or applicable to such Person, property, transaction, event or other matter. Applicable Law also includes, where appropriate, any interpretation of the Law (or any part) by any Person having jurisdiction over it, or charged with its administration or interpretation;

“**Business Day**” means any day which is not a Saturday, Sunday or civic or statutory holiday in the cities of Vancouver, British Columbia and Tokyo, Japan;

“**Canadian GAAP**” means generally accepted accounting principles determined with reference to the Handbook of the Canadian Institute of Chartered Accountants, or any successor institute, as amended from time to time;

“**Change of Control**” means the occurrence of any of the following events:

- (a) any Person or group of Persons acting jointly and in concert (within the meaning of the *Securities Act* (Ontario)), becomes the beneficial owner directly or indirectly, of more than 50% of the shares of the Company having the right to vote for the election of members of the board of directors of the Company;
- (b) the Company ceases to own and control, directly or indirectly, all or substantially all of its existing interests in the Kazakh Joint Ventures; or
- (c) the Company (A) consolidates with, amalgamates with or merges with, or into another entity (other than the Company or any Subsidiary), or (B) conveys, transfers or leases all or substantially all of its property and assets to any Person (other than the Company or any Subsidiary);

“Change of Control Date” means the date on which a Change of Control occurs;

“Close of Business” means 5:00 p.m. (Vancouver time);

“Common Shares” means common shares in the capital of the Company;

“Common Share Reorganization” has the meaning ascribed thereto in Section 3.3.1;

“Company” means Uranium One Inc. and every Successor Company which shall have complied with the provisions of Article 6;

“Company’s Auditors” means the independent firm of chartered accountants duly appointed as auditors of the Company from time to time;

“Conversion Price” means Cdn. \$2.30 per Common Share, subject to adjustment from time to time pursuant to Article 3;

“Current Market Price” means, in respect of the Common Shares on any Date of Determination, except as otherwise provided, an amount equal to the Weighted Average Trading Price of such shares on the Toronto Stock Exchange, or if the Common Shares are not listed on the Toronto Stock Exchange, on another Recognized Stock Exchange, for 20 consecutive Trading Days ending five Trading Days prior to such Date of Determination, provided that if the Common Shares are not listed on the Toronto Stock Exchange and are listed on more than one Recognized Stock Exchange, the Current Market Price shall be calculated on the Recognized Stock Exchange on which the volume of transactions on the Common Shares was the highest during such 20 consecutive Trading Days, or if the Common Shares are not listed on any Recognized Stock Exchange, then on the over-the-counter market;

“Date of Conversion” shall mean the date on which this Debenture is converted in accordance with the terms hereof as a result of the occurrence of the MEMR

Waiver Date or as a result of the Holder exercising its rights under subsection 3.1.1;

“Date of Determination” means, as applicable, the Date of Conversion, the Redemption Date, the Payment Date or the Maturity Date;

“Debenture” means this 3% unsecured convertible debenture of the Company and all other debentures in substantially the same form as this Debenture which are issued from time to time in exchange or substitution for this Debenture and in accordance with the provisions hereof;

“Dividends Paid in the Ordinary Course” means dividends paid on the Common Shares in any financial year of the Company, whether in (i) cash, (ii) shares of the Company, or (iii) rights, options or warrants to purchase any shares, property or other assets of the Company (but excluding rights, options or warrants referred to in subsections 3.3.1(c) or 3.3.1(d)), in each case to the extent that the amount or value of such dividends paid in such financial year in the aggregate does not exceed the greater of:

- (a) 150% of the aggregate amount or value of dividends paid by the Company on the Common Shares in its immediately preceding financial year; and
- (b) 100% of the consolidated net income of the Company (before extraordinary items but after dividends payable on all shares ranking prior to or on a parity with the Common Shares with respect to the payment of dividends) for its immediately preceding financial year, determined in accordance with Canadian generally accepted accounting principles,

and for the purpose of the foregoing where any dividend is paid otherwise than in cash, any securities so distributed by way of dividend shall be valued at the Fair Market Value of such securities;

“Event of Default” has the meaning attributed thereto in Section 5.1;

“Fair Market Value” as at any date, means:

- (a) with respect to a security listed and posted for trading on a stock exchange, the Weighted Average Trading Price of such security on such stock exchange for the 20 consecutive Trading Days immediately preceding such date on the stock exchange on which the greatest volume of trading in the security occurred during such 20 Trading Day period;
- (b) with respect to a security not listed and posted for trading on a stock exchange but traded in an over-the-counter market, the Weighted Average Trading Price of such security on such over-the-counter market for the 20 consecutive Trading Days immediately preceding such date;
- (c) with respect to a security not listed and posted for trading on a stock exchange and not traded in an over-the-counter market, the fair market value thereof at such date as determined by the Directors of the Company; or

- (d) for any other security or property, the fair market value thereof at such date as determined by the Directors of the Company or an independent member of the Investment Dealers Association of Canada selected from time to time by the Directors of the Company for such purpose;

“**herein**”, “**hereby**”, “**hereof**” and similar expressions mean and refer to this Debenture as supplemented or amended by any deed or instrument supplemental or ancillary hereto; and, unless otherwise indicated, the expressions “**Article**”, “**section**”, “**subsection**” and “**clause**” followed by a number and/or letter mean and refer to the specified Article, section, subsection or clause of this Debenture;

“**Holder**” means Japan Uranium Management Inc., including its successors and assigns, and any permitted transferee;

“**Interest Payment Date**” means June 30 and December 31 in each year;

“**Issue Date**” means the date on which this Debenture is issued;

“**Kazakh Bring Down Legal Opinion**” means the legal opinions to be delivered effective as of the Date of Conversion, addressed to the Holder, substantially in the form attached to this Debenture as Schedule “B”, from the Company’s local counsel in Kazakhstan;

“**Kazakh Joint Ventures**” has the meaning ascribed thereto in the Subscription Agreement;

“**Kazakh Projects**” means the projects undertaken and operated by the Kazakh Joint Ventures;

“**Laws**” means all statutes, codes, ordinances, decrees, rules, regulations, municipal by laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, directions, rulings or awards, policies, guidelines, or any provisions of the foregoing, including general principles of common and civil law and equity, binding on or affecting the Person referred to in the context in which such word is used; and “**Law**” means any one of such Laws;

“**Maturity Date**” means January 15, 2020;

“**MEMR Waiver**” means a waiver from the Ministry of Energy and Mineral Resources of Kazakhstan of its rights of pre-emption in relation to the Kazakh Projects as sought by the Company in an application dated March 17, 2009 as such application may be re-filed or supplemented from time to time, or such other filings as may be required from time to time by the Ministry of Energy and Mineral Resources of Kazakhstan to permit Japan Uranium Management Inc. to acquire Common Shares upon conversion of this Debenture pursuant to Article 3;

“**MEMR Waiver Date**” means the date on which the MEMR Waiver is obtained and received by the Company and delivered to the Holder;

“**Offer to Purchase**” has the meaning ascribed thereto in Section 7.1.1;

“**Payment Date**” has the meaning ascribed thereto in Section 7.1.1;

“**Person**” means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative or other entity howsoever designated or constructed;

“**Principal Amount**” has the meaning set forth in the first paragraph of this Debenture;

“**Proceeding**” shall mean any suit, action or other judicial or administrative proceeding;

“**Recognized Stock Exchange**” means any one of the Toronto Stock Exchange, the Johannesburg Stock Exchange, the New York Stock Exchange or the London Stock Exchange;

“**Redemption Amount**” has the meaning ascribed thereto in Section 2.5.1;

“**Redemption Date**” has the meaning ascribed thereto in Section 2.5.1;

“**Redemption Notice**” has the meaning ascribed thereto in Section 2.5.3;

“**Repayment Date**” has the meaning ascribed thereto in Section 2.2.1;

“**Related Document**” has the meaning ascribed thereto in the Subscription Agreement;

“**Senior Indebtedness**” means the principal of, the premium (if any) and interest and other obligations on all indebtedness of the Company, other than indebtedness represented by this Debenture which, presently or in the future: (i) is secured; (ii) is owed to a bank or other financial institution, whether or not secured, including, for certainty, any obligations under any swap, derivative or similar transaction entered into in connection with the offering of debentures; (iii) subject to Section 8.1, is project debt; (iv) the 2006 Debentures; or (v) renewals, extensions and refinancings of any such indebtedness, unless, in any of the cases specified above, it is provided by the terms of the instrument creating or evidencing such indebtedness that such indebtedness is not to be superior in right of payment to this Debenture;

“**Subsidiary**” has the meaning given to that term for the purposes of the *Business Corporations Act* (Canada) as of the date hereof;

“Subscription Agreement” means that Subscription Agreement dated on or about December 29, 2009 made between the Company and the Holder in respect of the subscription and issuance of this Debenture, as amended, supplemented, restated or modified from time to time;

“Successor Company” has the meaning given to it in subsection 6.1.1(a);

“Trading Day” means, with respect to any Recognized Stock Exchange or any other market for securities, any day on which such exchange or market is open for trading or quotation;

“Weighted Average Trading Price” means, with respect to any security on a stock exchange or quotation service during a specified period, the quotient obtained by dividing (i) the aggregate sale price of all such securities sold on such stock exchange or quotation service during such period by (ii) the total number of such securities sold on such stock exchange or quotation service during such period, as determined from time to time by the Directors of the Company, or upon request of the Directors of the Company, as determined by an Independent Member of the Investment Dealers Association of Canada for such purpose; and

“2006 Debentures” means the 4.25% convertible unsecured subordinated debentures issued by the Company pursuant to an indenture dated December 20, 2006 between the Company and Computershare Trust Company of Canada.

1.1.2 Except as otherwise expressly provided herein, reference to any statute shall be deemed to be a reference to such statute as amended or re-enacted, from time to time.

1.1.3 Words importing the singular number include the plural, and vice versa, and words importing gender include the masculine, feminine and neuter genders.

1.2 Meaning of “outstanding” for Certain Purposes

This Debenture shall be deemed to be outstanding until it shall be cancelled or delivered to the Company for cancellation and moneys for the payment thereof shall have been paid to the Holder pursuant to the provisions hereof; provided, however, that where one or more new Debentures have been issued in substitution for this Debenture which has been lost, stolen or destroyed, only one of them shall be counted for the purpose of determining the Principal Amount outstanding hereunder.

1.3 Interpretation not Affected by Headings, etc.

The division of this Debenture into Articles, sections, subsections and clauses, and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof.

1.4 Deemed Notice of Debenture

The Holder, and all Persons claiming through or under have, shall be deemed to have notice of, and shall be bound by, the provisions hereof.

1.5 Applicable Law

This Debenture shall be governed by and construed in accordance with the Laws of the Province of Ontario and the Laws of Canada applicable therein without reference to any conflicts of law provisions and shall be treated in all respects as an Ontario contract.

1.6 Accounting Terms

All accounting terms which are not specifically defined herein shall be construed in accordance with Canadian GAAP consistently applied.

1.7 Day not a Business Day

1.7.1 If any day on or before which any action is required or permitted to be taken hereunder is not a Business Day, then such action shall be required or permitted to be taken on or before the requisite time on the next succeeding day that is a Business Day.

1.7.2 Without prejudice to the generality of the foregoing subsection 1.7.1, if any payment to be made by the Company to the Holder hereunder falls due which is not a Business Day, such payment shall be made on the immediately succeeding Business Day, provided that if the due date for any payment hereunder is extended as a result of such adjustment of a payment date, such extended period shall be included in the computation of interest on the Principal Amount owed on such extended due date.

1.8 Currency

All amounts stated herein are expressed in Canadian Dollars.

ARTICLE 2 THE DEBENTURE

2.1 Payment of Principal

2.1.1 The Company will duly and punctually pay or cause to be paid to the Holder the outstanding Principal Amount prior to the Close of Business on the Maturity Date, at the places and in the manner provided for herein together with all accrued and unpaid interest thereon until paid in full, against presentation and surrender hereof at the principal offices of the Company, or as otherwise agreed in writing between the Company and the Holder. Such payment shall be made in Canadian Dollars by certified cheque or bank draft to the Holder or, at the Holder's option, will be payable by wire transfer to such account and at such location as may be specified by written notice from the Holder to the Company given not less than three Business Days prior to the date of payment. For greater certainty, any such payment by wire transfer in accordance with the Holder's specifications shall satisfy and fully discharge the Company's obligations in respect thereof.

2.1.2 Except as expressly provided herein, this Debenture shall not be redeemable by the Company or by the Holder.

2.2 Payment of Interest

2.2.1 The Company shall pay interest on the outstanding Principal Amount from and including the Issue Date at the rate of 3% per annum (before and after the Maturity Date, default and judgment, with interest on overdue interest at the said rate plus two percent (2%) per annum, calculated monthly and

payable in equal semi-annual instalments in arrears prior to the Close of Business on each Interest Payment Date (subject to subsection 2.2.2 and adjustment of payment dates pursuant to subsection 1.7.2) until the earlier of:

- (a) the date on which the Redemption Amount and all other amounts owing hereunder are paid in full in cash;
- (b) the Date of Conversion; and
- (c) the Maturity Date,

as the case may be, (each of the dates referred to in (a), (b), and (c) above referred to as the “**Repayment Date**”) provided that if the Repayment Date does not occur on an Interest Payment Date, all accrued and unpaid interest up to such Repayment Date shall be payable by the Company on such Repayment Date; unless such payment is improperly withheld or refused, upon due presentation and surrender thereof for payment on or after the appropriate date.

2.2.2 Upon and following the occurrence of an Event of Default, and during the continuation thereof, the Principal Amount shall bear interest payable on demand at a rate per annum equal to the rate of interest in effect under this Debenture plus two percent (2%) per annum.

2.2.3 All interest payments to be made under this Debenture shall be paid without allowance or deduction for deemed re-investment or otherwise, both before and after the Maturity Date and before and after default and/or judgment, if any, until payment of the amount on which such interest is accruing, and, to the extent permitted by Applicable Law, interest will accrue on overdue interest.

2.2.4 For the purposes of the *Interest Act* (Canada), if in this Debenture a rate of interest is or is to be calculated on the basis of a period which is less than a full calendar year, the yearly rate of interest to which such rate is equivalent is such rate multiplied by the actual number of days in the calendar year for which such calculation is made and divided by 365 days.

2.2.5 The rate of interest stipulated in this Debenture will be calculated using the nominal rate method of calculation, and will not be calculated using the effective rate method of calculation or on any other basis that gives effect to the principle of deemed re-investment of interest.

2.2.6 In calculating interest under this Debenture for any period, unless otherwise specifically stated, the first day of such period shall be included and the last day of such period shall be excluded.

2.3 Replacement of Debenture

2.3.1 In case this Debenture shall be mutilated or defaced or be lost, destroyed or stolen, the Company shall issue, execute and deliver a new Debenture of like date and tenor as the one mutilated, defaced, lost, destroyed or stolen in exchange for and in place of and upon cancellation of such mutilated certificate and in lieu of and in substitution for such lost, destroyed or stolen certificate.

2.3.2 Upon the application for the issue of a new Debenture pursuant to this Section 2.3, the Holder shall bear the costs of the issue thereof and in case of loss, destruction or theft shall, as a condition precedent to the issue thereof, furnish to the Company such evidence of ownership and of the loss, destruction or theft of the certificates so lost, destroyed or stolen as shall be satisfactory to the Company in its discretion and the Holder may also be required to furnish an indemnity in amount and form satisfactory to the Company acting reasonably.

2.4 Ownership of Debenture

2.4.1 The Person in whose name this Debenture is registered shall for all the purposes of this Debenture be and be deemed to be the owner thereof and payment of or on account of the principal of and interest thereon shall be made, subject to any express provisions hereof to the contrary, only to or upon the order in writing of such Person.

2.4.2 The Company shall not be bound to take notice of or see to the execution of any trust, whether express, implied or constructive, in respect of this Debenture.

2.5 Optional Redemption of Debenture

2.5.1 The Holder shall have the right, at its option, to redeem this Debenture at any time, 24 months after the Issue Date (any such date hereinafter referred to as “**Redemption Date**”), on not less than 12 months prior notice to the Company by delivery of a Redemption Notice at a redemption price equal to the Principal Amount, plus accrued and unpaid interest thereon, if any, up to but excluding the Redemption Date (the “**Redemption Amount**”). In the foregoing case, the Company shall, forthwith after such request of the Holder, withdraw its application for the MEMR Waiver (such application to be deemed to have been withdrawn under this Debenture at the time of such request). For the avoidance of doubt, only the Holder has a right to request for redemption, the Company does not have a right for voluntary redemption under this Debenture.

2.5.2 Notice of Redemption

Notice of redemption of the Debenture shall be given by the Holder to the Company in the form set forth in Schedule “A” hereof (the “**Redemption Notice**”) and in the manner provided in Section 10.2. The Debenture will cease to be convertible into Common Shares upon delivery of the Redemption Notice. For the avoidance of doubt, subject to the restriction that the earliest Redemption Date is 24 months after the Issue Date, a Redemption Notice may be given any time including within the said 24 months period.

2.5.3 Debenture Due on Redemption Date

Upon a Redemption Notice being duly given the Redemption Amount shall be and become due and payable on the Redemption Date specified in such Redemption Notice and with the same effect as if it were the Maturity Date of this Debenture.

2.6 Transfer

This Debenture may only be transferred, sold or otherwise disposed of with the prior written consent of the Company, provided, that, (a) upon the occurrence of an Event of Default, the Holder shall be entitled to transfer, sell or otherwise dispose of this Debenture without the prior written consent of the Company to any Person or (b) upon the delivery of a Redemption Notice, the Holder shall be entitled to transfer, sell or otherwise dispose of this Debenture: (i) with the prior written consent of the Company (to be determined in U-1’s sole discretion); or (ii) without the prior written consent of the Company, to a Japanese public utility or a Japanese trading company (commonly known in Japan as ‘*sogo shosha*’) listed on the Tokyo Stock Exchange and involved in the uranium business and not engaged in any dispute with the Company.

ARTICLE 3 CONVERSION OF DEBENTURE

3.1 Conversion

3.1.1 Subject to Sections 2.5 and 5.2 and the Holder receiving the Kazakh Bring Down Legal Opinion on the Date of Conversion, on the earlier of: (i) the MEMR Waiver Date and (ii) such time as the MEMR Waiver is no longer necessary in order for the Conversion of the Debenture into 117,000,000 Common Shares (subject to adjustment pursuant to this Article 3 and provided that the Company has not ceased to own, directly or indirectly all or substantially all of its existing interests in the Kazakh Joint Ventures), and the other provisions of this Article 3, all, but not less than all, of the outstanding Principal Amount of this Debenture shall automatically, without notice or actual surrender or any other action by the Holder, be deemed to have been converted by the Holder into 117,000,000 Common Shares (subject to adjustment pursuant to this Article 3), to be issued as fully paid and non-assessable Common Shares from treasury and registered in the name of the Holder, the subscription price for such Common Shares to be paid and satisfied by the deemed surrender of this Debenture by the Holder to the Company for cancellation.

3.1.2 For the purposes of this Article 3, this Debenture shall be deemed to be surrendered to the Company for cancellation in satisfaction of the Conversion Price as of the Close of Business on the Date of Conversion. At such time, the Holder shall be entitled to be entered in the books of the Company as the holder of the number of Common Shares specified in Section 3.1. This Debenture shall thereupon be cancelled.

3.2 Completion of Conversion

3.2.1 Within five Business Days of the Date of Conversion, the Company shall deliver to the Holder: (a) certificates for the Common Shares to which the Holder is entitled; (b) a certified cheque or bank draft in the amount of the accrued and unpaid interest thereon to the Date of Conversion; and (c) a certified cheque or bank draft in the amount of the value of a fractional Common Share, if any.

3.3 Adjustment of Conversion Price

3.3.1 If and whenever at any time after the date hereof and prior to the Maturity Date, the Company:

- (a) subdivides its outstanding Common Shares into a greater number of Common Shares; or
- (b) reduces , combines or consolidates its outstanding Common Shares into a smaller number of Common Shares;
- (c) issues Common Shares or securities convertible into or exchangeable for Common Shares to the holders of all or substantially all of the outstanding Common Shares as a stock dividend or otherwise (other than an issue of Common Shares or securities convertible into or exchangeable for Common Shares to holders of Common Shares pursuant to a right granted to such holders to receive such Common Shares in lieu of Dividends Paid in the Ordinary Course);
- (d) makes a distribution on its outstanding Common Shares to the holders of all or substantially all of the outstanding Common Shares payable in Common Shares or securities convertible into or exchangeable for Common Shares (other than an issue of

Common Shares to holders of Common Shares pursuant to a right granted to such holders to receive such Common Shares in lieu of Dividends Paid in the Ordinary Course);

(any of such events in subsections (a), (b), (c) and (d), and being called a “**Common Share Reorganization**”) then the Conversion Price then in effect will be adjusted effective immediately on the effective date or record date for the happening of a Common Share Reorganization, as the case may be, at which the holders of Common Shares are determined for the purpose of the Common Share Reorganization, so that it shall equal the price determined by multiplying the Conversion Price in effect immediately prior to such effective date or record date by a fraction, the numerator of which will be the total number of Common Shares outstanding on such effective date or record date before giving effect to such Common Share Reorganization and the denominator of which will be the total number of Common Shares outstanding immediately after giving effect to such Common Share Reorganization (including, in the case where securities exchangeable for or convertible into Common Shares are distributed, the number of Common Shares that would have been outstanding had all such securities been exchanged for or converted into Common Shares on such effective date or record date).

3.3.2 If and whenever at any time after the date hereof and prior to the Maturity Date, the Company fixes a record date for the issue of rights, options or warrants to the holders of all or substantially all of the outstanding Common Shares under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issue (the “**Rights Period**”), to subscribe for or purchase Common Shares or securities exchangeable for or convertible into Common Shares at a price per share to the holder (or at an exchange price or conversion price per share during the Rights Period to the holder in the case of securities exchangeable for or convertible into Common Shares) which is less than 95% of the Current Market Price for the Common Shares on such record date (any of such events being called a “**Rights Offering**”), then the Conversion Price will be adjusted effective immediately after the end of the Rights Period so that it shall equal the price determined by multiplying the Conversion Price in effect immediately prior to the end of the Rights Period by a fraction:

- (a) the numerator of which will be the aggregate of:
 - (i) the total number of Common Shares outstanding as of the record date for the commencement of the Rights Offering, and
 - (ii) a number determined by dividing (A) either (x) the product of the number of Common Shares issued or subscribed for during the Rights Period upon the exercise of the rights, warrants or options under the Rights Offering and the price at which such Common Shares are offered for such issue or subscription, or, as the case may be, (y) the product of the exchange price or conversion price of such securities exchangeable for or convertible into Common Shares and the number of Common Shares for or into which the securities so offered pursuant to the Rights Offering could have been exchanged or converted during the Rights Period, by (B) the Current Market Price of the Common Shares as of the record date for the commencement of the Rights Offering, and
- (b) the denominator of which will be the number of Common Shares outstanding, or the number of Common Shares which would be outstanding if all the exchangeable or convertible securities were exchanged for or converted into Common Shares during the Rights Period, after giving effect to the Rights Offering and including the number of

Common Shares actually issued or subscribed for during the Rights Period upon exercise of the rights, warrants or options under the Rights Offering.

If the Debenture has been deemed to have been converted to acquire Common Shares in accordance with Article 3 during the period beginning immediately after the record date for a Rights Offering and ending on the last day of the Rights Period for the Rights Offering, the Holder will, in addition to the Common Shares to which the Holder would otherwise be entitled upon such conversion, be entitled to that number of additional Common Shares equal to the result obtained when the difference, if any, between the Conversion Price in effect immediately prior to the end of such Rights Offering and the Conversion Price as adjusted for such Rights Offering pursuant to this subsection is multiplied by the number of Common Shares received upon the conversion of the Debenture during such period, and the resulting product is divided by the Conversion Price as adjusted for such Rights Offering pursuant to this subsection; provided that the provisions of this Debenture relating to fractional Common Shares will be applicable to any fractional interest in a Common Share to which such Holder might otherwise be entitled under the foregoing provisions of this subsection. Such additional Common Shares will be deemed to have been issued to the Holder immediately following the end of the Rights Period and a certificate for such additional Common Shares will be delivered to such Holder within 15 Business Days following the end of the Rights Period. To the extent that any such rights, options or warrants are not so exercised on or before the expiry thereof, the Conversion Price will be readjusted to the Conversion Price which would then be in effect based on the number of Common Shares (or the securities convertible into or exchangeable for Common Shares) actually delivered on the exercise of such rights, options or warrants.

3.3.3 If and whenever at any time after the date hereof and prior to the Maturity Date, the Company fixes a record date for the issue or the distribution to the holders of all or substantially all of the outstanding Common Shares of (i) securities of the Company, including rights, options or warrants to acquire securities of the Company or any of its property or assets and including cash and evidences of indebtedness; or (ii) any property or other assets, including cash and evidences of indebtedness, and if such issuance or distribution does not constitute a Dividend Paid in the Ordinary Course, a Common Share Reorganization, a Rights Offering or a distribution contemplated by subsection 3.3.2 (any of such non-excluded events being called a “**Special Distribution**”), then the Conversion Price will be adjusted effective immediately after such record date so that it shall equal the price determined by multiplying the Conversion Price in effect on such record date by a fraction:

- (a) the numerator of which will be:
 - (i) the product of the number of Common Shares outstanding on such record date and the Current Market Price of the Common Shares on such record date; less
 - (ii) the Fair Market Value; and
- (b) the denominator of which will be the product of the number of Common Shares outstanding on such record date and the Current Market Price of the Common Shares on such record date.

To the extent that any Special Distribution is not so made, the Conversion Price will be readjusted effective immediately to the Conversion Price which would then be in effect based upon such securities or property or other assets as actually distributed.

3.3.4 If and whenever at any time after the date hereof and prior to the Maturity Date, there is a reclassification of the Common Shares at any time outstanding or change of the Common Shares into other shares or into other securities or other capital reorganization (other than a Common Share Reorganization), or a consolidation, amalgamation or merger of, or an arrangement involving, the Company with or into any other corporation or other entity (other than a vertical short-form amalgamation with one or more of its Subsidiaries pursuant to the Canada Business Corporations Act), or a transfer of the undertaking or assets of the Company as an entirety or substantially as an entirety to another corporation or other entity in which the holders of Common Shares are entitled to receive shares, other securities or other property (any of such events being called a “**Capital Reorganization**”), the Holder will be entitled to receive, after the MEMR Waiver Date, and will accept for the same aggregate consideration in lieu of the number of Common Shares to which such Holder was previously entitled upon such conversion, the aggregate number of shares, other securities or other property which such holder would have been entitled to receive as a result of such Capital Reorganization if, on the effective date thereof, the Holder had been the registered holder of the number of Common Shares to which such Holder was previously entitled upon conversion. The Company will take all steps necessary to ensure that, on a Capital Reorganization, the Holder will receive the aggregate number of shares, other securities or other property to which it is entitled as a result of the Capital Reorganization. Appropriate adjustments will be made as a result of any such Capital Reorganization in the application of the provisions set forth in this Article 3 with respect to the rights and interests thereafter of the Holder to the end that the provisions set forth in this Article 3 will thereafter correspondingly be made applicable as nearly as may reasonably be in relation to any shares, other securities or other property thereafter deliverable upon the conversion of the Debenture. Prior to or concurrent with effecting a Capital Reorganization, the Company will make an appropriate adjustment to give effect to this subsection, in which event such adjustment will, if approved by the Directors of the Company, for all purposes be conclusively deemed to be an appropriate adjustment, subject to the prior written consent of a Recognized Stock Exchange.

3.3.5 If the purchase price provided for in any rights, options or warrants (the “**Rights Offering Price**”) referred to in subsections 3.3.2 or 3.3.3 is decreased, the Conversion Price will forthwith be changed so as to decrease the Conversion Price to the Conversion Price that would have been obtained if the adjustment to the Conversion Price made under subsection 3.3.2 or 3.3.3, as the case may be, with respect to such rights, options or warrants had been made on the basis of the Rights Offering Price as so decreased, provided that the terms of this subsection will not apply to any decrease in the Rights Offering Price resulting from terms in any such rights, options or warrants designed to prevent dilution except to the extent that the resulting decrease in the Conversion Price under this subsection would be greater than the decrease, if any, in the Conversion Price to be made under the terms of this Section 3.3 by virtue of the occurrence of the event giving rise to such decrease in the Rights Offering Price.

3.4 Other Adjustment of Conversion Price

If the Company shall take any action affecting the Common Shares, other than an action described in subsections 3.3.1, 3.3.2, 3.3.3 or 3.3.5 but including an action under subsection 3.3.4, which results in the Holder being unable, for any period of time, to enjoy conversion privileges that it would otherwise possess, the conversion privilege may be adjusted in such manner and at such time, or such other adjustment to the conversion privilege may be made, as the Directors of the Company determine to be equitable in the circumstances, subject to the prior written consent of a Recognized Stock Exchange. Failure of the Directors of the Company to take any such action shall be conclusive evidence that the Directors of the Company has determined that it is equitable to make no adjustment in the circumstances.

3.5 Rules Regarding Calculation of Adjustment of Conversion Price

For the purposes of Sections 3.3 and 3.4:

3.5.1 The adjustments provided for in Sections 3.3 and 3.4 are cumulative and will be computed to the nearest one-tenth of one cent and will be made successively whenever an event referred to therein occurs, subject to the following subsections of this section.

3.5.2 No adjustment in the Conversion Price will be required unless the cumulative effect of such adjustment would result in a change of at least 1% in the prevailing Conversion Price; provided, however, that any adjustments which, except for the provisions of this subsection would otherwise have been required to be made, will be carried forward and taken into account in any subsequent adjustment.

3.5.3 No adjustment in the Conversion Price will be required upon the issuance from time to time of Common Shares pursuant to the Company's stock option plans or share purchase plan, or any dividend reinvestment plan, or any similar plan, if any, as such plans may be replaced, supplemented or further amended from time to time. In addition, for greater certainty, no adjustment in the Conversion Price upon an event referred to in subsection 3.3.3 will be required upon the distribution from time to time of Common Shares or securities convertible into Common Shares by way of private placement or prospectus which is made to the public in general.

3.5.4 No adjustment in the Conversion Price will be made in respect of subsections 3.3.1(c) or 3.3.1(d), 3.3.2 or 3.3.3, if the Holder is entitled to participate in such event on the same terms, *mutatis mutandis*, as if it had converted the Debenture prior to or on the effective date or record date of such event. Any such participation will be subject to any required prior consent of a Recognized Stock Exchange.

3.5.5 If at any time a dispute arises with respect to adjustments provided for in Section 3.3, such dispute will be conclusively determined, subject to the consent of a Recognized Stock Exchange, by the Company's auditors, or if they are unable or unwilling to act, by such other firm of independent chartered accountants as may be selected by action of the Directors of the Company and any such determination will be binding upon the Company, the Holder and shareholders of the Company; such auditors or accountants will be given access to all necessary records of the Company.

3.5.6 If the Company sets a record date to determine the holders of Common Shares for the purpose of entitling them to receive any dividend or distribution or sets a record date to take any other action and thereafter and before the distribution to such shareholders of any such dividend or distribution or the taking of any other action, legally abandons its plan to pay or deliver such dividend or distribution or take such other action, then no adjustment in the Conversion Price shall be made.

3.5.7 In the absence of a resolution of the Board of Directors fixing a record date for a Special Distribution or Rights Offering, the Company will be deemed to have fixed as the record date therefor the date on which the Special Distribution or Rights Offering is effected.

3.6 Certificate as to Adjustment

The Company shall from time to time, immediately after the occurrence of any event which requires an adjustment or readjustment as provided in Sections 3.3 and 3.4, deliver an officer's certificate to the Holder specifying the nature of the event requiring the same and the amount of the adjustment or readjustment necessitated thereby and setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based, and the Holder shall be entitled to act and

rely upon such officer's certificate. Such officer's certificate and the amount of the adjustment specified therein shall be conclusive and binding on all parties in interest. Except in respect of any subdivision, reduction, combination or consolidation of the Common Shares contemplated by subsections 3.3.1(a) and 3.3.1(b), the Company shall forthwith give notice to the Holder specifying the event requiring such adjustment or readjustment and the amount thereof, including the resulting Conversion Price; provided that if the Company has given notice under Section 3.7 covering all the relevant facts in respect of such event, no such notice need be given under this Section 3.6.

3.7 Notice of Special Matters

The Company covenants that, so long as the Debenture remains outstanding, it will give notice to the Holder of its intention to fix a record date for any event referred to in subsections 3.3.1, 3.3.2, 3.3.3 or 3.3.4 (other than the subdivision, reduction, combination or consolidation of Common Shares contemplated by subsections 3.3.1(a) and 3.3.1(b)) or a cash dividend (other than a Dividend Paid in the Ordinary Course) which may give rise to an adjustment in the Conversion Price, or other adjustment, and such notice shall specify the particulars of such event and the record date and the effective date for such event; provided that the Company shall only be required to specify in such notice such particulars of such event as shall have been fixed and determined on the date on which such notice is given. Such notice shall be given not less than 14 days prior to the applicable record date in the case of an event referred to in subsections 3.3.1, 3.3.2 or 3.3.3 and not less than 21 days prior to the applicable record date in the case of an event referred to in subsection 3.3.4.

3.8 Company to Reserve Shares

The Company agrees that it will at all times reserve and keep available out of its authorized Common Shares and solely for the purpose of issue upon the conversion of the Principal Amount pursuant to Section 3.1, and shall conditionally allot to the Holder the maximum number of Common Shares as shall then be issuable upon the conversion of the Principal Amount pursuant to Section 3.1. The Company agrees that all Common Shares which shall be so issuable shall be duly and validly issued as fully paid and non-assessable.

3.9 No Requirement to Issue Fractional Shares

The Company shall not be required to issue fractional Common Shares upon the conversion rights pursuant to this Article 3. If any fractional interest in a Common Share would, except for the provisions of this Section 3.9, be deliverable upon the conversion of this Debenture, the Company shall, in lieu of delivering any certificate of such fractional interest, satisfy such fractional interest by paying to the Holder an amount of lawful money of Canada equal (computed to the nearest whole cent, and one-half of a cent being rounded up) to the appropriate fraction of the Conversion Price.

3.10 Taxes and Charges on Conversion

The Company will from time to time promptly pay any and all taxes and charges which may be imposed by the Laws of Canada or any province thereof (except income tax, security transfer tax, if any, or any other amount payable by the Holder) which shall be payable with respect to the issuance or delivery to the Holder of Common Shares upon the conversion of the Principal Amount pursuant to Section 3.1.

3.11 Conversion of Legended Debenture

Any certificates representing the Common Shares issued upon a conversion of this Debenture pursuant to Section 3.1 prior to the date which is four months and a day from the date hereof shall bear the restrictive legend set out at the top of the first page of this Debenture certificate, as well as such other legends as are determined to be required for compliance with Applicable Laws, or the requirements of any relevant stock exchange or securities regulatory authority.

ARTICLE 4 COVENANTS OF THE COMPANY

4.1 Payment of Principal, Premium and Interest

The Company covenants and agrees with the Holder that it will duly and punctually pay the Principal Amount of (and premium, if any) and interest on this Debenture in accordance with its terms.

4.2 Notice of Default

4.2.1 The Company will promptly notify the Holder upon becoming aware of the occurrence of any Event of Default.

4.3 Securities and Applicable Laws

4.3.1 The Company covenants and agrees with the Holder that, while the Debenture remains convertible into Common Shares, it will use reasonable commercial efforts to: (i) as long as it meets the minimum listing requirements of such institution, maintain the listing and posting for trading of the Common Shares on a Recognized Stock Exchange, and (ii) maintain its status as a reporting issuer or equivalent in good standing or equivalent under the Applicable Laws of at least one Province of Canada.

4.4 Performance of Covenants by Holder

4.4.1 If the Company fails to perform any of its covenants contained in this Debenture, the Holder may itself perform any of such covenants capable of being performed by it, but will be under no obligation to do so. All sums expended or advanced by the Holder for such purpose will be repayable as by the Company and added to the amounts owing pursuant to this Debenture. No such performance or advance by the Holder shall relieve the Company of any default hereunder or its continuing obligations hereunder.

ARTICLE 5 DEFAULT AND ENFORCEMENT

5.1 Events of Default

If and when any one or more of the following events (herein called an “**Event of Default**”) shall happen with respect to this Debenture, namely:

- (a) a default in payment of the Principal Amount, or any part thereof, (and premium, if any) when due;
- (b) a default in payment of interest when due and payable;

- (c) a material default in performing or observing any of the other covenants, agreements or obligations of the Company pursuant to this Debenture and such default continues unremedied for a period of 15 days after written notice to the Company by the Holder requiring the same to be remedied, or such longer period of time as the Holder (having regard to the subject matter of neglect or non-observance) shall agree to;
- (d) any representation, warranty or statement contained in this Debenture is untrue or ceases to be accurate in any material respect and such default continues unremedied for a period of 15 days after written notice to the Company by the Holder requiring the same to be remedied, or such longer period of time as the Holder (having regard to the subject matter of neglect or non-observance) shall agree to unless such default is not capable of being remedied at which point such default shall be deemed to occur immediately;
- (e) the Company ceases or threatens to cease to carry on in the normal course all or substantially all of its business;
- (f) the failure to make an Offer to Purchase upon a Change of Control;
- (g) a decree, judgment, or order by a court having jurisdiction in the premises shall have been entered adjudging the Company bankrupt or insolvent or approving as properly filed a petition seeking reorganization, readjustment, arrangement, composition or similar relief for the Company, under the Bankruptcy and Insolvency Act (Canada) or any other bankruptcy, insolvency or analogous applicable law of Canada or any province thereof, and such decree, judgment or order of a court having jurisdiction in the premises for the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of the Company or of a substantial part of its property, or for the winding up or liquidation of its affairs, shall have remained in force for a period of 30 consecutive days; or any substantial part of the property of the Company shall be sequestered or attached and shall not be returned to the possession of the Company or released from such attachment, as the case may be, whether by filing of a bond, or stay or otherwise, within 30 consecutive days thereafter; or
- (h) the Company shall institute proceedings to be adjudicated a voluntary bankrupt, or shall consent to the filing of a bankruptcy proceeding against it, or shall file a petition or answer or consent seeking reorganization, readjustment, arrangement, composition or similar relief under the Bankruptcy and Insolvency Act (Canada) or any other bankruptcy, insolvency or analogous applicable law of Canada or any province thereof or shall consent to the filing of any such petition, or shall consent to the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency for it or of a substantial part of its property, or shall make an assignment for the benefit of creditors, or shall be unable, or admit in writing its inability, to pay its debts generally as they become due, or corporate action shall be taken by the Company in furtherance of any of the aforesaid actions;

then, and in each and every such case which has happened and is continuing, the Holder may declare the principal of (and premium, if any) together with accrued interest on the Debenture to be due and payable immediately, by a notice in writing to the Company, and upon any such declaration such principal amount and premium, if any, together with accrued interest thereon, shall become immediately due and payable.

5.2 Acceleration on Default

In case any Event of Default has occurred and is continuing, the Holder may in its discretion, subject to the provisions of Section 5.3, declare the Principal Amount and all interest thereon in accordance herewith to be due and payable and the same shall forthwith become immediately due and payable to the Holder and the Company shall forthwith pay such amounts to the Holder. In addition, the Company shall withdraw its application for the MEMR Waiver (and such application shall be deemed to have been withdrawn under this Debenture at the time of such request). If the Holder has declared the Principal Amount to be due and payable, the Debenture shall thereafter cease to be convertible into Common Shares.

5.3 Waiver of Default

In case any Event of Default has occurred the Holder may waive the default or annul any declaration or demand made by the Holder on such terms and conditions as the Holder may prescribe; provided that no act or omission of the Holder shall extend to or be taken in any manner whatsoever to affect any subsequent default or the rights resulting therefrom. In case Proceedings shall have been discontinued or abandoned because of any rescission or annulment or for any other reason or shall have been determined adversely to the Holder, then and in every such case the Company and the Holder shall be restored to their several positions and rights hereunder, and all rights, remedies and powers of the Company and the Holder shall continue as though no such Proceeding had been taken.

5.4 Other Remedies; Rights and Remedies Cumulative

5.4.1 If an Event of Default occurs and is continuing, the Holder may pursue any available remedy to collect the payment of Principal Amount (and premium, if any) or interest thereon or to enforce the performance of any term of this Debenture.

5.4.2 All rights and remedies of the Holder set out in this Debenture shall be cumulative and no right or remedy contained herein is intended to be exclusive of any other remedy, but each shall be in addition to every other right and remedy contained herein or in any existing or future security document or now or hereafter existing at law or in equity or by statute. The taking of a judgment or judgments with respect to any of the obligations hereby secured shall not operate as a merger of any of the covenants contained herein.

5.5 Application of Money Collected

Any money collected by the Holder pursuant to this Article in respect of this Debenture shall (subject to any claims having priority under Applicable Law) be applied in the following order, at the dates fixed by the Holder and, in case of the distribution of such money on account of principal of (and premium, if any) or interest, upon presentation of this Debenture and the notation thereon of the payment (if only partially paid) and upon surrender thereof (if fully paid):

- (a) first, to all expenses and costs incurred by the Holder in exercising and enforcing its rights under this Debenture (including all reasonable fees of counsel);
- (b) second, to the payment of accrued interest;
- (c) third, to the payment of the Principal Amount (and premium, if any); and
- (d) fourth, to whomever may be lawfully entitled to receive the balance of such money.

5.6 Judgment Against Company

In case of any Proceeding to obtain judgment for payment of the Principal Amount of, premium, if any, or interest, if any, on this Debenture, judgment may be rendered against it in favour of the Holder for the amount which may remain due in respect of this Debenture and the interest and premium, if any, thereon.

ARTICLE 6 SUCCESSOR COMPANIES

6.1 Amalgamation and Consolidations of Company and Conveyances Permitted Subject to Certain Conditions

6.1.1 The Company will not amalgamate with any other corporation or enter into any reorganization or arrangement or effect any conveyance, sale, transfer or lease of all or substantially all of its assets, unless in any such case:

- (a) either the Company shall be the continuing corporation, or the successor corporation (or the Person that leases or that acquires by conveyance, sale or transfer all or substantially all of the Company's assets) (such corporation or Person being referred to as the "**Successor Company**") shall expressly assume the due and punctual payment of the Principal Amount, the premium, if any, and interest thereon pursuant to this Debenture, according to their tenor, and the due and punctual performance and observance of all the covenants and conditions hereof to be performed by the Company;
- (b) this Debenture will be valid and binding obligations of the Successor Company entitling the Holder, as against the Successor Company, to all the rights of Holder hereunder;
- (c) the Company or such Successor Company, as the case may be, shall not immediately thereafter be in default hereunder; and
- (d) in the case of a Person constituted or organized under the Laws of a province, territory, state or jurisdiction other than the Laws of the Province of Ontario, such Person shall attorn to the jurisdiction of the courts of the Province of Ontario in the event of any dispute, conflict or litigation relating to, arising out of or based on this Debenture.

6.2 Vesting of Powers in Successor

6.2.1 In case of any such amalgamation, reorganization, arrangement, conveyance, sale, transfer or lease and upon any such assumption by the Successor Company, such Successor Company shall agree to be bound by the terms hereof as principal obligor in place of the Company, with the same effect as if it had been named herein as the Company. Such Successor Company thereupon may cause to be signed, and may issue either in its own name or in the name of the Company, any or all certificates representing this Debenture which theretofore shall not have been signed by the Company.

6.2.2 In the case of any such amalgamation, reorganization, arrangement, conveyance, sale, transfer or lease, such changes in phraseology and form (but not in substance) may be made in this Debenture thereafter to be issued as may be appropriate.

6.2.3 Whenever the conditions of Section 6.1.1 have been duly observed and performed, the Successor Company shall possess and from time to time may exercise each and every right and power of

the Company, under this Debenture in the name of the Company or otherwise and any act or Proceeding by any provision of this Debenture required to be done or performed by the directors or any officers of the Company may be done and performed with like force and effect by the directors or the like officer or officers of such Successor Company.

ARTICLE 7

7.1 Repurchase of Debenture upon a Change of Control

7.1.1 Subject to the Holder's conversion right in Section 3.1, the Company must commence, within 30 days of a Change of Control Date, an offer to purchase (the "**Offer to Purchase**") this Debenture in whole, and not in part. The Offer to Purchase shall be made at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest thereon (if any) up to but excluding the date of purchase (the "**Payment Date**"). An Offer to Purchase shall be open for 30 days and the Payment Date shall be the 30th day following the mailing of the Offer to Purchase to the Holder.

7.1.2 An Offer to Purchase shall be commenced by the Company mailing said Offer to Purchase to the Holder and by the Company mailing a notice to the Holder, which notice shall specify: (i) the covenant contained herein pursuant to which the offer is being made; (ii) the purchase price and the Payment Date; (iii) that if this Debenture is not tendered it will continue to accrue interest pursuant to its terms; (iv) that, unless the Company defaults on the payment of the purchase price, this Debenture, if intended, shall cease to accrue interest on and after the Payment Date; (v) that, if the Holder elects to have this Debenture purchased pursuant to the Offer to Purchase, it will be required to surrender this Debenture to the Company at its principal business offices or such other address specified in the notice prior to the Close of Business on the Business Day immediately preceding the Payment Date; and (vi) that the Holder will be entitled to withdraw its election if it receives, not later than the Close of Business on the third Business Day immediately preceding the Payment Date, a facsimile transmission or letter setting forth a statement that such Holder is withdrawing its election to have this Debenture purchased.

7.1.3 On the Payment Date, the Company shall accept for payment this Debenture tendered pursuant to the Offer to Purchase and deliver, or cause to be delivered to the Holder, money sufficient to pay the purchase price of this Debenture.

7.1.4 The Company will comply with all Applicable Laws in connection with the Offer to Purchase.

ARTICLE 8 SUBORDINATION

8.1 Agreement to Subordinate

The payment of the principal of, the premium, if any, and of any interest on this Debenture is hereby expressly subordinated, to the extent and in the manner hereinafter set forth, in right of payment to the prior payment in full of all Senior Indebtedness whether outstanding on the date hereof or thereafter incurred, notwithstanding that no express written subordination agreement may have been entered into between the holders of Senior Indebtedness and the Holder. Notwithstanding the provisions of this Section 8.1, the Company shall continue to make payments on account of interest on this Debenture as they come due unless and until default or an event of default (as defined in any Senior Indebtedness or any instrument evidencing the same and permitting, by the lapse of time or giving of notice, the holders thereof to accelerate the maturity thereof), has occurred and is continuing and in

respect of which notice has been given by or on behalf of the holders of Senior Indebtedness to the Company.

8.2 Distribution on Insolvency or Winding-up

In the event of any insolvency or bankruptcy Proceedings, or any receivership, liquidation, reorganization or other similar Proceedings relative to the Company, or to its property or assets, or in the event of any Proceedings for voluntary liquidation, dissolution or other winding-up of the Company, whether or not involving solvency or bankruptcy.

8.2.1 The holders of all Senior Indebtedness will first be entitled to receive payment in full of the principal thereof, premium (or any other amount payable under such Senior Indebtedness), if any, and interest due thereon, before the Holder will be entitled to receive any payment or distribution of any kind or character, whether in cash, property or securities, which may be payable or deliverable in any such event in respect of this Debenture.

8.2.2 Any payment by, or distribution of assets of, the Company of any kind or character, whether in cash, property or securities (other than securities of the Company or any other corporation provided for by a plan of reorganization or readjustment the payment of which is subordinate, at least to the extent provided in this Article 8 with respect to this Debenture, to the payment of all Senior Indebtedness, provided that (i) the Senior Indebtedness is assumed by the new corporation, if any, resulting from such reorganization or readjustment, and (ii) without prejudice to the rights of such holders with respect to any such plan (including without limitation as to whether or not to approve same and on what conditions to do so), the rights of the holders of Senior Indebtedness are not altered adversely by such reorganization or readjustment) to which the Holder would be entitled, except for the provisions of this Article 8, will be paid or delivered by the Person making such payment or distribution, whether a trustee in bankruptcy, a receiver, a receiver-manager, a liquidator or otherwise, directly to the holders of Senior Indebtedness or their representative or representatives or to the trustee or trustees under any indenture under which any instruments evidencing any of such Senior Indebtedness may have been issued, rateably according to the aggregate amounts remaining unpaid on account of the Senior Indebtedness held or represented by each, to the extent necessary to make payment in full of all Senior Indebtedness remaining unpaid after giving effect to any concurrent payment or distribution (or provision therefor) to the holders of such Senior Indebtedness.

8.2.3 If, notwithstanding the foregoing, any payment by, or distribution of assets of, the Company of any kind or character, whether in cash, property or securities (other than securities of the Company as reorganized or readjusted or securities of the Company or any other corporation provided for by a plan of reorganization or readjustment the payment of which is subordinate, at least to the extent provided in this subsection 8.2.3 with respect to this Debenture, to the payment of all Senior Indebtedness, provided that (i) the Senior Indebtedness is assumed by the new corporation, if any, resulting from such reorganization or readjustment and (ii) without prejudice to the rights of such holders with respect to any such plan (including without limitation as to whether or not to approve same and on what conditions to do so), the rights of the holders of Senior Indebtedness are not altered adversely by such reorganization or readjustment), is received by the Holder before all Senior Indebtedness is paid in full, such payment or distribution will be held in trust for the benefit of, and will be paid over to the holders of such Senior Indebtedness or their representative or representatives or to the Holder or trustees under any indenture under which any instruments evidencing any of such Senior Indebtedness may have been issued, rateably as aforesaid, for application to the payment of all Senior Indebtedness remaining unpaid until such Senior Indebtedness has been paid in full, after giving effect to any concurrent payment or distribution (or provision therefor) to the holders of such Senior Indebtedness.

8.3 Subrogation of Debenture

Subject to the payment in full of all Senior Indebtedness, the Holder shall be subrogated to the rights of the holders of Senior Indebtedness to receive payments and distributions of assets of the Company in respect of and on account of Senior Indebtedness, to the extent of the application thereto of moneys or other assets which would have been received by the Holder, but for the provisions of this Article 8, until the Principal Amount, premium, if any, and interest thereon pursuant to this Debenture shall be paid in full. No payment or distribution of assets of the Company to the Holder which would be payable or distributable to the holders of Senior Indebtedness pursuant to this Article 8 shall, as between the Company, its creditors (other than the holders of Senior Indebtedness) and the Holder, be deemed to be a payment by the Company to or on account of the Holder, it being understood that the provisions of this Article 8 are, and are intended, solely for the purpose of defining the relative rights of the Holder, on the one hand, and the holders of the Senior Indebtedness, on the other hand. Nothing contained in this Article 8 or elsewhere in this Debenture is intended to or shall impair, as between the Company and its creditors (other than the holders of Senior Indebtedness and the Holder), the obligation of the Company, which is unconditional and absolute, to pay to the Holder the Principal Amount of and interest thereon pursuant to this Debenture, as and when the same shall become due and payable in accordance with their terms, or to affect the relative rights of the Holder and the creditors of the Company, other than the holders of the Senior Indebtedness, nor shall anything herein or therein prevent the Holder from exercising all remedies otherwise permitted by Applicable Law upon default hereunder, subject to the rights, if any, under this Article 8, of the holders of Senior Indebtedness upon the exercise of any such remedy.

8.4 No Payment to Holder if Event of Default under the Senior Indebtedness

8.4.1 Upon the maturity of any Senior Indebtedness by lapse of time, acceleration or otherwise, then, except as hereinafter otherwise provided in subsection 8.4.3, all principal of and premium or penalty (or any other amounts payable under such Senior Indebtedness), if any, and interest on all such matured Senior Indebtedness shall first be paid in full, or shall first have been duly provided for, before any payment on account of Principal Amount of and interest thereon pursuant to this Debenture is made, including any amount owed on the Maturity Date.

8.4.2 Except as hereinafter otherwise provided in subsection 8.4.3, the Company shall not make any payment, and the Holder shall not be entitled to demand, institute Proceedings for the collection of, or receive any payment or benefit (including without limitation by compensation, set-off, combination of accounts or realization of security or otherwise in any manner whatsoever) on account of the indebtedness represented by this Debenture (other than pursuant to Section 3.1) (i) in a manner inconsistent with the terms (as they exist on the date hereof) of this Debenture, or (ii) at any time when a default or an event of default, as defined in any Senior Indebtedness or any instrument evidencing the same and permitting, by the lapse of time or giving of notice, the holders thereof to accelerate the maturity thereof, has occurred under Senior Indebtedness and is continuing and notice of such default or event of default has been given by or on behalf of the holders of Senior Indebtedness to the Company and the Holder, unless and until such Senior Indebtedness have been paid and satisfied in full, or unless and until such default or event of default shall have been cured or waived in writing or shall have ceased to exist in accordance with the provisions of such Senior Indebtedness.

8.4.3 For greater certainty but without limiting the generality of the foregoing, this Section 8.4 shall not be construed so as to prevent the Holder from receiving and retaining any payments on account of this Debenture which are made (i) in a manner that is consistent with the terms of this Debenture, and (ii) at any time when no default or event of default (as defined in any Senior Indebtedness or any instrument evidencing the same and permitting, by the lapse of time or giving of notice, the holders

thereof to accelerate the maturity thereof) has occurred and is continuing and in respect of which notice has not been given by or on behalf of the holders of Senior Indebtedness to the Company and the Holder.

8.5 Authorization to Effect Subordination

The Holder covenants and agrees to execute and deliver any such subordination agreements with the Company and the holders, or representatives or trustees thereof, of Senior Indebtedness, whether outstanding or hereafter incurred, which counsel shall advise contains the subordination provisions hereof and as may be necessary in the opinion of counsel or appropriate to effect the subordination provided for in this Article 8.

8.6 Rights of Holders of Senior Indebtedness Not Impaired

No right of any present or future holder of any Senior Indebtedness to enforce the subordination herein will at any time or in any way be prejudiced or impaired by any act or failure to act on the part of the Company or by any non-compliance by the Company with the terms, provisions and covenants of this Debenture, regardless of any knowledge thereof which any such holder may have or be otherwise charged with.

8.7 Altering the Senior Indebtedness

The holders of the Senior Indebtedness have the right to extend, renew, modify or amend the terms of the Senior Indebtedness or any security therefor and to release, sell or exchange such security and otherwise to deal freely with the Company, all without notice to or consent of the Holder and without affecting the liabilities and obligations of the parties to the Holder.

8.8 Additional Indebtedness

This Debenture does not restrict the Company or its affiliates from incurring additional indebtedness for borrowed money (including additional Senior Indebtedness or indebtedness ranking *pari passu* with this Debenture), the issuance or repurchase of securities by the Company or its affiliates or otherwise from hypothecating or charging its property to secure any indebtedness.

8.9 Right of Holder to Convert Not Impaired

The subordination of this Debenture to the Senior Indebtedness and the provisions of this Article 8 do not impair in any way the conversion of this Debenture in accordance with the provisions hereof.

ARTICLE 9 FORM

9.1 Formal Date

This Debenture shall be deemed to bear the date as of the date first written above notwithstanding the actual date of its execution.

ARTICLE 10 MISCELLANEOUS

10.1 Notice to Holder

10.1.1 All notices to be given hereunder with respect to this Debenture shall be deemed to be validly given to the Holder if sent by courier addressed to the Holder at its address last appearing in the Register or by facsimile or other means of recorded electronic communication transmitted to the Holder as aforesaid. Any notice so given shall be deemed to have been effectively given on the date of delivery or, in the case of facsimile transmission or other means of electronic communication, on the date of receipt if received on or before 4:00 p.m., provided such date is a Business Day and if not, then on the first Business Day thereafter. Accidental error or omission in giving notice or accidental failure to mail notice to the Holder shall not invalidate any action or Proceeding founded thereon.

10.2 Notice

Notices authorized or required by this Debenture shall be given by hand, facsimile or electronic mail transmission with receipt electronically confirmed:

If to the Company, addressed to:

Uranium One Inc.
Suite 900, 1285 West Pender Street
Vancouver, British Columbia
Canada V6E 4B1

Attention: Jean Nortier, Chief Executive Officer
Fax number: +1 604 601-5621
Email: jean.nortier@uranium1.com

If to the Holder, addressed to:

Japan Uranium Management Inc.
Suite 1900, 1040 West Georgia Street
Vancouver, British Columbia
Canada V6E 4H3

Attention: Noriaki Mori, Director
Fax number: +81-3-5444-9265
Email: noriaki2.mori@toshiba.co.jp

Each notice sent in accordance with this Section 10.2 shall be deemed to have been received (a) if delivered in person, on the day of delivery, or (b) if sent by fax or by electronic mail transmission with receipt electronically confirmed, on the same day it was sent or on the first Business Day thereafter if it was not sent on a Business Day during business hours of the recipient. Notice of change of address shall also be governed by this Section 10.2.

10.3 No Recourse Against Others

A director, officer, employee or shareholder, as such, of the Company shall not have any liability for any obligations of the Company under this Debenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting this Debenture, the Holder shall waive and release all such liability and such waiver and release shall be part of the consideration for the issue of this Debenture.

10.4 Successors

All agreements of the Company in this Debenture shall bind its successors.

10.5 Severability Clause

If any provision herein shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

10.6 Waiver

To the extent permitted by Applicable Law, the Company unconditionally and irrevocably waives all claims, damages and demands it may acquire against the Holder arising out of the exercise by the Holder of any rights or remedies under this Debenture or at law. None of the terms or provisions of this Debenture may be waived, amended, supplemented or otherwise modified except by a written instrument executed by the Holder. The Holder will not, by any act, omission or delay, be deemed to have waived any right or remedy hereunder or to have acquiesced in any Event of Default or in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of the Holder, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder will preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Holder of any right or remedy hereunder on any one occasion will not be construed as a bar to any right or remedy which the Holder would otherwise have on any future occasion. Neither the taking of any judgment nor the exercise of any power of seizure or sale will extinguish the liability of the Company to pay the liabilities under this Debenture, nor will the same operate as a merger or any covenant contained in this Debenture or of any other liability, nor will the acceptance of any payment or other security constitute or create any novation.

IN WITNESS WHEREOF, each of the parties agrees to the foregoing and has caused this Debenture to be executed on its behalf by its duly authorized officer as of the 15th day of January, 2010.

URANIUM ONE INC.

Per: _____
Name: _____
Title: _____
I have authority to bind the Corporation

JAPAN URANIUM MANAGEMENT INC.

Per: _____

Name:

Title:

I have authority to bind the Corporation

SCHEDULE “A”
FORM OF REDEMPTION NOTICE

URANIUM ONE INC.
3% UNSECURED CONVERTIBLE DEBENTURE DUE
JANUARY 15, 2020

REDEMPTION NOTICE

TO: URANIUM ONE INC.

RE: 3% Unsecured Convertible Debenture due January 15, 2020 (the “**Debenture**”) of **Uranium One Inc.** (the “**Company**”) in favour of **Japan Uranium Management Inc.** (the “**Holder**”) dated January 15, 2010

Note: All capitalized terms used herein have the meaning ascribed thereto in the Debenture mentioned below, unless otherwise indicated.

Notice is hereby given pursuant to Article 2 of the Debenture that the Holder hereby requests that the Debenture be redeemed as of [•] (the “**Redemption Date**”), upon payment of the Principal Amount and all accrued and unpaid interest thereon to but excluding the Redemption Date (collectively, the “**Redemption Amount**”).

DATED: _____

**JAPAN URANIUM MANAGEMENT
INC.**

(Authorized Officer)

SCHEDULE “B”

FORM OF KAZAKH BRING-DOWN LEGAL OPINION

[Form of Kazakh Bring-Down Legal Opinion redacted]