

News Release

July 15, 2010

Uranium One Special Committee and Board Recommend Transaction with ARMZ

Vancouver, British Columbia and Johannesburg, South Africa – Further to its press release of June 8, 2010, Uranium One Inc. (“Uranium One”) announced today that its Board of Directors has approved recommending to shareholders the acquisition of a 50% interest in the Akbastau uranium mine and a 49.67% interest in the Zarechnoye uranium mine (collectively, the “Assets”) from JSC Atomredmetzoloto (“ARMZ”).

In addition, ARMZ will contribute US\$ 610 million in cash, at least US\$ 479 million of which will be paid directly to shareholders (other than ARMZ) as a change of control premium after closing, by way of a special dividend of at least US\$ 1.06 per share.

In arriving at its decision, the Board took into account, among other things, the recommendation of the Special Committee of independent directors formed to review the transaction, a formal valuation of the Assets from the Special Committee’s independent financial advisor, CIBC World Markets Inc. (“CIBC”), as well as fairness opinions prepared by CIBC and the Company’s financial advisor, BMO Capital Markets (“BMO”). CIBC’s formal valuation range for the Assets is US\$ 815 million to US\$ 1.0 billion. The directors of Uranium One who are officers of ARMZ, Messrs. Vadim Zhivov and Ilya Yampolskiy, declared their interest in, and abstained from voting or making any recommendation in respect of, the transaction.

The Board has accordingly recommended that shareholders of the Company vote in favour of the transaction at a special meeting of shareholders to be held in Vancouver, British Columbia on August 31, 2010.

Highlights of the transaction include:

- ARMZ will contribute Assets with an attributable value of US\$ 907.5 million (based on the midpoint of CIBC’s formal valuation range)
- In addition, ARMZ will contribute US\$ 610 million in cash largely as a change of control premium
- Most of the cash contributed by ARMZ will be used to fund a special dividend to shareholders (other than ARMZ) of at least US\$ 1.06 per share, representing a change of control premium
- ARMZ will receive 356 million new common shares of Uranium One
- Creation of the world’s 5th largest uranium producer with pro forma attributable production of 10.5 million pounds U₃O₈ in 2011
- Approximately 60% increase in steady state attributable production from Kazakhstan to approximately 16 million pounds U₃O₈ per year by 2017

- Industry leading margins with consolidated total cash costs per pound sold to remain less than US\$ 20
- Potential for operational and management synergies upon integration of the acquired Assets

The foregoing assumes that Japan Uranium Management Inc. (“JUMI”) will exercise its right of repurchase under the terms of its convertible debenture, which will be triggered by the transaction. Should JUMI elect to retain its debentures, the definitive transaction documentation provides for consequential increases in the cash to be contributed by ARMZ to Uranium One, shares issued by Uranium One to ARMZ and dividends paid to shareholders (other than ARMZ).

Uranium One also announced that the transaction has received all required formal corporate approvals from ARMZ.

Jean Nortier, Chief Executive Officer of Uranium One said:

“Our due diligence has confirmed the high quality nature of the Akbastau and Zarechnoye uranium mines. We look forward to completing this transaction by the end of the year, which will propel Uranium One into the ranks of the world’s largest uranium suppliers with an attractive consolidated total cash cost of less than US\$ 20 per pound.”

Vadim Zhivov, Director General of ARMZ commented:

“From ARMZ’s perspective, this transaction will solidify Uranium One’s position as a leading uranium supplier. We are committed to supporting Uranium One in its continued growth strategy, which we expect will benefit all shareholders of the Company.”

Update on Transaction Process

The transaction is no longer subject to legal due diligence review, both parties having completed their due diligence inquiries to their satisfaction by July 15, 2010.

The transaction remains subject to Uranium One shareholder approval, including majority of minority approval, to be sought at a special meeting of shareholders to be held on August 31, 2010 in Vancouver, British Columbia. The record date for shareholders entitled to receive notice of and attend the special meeting is July 26, 2010. A notice of special meeting and management information circular, including a copy of the CIBC formal valuation and fairness opinion, is expected to be sent to registered and non-registered shareholders on or about August 4, 2010.

The transaction, which is also subject to required Kazakh and other regulatory approvals, and other usual and customary closing conditions, is expected to be completed before the end of 2010.

Uranium One Board Composition

As previously disclosed, the Board of Uranium One will be reduced in size following completion of the transaction from 13 to nine directors, five of whom will be independent directors.

The five independent directors will include Ian Telfer, who will remain as Independent Chairman of Uranium One. Ken Williamson, Chairman of the Company’s Compensation Committee, and

Andrew Adams, Chairman of the Company's Audit Committee, will also continue as independent directors of Uranium One. The other two independent directors, each nominated by ARMZ, are Phillip Shirvington, an existing independent director of Uranium One (and previously CEO of UrAsia Energy Ltd.), and Peter Bowie, who will join the Board after closing.

Peter Bowie served as the Chief Executive Officer of Deloitte China from 2003 to 2008 and was responsible for leading the strategy and operations of the firm as it grew from 2,300 employees to over 8,200 employees to become Deloitte's third largest member firm globally. He was senior partner and a member of the board and the Management Committee of Deloitte China until his retirement from the firm in May 2010. Previously, Mr. Bowie was Chairman of Deloitte Canada, a member of the firm's Management Committee and a member of the Board and Governance committees of Deloitte International. He is a member of the Board of the Asian Corporate Governance Association and has served on a variety of boards in the private and NGO sectors.

The balance of the Board will consist of Jean Nortier, the Company's Chief Executive Officer, Vadim Zhivov, Director General of ARMZ, Ilya Yampolskiy, Deputy Director General of ARMZ, and one additional non-independent director to be nominated by ARMZ before closing.

The foregoing assumes that JUMI exercises its right of repurchase under its convertible debenture and ceases to be represented on the Uranium One Board after closing. In the event JUMI continues to be entitled to Board representation, ARMZ would be entitled to nominate additional independent directors, to the extent required to ensure a majority of independent directors.

About ARMZ

ARMZ is the world's fifth largest uranium producer with operating mines in Russia and Kazakhstan. During 2009, operations in which ARMZ is involved produced 12.1 million pounds of U₃O₈. It is wholly-owned by State Atomic Energy Corporation "Rosatom", the Russian State Corporation for Nuclear Energy which consolidates all nuclear assets of the Russian Federation.

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 and Australia.

For further information, please contact:

Jean Nortier
Chief Executive Officer
Tel: +1 604 601-5642

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, the completion of the transaction described in this press release, the exercise by JUMI of its right of repurchase, the future steady state production and cash costs of Uranium One, the actual results of current exploration activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, 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, delays in obtaining government approvals or financing or in completion of development or construction activities, risks relating to the integration of acquisitions and the realization of synergies relating thereto, to international operations, to prices 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, 2009, 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.